

**An Assessment of urban land lease policy implementation
in Ethiopia:**

Case study of Bahir Dar, Ethiopia

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by

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Abstract

The Government of Ethiopia introduced the land lease policy in 1993 under proclamation No. 80/1993 with a number of objectives. In order to realise those objectives the Amhara National Regional State translated them into regional policy goals and instituted different regulations and directives. The main goals of the policy in the region were to provide adequate serviced land so as to improve the economic efficiency of urban lands and to improve the quality of life for residents. This study assesses the policy implementation practices in land lease allocation processes in relation to rules, regulations and guidelines to attain the anticipated policy goals. This was accomplished amongst others through a case study research method where Bahir Dar city in Amhara was selected. Primary data was collected through structured, semi-structured, open-ended interviews and focus group discussion. Unstructured or open-ended interviews were employed for key informants, structured interviews were used for individual customers and semi-structured interviews for “City Actor’s” staffs. Secondary data were collected from administrative documents. The theoretical base of the study was established through literature review. The data collected were analysed using both qualitative and quantitative approaches. The results revealed that the existing implementation practices of urban land lease in the city didn’t respond adequately to the demand due to inefficiency in serviced land allocation, excessive speculations and non-transparency in land allocation. This led to a slow down in investments and insufficient public infrastructure provision. Despite the land lease allocation practices being out of the intention of the land lease goals, some successes were noticed which included investment activities as a result of proper implementation of the lease policy. The central and state government issued administrative orders and instituted different proclamations, guidelines, regulations, manuals, standards and directives which were intended to improve the situation and had a spirit of competitive land market. However, many of the partial guideline and directives revisions lacked appropriate investigation and were open to different assessment. Therefore those minor gaps played a main role during implementation; thus, the implementing organisations were yet to realise the expected results, because the hypothesis test results show that revenue collection was successful but physical works was insufficient. Also lack of coordination among implementing organizations was found to be a persistent problem. In general it can not be said that the existing practice was efficient, effective and in corruption resistant way. Thus, the practices of land lease implementation had negatively impacted on the anticipated policy goals. The implementation of the lease policy can lead to the desired results only if decisions by the government are made based on regulations emanating from inclusively well-investigated issues and enforceable laws as well as auditable organisational processes rather than incidental event.

Key words: - *Leasehold policy, Urban Land Leasing, Land Provision and Administration, Land Development, Actors, Organisational process and Land Allocation, Bahir Dar City.*

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List of abbreviations

ANRS	Amhara National Regional State
ARUPI	Amhara Region Urban Planning Institute
ARBOWUD	Amhara Region Bureau of Work and Urban Development
AREA	Amhara Region Ethics and Anticorruption
BPR	Business Process Re-Engineering
CA	City Administration
CSA	Central Statistics Authority
Design & co	Design and Construction
E.C	Ethiopian Calendar
FDREPPC	Federal Democratic Republic of Ethiopia Population Census Commission
EPLAUA	Environmental Protection, Land Administration and Use Authority
FAO	Food and Agriculture Organization
FDRE	Federal Democratic Republic of Ethiopia
FIG	Federation of International Surveyors
LA	Land Administration
LAS	Land Administration system
LDP	Local Development Plan
GIS	Geographical Information System
LPAD	Land Provision and Administration
IAA	International Aid Agency
M2	Square Meter
NUP	National Urban Planning Institute
ULLHP	Urban Land Lease Holding Proclamation
PPP	Public Private Partnership
RULLHP	Re-enactment of Urban Land Lease Holding Proclamation
TGE	Transitional Government of Ethiopia
ARTIB	Amhara Region Trade and Industry Bureau
UN/ESCAP	United National Economic and Social Commission for Asia and the Pacific
UNCHS	United Nations Centre for Human Settlements
UNDP	United Nations Development Program's

1. Introduction and background

1.1 Introduction

Land is the basis of all economic activities (Deininger, 2003b). According to Clover and Eriksen (2009) land has been highlighted as critical for economic growth and poverty reduction. Land is a focus of attention to any government and society (Zeluel, 2000). According to Zevenbergen, Frank et al. (2007), land and buildings are so important for the society in such a way that the society has constructed safeguards to regulate real property transactions through specific procedures. These procedures facilitate the peaceful and optimal use of the land, which can be obtained through access to land. According to Clover and Eriksen (2009) access to resources and environmental sustainability are critical for livelihoods of poor populations. Deininger (2003a) provide that control over land is a source of power and property. According to Zevenbergen, et al. (2007), transfer of ownership and other rights in land and buildings is of vital importance to the society. This can be facilitated through different land tenure systems, one of which in land leasehold system.

Hong and Bourassa (2003b) notes that in many transitional economies, officials have been experimenting with public leasehold system to minimize the economic and political conflicts that arise from land reforms. Public leasehold as a system allows governments as a representative of the public and private parties to negotiate the delineation and assignment of multiple land rights through contractual arrangements and rent. However, both Hong and Bourassa (2003b) and Olima and Obala (1998) claim that land leasing requires a considerable level of integrity and a high degree of coordination, in the procedural steps and process so as to avoid cumbersome processes. These problems may be evident when the delegated organizations/departmental processes are not clearly known or not working well, it may result into excluding the low-income group from access to land. Though land lease have social and economic benefits its implementation has not been successful in many cities around the globe. However the relationship between organisational implementation practices and internally set land lease targets or goals are yet to be investigated intensively.

1.2 Definition of terms

In this thesis land lease is defined to mean a tenure system where the government legally owns land, and grants it to purchasers or leaseholders for a fixed period of time. The purchaser (lessee) receive a lease to use the land for a specific period of time (often 50-99 years) at a rent (Warden, 2001). A successful land lease policy is defined by Virtanen (2003) as comprising four main points, which are:- 1) good leasehold legislation, 2) competent and none corrupt administration, 3) clear policy goals supported by enforceable lease conditions and 4) complimentary planning system. Actors refer to the delegated organization (bodies) involved in implementing the operational activities in urban land lease in order to meet the intended goals of the policy. Process refers to different set of activities, work steps designed to produce one specific output in the organizational procedural steps.

1.3 Background

Land is a major socio-economic asset in Ethiopia (Zeluel, 2000). Adenew and Abdi (2005) states that the way land rights are defined influences how land resources are used and hence, economic growth. The struggle over who controls land has played a significant role in the history of Ethiopia and its Regions. The country has a long legacy of state intervention in land tenure relations and has exerted considerable influence on local land tenure throughout different political regimes. Woldegebreal (2005) provide that the issue of land tenure system has remained to be one of the most political concerns in the country. According to Kebede (2002), Zeluel, (2000) and Aneley (2006) prior to 1975, land in Ethiopia was concentrated in the hands of absentee landlords; tenure was highly insecure, arbitrary evictions were common, and many lands were underutilized. High inequality of land ownership reduced productivity as well as investment and led to political grievances and eventually overthrow of the imperial regime.

The demand for land reform was the main economic issue that fuelled the revolution by 1974 in Ethiopia where most of the rural and urban population joined hands in making a countrywide revolution. Urban land real estates including extra houses were nationalized and made public properties. The 1975 land nationalization law and the subsequent expropriation of extra house and factories as well as financial institutions were measures, mainly designed to appease the left wing group and were not meant for the radical transformation of both the rural and urban economies respectively (Aneley, 2006).

Although after revolution land became freely available, there was no equity in land distribution. The military regime showed favouritism, by handing out the best and biggest parcels of land to their own political affiliates or friends. Favouritism and lack of public investment led to rapid declines in productivity, the rapidly growing population, caused widespread environmental degradation (Kebede, 2002; Yirsaw, 2006). In addition, Aneley (2006).claimed that the military regime never had a program of slum area upgrading and renewal; hence, having nationalized massive substandard small houses and preventing their renewal accelerated the further decay of the wide range slum and state houses in most cities in the country. Having no policy of renewal and upgrading, the construction work in the expansion area only aggravated the problem by creating massive demand for infrastructure. No real estate developers were created to develop land for residence, industry and services. This created housing shortage and too much horizontal expansion in almost all urban areas of the country, without infrastructural provision

Before 1991 there was no equity in land distribution especially women right were neglected, for instance in Amhara Region, women's right to land was secondary and it was derived through their membership in households and attained primarily through marriage (Teklu, 2005). All these problems cumulatively led to serious housing deficit and it demanded reform (Aneley, 2006). Thus, the Federal Government of Ethiopia has embraced an ambitious program through the proclamation number 80/1993 that provides lease holding. The intention of the government was to enhance private sector development in the country (Warden, 2001). In addition the policy insured equal right in land redistribution between 1991-1996 that brought a radical change in the pattern of women's right in the region, from being secondary users to being holders of land rights (Teklu, 2005). According to Gondo (2008) the policy is directly related to both urban and rural right of possession. It has ensured long-

term use rights to private business (50-99 years) it is hoped that it will discourage speculators and middlemen who were unnecessarily involved in the process of land acquisition. Moges (2008) identifies two issues in relation to the land lease policy in Bahir Dar city. First there is lacks of a comprehensive parcel data including number of housing units which has resulted among other things in inefficient land rent/tax collection system and has hampered the city administration from attaining the expected revenue, secondly the real estate management has generally been based on traditional and customary institutions and laws leading to non-optimal utilisation of land.

1.4 Research justification

Catherine Farvacque and McAuslan (1992) argue that, leasehold is unsuccessful in many cities around the globe because it is unpopular with property developers; it is less safe, less free and has inefficient bureaucracy. Sikor and Müller (2008) provide that, land lease encounters significant problems on the ground due to their reliance on “top-down” initiatives and bureaucratic implementation. Deininger (2004) note that, in peri-urban areas, unoccupied land of high potential often lacks investment and is subject to bureaucratic red tape, non transparent processes of land lease allocation and limits development. Deininger et al. (2004) argue that land lease yields negative effects on land productivity than would be achievable with the working of freehold tenure, especially if the delegated organizations are not working well, are poorly coordinated, inefficient and ineffective, or non-transparent transactions costs will increase, thus reducing the level of transactions below what would be socially optimal and in many cases excluding completely the poor.

On the contrary Werner (2001) and Hong (1998) argue that, Freehold tenure was identified as unsuitable land tenure option and is not sufficient to realize property transfer for more efficient use. Consequently, land lease tenure was put forward because, the system allows the state to remain as the landowner and lease the land for a fixed time period. The notion of land lease has permeated thinking as a land tenure system, but the implementation has often been unsuccessful (Hong, 1998). Hong and Bourassa (2003b) identifies the advantages associated with leasehold system. Firstly, it enables the governments to recapture land value increments by collecting annual land rents and other lease payments and secondly it enhances the achievement of other policy objectives such as stabilizing land prices, controlling land use and facilitating land redevelopment. Zeluel, (2000) claim that land leasing is a flexible tool to share and redistribute societies scarce resources and give opportunity for the government to support the low income group so that disadvantaged groups of the society can share its output. Olima and Obala (1998) argue that leasehold tenure is more suitable as it results into high productivity in urban development such quicker implementation of town plans than on freehold land owned by private people.

Olima and Obala (1998) argue that land lease system is better than freehold system in implementing urban development plans and control illegal and informal settlements. They provide that difficulties in controlling freehold tenure make planning and development extremely problematic because the system tends to coexists with land use conflicts. They observed that in surveyed towns of Kenya freehold tenure system has not brought the most efficient pattern of urban development rather reinforced inequalities in people’s wealth; it blocks access to land for the lower-income groups, plot acquisitions is accompanied with irregularities and unfair practices that have favoured the politically and economically connected powerful individuals in the society. In addition, freehold tenure system

limits the ability of the state to plan the use of urban space to meet various needs like, to provide public infrastructural services and to subsidise housing for the low-income group of society.

Due to the above problems associated with freehold tenure system and advantages of leasehold tenure system, land lease system can be opted for as a better system to attain the anticipated goal of the urban plans. However, there are practical problems associated with leasehold system these include; one administration of public lease requires a considerable level of sophistication and a high degree of integrity and coordination in the procedural steps so as to avoid temptations for favouritism and corruption. Second the productivity of leaseholds depends on their duration to permit the lessee to obtain credit for the construction of building structures most appropriate to the site; thirdly it requires high level of integrity between organizations/departments in the implementation procedural steps. Hong and Bourassa (2003b) argue that land leasing could be a very flexible land management tool. It can allow the government to reach comprehensive policy goals by incorporating a set of relevant and enforceable contractual agreements into land leases. Behind this statement it is assumed that policy makers and analyst have forethought to predict how they can structure lease condition to achieve their policy goals. However, practically this is done by trial and error. Despite these suggested benefits, public leasehold remains understudied and its adaptability remains at an abstract level (Hong, 1999).

1.5 Problem statement

The administration of public leases requires a considerable level of skill and a high degree of coordination and integrity in the procedural steps, so as to avoid unnecessary work steps, long time taking and tedious bureaucracy that results to temptations for favouritism and informal payment. According to Gondo (2008) despite the existing policies in Ethiopia, aimed at eradicating poverty through improved access to land, most towns and cities in Ethiopia are still struggling with a number of challenges. The general perception among most town and city administrators is that land delivery system has not been able to solve the land lease problems. Consequently land supply has always lagged behind demand. This is because of a number of challenges exists that are continuously constraining the allocation of land to the low-income group. Both the public and private formal land delivery systems have failed to cope with the needs of the urban poor.

According to Mekonnen (2008) the inability of the municipality in providing the needs of land for housing and lack of regulatory and means of controlling informal settlements in the city aggravates illegal settlement these informal settlements create additional burden for the municipality during land development; where the municipality had financial limitations to provide serviced land. Having fast population growth and increasing land demand with limited capacity to make available serviced land resulted to impeding the orderly development of the city. As urban land allocation processes is the back bone of urban land lease policy, it is interesting to investigate the relationships between organizational/departmental implementation practises in relation to rules, regulations and guidelines. in urban land lease allocation and the overall out come of land lease delivery as required by rules and regulations within a particular Region.

1.6 Research objective and research questions

1.6.1 Research objective

This study investigates the implementation processes involved in urban land lease allocation in relation with the rules and regulations set to attain the anticipated goal of the policy and to examine the extent of such implementation influence the anticipated goal of urban land lease policy.

1.6.2 Research questions

1. What is the anticipated goal of the policy in relation to land lease allocation?
2. How are the different processes in land lease allocation coordinated to attain the targeted goals?
3. What are the major determinants of the urban land lease implementation process?
4. To what extent are existing practices in urban land lease implementation influences the anticipated goals of the policy?

1.7 Research hypothesis

- The outcome of urban land lease policy implementation in Bahir Dar city deviates from the anticipated goals and plans set by the city administration.
- There are organizational problems that persist in land lease implementation in more than one organization.

1.8 Research methodology

In order to answer each research questions, a case study was carried out in Bahir Dar city, Ethiopia. Case study is an empirical inquiry that help to investigate a contemporary phenomenon within its real-life context, when the boundary between phenomenon and context are not clearly evident; and in which multiple sources of evidence are used (Yin, 2003).

“[...] the case study method allows investigators to retain the holistic and meaningful characteristics of real life events such as individual life cycles, organizational and managerial processes, [...]” (Yin, 2003).

1.8.1 Literature review

The existing literatures on urban land lease were reviewed to find out the factors that had influenced the urban land lease policy successes. The review involved both successes and failures in the implementation of land lease from previous studies. The review also includes LA and LAS evaluation.

1.8.2 Fieldwork

The fieldwork was required in order to collect and observe the existing situation of a study area. The fieldwork involved a case study of current practices to specify and better understand the problems and needs from the customer perspectives (van den Akker, 1999). The main aim of the fieldwork was to collect data and to have a clear picture about the study area. The data used for this study were collected from primary and secondary sources. Multiple sources of evidence were used to substantiate any insight provided by informants and to detect divergent evidences (Yin, 2003).

➤ **Primary sources**

Data from the primary sources were collected through personal interviews, discussions with various groups of people and direct observation. The interviews was based on both direct/ structured, semi structured and open-ended questions to enable respondents provide insights on the line of investigation (Yin, 2003). The interviews and focus group discussions was conducted among the following groups of people.

- With “City and Regional Actor” officers, administrators, officials, related professionals and City court judges (interview and semi-discussion).
- With a few stratified randomly selected land lease residential, social services, Industrial and commercial occupants (interview). In order to get divergent data some financial bank managers and academia that have better awareness in land lease policy were interviewed.

The interviews focused on their views, opinions and experiences regarding the existing urban land lease policy implementation.

1.8.3 Secondary sources

The required secondary data were collected from the respective government offices. Administrative documents were collected from the organizations/departments such as the existing rules regulations, guidelines, reports, publications and archival records.

1.8.4 Methodology for data analysis

The data analyses were employed qualitative and quantitative methods. The data collected from the customer survey and “City Actor” staff was analysed quantitatively. And the data collected through observation, open-ended and discussion with the respective officials had been analysed qualitatively. The data analysis in this research passed through different steps. In order to get better result the data analysis started with response transcript, following by clustering similar responses and continued two more steps for the data alteration.

1.8.5 Research design

This research requires a set of concepts in order to adequately strengthen the foundation of the message and to present the study in a clear perspective. As illustrated in figure 1.1 different steps and processes were categorized. Thus, the research design, methods for data collection & data analysis of the research including the steps are given in figure 1.1.

1.8.6 Research matrix

Multiple methods were adopted for obtaining answers on research question as stated in table 1.1, the matrix shows research questions and corresponding methods applied in order to answer the research questions.

Table 1.1 Research matrix

Research objective	Research question	Methods	Approach	Type of analysis
1) This study investigates the implementation processes involved in urban land lease allocation in relation with the rules and regulations set to attain the anticipated goal of the policy and to examine the extent of such implementation influence the anticipated goal of urban land lease policy.	1) What are the anticipated goals of the policy in relation to urban land lease allocation?	Review of previous studies on urban land lease, and policy, rules and guidelines	Literature review	Qualitative
	2) How are the different processes in land lease allocation coordinated to attain the targeted goal?	Review of previous studies on urban land lease, including successful and unsuccessful implementation, land management and land administration system evaluation	Literature review, structured, semi structured, semi-discussion and un structured/open ended interview	Both Qualitative and quantitative
	3) What are the major determinants of the urban land lease implementation?			
	4) To what extent are existing practices in urban land lease implementation influences the anticipated goals of the policy?			

1.8.7 Scope of the research

The scope of this thesis was limited only on the understanding of policy goals related to land allocation, processes involved, time taken in land allocation and coordination across the implementing organizations, determinants of the land lease and the extent of existing practices in influencing the anticipated policy goals.

1.9 Thesis structure

The structure of the thesis consists of six chapters.

Chapter 1: Introduction

This chapter provides an orientation for the research; which includes background; research problem, objectives, research questions, and research design, scope, and thesis structure.

Chapter 2: Literature review:

This chapter describes literature on general urban land management, land administration system evaluation, define tenure type, urban land leasing related issues, and then develop predetermined and determined indicators and theoretical frame work of the research.

Chapter 3: Fieldwork data collection

This chapter includes the methodology, method and approach used for the research and for field data collection. In addition, this chapter also gives an insight of the approach on the determined indicators.

Chapter 4: Field result and analysis

This chapter focus on the summary of field results and findings. The analysis and findings related to the current situation on urban land lease allocation processes in relation to the rules and regulations to attain the expected goals, result for hypothesis testing and to be able to examine how the existing implementation influence the anticipated goal.

Chapter 5: Discussions

The findings in chapter four were discussed in this chapter. The literatures reviewed in chapter two were used to validate the field findings.

Chapter 6: Conclusions and recommendations

This chapter provide a summary of how the main research objectives were achieved. It gives insights on the answers to the research questions and recommendations for further research in the area of urban land lease.

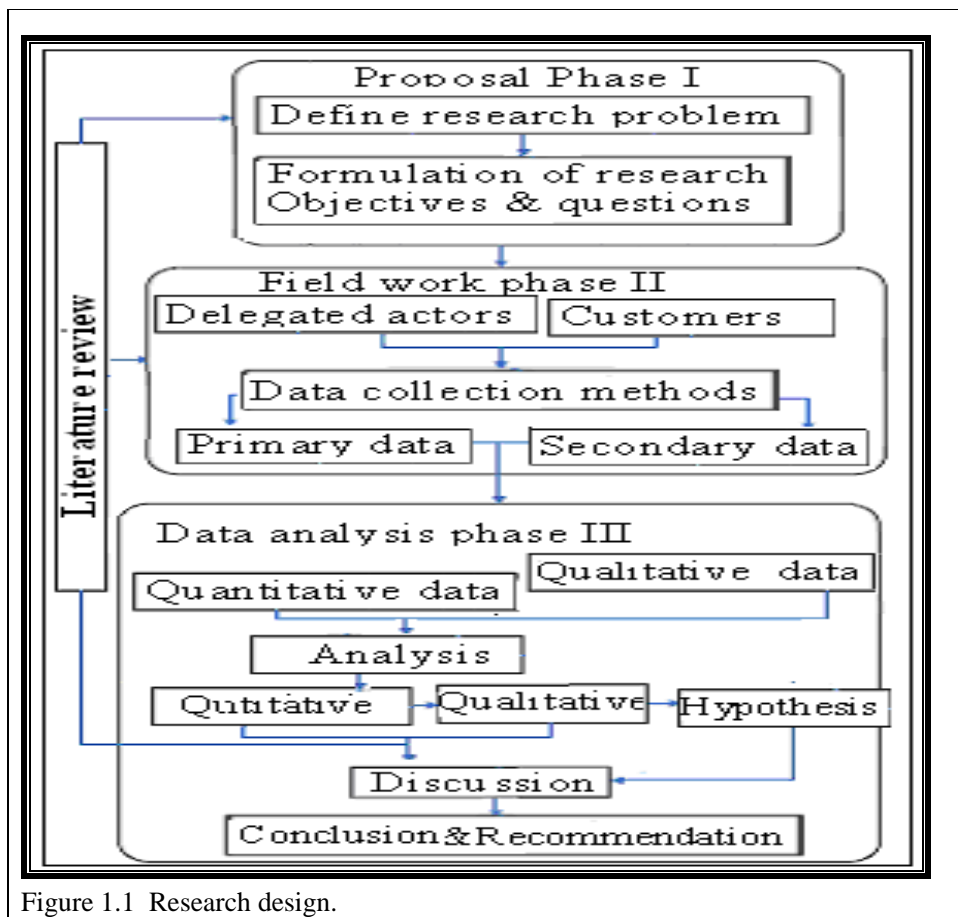


Figure 1.1 Research design.

2. Literature Review

2.1 Introduction

The previous chapter highlighted the diverse views among scholars on the importance of urban land lease. This chapter examines the basis for urban land management, evaluation of land administration systems, and the factors determining the success or failure of urban land lease implementation. From that examination, it was possible to capture some indicators used for urban land lease evaluation, which are then selected and developed to suite the purpose of this research. To accomplish this, the chapter is divided into ten sections. Sections 2.2 describes the basic concepts of urban land management and land tenure systems, section 2.3 provides an overview of land governance, urban land market and the characteristics of an efficient urban land market. Section 2.4 reviews existing scholarly works in land administration (LA) and land administration system (LAS), section 2.5 reviews existing literature on land lease implementation and reasons for failure, section 2.7 examines the determinant of a successful urban land lease implementation, 2.8 addresses the positive and negative effect of implementing urban land lease, section 2.9 explains the urban land lease implementation experience in Ethiopia. The chapter concludes with a conceptual research framework.

2.2 Basic concepts of urban land management and governance

2.2.1 Basic concept of urban land management

According to Yirsaw (2006) land is a key resource the misuse of which does not only waste a scarce resource but also affects the development of other sectors. Bell (2009) stated that land and landed properties are generally the major assets of any economy. According to Ikejiofor (2006) access to land; security of tenure and land management has significant implications for development. According to the Food and Agriculture Organisations -FAO (2007) land administration provides an important part of the infrastructure for efficient economy, which means that it touches all aspect how people earn a living. From this perspective, urban land administration is defined as a process in which land and land related resources are put to good effect. It includes matters that directly or indirectly influence urban land administration such as property valuation, management of utilities and services' formation and implementation of land use policies and monitoring of all land-based activities that affect the best use of urban land.

FAO (2007) identifies three common problems hampering the achievement of a sound basis for state land management. These are: -one, lack of information about existing state land and rights on the use of state land which results into illegal land exchanges, non- transparent land allocation, Poor record which helps to hide the truth and favour interested groups, two, and political interference in management decisions which may further private interests, three, that limited awareness of both the consequences of weak governance in state land management and how to improve the situation, which tends to be treated as “free” and the focus of corrupt activities. Access to land through formal market

systems in many developing countries is unable to cope with the demand of rapid urban growth because the majority cannot afford land price and the state have limited capacity that leads to informality (Ikejiolor, 2006). Musole (2009) identifies three common land lease objectives which are one, eliminate market imperfections; two, removing externalities, so that the social costs of outcomes correspond more closely to private costs and three, redistribution of society's resources, so that disadvantaged groups can share in society's output. Musole (2009), further argue that land policy by itself could not sufficiently generate the desired outcome; because it requires competent organizations as well as organizational coordination. Therefore the need for policy enforcement could be the main reason for state intervention in the operation of delegated organisations (Zeluel, 2000).

Though the intention of public intervention is to maintain the above objective of land policies as identified by Musole (2009), such practices lacks enforceability. Musole (2009) caution that if state intervention measures is not carefully prepared it can hamper land lease implementation and monitoring. Moreover, as the state is not usually driven purely by profit motives in allocating resources, as can be deduced through its actions, interests and strategies, it is doubtful whether it could respond to changing market conditions efficiently. This induces uncertainty in the supply-side of the market. Farvacque-Vitković and McAuslan (1992) mentioned that, the main problem in developing countries is not as such the regulation, but the difficulty in the enforcement of urban land lease laws; where state intervention in property rights & inefficient property rights is persistent because of two main reasons. The first is complex/bureaucratic delays and cumbersome procedures in acquiring ownership rights from the state for private sector development and the second is lobbying and/or bribing officials, as a result of supposed delays, to speed up allocations of use/ownership rights.

2.2.2 Land lease as a system of land tenure

Tenure can be defined as the terms and conditions on which land is held, used and transacted, determining who can use what land resources for how long, and under what conditions (FAO, 2007). According to Catherine Farvacque and McAuslan (1992) tenure can be categorized into the following types:-

- i) Private-private: this type of access is gained through the transfer of ownership in private transactions or through the inheritance of land,
- ii) Public-private: A state allocation may give private individuals access to state lands,
- iii) Private-public-private: there may be a land banking scheme by which private lands are pooled together under state monitoring and then redistributed to the private sector,
- iv) Private/public-private:- private or public lands may be invaded by private individuals; this type of access falls completely outside the formal sector,
- v) Customary allocation: land delivery may take place in the framework of customary law as it is still applicable in many parts of Africa, Asia and the pacific region.

Zimmermann (2007) argue that public land accounts for a large portion of public wealth both in developed and developing countries, but public property assets are often mismanaged, because of strong resistance to transparent procedures and independent audit system. He further argue that lawful acquisition of land plot which involves access to land registration and permission to develop the land is often time consuming, excessively cumbersome, and involves costly procedures (Dowall

and Clarke, 1996). In almost all cities, government agencies are also significant landowners. As the result of legal land supply fails to provide land for housing for the majority of the population, it results to a vibrant informal land and housing market (Satterthwaite, 2009). Payne, Durand-Lasserve et al.(2009) provide that one of the reasons for land inequity and delay is that, the process of land titling involves complex processes.

From the above it can be concluded that tenure determines who owns, what, for how long and under what situation. Though there are many types of access to land, public to private and private to private are the main types of transaction. Access to public land has been difficult for the majority because it involves many organizations, which creates unnecessary delay.

2.3 Land governance and land market

2.3.1 Land governance

Plumptre and Graham (1999) provide that, governance is the art of steering societies and organizations, it is a way in which society is managed and how the competing priorities and interests of different groups are reconciled. Thus, Governance is concerned with the processes by which citizens participate in decision making, how government is accountable to its citizens and how society obliges its members to observe its rules and laws. Good governance means that government is well managed, inclusive, and results in desirable outcomes. According to FAO (2007) the characteristics of good governance include accountability, political stability, government effectiveness, regulatory quality and rule of law, as well as control of corruption. Good governance aims at protecting property rights of individuals, groups, and or the state through principles such as transparency, equity, accountability, participation, efficiency and effectiveness, and the rule of law (Zakout, Wehrmann et al., 2006; Zakout, Wehrmann et al., 2007). FAO (2007) argues that good governance in land administration is one of the central requirements for achieving good governance in society, and achieving good governance in land administration requires a strong commitment of the people involved.

According to Dowall and Ellis (2009) weak governance tends to flourish where the law is inconsistent or/and when organizational arrangements is fragmented; as it was observed in Pakistan where 53% to 55% of the customer reported paying bribes to speed up the process for acquisition of land or leasehold rights. FAO (2007) argue that sometimes poor motivation, low pay and poor training of staff are at the heart of the problem. Key issues with regard to land governance are assessed below:-

Participation: - Reed (2008) referring to Wilcox (1996) define participation as a process where individuals, groups and organizations choose to take an active role in making decision that affects them. Reed (2008) adds that greater public involvement can greatly help in addressing some of the most pressing problems, and countering the risks of distrust and alienation, it is underpinned by a philosophy that emphasises empowerment, equity, trust and learning. FAO (2007) states that laws and plans should be prepared in an inclusive and transparent process to encourage and enable full participatory means whereby all customers have the opportunity to make inputs into the planning process. Silverman (2009) Provide that citizens' participation is argued to be an important ingredient in efforts to promote urban development patterns that are sustainable and equitable. This can be

achieved through reduction of the negative externalities associated with urban development and local policies that are more responsive to residents, particularly minorities and the poor

Efficiency of procedures: - Zakout, Wehrmann et al (2006) provide that procedures to allocate land & register property transactions are required to be short and simple; the fewer the steps, the less the opportunity for informal payments; effectiveness is largely dictated by the implementation procedures. FAO (2007) claim that if standards are not met effectively, action should be taken and corrective measures should be identified wisely to improve performance.

Transparency: - Davis (2008) provide that Transparent recruitment of staff and service standards and costs of service will contribute to higher efficiency, accountability and fairness. Tuladhar (2007) argue that lack of transparency and inaccessibility are among the reasons for increasing incidences of corruption that are associated with resource management; it can be reduced by making information open between the governor and the governed.

Accountability: - Zakout, Wehrmann et al (2006) provide that accountability in land administration can be improved through the implementation of uniform service standards that are monitored through codes of conduct and incentives for staff. Accountability and responsiveness are likely to attract investment, provide high-quality of public services and manage resources; lack of transparency and accountability encourages rent seeking and undermining of good governance (Bell, 2009).

Equity: Zakout, Wehrmann et al (2006) argue that all people should have the same access to services and receive the same service standards independent of their political or economic status. The introduction of counter offices and a numbering system for customers' arrival ("first come first served") may help achieve this objective.

It can be concluded that governance in land administration (LA) requires strong commitment, transparency, participation and inclusiveness. As the process of LA become known and open, efficiency, effectiveness and accountability will increase accordingly. Especially early participation at planning stage is vital.

2.3.2 Urban land market functioning

Dowall (1991) argue that the concern of policy-makers in many countries is that, urban land markets is not operating efficiently and land is in short supply while land prices are high, or a combinations of both. He also mentions that the land market is affected by uniqueness in contrast to other markets. Such uniqueness includes the fact that land is homogeneous but each parcel is unique, having a particular set of location, physical, and neighbourhood characteristics. Catherine Farvacque and McAuslan (1992) distinguishes a well functioning land market from a poorly functioning one by putting two criteria which are ease of entry and ease of performing transaction.

Moreover, Dowall (1991) provide that, in the absence of local controls over the use of land, the market operates to allocate land to customers on the basis of price; potential users are capable of paying the highest price for a site. He add that competition among land customers sets prices and determines the pattern of land use activities in an urban area; when the pressure for urban development increases, rural and agricultural land on the edges of cities is developed. He also states

that, competition in urban land markets often causes land patterns to shift from one use to another; when land is under local government land market imperfection and disfunctioning is increased. Li (2009) argue that negotiated property transfers often does not take place in a transparent process and is subject to land market imperfection. He further states that this provides opportunities for unethical government officials to arbitrarily lower the price of land leasing.

2.3.3 Characteristics of efficient urban land market

Li (2009), argue that achieving efficient land market, encouraging investors and investment and realizing the cost of urban land and make an efficient use of it are some of the major national and regional goals of many land lease experienced cities. He also added that also efficient functioning of land market requires efficient and updated land registration systems, which clearly indicate legal ownership of land. A well functioning land market has the following characteristics:-

- i) Efficient and effective; the system governing the land market have standards to attain quick land allocation and optimise land related development.
- ii) Equitable: the system governing the land market provides reasonable access to all income groups.
- iii) Environmentally sound: the system governing the land market protects its sustainable use for the good of both current and future users.
- iv) Compatible: the system governing the land markets is integrated with other laws and regulations governing land, such as, planning, taxation and provision of public infrastructure and services (UNESCAP, 2006).

Dowall (1991) provide that the quantity and price of land depends on two factors which are i) spatial patterns of infrastructure, the physical development ability of land, willingness of current land owners to sell i.e., the existence of speculative motives; and ii) government-imposed limitations on how land may be used-such as zoning regulations. Catherine Farvacque and McAuslan (1992) identifies, five main policy instruments affecting the supply of land which are: - property rights, land titling and registration, land-use regulations, direct public intervention in the acquisition of land and fiscal practices.

From the above review it can be observed that efficiency and effectiveness as well as equitability are characteristics of efficient land market. However, efficiency and equitability depend on the state capacity and professional know how in preparation of policy and realization. Efficiency and equitability helps to activate investment.

2.4 Prior works on land administration and LAS evaluation

Garba (1993) provide that highly centralized bureaucratic land management in urban area results into first, squatting and the use of bulldozing as a tool of land management and secondly, setting many laws in land governance issues. These laws are often outdated. This might require top priority to minimize the existing strain. Mitchell, Clarke et al. (2008) states that tenure reform is sensitive and country or region-dependent; it requires transparency and participation; success requires an openness to utilize and need of wariness to unintended consequences of policy design and reform. The international aid agency (IAA) identifies indicators for efficiency of land administration processes and the capacity of the organizations, which are government revenue, security of tenure, reduction in land

disputes, improved transparency and participation, decrease in informal payments in the land registration process, increased percentage of formal land transaction registration, improved performance standards, improved turnaround times and reduced transaction costs.

Moreover, according to Bandeira, Sumpsi et al. (2009) to avoid unavailability of data and complicated criteria during evaluation of national land administration systems, the use of land information systems, land taxes, land-related subsidies, and land regulations independently can be accepted. According to Steudler and Williamson (2002) evaluation should be cyclical within the following three level management.

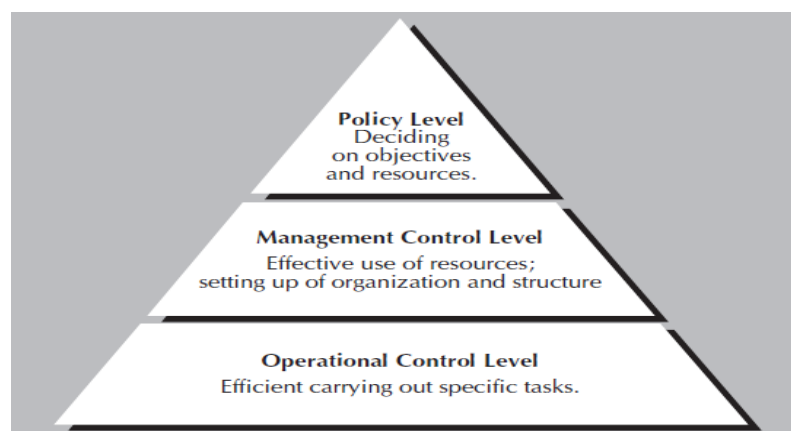


Figure 2.1 Three management control levels within an organization

Source:(Steudler and Williamson, 2002)

The first is policy level, where the evaluation involves assessing those responsible for decisions on the objectives that the organization wants to achieve and what resources are to be applied. The second is the management control level, where the evaluation involves those who are responsible for reasonable and effective use of the resources and for setting appropriate organizational and structure. The last is the operational control level evaluation, which involves those who carry out the specific tasks whether efficiently implement or not. The above three management level has strong relation with the following four LA evaluation elements as identified by Baird (1998): -

- Well-defined objectives to know where to go;
- Clear strategy to know how to get there;
- Outcomes and monitorable indicators to know if on track;
- Evaluation of results to gain input for improvements.

Hierarchical management decision making steps in different levels for increasing the quality of the entire procedures leading to successful output (Toomanian and Mansourian, 2009). However this research focused mainly at the operational level. Lemmen, van Oosterom et al (2003) states that service improvement without customer need assessment is impossible. Using continuous customer and staff feed back about the existing services have a main role for continuous service improvement and unnecessary cost reduction(Nils-Göran, Roy et al., 2000).

According to Chimhamhiwa, Molen et al. (2009) the existing consolidations or subdivisions of land process by the formal (LA), in urban area, underpins the development of housing, infrastructure and the smooth operation of land and credit markets. In most developing countries, several autonomous organizations are usually involved in the system for a specific output. These independent organizations often do not collaborate & cooperate in the most effective way. Thus, to evaluate Land Administration System (LAS) they consider six parameters; which are time, cost, society, customer satisfaction, technological innovation and quality. With respect to time Franken, Jonkers et al. (1997) suggest that analyzing multiple time variables is important such as response time, processing time, completion time throughout the service. Chimhamhiwa, Molen et al. (2009) further incorporate additional variables such as waiting time, speed, resubmission time and request cross over time (data exchange time) which they consider as land administration business evaluation criteria.

Cost: - includes labour, knowledge, materials and equipment, consumed (process cost and activity cost) and the cost to deliver the revenues generated (Chimhamhiwa, Molen et al., 2009). But in this research cost included, surveying fee, cost for infrastructural service provision such as (water, electric city and telephone).

Quality: - Poor quality work often causes approval delays and incurs extra downstream cost and tends to lead to process back flows, as jobs are frequently returned back for corrections leading to slower decisions. Quality includes quality of total issued documents, percentage of documents processed without errors, and the average number of times returned for corrections (Chimhamhiwa, Molen et al., 2009).

Individual customer satisfaction: - Zevenbergen (2001) argue that most right holders consider getting a land transfer finalized “pain in the neck”. Land registration procedures are often expensive, slow and bureaucratic in their minds. According to FIG (1995) satisfaction assessment can be major in terms of security, clarity and simplicity, timeliness, fairness, accessibility, cost and sustainability. Kueng (2000) in his process performance evaluation, from the customers’ point of view, two slightly different possibilities are suggested the first one is customers’ expectations as compared with their Perceptions and second one is using defined quality criteria and asking customers to rate both the degree of fulfilment and importance. Using as an indicator the percentage of customer satisfied with the process or output.

Customer/Society: - Chimhamhiwa, Molen et al. (2009) provide that the purpose of LA is to serve society; thus LA can be viewed as instruments for achieving social goals. They add that LAS can be “very busy” but may accomplish little from society’s perspective, because different customers can have different expectation. To meet customer expectations, they advocate that organizations can be measured in terms of satisfaction of their customer; in turn they could be able to improve customer satisfaction. Lemmen, van Oosterom et al (2003) states that customer satisfaction assessment is very important. Enemark and Van der Molen (2008) argue that customer satisfaction depends on customers’ experience with the service in agreement with their expectations. They add that the nature of expectations depends on customer experience and need; the service providers needs to make customers aware about capacity and service delivery in order to avoid over expectations; however, customer orientation requires a certain amount of committed staff, with specific expertise and skills.

2.5 Prior works in land lease

2.5.1 Prior work in land lease means of evaluation

The rationale for the evaluation of leasehold is due to its social, economical and environmental benefits, which have been, describes by different scholars (Olima and Obala, 1998; Hong, 2003; Hong and Bourassa, 2003b). Urban land lease implementation can be assessed using different criteria, according to Garba & Al-Mubaiyedh (1999) land leasing can be assessed at the policy and at organizational level; at policy level using availability of appropriate and coordinated policy, availability of information and policy feed back and review process (responsiveness to feed back). At the organizational level they use clarity of organizational mandates, level of decentralization, resource situation; inter organizational coordination, equity in land allocation, availability of land information and level of regulation enforcement, appropriateness of standards, procedures and efficiency of land allocation.

Jogan and Patassiin (1996) states that effectiveness of public land leasehold within the policy of urban land management may be evaluated using 7 different criteria:- a) global productivity of the lease systems; b) capacity in satisfying the demand of land and urbanization; c) effectiveness in managing land and physical form of urban centres; d) fairness of the system with regards to various categories of users; e) compatibility with various policies, measures of taxation and planning at local, regional and national level; f) continuity with respect to tradition and risks connected to sudden changes; g) possibility of maintaining a double regime of land renting and leasing. In this research few indicators from the above land lease assessment criteria were adopted since the majority of the criteria were difficult to measure because they are broad. Thus, equity in land allocation, availability of information, organizational coordination, and resource situation were used.

2.5.2 Unsuccessful lease implementation experience

According to Dowall and Clarke (1996) in developing countries government intervention in land development is common. They further argue that, often these countries enacts and try to implement lease laws with three objectives, 1) to direct land and housing at affordable prices to low and middle income households; 2) to ensure that the land value increases associated with infrastructure provisions were not appropriate by private developers; and 3) Redistribute society's scarce resources so that disadvantaged groups can share in society's output. They added that these sensible goals are based on two important assumptions; the first is that, the fruits of the land development organizations actually end up going to low and middle income households and secondly, those public land development organizations are efficient.

Despite the great hope placed on public land development, it has mostly been a failure; many cities of developing country are characterized by substantial public land ownership which appears to be sub-optimally managed (FAO, 2007). For instance, according to Garba (1993) the public ownership of land in Kano Nigeria gives the public sector ultimate control over the allocation and distribution of land for development; this should ideally make it easier for the sector to ensure adequate supply of land. The land use regulations and control measures were administered by three different organizations; this was used to avoid speculation and to ensure that developments are executed according to approved schemes and to check against any illegal process in development. However, because of overlapping responsibility of different organizations the output and the means of

controlling illegality and speculation were inefficient. Garba & Al-Mubaiyedh (1999) contend that public ownership and management of land may result in land market failure due to inequity in land access and illegal speculative market development leading to high prices.

According to Dowall, (1978) in the public sector, most land development organizations are quite large, frequently employing over thousands personnel. These agencies are much more bureaucratic in structure and style of operation. Professionals working within these organizations tend to be concerned more about following the rules and playing it safe. Dowall and Clarke (1996) describe that even the largest public land development agency in the world, the Indonesia's Perumnas, does not operate at a scale of production to warrant its massive size. During the 1980s, Perumnas' housing production was averaged 17,000 units per year, about 4.25 housing units per person per year for 4,000 employees. In contrast, Indonesia's private-sector land and housing developers build an average of 30 to 60 housing units per year per employee.

This means that in the private land development organization it is estimated that one employee produce 7 to 14 times larger than the government land development employee. According to Dowall (1991) inspection of successful land developers reveals that they are small, highly entrepreneurial and staffed by highly-skilled personnel and are willing to take risks. On the other hand most public agencies don't have such characteristics. Thus, public land ownership is working poorer than private land ownership (Dowall and Ellis, 2009). According to Pantuliano (2007) in Sudan land access issues and the resulting disputes require urgent attention or they will compound existing problems such as unregistered section of rural urban fringe of the country, land grabbing by specific classes of people who are not going through legal channels (Officials, military, private investors, land speculators, religious groups and urban residents).

Pantuliano (2007) argue that there are major misalignments in urban land delivery mechanism. These include most urban plots being occupied by politically and economically favoured individuals, lack of functionality of the land administration both at the central and local levels, the risk that cadastral and land registry data may disappear in areas where local authorities are being involved in land speculation and in some cases the documentation is already poor or absent, this could flash a series of land disputes. Such problems are aggravated by policymakers who dismiss land related problems as issues of secondary importance to be tackled later; such a view is short sightedness (Dowall and Clarke, 1996). Dowall and Ellis (2009) provide that in many countries, public land development organizations do little to improve land market operations or to provide land and housing for the poor and quite often they pose a serious financial drain to the governments.

2.6 Reasons for failure of urban land lease implementation

2.6.1 Lack of comprehensive land related information

Lack of comprehensive land related information is a common problem in public land management organisation (Dowall and Clarke, 1996). Where the existing information is located in a complex organizational setup and less attention on how complete, accurate, reliable and relevant information has been used for planning and decision-making (Zimmermann, 2007). According to Dowall and Clarke (1996) a common governmental action on land is to increase clarity of the land market; in order to enhance government efficiency, however comprehensive land related information is very

important which include increase in the level of transparency in information about land markets and minimizing market imperfections, failures, and externalities. According to Chimhamhiwa, Molen et al. (2009) technology can play as a major facilitator for improving data management; to have easily access and to disseminate available information.

However, according to Dowall and Clarke (1996) government routinely ignores taking action to create comprehensive information systems that are so critical for efficient land market operation. Though land policy reflects the way government wants to deal with the land issues in a sustainable manner; without knowledge about who Owns what and where, in land management will be hardly possible for government (Molen, 2002). According to Yirsaw (2006) the efficient functioning of land lease markets requires efficient and updated land registration system which clearly indicate legal ownership of land. However in most developing countries lack of good information system, registration, and ownership record is a serious constraint for land development and allocation (Dowall and Clarke, 1996).

2.6.2 Lack of serviced land

According to Bandeira, Sumpsi et al. (2009) sufficient land tax can enhance land supply, thereby decreasing prices and increasing land market activity and land productivity. Though land tax is an outstanding example of local tax; without knowledge about taxable persons, taxable objects and land values that will be provided by cadastral system, revenue can not be high (Molen, 2002). Dowall and Ellis (2009) provide that system of local resource mobilization and taxation in Pakistan do not generate sufficient revenues to fund key urban infrastructure, which in turn limits the supply of serviced residential land. Due to highly subsidized services and the limited financial capacity of local governments, the available funding for any infrastructural investment is very limited and insufficient to meet ever-increasing demand.

Garba (1993) identified that in Kano, Nigeria one major problems limiting the availability of resources for land development was high level of dependency on government subsidy in land allocation. Dowall and Ellis (2009) provide that private developers, including housing societies and cooperatives routinely face the problem of inadequate availability and/or significant delays in the provision of public infrastructures and utilities; for instance in Karachi, lack of infrastructure has significantly reduced land supply.

2.6.3 Procedural delay in land allocation

Dowall (1991) argue that land allocation processes are highly bureaucratized and inaccessible; it is too complex and requires technical knowledge and the majority of the people does not have access to land or have difficulties to afford it. According to Dowall and Ellis (2009) in Pakistan processing of applications for site development, approval of related plans and issuance of associated permits is slow and complex, and may take up to a year to complete. Even if the obstacle to acquire land is practically impossible for the majority those who acquired it by chance will face two difficulties related to constraints in the development of land. The first is high capital costs of obtaining development approval and servicing and the second is long delays in obtaining approvals, attributed to cumbersome procedures and lack of capacity in government organizations (Dowall, 1991).

Therefore it is clear that complex organizational procedural steps require technical knowledge to get access to land, which the majority has not been able to afford it. Such condition pushes the majority to look for other alternatives like informality. Thus, delay and complex procedural steps hindered access to formal land.

2.6.4 Spatial plans and standards

According to Dowall and Ellis (2009) urban land use planning and development controls are impeding urban development. Thus, reviewing the regulatory framework for managing urban land within the broader aspects of the public in physical and spatial planning and urban governance is important (Payne, Durand-Lasserve et al., 2009). Garba and Al-Mubaiyedh (1999) provide that in Kano, Nigeria high standard in land allocation leads to a waste of valuable land and contributes to shortages. The shortage in land supply pushes up price limit access to the market for those in the lower segment of the society and encourages the use of extraordinary means, such as squatting and illegal development. Dowall and Clarke (1996) argue that many nations have national regulations regarding land-use planning, but locally prepared land-use plans are frequently required to be reviewed by national ministries of planning or local government. Since this review process takes years in many instances, the approved plans are clearly out of date.

Thus, affordable plot allocation for the low-income group hindered by high standards and delayed decisions. To meet the interest of low-income group it requires a special attention in land use planning, development plan and locally revised land use plan approval.

2.6.5 Inadequate capacity and coordination

According to Clausen (2008) inter-organizational collaboration is the key to develop responsive land administration. According to Garba & Al-Mubaiyedh (1999) in Kano, Nigeria the LA is characterized by never-ending conflicts between various agencies involved in management and by conflicting mandates limiting effective intervention. Complete lack of established information system coupled with the centralized decision making system that characterise the system inefficient, has led to the isolation of land management from the reality of what is going on in urban area. If services are concentrated in a single government tier, the capacity of the public to monitor policy-makers' behaviour is likely to be restricted (Andrews and Boyne, 2009). For instance Shanghai municipal government after signing a fiscal contract with the central state the generated revenue and responsiveness was increased (Wu, 2003). Similarly, if friction between upper- and lower-tier organizations makes them disinclined to co-operate with each other, they may be less willing to share facilities, equipment and expertise where possible, leading to higher administrative costs across organization (Andrews and Boyne, 2009).

Garba (1993) asserts that in Kano the existing bureaucracy in land management organizations are characterized by lack of adequate capacity of both the Planning Agency and the Land and Survey division. These departments lack adequate staffing and operating equipments. This inadequate capacity serves as a discouragement for the organizations in the performance of their duties. It also contributes to their inability to regulate land ownership, and enforce land use regulations in urban area. According to Chimhamhiwa, Molen et al. (2009) land organizations are often not coordinated in the most effective way. The fragmentation of LA activities across several organizations can face several delivery challenges, such as delay in submission and resumption of documents. In general land

supply affects land and housing markets mainly by constraining land development and procedural delays (Dowall and Leaf, 1991).

From the above it can be concluded that lack of capacity results into poor coordination, loss of control and enforcement as well as delay in summation and resumption of documents. These limits access to land allocation processes. The resultant effect was to encourage the use of land for speculation and corruption practices indeed pushed the low-income group to informality.

2.7 Successful land lease implementation experience

Where public land development does seem to work, the implementing organization is locally controlled and its activities are on a limited range of objectives (Dowall, 1991). Successful land development agencies set limited goals and were capitalized. This is typically the pattern found for public land development organizations in Western Europe and North America (Dowall, 1978). It is characterised by an orderly development of land markets, the creation of flexible customer oriented systems of land management, commitment to transparency, accountability, equity and administration in a way of enabling rather than a controlling function for the public sector processes. Adoption of this approach to governance as a whole will make much easier, the development of a system of urban land management that aims to facilitate the operation of efficient and equitable land markets (McAuslan and Farvacque, 1991).

According to Dowall and Clarke (1996) urban development of Singapore and Hong Kong are textbook examples of the importance of carefully planning of urban land development to maximize economic productivity. The land development plans are based on short-term projections of land demands, attempting to accommodate future development, but not to hinder it. This orientation stands in sharp contrast to other rigidly planned and regulated cities. Hui (2001) argue that land leasehold in Canberra provides greater capital benefits as it is one of the few places that have a well-established leasehold tenure system. In support to the above view Haila (2000) states that a successful implementation of land lease enhances: - revenue, can subsidize some types of land use (like housing and industry), can capture the increased value of undeveloped land and thus prevent speculation. This will in turn prevent speculative companies from sub-dividing the land and capturing the increased value.

Hui (2001) observes that in Hong Kong, the government have alternative means in effecting the property market, while maintaining its role. Not only the government but also the private developers have the opportunity to develop a greater potential of housing with more flexible lease conditions. In addition; Keivani, Mattingly et al (2008) provide that public private partnership in infrastructure provision helps to speed up development; and the cost of it is covered by the customer. They also added that land leasing provides a major tool both for income redistribution and increasing market capacity for low-income housing provision: as evidenced in Iran where by 1978 about 85% of land within Tehran city boundary belonged to the royal family or a few big landowners. This was eliminated by direct allocation of land for housing purposes to the general public, cooperatives and the private sector. For this purpose about 41,272hectares of land previously owned by the government and 36,000hectares which was classified as undeveloped private land was taken away. When the policy was in effect other underutilised 25183hectares of land were developed significantly.

The above examples show that land lease system can improve the price of land and housing. From this it can be concluded that if land lease system is handled efficiently it can improve access to land for the majority, as well as to reduce land speculation (Keivani, Mattingly et al., 2008). This review clearly shows that, public private partnership in land development was helping to develop serviced land. Flexible, customer oriented plan, commitment to transparency and equity in away of enabling rather than controlling is vital to successful land lease implementation. In addition, cost of infrastructural provision covered by customer helps in the cost recovery and to replicate serviced land.

2.8 Effect of urban land lease

2.8.1 Positive effect

According to Li (2009) public land leasing in China has served as an important source of revenue for local governments; since 1980s, local government have taken in hundreds of billions profit from taxation & sale of land lease. In some localities it accounts as much as 60 percent of local revenues. Similarly according to Wu (2003) large proportion of leased land is used by foreign investment and the land lease system has been used effectively to attract foreign investment as seen in Shanghai. Tian and Ma (2009) argue that the state has substantial control over land supply and land use. Public ownership provides a strong tool for state intervention in land market. Hong and Bourassa (2003b) states that, Hong Kong public leasehold system is an instrumental for assisting the government to raise public funds for financing public infrastructure and social services. This income accounted for 16% and 18% of total government annual revenues and expenditures, respectively from 1970-2000.

In addition to that, Hong and Bourassa (2003b) argue that, public leasehold systems in the Netherlands, Sweden and Finland also help municipalities generate public funds, although the lease revenues of these countries play far less important role in financing public expenditures than Hong Kong. For instance according to Needham (2003) Amsterdam covers only 1.3% of the municipal expenditures in 1999. In Canberra land leasing are set within the consideration of broad public objectives, especially with regard to maintaining low land cost for the construction of public facilities and housing (Neutze, 2003). Hong (2003) provide that public leasehold has provided governments with useful tools to balance both public and private interests in land. The government of Canberra and The Hague have been more “successful” in controlling land use.

According to Tian and Ma (2009) in China public ownership and the role of state in serviced land production are carefully maintained. Compared with land on freehold system, looking back at the evolution of Chinese cities; government intervention in land supply has had its own benefits and pitfall. The state has substantial control over land supply and land use. This public ownership provides a strong tool for state intervention in land market. Since 1988 urban land reform, the country has extensively adopted the tool of land supply to achieve its goals of increasing state revenue and controlling land.

2.8.2 Negative effect

Li (2009) claims that massive land leasing activities in China have been providing opportunities for corruption as well as a property boom, as private interests find opportunities to capture and to chip away state assets using de facto power to decide whether, how, to whom, and at what price often yield into informal income. In addition it lacked computation with public land leasing to higher property

price. The major cause for higher cost of housing was because of the few monopoly developers. For instance 7 developers supplied 70% of all new private housing units' between 1991 and 1994. More important, 55% of these housing units come from just four developers, and one built 25% of these units (Hong, 2003). According to Peterson (2006) the municipalities of China used land allocation to developers primarily by private negotiation. Private negotiations with developers however provided a fertile ground for corruption, with consequent revenue loss to government. According to Jiang Xu and Yeh (2009) government has repeatedly issued policies to increase the transparency of land market operation, but land is still transacted in a non transparent way. According to Li (2009) the total loss incurred nationwide in illegal land leasing activities is reportedly as high as 20 billion a year. Similarly, Li (2009) referring Chen, (2002) over 20% of the money in property development in some localities has gone into bribery and other dishonest practices, which causes heavy economic loss to the state.

According to Li (2009) despite the central government's frequent call for public bidding in land transfer corruption becomes possible because land leasing is often subject to price negotiation. Even when bidding is conducted, corruption may still take place. Jiang Xu and Yeh (2009) argue that by 2004 in China out of the total leased land negotiated conveyance accounted for more than 76%. But corruption was still rampant; for instance the Deputy Governor of one province caused a loss of 100 million as a result of, his interference with land transfers after accepting bribes. These cases provide effective footnotes on the rampancy of land related informal payment. Rent seeking activities in land transfers lead to huge losses of state assets. Li (2009) referring Chine (1998) argue that the ministry of land and resources, by illegal land transfer incurred an annual loss of at least several millions a year in state revenue in small cities, while the revenue loss could be billions a year in big cities of China Li (2009) argue that the total loss incurred nationwide in illegal land leasing activates is reportedly as high as 20 billion a year. Key officials in cities have been fired because of the central order ignorance and violated national land policies (Jiang Xu and Yeh, 2009).

2.8.3 Enforcement of land lease agreement

Many organizations have limited capacity to implement the policy and to enforce based on agreement as a result of capacity limitation (Zimmermann, 2007). For example land lease in Poland and Israeli experienced enforcement limitations of the lease agreement (Alterman, 2003; Dale-Johnson and Brzeski, 2003). Enforcement based on the lease agreement was problematic especially at the introduction of the system, for instance in Hong Kong major problem before 1949 was that, the use of lease conditions to control land development was not guided by zoning plans (Hong, 2003). According to Hui (2001) after 1949, Hong Kong introduced short term and flexible land use planning and they were able to enforce the lease agreement. Similarly, according to Alterman (2003), in Israel the construction time is mostly 3-5 years. But it has proven resistant to control through the leased agreement; administration capacity to use leaseholds to control the timing of development had weakened.

According to Deng (2003) in China, lease usually requires the lessee to complete a certain portion of land development within two years time. Its original purpose is to prevent land speculation, but the extent of enforcement of this has been questionable. Some local governments may charge a vacant land fee after the first two years, but parcel still remain vacant after the time limit. This was most obvious after the real state bubble burst in the late 1990s. From 1992 to 1994 there was a huge inflow

of speculative capital into Beihai city, Guangxi Province. The city leased a lot of land to real estate developers. After the speculation bubble burst in the mid 1990s, many parcels remain undeveloped. According to Dale-Johnson and Brzeski (2003) in Poland upon violation of stipulated dates, the landowner may impose an additional penalty equivalent to 10% of the initial land price (upon granting the leasehold) for each calendar year of delay. In practice the ability to impose a penalty success is case specific. Early termination of the leasehold rights may take place if the lessee does not comply with stipulated land use or does not complete the stipulated land improvements on time.

According to Jiang Xu and Yeh (2009) the goal of the urban land policy has been challenged by rapid urban expansion which jeopardizes the national policy for farmland protection and compact land use. The central government of China requires the local government to ensure land supply for affordable housing, but this idea got limited acceptances from local authorities leading to low income families to fight for the few affordable flats available despite a surplus of luxury housing in the market. He also stated that this reflects a conflict between the national political agendas concerning the urban poor for housing needs and the local development pressure arising from the land demand for high-end commercial housing.

Urban land leasing can contribute revenue for the provision of infrastructural services as well as provide subsidizing housing to low-income groups. It can facilitate the implementation of land use plan. However, it requires flexible land use planning, close follow up and timely amendment. Political intervention in land allocation reduced land lease price and was seen as a fertile environment for corruption and favouritism.

2.9 Urban land lease policy in Ethiopia

According to Warden (2001) the political structure of Ethiopia has been transformed since 1991 from highly centralised state to become a Federal Democratic Republic, with power devolved to the regions. The intention of the federal structure is to share power between central and regional government. Both central and Regional government being autonomous in certain clearly defined areas. As part of that, the changes in urban land lease holding system (ULLHP) is introduced under proclamation No. 80/1993, designed to belong all land to the public (nations, nationalities and peoples of Ethiopia). All new land allocation to Ethiopians or foreigner, as of the date the proclamation entered into force (1993) is to be made under the lease system with a minimum duration of 50 years (for commercial activities) and a maximum of 99 years (for residential, science and technology purposes). It is believed that allocating urban land by lease for a fair price, consistent with the principles of free market, will help the expansion of investment and urban land development in particular and overall economic and social development in general (TGE, 1993).

The constitution of Ethiopia state that any person can have the right to acquire and use land through lease arrangement. Any leasehold possessor may transfer, and sub-lease, undertake a security on his right of leasehold; and he/she may also use it as a capital (equity) contribution to the amount of the lease payment he/she has made. The role of the states in land management is to administer land and other natural resources in accordance with the federal laws. Therefore constitutionally land administration has the power of acquiring, developing and allocating or transferring land to the ultimate customers in the name of the states or urban local governments (TGE, 1993).

2.9.1 Objective of urban land lease policy

According to TGE (1993) all urban land is public property and transfer will only be carried out through the lease system. Warden (2001) states that in urban areas this is for the first time entitles equal access to land for all citizens, the right to acquire charge free land on which to construct their houses. Investors, developers and businesses lease land and these leaseholders also have the right of use over land for long periods. The lease price of urban land varies from place to place and is generally determined by competitive market values through auction system, negotiations and free charge lease are applied in providing land to the lessee. Some of the objectives stipulated in the new policy as reflected in TGE (1993) and land lease Proclamation No. 80/1993 as revised by FDRE (2002) in Proclamation No. 272/2002 are to give market determined exchange value to land: one of the basic objective of the new land policy is to turn land from timeless and cost less resource into formally exchangeable commodity with both cost and time limit. With this approach the following is expected:-

- a) The government will be able to generate the required revenue;
- b) Land customer will realize the cost of urban land and make an efficient use of it;
- c) Land prices will give a clear signal that leads to efficient land use and allow the land recycling of prime lands for most profitable uses.
- d) Encourage investment: through the provision of land tenure terms long enough and allowing the right to use and to benefit from land, the policy is anticipated to enable investors to plan their activities well in advance, with assurance recover their capital expenditure and to enjoy secure land holdings
- e) Control undesired expansion of cities: The main cause of the uncontrollable horizontal city expansion is the fast increasing urban population growth. Utilizing urban land efficiently, and attaching market value to it aimed at enforcing planning laws and problems related to the undesired costly expansion of cities.
- f) Provide housing and infrastructure: The problems related to social service and infrastructures are first priorities to be addressed through the leasing of land.
- g) Combating speculation and the non-transparent system of plot allocation: Adjust handing-out speculative earnings made in case of undeveloped land transaction, and designing a proper organizational set up for the disposal of land using mainly auction system, it is aimed at discouraging land speculators and corrupt and rent seeking public officials who deliberately strive to benefit from illicit transaction of the public resource.

It is clear from the land lease proclamation that, the policy was aiming at turning urban land allocation processes from timeless and costless to both cost and time limit. Using this approach the city would be able to capture market value of land, encourage investment, enforce land development, allocate land transparently, collect revenues for infrastructural provision and avoid speculation.

2.9.2 Urban land lease implementation experience in the country

Peterson (2006) provide that the implementation of land lease in Ethiopia is characterised by the following:- non requirement of full up-front payment of the land-lease amount, interest may or may not be charged, and it is designed to give longer-term rights to land occupancy without surrendering public ownership. Gondo (2008) and Yirsaw (2006) argue that despite the existing policies that are aimed at eradicating poverty through improved access to land, most towns and cities in Ethiopia still

struggle with a number of challenges. Some of the challenges that related to the land market are general inadequacy of land related information, shortage of skilled manpower, limited financial capacity, weak monitoring and evaluation mechanisms, bureaucratic tendencies, alleged favouritism and lack of participation by the low income group in decision making process, Gondo (2008) added that corruption by some officials, and other factors that has rendered efforts by local governments worthless.

Aneley (2006) referring to DHV consultants (2006) argue that despite the reliable political will from the government side to improve the land administration system to strongly complement poverty reduction efforts and stimulate economic growth and in spite of the wide range legal and institutional reforms, the fundamental hurdles encountered in the process of land lease implementation are many. The most alarming and decisive challenges are lack of up-to-date comprehensive parcel data as well as organizational capacity constraints. There are other related constraints, too such as, 1) land speculation where significant land in urban area is left idle, 2) there is inadequate coordination of the various agencies involved in land administration (at local level), leading to inconsistency in land administration, 3) the mass allocation or disposition of public land is no longer responsive to present need, both limited infrastructure and limited land allocation, 4) inadequate land information storage facilitates, the existing land records systems are manual and outdated, many land record are not kept properly and many are in a fragile condition.

Hence there have been opportunities for illegal alteration of records, there is no complete inventory of land records; courts made decisions on land without access to the full and accurate evidence. Gondo (2008) argue that the Ethiopian urban land policy is not heading to the wrong way as appropriate legal institutions to deal with these challenges are already in place. From the above discussion it can be conclude that, the practice of urban land lease allocation has been hindered by problems related to inefficiency and transparency. Even though, the policy aims to avoid speculation and to create efficient market, to provide serviced land and to create equitable development, the implementation was different.

2.9.3 Land lease allocation in Bahir Dar city

Each regional state/government delivers urban land based on the federal law and its own laws. The required lands to investor are delivered within 60 days after receiving an application for land allocation for an approved investment (TGE, 1993). The FDRE (2002) federal proclamation No.272/2002 the re-enactment of urban land lease holding (RULLHP) the ARNS (2002) issued proclamation No.6/2002 urban land lease /Amendment/ regulations in relation to this urban land in the region is delivered through lease by various systems, auction, negotiation, Free charge lease or lottery system for residential land. According to ARBOWUD (2004) urban land policy visions in the region is to see that all urban residents and businesses have equal and easy access to serviced land that is safe and secure; and promotes the socio-economic development of inhabitants with a specific objective to:-

- i) Acquire sufficient land for urban development ahead of demand for urban land,
- ii) Plan and produce adequate serviced land in line with demand,
- iii) Promote the efficiency of urban land market,
- iv) Promote planned development of urban land,
- v) Enhance the use of modern technology for recording land information and cadastre,

- vi) Develop clear and appropriate legal and institutional frameworks for urban land development and management.

According to ANRS (2004), the main goal of the urban land policy in the region as well as in the study area is to achieve adequate supply of serviced land for residential, industrial and other uses so as to improve the economic efficiency of urban areas and to improve the quality of life for residents.

According to Mekonnen (2008) the inability of the city in providing the needs of land for housing and lack of regulatory and means of controlling informal settlements in the city aggravates illegal settlement. In the process of land development these informal settlements create additional burden for the city, where the city has financial limitations to provide serviced land. Yirsaw (2006) observes that the land lease policy implementation in ANRS is reported to be far from being realistic in all three lease cities. Bahir Dar city is among them. The land lease allocation processes in the city are hindered by a number of problems related to financial and skilled manpower inadequacy, lack of comprehensive parcel data, lack of serviced land, inaccessibility of land information to the public and lack of information on land price determination.

2.10 Concluding remarks

From the review some urban land lease implementation performance indicators cannot be used because of difficulties in measuring. Therefore the incorporation of other performance indicators used in land administration projects as well as the land administration system itself was required. Thus, as far as the lease implementation involves more than one organization/departments, it was considered that the land administration evaluation using end to end organizational performance evaluation method as a suitable tool for the purpose of this research. Thus, before fieldwork this method was adapted to develop performance indicators and other land lease implementation indicators. These are cost, time, technology, quality, accessibility, benefit, coordination, participation, and satisfaction (see appendix B).

However, the fieldwork results required considering other governance dimension. This means that after the fieldwork other governance dimension was reviewed (see appendix C) Therefore, for the purpose of this research some of the end to end across organizational performance indicators and some governance dimension were adapted. The performance indicators deployed includes cost, time, quality, and means of data handling, quality, customer satisfaction and goal attainment, transparency, accountability, participation and equity. Details of the newly adopted indicators were presented in chapter 3 tables 3.1. Based on the developed criteria questionnaires were developed which facilitated field data collection.

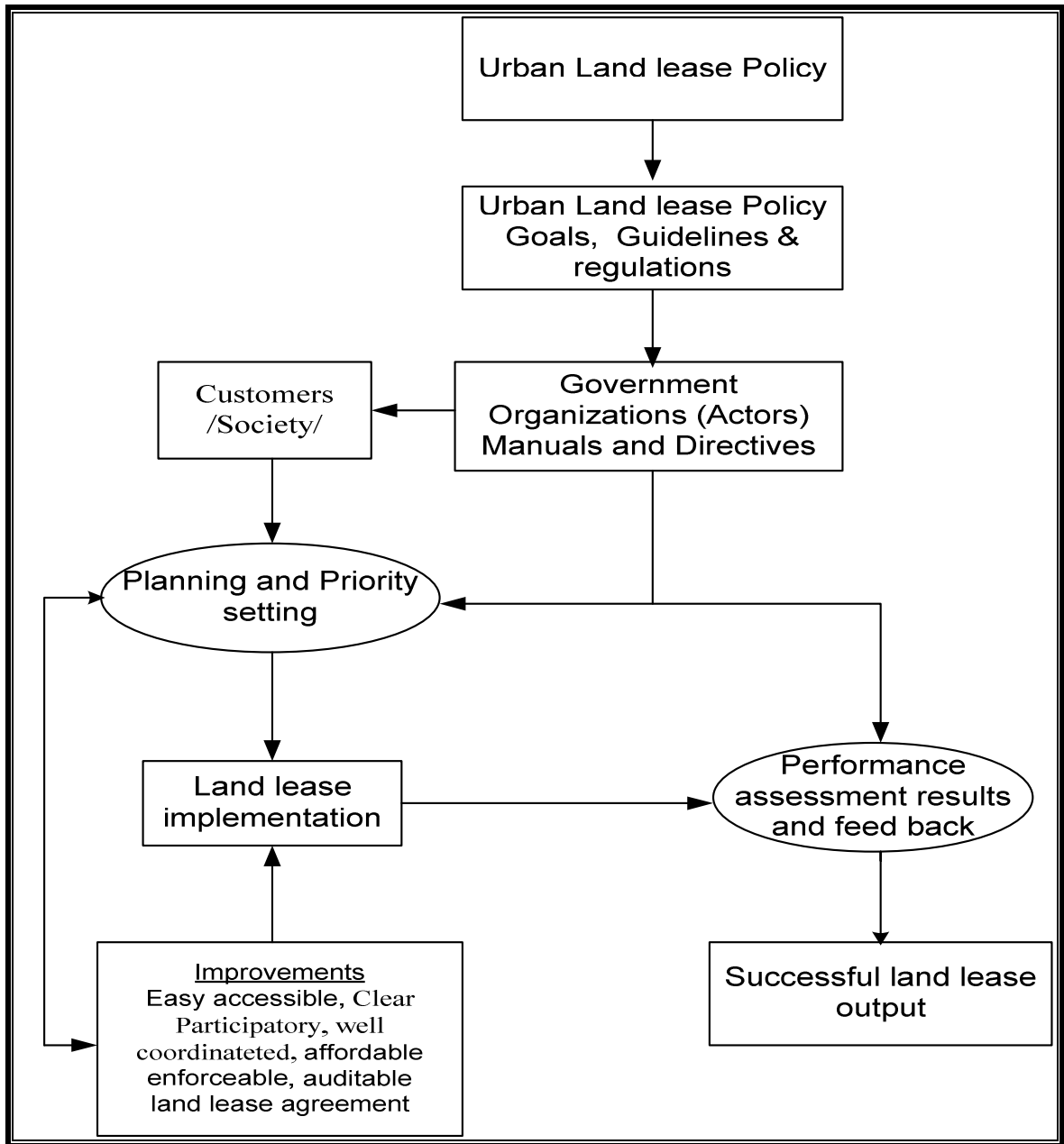


Figure 2.2 A conceptual framework

The urban land lease policy is expected to translate into goals, guidelines and regulations by actors. These actors would in turn prepare some directives in order to fit to the real situation through inclusive customer (public) participation in planning and priority setting as well as decision making processes. The performance assessment results were required to be used as feedback for continuous improvement in directives as well as priority setting.

3. Methodology and fieldwork data collection

3.1 Introduction

In chapter two, the link between existing body of knowledge and key issues involved in assessing the implementation of land lease were described. This chapter describes the case study methodology adapted in this research. The chapter describes the various techniques and strategies utilised for gathering the necessary data. It centres on explaining how the primary and secondary data were collected; it details out how respondents were selected and how the research concepts were operationalised in order to answer the research questions. In addition this section explains processes in the selection and development of indicators for assessing the land lease implementation. The chapter is divided into three main sections. Section 3.2 deals with research methodology, data source, research methods, research approach, sampling criteria, developing criteria, determined indicators and tool of data analysis, Section 3.3 land lease assessment, coordination assessment, elapsed time assessment, satisfaction assessment, cost recovery, quality and method for hypothesis testing and 3.4 concluding remarks.

3.1.1 The study area

The study area was Bahir Dar city, the capital city of Amhara region in Ethiopia. Amhara National Regional State (ANRS) has a population of 17,214,056 covering an area of 170, 752 square kilometres. The Region covers about 15% of the total landmass of Ethiopia, while the population accounts for 25.5% of the country. Nearly 87 % of the population lives in rural area, and are engaged in Agrarian Economic activities. Bahir Dar is located approximately 578km north-northwest of Addis Ababa the capital city of Ethiopia, having a latitude and longitude of 11° 36' N and 37° 23' E respectively and elevation of 1840m above sea level (Wondie, 2009). According to Central Statistics Authority of Ethiopia FDREPC (2007) population of the city is 220,344 of which 180,094 are urban inhabitants and 40, 250 are rural inhabitants.

According to Moges (2008), Bahir Dar has a long history related to its ancient resident's, but it was established in its present form in early 1930's and since then it has remained to be one of the fast growing cities in the country. In particular the city has made dramatic growth in population size and area in the last two decades. The city has also scored a dramatic economic growth at the same time. In the last 15 years the average result shows that the population growth rate is nearly 7.5%, which is one of the highest in the country. Bahir Dar is given the status of City Administration in line with the guidelines of the pertinent law (ANRS, Proc. No. 91 /2003). Before the application of this law, the city was divided into 17 Kebeles. But, it was reduced to 13 Kebeles of which 9 are urban and the other 4 are rural. Apart from the above 13 Kebeles, the present city administration incorporates 3 satellite towns; namely, Tis-Abay, Zegie, and Meshenti. The specific location of the study area with relation to Ethiopia is shown in figure 3.1 below.



Figure 3.1 Geographical location of Bahir Dar City
Source: (EPLAUA and CA, 2009)

3.2 Research methodology

3.2.1 Data sources

For this research secondary and primary data were collected. The existing literatures on urban land lease were reviewed to find out factors that influences urban land lease policy. The review involved both successful and unsuccessful cases in urban land lease implementation, land governance as well as LA evaluation. The review helped to develop predetermined; and determined indicators and to find out supportive information to substantiate the primary data in answering the research questions, in the discussion part.

3.2.2 Research methods

In order to answer each research question, a case study was carried out in Bahir Dar city, Ethiopia. Yin (2003) states that a case study method allows investigators to retain the holistic and meaningful characteristics of real life events such as individual life cycles, organizational and managerial processes; it is an empirical inquiry that helps to investigate a contemporary phenomenon within its real-life context, when the boundary between phenomenon and context are not clearly evident; and in which multiple sources of evidence are used. Thus, the main aim of the field work was to collect data and to get a clear picture and better understanding of the implementation situation and the needs from customer's contexts (van den Akker, 1999).

The required data for the study were collected from primary and secondary sources. Multiple sources of evidence were required to substantiate any insight provided by respondents and to detect divergent evidences (Yin, 2003).

3.2.3 Research approach

In this study both qualitative and quantitative approaches were adopted. Qualitative method provides a richness and detail to the data and view of alternative explanations. In qualitative approach, the data collection and analysis were based on the conditions of social reality and it allows in depth investigation (Yin, 2003). Frankfort-Nachmias and Nachmias (1994), states that the advantage of this approach is that it can eliminate the researcher's partiality in interpreting respondent's feelings and explanations. An important source of information was obtained through analysis of documents. Such administrative document includes official records, letters, newspaper, diaries, and reports, as well as the published data used in a review of literature (Lofland, 1984). Literature review was done to collect secondary data relating to regulations, guidelines, reports and maps relevant for this research. Primary data were collected through structured questionnaires, semi structured and unstructured or open-ended interviews as well as observation.

3.2.4 Sampling criteria and data sources

In order to avoid losing important information, a combination of data sources were used. These complementary sources of information also helped in validating and improving the reliability of the information gathered. The interviews were conducted on both structured, semi structured and unstructured or open ended questions to enable respondents to provide insights on the line of investigation (Yin, 2003). Data from the primary sources were collected through structured questionnaire, semi structured and open ended interview from various groups of people and direct observation. With respect to sampling, different techniques were followed, for individual customers stratified random sampling was used. For organizations (financial banks and academia) those at managerial level with better awareness of the land policy were selected. For "City Actors" and "Regional Actors", the selection was based on related works, professions, officials, managers and administrators. Hoepfl (1997) mention that semi-structured interviews; informal, conversational interviews; open-ended interviews are vital to find out the actual reality. Thus, in this research interviews and `semi discussion focused on their views, opinions and experiences regarding the existing urban land lease policy implementation was done.

In qualitative designs keeping the flexible nature of interview guides can be modified over time to focus attention on areas of particular importance, or to exclude questions the researcher has found to be unproductive for the goals of the research (Lofland and Lofland, 1984). In this research at the start of field data collection, especially after testing the questionnaire in the fieldwork, the researcher discovered that review of the questionnaire was necessary in order to capture the existing practices using different dimension and criteria, see table 3.1. For individual customer data collection, six-research assistant, who collected responses from 72 customers were employed. The researcher collected responses from the remaining 37 individual customers' and all other data. The choice of those persons was based on their familiarity with the study area and the experience they have gained in similar studies. In addition a semi-training session was organized for the assistants to explain the details of questionnaires, their feedback was necessary when taking additional note of responses by each interviewee.

3.2.5 Developing evaluating assessment criteria and indicators

In chapter two, the intentions behind land lease implementation were established. Through literature review the indicators used in evaluating land administration, land governance and LAS were also identified. The concept of land lease and LA can be viewed from different perspectives including economic, social, cultural and political. Thus, the advancement of different approaches for the assessment of urban land lease is dictated by its multi-disciplinary nature. The pre-determined indicators were set before the fieldwork and required adjustment in line with the actual data collected. That means the indicator put before fieldwork to assess efficiency and effectiveness of land lease implementation was not enough to assess the existing situation of the study area. The efficiency and effectiveness indicators lacked detailed information from fieldwork and collected information required other governance dimension. Therefore to align with the collected data it needed both a review of previous governance studies and cluster the collected data consciously. The method for developing the final indicator is shown in figure 3.2.

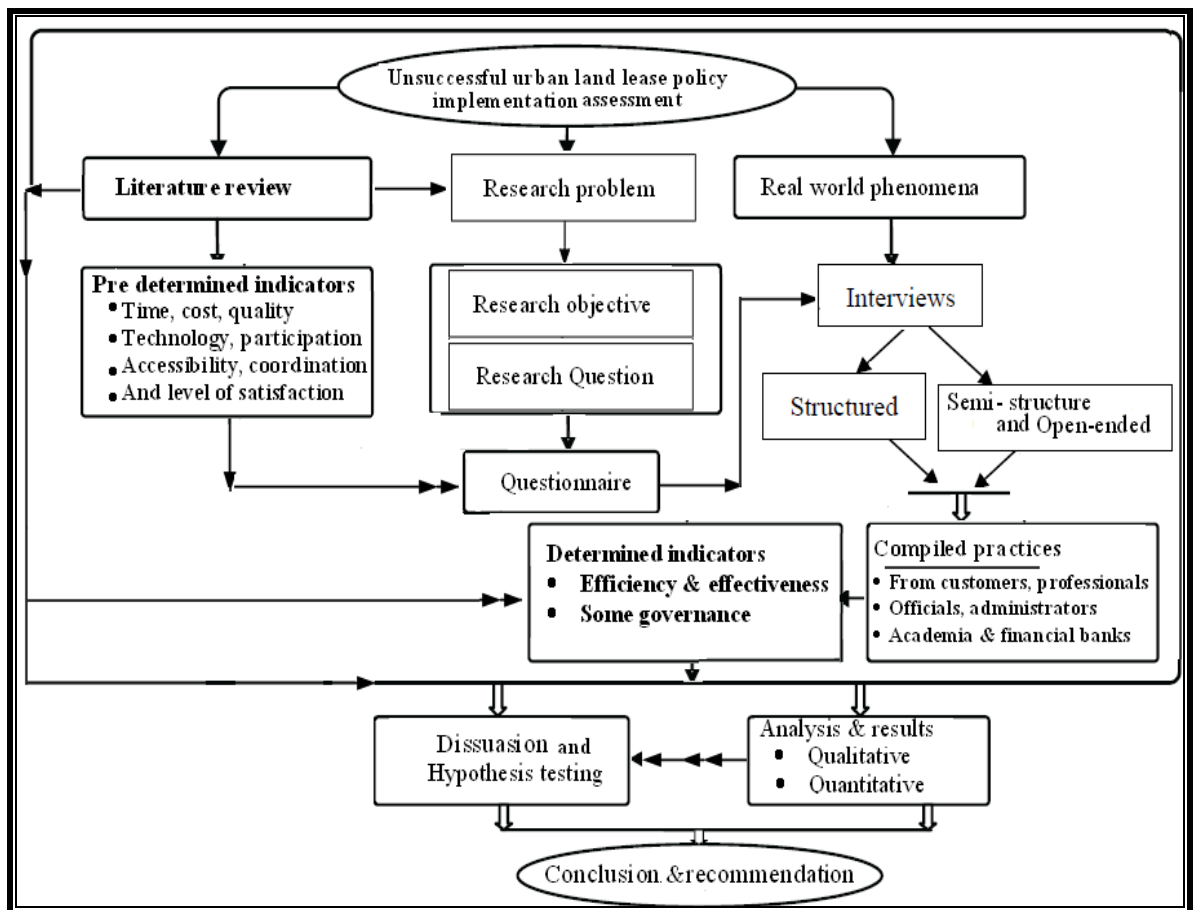


Figure 3.2 Final research design showing the relationship between determined indicator and research methods.

Therefore, in order to adopt the determined indicators for the fieldwork result, different techniques were employed as stated in the following section 3.2.6. Key words were used in order to develop indicators with the help of reviewed literatures. Finally using the key words (clustered fieldwork

information) and information from literature review final or determined indicators were developed as stated in table 3.1.

Table 3.1 Determined land lease assessment indicators		
Urban land lease assessment determined indicators		
Dimension	Criteria	Indicators
Transparency	Availability of standards	<ul style="list-style-type: none"> • Availability of information about allocated land • Clarity, completeness and implement ability of guidelines • Availability of work flow standards and enforceability
	Clarity and awareness	<ul style="list-style-type: none"> • Clear information on availability of land lease • Clarity and simplicity of land allocation processes • Customer and staff awareness • Uniformity and clarity of land lease allocation process
Participation	Public participation	<ul style="list-style-type: none"> • Public participation at planning level & implementation
		<ul style="list-style-type: none"> • Participation of actors in planning , reviewing guidelines and its effects
Equity	Access to information	<ul style="list-style-type: none"> • Uniformity in guideline implementation to all • Equal access to land lease in formation
	Access to land lease	<ul style="list-style-type: none"> • Equal access to land lease • Fairness in land lease price
	Compensation Adequacy	<ul style="list-style-type: none"> • Adequacy of compensation payment and compensated land
Efficiency and effectiveness	(Time)	<ul style="list-style-type: none"> • Standard Process time • Elapsed time
	(cost)	<ul style="list-style-type: none"> • Average cost to develop serviced land • Average cost covered by the customer • Means of cost recovery
	Human and Financial resource adequacy	<ul style="list-style-type: none"> • Adequacy of financial resource, • Means for achieving employee efficiency & effectiveness and staff turnover • Adequacy of skilled man power • Availability of serviced land
	Land related data handling	<ul style="list-style-type: none"> • Existence of proper land management tool & computerized data (digital data) • Usage of available data • Attitude of keeping copies of receipt issued documents
	(Level of coordination)	<ul style="list-style-type: none"> • Coordination across organization for specific output • Coordination within the organization for specific output
	Availability (Quality)	<ul style="list-style-type: none"> • Availability of standards • Availability of detail plan and Implement ability
	Level of satisfaction	<ul style="list-style-type: none"> • Customers and actors satisfaction level in %
	Performance	<ul style="list-style-type: none"> • Annual physical performance • Annual revenue performance

3.2.6 Tools for data analysis

In this thesis two types of data analysis were employed, qualitative and quantitative. The data collected from the individual customer, using structured and semi-structured questionnaires with staff of “City Actors”, were analysed quantitatively. And the data collected through observation and open-ended or semi-discussion with key informants, respective officials, Judge, managers, administrators and technical professionals were analysed qualitatively. The quantitative data analysis was done with SPSS. All the responses from structured and semi structured questionnaire were entered into an SPSS database. These comprised of responses from individual customers and “City Actor” staff to assess their perception, based on that a relation across responses such as customer awareness, participation, satisfaction, costs covered by customer, land lease price and coordination across organizations were analysed. The qualitative data analysis was clustered based on concepts. The data alteration was classified into different steps in order to get better-compiled information. The data analysis started with response transcript Lofland (1984) followed by clustering similar and identical responses based on concepts and then key words were used to clustered responses and develop determined indicators.

3.3 Land lease implementation assesment

3.3.1 Coordination assessment frame work

The assessment of coordination between LPAD and other implementing organizations depended on the responses of different organizations as well as customers. Thus, organizational coordination across implementing organisational and between different teams within LPAD were assessed using perception variable, which was on ordinal scale (Very good, Good, Fair, Bad and Very bad). The “City Actor” staff and individual customer responses relating to ‘satisfaction level’ were assessed based on the above five levels of coordination. However customers’ responses were used to supplement and to validate the responses from the delegated organizations.

3.3.2 Satisfaction assessment

The satisfaction assessment included LPAD, two local (*kebele*) branch of LPAD, facilitating bodies for LPAD such as ‘City Service’ including the Complaint Office, two Kebele administration, Revenue Collection, City Court, Appellate Court and City Administration. It also included Regional actors who were responsible for preparation and approval of guidelines and spatial plans and monitoring implementation as well as justice; these were Amhara Regional Bureau of Works and Urban Development (ARBOWUD), Amhara Region Urban Planning institute (ARUPI), Investment Office and Amhara Region Ethics and Anticorruption (AREA).

Thus, an organisational satisfaction of the land lease output was assessed using perception variable, which was on ordinal scale (Very good, Good, Fair, Bad and Very bad). The “City Actor” staff and individual customer responses relating to ‘satisfaction level’ were assessed based on the above levels of satisfaction.

3.3.3 Time taken to get urban land lease

To assess the performance in terms of standard process time for different type of land lease allocation (“Charge Free lease”, “Auction”, and “Negotiation”), the standard time (standard process time) taken and work steps to allocate land lease plot were used as a bench mark from secondary sources (City Service, 2008). The standard (Process time) was compared to the actual time taken or elapsed time

and work steps. The actual (elapsed time) was collected from the respondents (individual customers) and “City Actors”. This was because LPAD had no recorded documents related to elapsed time and work steps.

3.3.4 Cost recovery

As mentioned earlier the costs for serviced land development were compared with the cost covered (paid) by customer based on the collected data. Thus cost for serviced land development was the total cost incurred in providing basic public infrastructure, which includes road, water supply, electricity and surveying fee. Therefore, for cost recovery assessment the general data collected from LPAD were used; which were used for developing serviced land and the actual payable cost by the customer including service fee and land lease price were collected from the customer and “City Actors” responses. This comparison depended on minimum and maximum cost from which the average level of cost recovery was assessed. The method used for calculating the cost of serviced land were,

$$SSF = (25 \text{ Birr} \times \frac{A}{500})$$

$$CIS = A \times 230$$

$$TLDC = SSF + CIS$$

Where TLDC = Total serviced land development cost

SSF = Surveying Service fee = (25 Birr*A/500)

CIS = cost for infrastructural service provision = (A*230-250Birr/m²)

A = Area/plot size

3.3.5 Quality

The intention of quality in the predetermined indicators was to measure the quality of documents, based on the proportion of total issued documents, total issued documents without error, and times returned back documents to correct errors. However, the implementing organization or LPAD had no records. Therefore other criteria were set as mentioned in table 3.1.

3.3.6 Methods for hypothesis testing

For the purpose of hypothesis testing two methods were employed; one yearly performance and two problem persistency in more than one organization. According to Lemmen (2009) in his Performance Analyses the critical factors for success was employed, including satisfaction of the customer (time of delivery, level of cost of products, financial performance) and optimal use of resources: (productivity, absenteeism through sickness). This was measured in terms of plan and realisation, for instance success for property transaction was 100%. However in this research for the first hypothesis testing annual performance of LPAD in terms of physical works and revenue collected were used. Therefore, success for both revenue collection and physical work was measured based on annual plan and execution comparison. If all the executed plan performance result were 80% and above the hypothesis was be rejected, if some of the executed plan performance result was above 80% and others below 80% the hypothesis was be accepted and if all the executed plan performance result were below 80% the hypothesis was accepted:-

- 95-100 % completely successful
- 80-94 % successful
- 60-79 % fairly successful
- 40-59 % insufficiently successful
- 30-39 % unsuccessful,
- 29% completely unsuccessful

The testing of the second hypothesis (problem persistency in more than one organization); was based on the number of organizational responses in existence of similar problems across organisations. If a similar problem was identified in more than one organization the hypothesis was true accepted otherwise Vice-versa.

3.4 Concluding remarks

This chapter described the techniques adopted for data collection, how determined indicators were adopted and how such information were analysed. Each of the techniques of data analysis described, contributed to the assessment of the urban land lease implementation. The subsequent chapter provide details of the analysis and result.

4. Field result and analysis

4.1 Introduction

This chapter addresses research question number two, three and four and the result of hypothesis tested in this study. The hypothesis establishes the relationships between performance of revenue collection, physical works and persistent problems. This was done through observations of consistencies and inconsistencies in the data collected (pattern examination) and comparison of plan output (set targets) and execution (realised output). The data collected comprised both primary and secondary data. Primary data were analysed based on specific concepts developed by clustering the collected data. Secondary data were also clustered based on similar lines. The chapter is divided into eleven sections. Under section 4.2; general observations of the data is provided including visited organisations and number and type of respondents that were consulted during fieldwork. Section 4.3 assesses transparency in land allocation process, it deals with clarity of land allocation procedure, guidelines and its accessibility, section 4.4 deals with customer or public and ‘actors’ participation, section 4.5; equity principles in land allocation, access to information, access to urban land lease and compensation adequacy, section 4.6 provides the data collected for efficiency and effectiveness assessments, including process time to get urban land lease, cost of serviced land development and cost covered by customer, coordination across organization in land lease allocation, it further deals with quality in terms of availability and implementability of standards, section, 4.7; examines the adequacy of human and financial resource, section 4.8 presents the data on the level of satisfaction, section 4.9 deals with the determinants of land lease implementation and section 4.10 deals with land lease goal attainment. The chapter concludes with specific observations that were further investigated in chapter five.

4.2 Generally collected information

The primary data were collected from Bahir Dar city from Oct 5- 22, 2009. The fieldwork was conducted with four major types of questionnaires; one for customer interview, three for “City and Regional Actors” as well as city court, the concepts of the questions were related to spatial land lease planning, implementation of land lease and justices or land governance. In order to fit to the interviewed organization questionnaires were developed for each interviewed organization (see appendix D). The individual data collection employed stratified random sampling and was centred on residential (private individuals and member of cooperatives), commercial, social services and industrial land use of the city.

However, for residential and industrial land use the coverage was limited in kebele 11 and 14 because; these two kebele were the major expansion area of the city. The majority of leased plots were located in these two kebele as shown in figure 4.1. For all respondents from organizational customers (two from financial and one from academic), the selection of the interviewee was based on awareness of the land lease policy at managerial level. The focus for “Regional and City Actors” as well as City court was mainly with professionals, staff, administrators, manager, officials and judges (see table

4.2). The selection was based on the relatedness of their works, professions, management and administrations as explained in Chapter three, section 3.3.2.

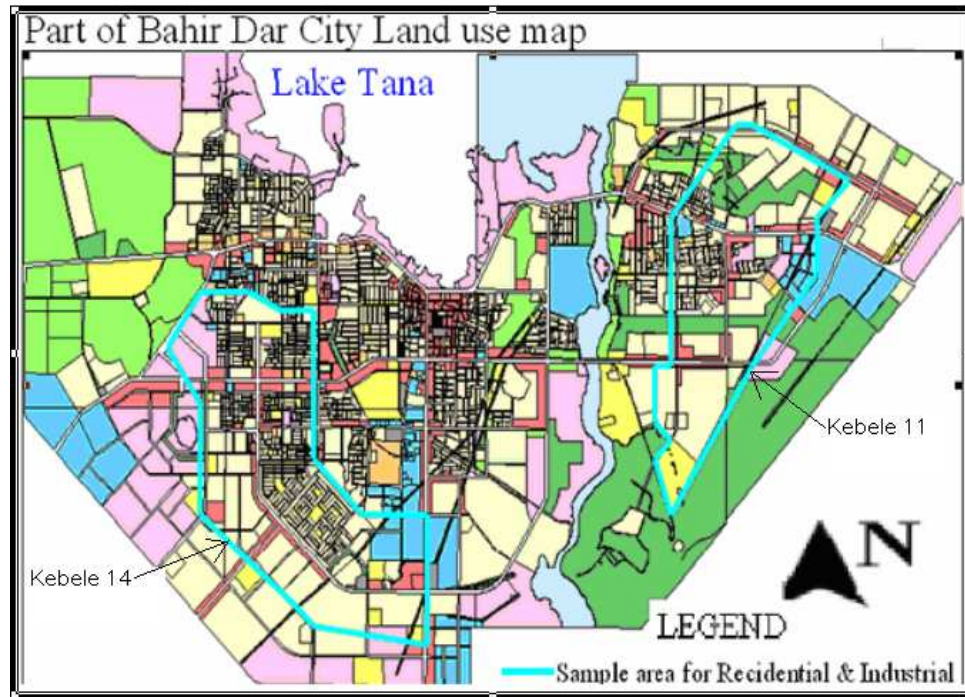


Figure 4.1 The study area and sample area for Residential & Industrial use in Kebele 11 & 14 (EPLAUA and CA, 2009)

Generally, the structured questionnaires were used for 109 individual customers, semi structured interview was undertaken for 10 staff of the “City Actor” and unstructured interviews was used for 26 different officials, judge administrators, managers and technical professionals; of which four from organisational customers (two from financial, two from academic organizations), 21 from “City Actors”, six from “Regional Actors” and five from city court of which (two City court and three from City Appellate court).

Table 4.1 shows the data collected using stratified random sampling from individual customers. It shows that the individual customers sampled were from five different land use functions and the sample size of each function ranged from 7 to 66 customers.

Table 4.1 Individual customer sampling

Function	Frequency	Percent
Individual residence	66	60.6
Cooperative residential	15	13.9
Commerce	13	11.9
Social service	7	6.4
Industry	8	7.3
Total respondents	109	100.0

4.2.1 Source of field data collection

The main source of field data was LPAD, which is part of “City Actors”. At the time of data collection LPAD was an authorised organisation to deal with land related issues and land allocation. Its operations were centred within four teams at city level; and branch offices at each local (kebele) level. The characteristics of the respondents were divided into three categories; 1) Customers, 2) “City and Regional Actors” and 3) city court. “Regional and City Actors” include different organisations (see section 3.3.2). The characteristic of the respondent from the organizations were demonstrated in the light of their acting and hence over-viewing the land lease implementation in the city. Customers include three parties, which include individual land lease customer, academia and financial organizations. The individual customer includes “charge free lease” and “priced lease” occupier both “negotiation” and “auction”. In general from “Regional and City Actors” 14 and from customer 4 different bodies were involved as depicted in figure 4.2.

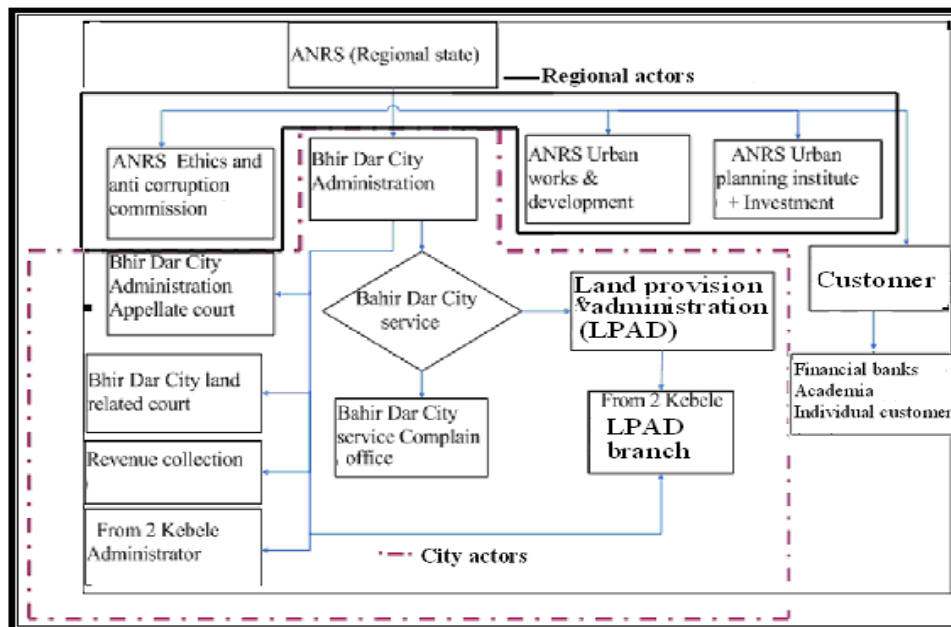


Figure 4.2 Sampled customers of urban land lease and “City & Regional Actors”

Different respondents for organizations were categorised as actors and were grouped depending on their closeness’ in functions. The groups of organizations and, people who were involved in structured, semi structured interviews and discussion is depicted in table 4.2. The table shows that, the primary data collection was from individual customers, “regional and city actors” and city court. Even though data collection was conducted separately from different organizations as shown in (table 4.2) for the purpose of respondents’ security the data analysis result was presented as “Regional Actors”, “City Actors” and City courts response. The City officials committee is a committee assigned by the city officials mainly by city mayor. The analysis was dictated mainly by efficiency and effectiveness based on three governance dimensions, which were i) transparency, ii) equity and iii) participation.

4.2.2 Validity

In conventional inquiry, internal validity refers to the extent to which the findings accurately describe the reality (Hoepfl, 1997). In conducting this study, conscious attempts were made to produce reliable and valid information. To achieve this, the study employed various control and checks; multiple

sources of data were used to confirm the validity of information. For example data related to issue of coordination across actors was collected both from the “City and Regional Actors” and customers, data related to satisfaction was assessed from the perception of customer, staffs of “City Actor”, “Regional and City Actor” Officials, managers, administrators and professionals. During interviews, fieldwork notes were written out and compared with findings from the questionnaire. Therefore, both qualitative and quantitative methods were adopted for data validation and data triangulation was used as explained in interviews. Preliminary interpretations were confirmed by repeating the responses and check whether the interpretation were valid from the respondent’s point of view (see Hoepfl, 1997).

4.3. Transparency of the land allocation processes

4.3.1 Availability of standards and guidelines

The subject of “Availability of standards” was investigated based on existence of land allocation guidelines, standard workflow and standard process time to finalize one specific allocation. The result shows that there were all these documents existed. The workflow for each type of allocation, process time and work steps were standardised as depicted in figure 4.3 and 4.4.

The maximum steps were 8; such workflow was in land allocation through auction and negotiation. But, the other type of allocation such as “charge free” land lease, mostly for residential and social services had four, work steps. However, three out of nine “Regional and City Actor” managers and administrators stated that some guidelines were unavailable and it was difficult to crosscheck one another. It was observed that Proclamations, guidelines, rules, regulations and directives were many and not compiled. It was not easily manageable for operational works. It required checking of each legal document, although most of them were unavailable to LPAD staff. Two out of three “Regional Actor” officials acknowledged this observation; and added that these practices made lawful investigation difficult and some times impossible. Two out of six “City Actors” administrators identified another set of problems that is related to difficulties in compiling data. The LPAD lacked compiled information on land lease allocation for the public use as well as actors. Four out of six respondents from the “City Actor” staff added that the guidelines for use in land allocation processes, which were given to LPAD, was not available or accessible to all members of staff. In addition the researcher observed that LPAD lacked compiled guidelines and directives.

Despite the existences of guidelines, standard workflow and standard process time, a number of short comings were observed. One of the “City Actors” managers stated that the delegated organization was not able to follow those guidelines and to implement the policy to the stated standards because of frequent intervention from the City Officials as well as from above. He claimed that the extent of intervention affected sustainability and uniformity in implementing standards and guideline. One among the “Regional Actor” Officials stated that the land lease guidelines were unavailable for the majority and were implemented differently this means that land lease guidelines lack uniformity across customers; land lease price was lower in well serviced land and in the inner city and the process time was shorter for such a land lease plot allocation compared to non-serviced land.

Table 4.2 Summary of organizations and, individuals who were involved in the interviews and discussions.

Respondent	Function	Organization/bodies	Number of interviewe e	Personnel level for interview (questionnaire)
(City Actors) (21)	Front line Service providers	Land provision & administration (LPAD)	1	(Administrator) Head of LPAD, unstructured interview, and discussion
		Professionals of LPAD	2	Discussion and un structured interview with Professionals(surveyors & valutors) of LPAD
		LPAD staff	5	LPAD employee such as filing and recording management and officers semi-structured interview
		From two local (Kebele) LPAD branch office staff	5	Local (Kebele) level LPAD service provider employee semi-structured interview
	Monitoring, Supporting and facilitating	City Service	1	Manager un structured interview
		Professionals	2	City service Professionals (planners) un structured interview and discussion
		City Complaint office	1	(Administrator) un structured interview
	Administering and facilitators	City administration (CA)	1	(Administrator) City advisory office un structured interview
		Revenue collection	1	(Administrator)of Revenue collection un structured interview
		Two local (Kebele) administrators	2	2 local (Kebele) administrators Semi discussion
City court (5)	Justice	City Appellate court	3	President and judge, discussion and un structured interview
		City land related court	2	President and judge, un structured interview
Regional Actors (6)	Back support for LPAD, guideline preparation, physical plan preparation and approval, and supervision	Amhara Region Bureau of Works & Urban Development (ARBOWUD)	1	(Administrator) un structured interview and discussion
		Professionals of (ARBOWUD)	1	Professional (Urban planner) un structured interview
		Amhara Region Urban planning institute (ARUPI)	1	(Official) or Process owner un structured interview
		Amhara Region Ethics and Anticorruption (AREA)	2	(Officials) or Director and Protector, un structured interview & discussion
		Investment office	1	(Administrator) discussion & unstructured Interview
Customer (4 from organizations + 109 individuals)	Individual customers, financial banks and academic organizations	(ARCSI) Amhara Region Credit and saving institution	1	Manager un structured interview
		Ethiopia Construction business bank	1	Manager un structured interview
		Bahir Dar university (Academia)	2	Lecturers & officer, un structured interview
		Individual customers	109	Commercial, residential, social and Individual land use occupiers, structured interview

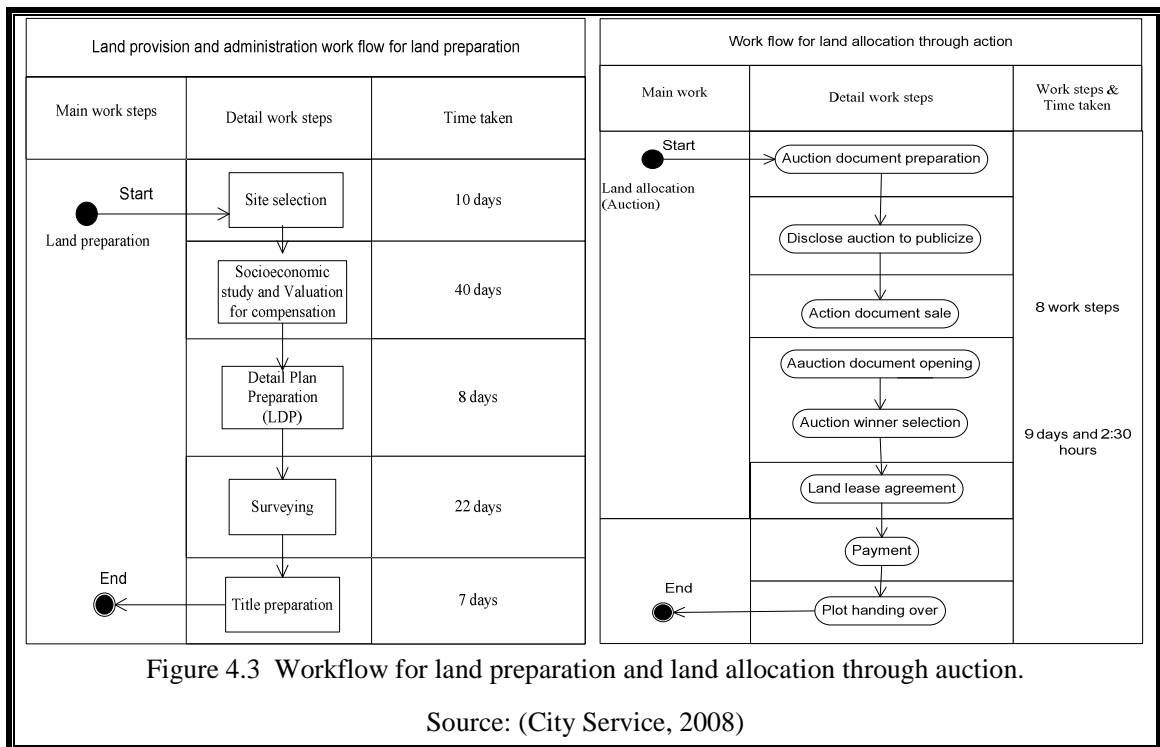


Figure 4.3 Workflow for land preparation and land allocation through auction.

Source: (City Service, 2008)

Regarding completeness and implementability of guidelines it was observed that they were not complete and some guidelines were difficult to implement. Three out of 11 “City Actors” managers, administrators and professionals claimed that guidelines were not compiled and complete. They added that although the city classified land into five grades, LPAD had not delineated zones for land price. There was no standard price map. This was evidenced by ANRS (2006b), a guideline which stated that the city had 5 different land grade levels (1-5); but in practice land grade and land price was decided subjectively.

The majority (7 out of 11) of “City Actor” administrators and professionals identified other problems, which were lack of complete land parcel data and lack of land inventory; there was a problem on who owns what and under what condition. They added that there was no compiled land related information to be open for public. They also claimed that to the extent when expropriation was necessary, valuation was prepared accordingly but the “Regional Actor” officials; “City and Regional Actor” professionals were worried of the means of valuation and identified it as a loophole, unclear and open to subjective assessment. The customer complained that there were no guidelines or procedural standards and process time. They added that there were no available plans on which area was reserved for what type of investment and what requirements were necessary to access such land lease.

From the above observation, it can be conclude that, though some guidelines had gaps, the guidelines, standards and directives were developed but it was implemented differently. Moreover regarding the land lease price uniformity, as long as there was a guideline on how to grade land in the city it was not difficult to convert to standard price map; but this was not standardised. This shows that the implementation of land lease didn’t follow the guidelines and the means for monitoring and timely amendment was non-existent.

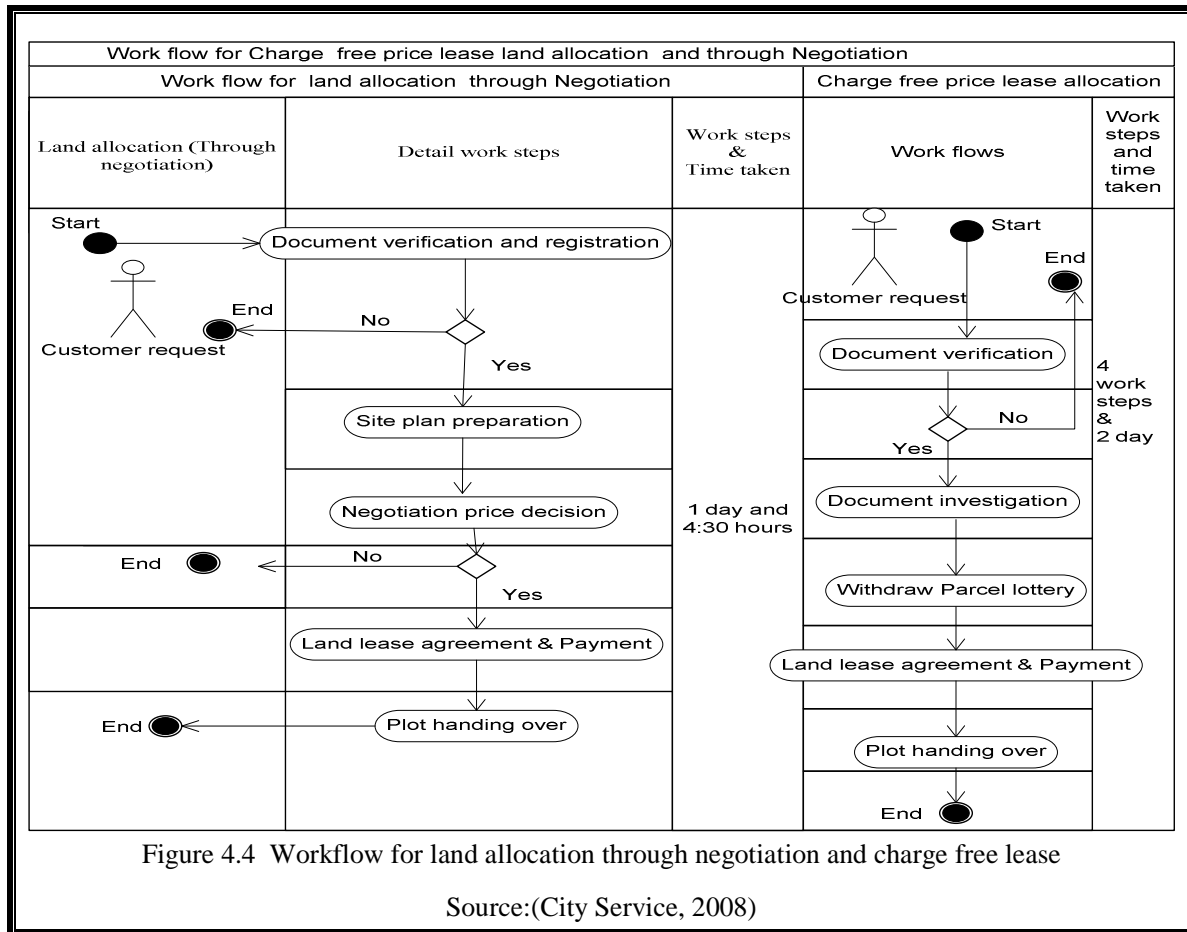


Figure 4.4 Workflow for land allocation through negotiation and charge free lease

Source:(City Service, 2008)

4.3.2 Clarity and awareness on land lease allocation procedures

Clarity of procedure was assessed based on respondent’s awareness of procedures in land allocation and relocation. 82 out of the total respondents were not aware on the land lease allocation involved procedures.11 of the individual respondents who were interviewed were relocated customers, 8 of which were unclear on how the compensation and replacement of land allocation was prepared. In addition, a total of 10 respondents from “City Actor” staffs were interviewed, 80% were not aware on how land lease rights were allocated, what requirements were important and for what function. The remaining 20% were aware of the processes in land allocation.

Meanwhile, according to the “priced lease” customer’s responses the criteria for investor selection and price determination process was unclear to them. Likewise, five out of six “Regional Actors” officials, administrators, and professionals claimed that the criteria for investor, project selection and involved processes in land allocation through negotiation were unclear to all actors and customers. This observation was supported by two out of three “Regional Actors” officials; the fact that they had identified that investors who were allocated large tracts of land without any project proposal within a short period of time and at a very low price. However, they stated that, for the majority of lease applicants, it often took a long time even after fulfilling the requirement according to the rules and procedure in force.

Three out of 11 “City Actors” managers, administrators and professionals claimed that guidelines were not clear to them. For instance guideline about compensation was not clear to all of them. One among the “Regional Actors” administrators stated that the regulations required detailed guidelines for instance on the land lease payment arrangements were open to individual assessment. In addition, two out of three “Regional Actors” officials claimed that even though the legal gap is minor, the consequence was remarkable, for instance to allocate alternative land for relocated person, the relocated person has a right to compensation and replacement land as provided in ANRS (2002b), where as it is stated that;- *“the relocated person shall have the right to get comparative replacement land and compensation for the improvement on land”*. Such compensations should be comparable in terms of area or/and location. This requires realistic decisions, but decision makers assessed it differently. They added that decision in land grade and land lease price were unclear.

Two out of seven of the “City Actors” managers and administrators stated that some allocations were free or at very low price, but it was unclear to them about the objective of price reduction. Likewise, four out of seven “City Actors” managers and administrators stated that the workflow and standards was not implemented uniformly. The LPAD was affected by interference, some times commands were contradictory with the guidelines, such as price reduction, and this affected implementation uniformity as well as clarity on how decisions of price determination were made. The majority (7 out of 11) of “City Actor” managers, administrators and professionals acknowledged facing intervention from different higher organs and individuals, but they stated that LPAD were doing all their best to meet the standards. However, they were unable to assess whether the standards were met or not.

In addition, it was observed that some work steps lack clarity for instance site selection was standardized for completion within 10 days; however it was difficult to measure, because the areas were not standardised (see figure 4.3). Similarly in some work processes, some of the steps were combined more than one activity in one step workflow. For instance charge free land lease allocation for residence, required document verification from local administration (*Kebele*) and LPAD had additional verification according to City Service (2008) operational manual, but it was not considered separately in the work flow (see figure 4.4), but in reality document verification requires additional work steps. However, document verification on whether he or/and she had other land or land property verification required a separate work step in order to monitor easily where the delay were.

The above fact shows that even if guidelines had minor clarity problem, during implementation the gaps were widened. It was unclear how investors were selected for both actors and customers. Those minor legal gaps were used as a good opportunity for untrustworthy decision makers and professionals to assess applications and prices in their favour. Similarly, though the standard process time and work steps for all types of land allocation were developed; it was difficult to know how decisions were made by LPAD to customers and actors. But, LPAD had additional difficulty to implement based on the standards as a result of intervention.

4.4 Participation in planning and land allocation process

4.4.1 Public participation

According to the individual customer responses out of the total respondents, 61% had never participated in any land allocation issue, development planning or any other priority setting and

spatial planning of the city as well as decision-making. 39% participated at least once. In addition, 11 out of the total interviewed customers were relocated, eight of which were unaware of the relocation and they didn't participate during property valuation; the remaining three were aware. Two of those who were aware of the reasons and timing for the relocation were originating from city or city residents and the majority of those unaware were originated or were relocated from farmlands. One out of two respondents from academia and two from financial banks stated that participation was declining over time, as they were participating in land lease related issues in the past, but no longer do so. A total of 10 respondents of the "City Actors" staff were interviewed. 90% of them never participated in any plan preparation and guideline revision, while 10% participated at planning stage.

4.4.2 Regional and city actors' participation

According to "City and Regional Actors" managers, administrators and technical professionals participation at the planning stage was insufficient to represent the interests of the majority both from the city actor, regional actors and public at large. They added that about three years before the spatial development plan of the city was revised, all of the actors except ARUPI were not participating in the plan preparations. As a result, the development plan lacked completeness and some services were not sufficiently incorporated.

Table 4.3 Revised land lease price Vs pervious price

Function	Original and Revised land lease price	Grade 1 Birr/m2	Grade 2 Birr/m2	Grade 3 Birr/m2	Grade 4 Birr/m2	Grade 5 Birr/m2
Commerce	Original	290.64	249.12	166.08	83.04	41.52
	Revised	80.00	68.56	45.70	22.85	11.42
Industry	Original	217.98	186.84	124.56	62.28	31.14
	Revised	60.00	51.42	34.28	17.14	8.57
Social service	Original	145.32	124.56	83.04	41.52	20.79
	Revised	40.00	34.28	22.85	11.42	5.71
Residence	Original	72.66	62.28	41.52	20.76	10.38
	Revised	20.00	17.14	11.42	5.71	2.85

Source: (ANRS, 2002b; ANRS, 2006a)

Meanwhile, two out of seven "City Actors" managers and administrators, stated that there was lack of assessment in decision and guideline revision in the city because some decision about land lease price and land rent reduction were made in unwise and non-participatory manner. They added that the reduction of land lease price and land rent was very high (table 4.3 and 4.4). These respondents were giving these opinion based on the lease objectives; they stated that in order to meet the land lease goals and objectives the city required putting a means of cost recovery. Then the city can be able to utilize the revenue to provide infrastructural services especially for the low-income groups, ahead of allocation. However, they also added that the government decision for reducing land lease price and land rent was based on the assumption that customers complained of low to meet the high price land lease, but practically the cause for customer dissatisfaction was not related to government land rent or land lease price; rather it was related to improper decisions and procedural delay, in land allocation as well as in general service delivery.

Table 4.3 and 4.4 shows that, the land lease price and land rent reduction was more than 60%; the previous land lease price (original in table 4.3), was reduced by 63% for all land grade and land use. The reduction applied for the previously occupied commercial and residential functions. However, the reduction was different, for commercial purposes the reduction ranged between 84% and 98% but for residential the reduction ranged between 35% and 60%. Details of the reduction are shown in table 4.3 and 4.4.

Table 4.4 Original and revised rate of land rent for former commerce, industry and residence.

Function	Original Vs Revised land rent	Grade 1 Birr/m ²	Grade 2 Birr/m ²	Grade 3 Birr/m ²	Grade 4 Birr/m ²	Grade 5 Birr/m ²
Commerce	Original	2.00	1.50	1.00	0.75	0.50
	Revised	0.25	0.18	0.12	0.10	0.08
Industry and others	Original	1.50	1.13	0.75	0.56	0.38
	Revised	0.20	0.15	0.11	0.08	0.05
Residence	Original	0.26	0.21	0.17	0.13	0.09
	Revised	0.17	0.12	0.08	0.04	0.02

Source: (ANRS, 1995; ANRS, 2003a)

One among the “City Actors” managers claimed that the above revenue reduction resulted into limited replication of serviced land development. One among the “City Actors” administrators added that no infrastructural and services were provided for residential land allocation; infrastructural provision was limited to industrial zone. Three out of seven “City Actors” managers and administrators’ claimed that, one of the main bottlenecks for land lease allocation was financial shortfall. They added that the provision of infrastructural facilities as well as development of serviced land depended only on government funding and there was no means to recover infrastructural cost. 95% of interviewed customers from residential use complained on aspects of public infrastructural provision being allocated for residential purpose where without any infrastructural provision such as access road, water and electricity.

One among the “City Actor” manager stated that, in order to provide infrastructural services it required to generate revenue from land rent and land lease price. However, the revenues collected were insufficient because many plots were provided through negotiation at a very low price. Therefore it was difficult for them to provide infrastructural services and to develop serviced land ahead of allocation. In general it was observed that the land lease implementation was non-participatory for both actors and customers at large. Both in spatial planning stage, guideline revision and decision making process.

4.5 Equity principles in urban land allocation

4.5.1 Accessibility to legal documents and land lease information

The majority (95%) of the interviewed customer stressed that; land lease information was not equally accessible to all. They added that, main information was delivered to selected favoured people. They also stated that these practices were not only limited to “charge free lease” and negotiation but also auctioned leases. Two out of three “Regional Actors” officials stated that the Guidelines,

requirements and work process were inaccessible to actors as well as to the public. The main reasons given for this were, difficulties in getting information from LPAD on the number of plots allocated by lease, legal documents related to land allocation, the ambiguity in the type of allocation for individuals or groups of individuals to whom such allocation was made, using which guidelines. One among the “Regional Actors” officials claimed that when the directives on land allocation change publication of such changes were limited and some LPAD staff used it as a means to favour individuals. The priced land lease customers claimed that information related to availability of land under lease allocation was not given equally to all.

One out of three “Regional Actors” officials stated that the means of publication about availability of land lease was limited to notice board and announcements being made for few plots through Television, Radio and Government news paper /Gazette/. They added that many plots were allocated without any announcement to favoured relatives or employees of LPAD and to those having a close relationship to “City Actor” officials and managers such as brokers and speculators or non-real investors. Another “Regional Actors” officials claimed that, land related information specifically directives and guidelines were given on similar grounds. this was also supported by a number of priced land lease customer (16 out of 31) and four out of five of the city court judges stated that access to property records and property valuation documents for compensation was difficult which in turn delayed court decisions and customers were dissatisfied.

One out of three “Regional Actors” officials stated that when offence related to land lease were committed, it requires information verification about land property for the purpose of justice, which was difficult to access. One among the six “City Actors” administrator stated that auction land had to be publicized for 9 days through media. The frequencies of land lease auction were limited to 4 or 5 times a year. On the contrary, the LPAD guideline, City Service (2008) stated that the intention of short time publication of the land lease auction was to avoid delay in land allocation. The guideline clearly stated that, the frequency of land lease auction should at least be twice a month. Thus, the intention of the guideline was not met. Four out of seven “City Actors” managers, administrators and two out of five “regional Actor” officials and administrators stated that as the result of unavailability of standard land price map, it was difficult to know which plot belongs to which price.

It can be conclude that information was inaccessible for the majority of actors and customers. In addition property related documents were difficult to access to the city court, this led to delay and customer dissatisfaction. Since the manual was not converted to standard price map and posted or/and circulated, the possibility of reaching and being understood by the public was negligible.

4.5.2 Access to urban land lease

One out of three “Regional Actor” officials explained that many well-serviced plots in inner city were allocated below the price of non-serviced land and in non-serviced land the price was high and it required long processing time. They stated that, under these circumstances, it might not be logical (from the wrong-doer point of view) to keep proper record on land allocation. Individual customer who got land through auction and negotiation also complained that for some investors land lease price, time taken and the requirements had been minimal. One out of three “Regional Actors” official also added that 58% of the land lease related corruption cases were decided against officials, managers, administrators and professionals of LPAD.

The majority (65 out of 109) of the individual customers interviewed were of the view that, “the land lease allocation was unfair. They stated that “charge free” lease was allowed for those who had no capacity to pay price lease, and after having at least two years residency in the city. But, “charge free” plots were being given to favoured families using different names within the same family. They added that investor selection criteria lacked transparency. Two out of three “Regional Actors” official’s view was that, “charge free” lease and negotiation was exclusive to the minority. For instance one out of three “Regional Actor” officials claimed that one cooperative which was allocated land through “charge free” lease had 26 members out of them only 6 peoples were resident of the city and the other 20 people were unknown. He stated that it was common to give prime land using special order for favoured individuals. He also claimed that another similar example was from a cooperative with 26 merchants of the city who requested to be allocated land for residence in the inner city for a price of 250Birr/m² based on this; LPAD allocated the land to them based on their requested price. However, the “City Officials Committee” reversed the decision and gave them 200m² for each person “charge free” in prime land, but those from low-income group, got non-serviced land and far from provided infrastructural services.

It was observed that land was, in certain cases, allocated under suspicious transactions. For example one out of three “Regional Actors” officials mentioned that 6 investors were requesting commercial land plot; the requested land lease price ranged between 800-1500 Birr/m². LPAD decided to allocate the land to one among those investors. He added that the investor had offered to pay a total of 880 Birr/ m² and 10% advance payment, but LPAD decided on 880 Birr/m² and 20% of the total land lease price as advance payment. However, He also stated that City officials committee reversed the decision and leased out the land to the same investor on land lease price of 294 Birr/ m² with 5% advances payment. This means that the decision were reversed to allocated land below applicants offer price. Meanwhile, they also said that other investor requested 300,000 m² for real estate, but was allocated 350,000 m².

It was also observed that allocation of large expansion area was common, for example one among the “Regional Actors” officials said that, for one project the initial titled area was 10,000m², after few months they allocated 4,000m² additional expansion area, later additionally they allocated 13,000 m². However, the investor already occupied 40,000 m². On the other hand from the same land the government only collected land rent for 17,000 m². They also added that these mistakes in land allocation were mainly done during plot handover. Most respondent from “Regional Actors” were cautious that these situation would lead to increased land speculation and slow down investment on land.

One among the “regional Actors” officials stated that unavailability of land grade map was used as a means to favours individuals. He added that similar land plots were allocated with different price; some times well-serviced land was allocated below the non-serviced land. Two out of seven “City Actors” managers and administrators stated that though LPAD had guidelines, there was no standard land grade map to check which land is allocated on what price. They added that there were no follow up on guideline implementation and the other responsible bodies who supervised and monitored LPAD was very slow; they were always busy on incidental works from above. They added that land grade was determined on site.

One among the “City Actors” manager stated that more than 80% of the land allocated through negotiation in serviced land was undeveloped. One among the “Regional Actor” administrators stated that more than 75% of the total allocated plots were not developed. One out of three “Regional Actors” officials stated that, this was because the criteria of investor’s selection were not based on the guidelines; it lacked uniformity and transparency of the implementation. He added that though the land allocation and investor selection were problematic, land lease allocated for real investors were developed. However two out of six “City Actors” administrator and four out of five of “City and Regional Actor” professionals identified a number of problems, which were related to transparency in land allocation; timely monitoring and corrective means that were limited.

According to “City and Regional Actors”, administrators and professionals’ informality, illegality and land speculation was increasingly bunched up. One out of three “Regional Actors” officials indicated that many land lease customers occupy more than the area stated in their title and they were not developing the land, they simply fenced it for a long time (figure 4.5). He added that some customers were occupying thousands of square meters of land, without paying land lease price, to the extent required under the service fee regulations. They also stated that many plots allocated through negotiation was at a very low price and occupied excess land illegally, without any development.

The researcher also observed that very large prime land were fenced or/and underutilised. Four out of six “City Actors” administrators stated that many plots were fenced for a long time without development for the purpose of speculation. Similarly, two out of six “City Actors” managers, administrators and four out of five “Regional actors” officials and administrators, claimed that the lease agreement and construction grace period of all fenced plots had expired. Two out of seven of the “City Actors” managers and administrators stated that those plots were to be taken back to LPAD. They added that enforceability and action in this regard were slow and inefficient. They also stated that around 62 undeveloped priced land lease plots had already been returned back during the data collection period and other 333 plots were in the process to be reacquired.



Figure 4.5 Sample of fenced land leased plots. Source: Field observation

It can be concluded that land allocation was done through non-transparent and inequitable way. In addition the land lease agreements were unenforceable; many plots were fenced and underutilised for a long time for speculation purpose. On the contrary land allocated through proper procedural investor selection was developed.

4.5.3 Adequacy of compensation in reallocation

One out of six of the “City Actors” administrator stated that 85% of the registered complaints in “City complaint” within four months period beginning May 2001 to August 2002 E.C were related to land lease complain. 80% of those registered complaints were decided, of which 71% were decided against the LPAD. Three out of five “City court” judge mentioned that 70% of the registered court cases were related to land lease and compensation. In response to problems encountered in deciding on those cases the court said that they were expected to decide within one month’s time, but decision often lagged behind time, because of inaccessibility of land property related information. They claimed that 70% of the registered cases were pending due to lack of land information for verification while the court requested the information seven months earlier, for LPAD and Environmental Protection, Land Administration and Use Authority (EPLAUA).

Two out of six “City Actors” administrators stated that, previously the “City officials committee” had handled the means of property valuation and ownership verification for compensation in case of large expansion projects which was not adequate. Four out of five professionals from the “City and Regional Actors” stated that the means of valuation depended on subjective assessment. They added that it was not easy for customers to know how the valuation was done. One out of six “City Actors” administrator said that the “City officials committee” prepared the valuation; only compensation payment was handled by LPAD. They added that because of this separation it was difficult for LPAD to explain to complainants on how it was prepared.

11 of the interviewed customers were relocated customers. Six of which were relocated from farmland during urban expansion and the remaining 5 were relocated by different reasons from urban area. It was observed that the way of compensation for relocated customers was non-uniform. The plots given as replacement or re-allocated land had an area of 105m², 120m², 250m² or 500 m². Regarding the satisfaction level related to compensation and re-allocated land, 74% of the relocated customers were dissatisfied and 26% were satisfied with the compensation as depicted in figure 4.6. Satisfaction level of those relocated from farms and from the city was slightly different as shown in figure 4.7 below. 80% of the relocated customers from city were not satisfied with the compensation and alternative land and 67% of those relocated from farmland were dissatisfied with compensation for details refer (figure 4.7).

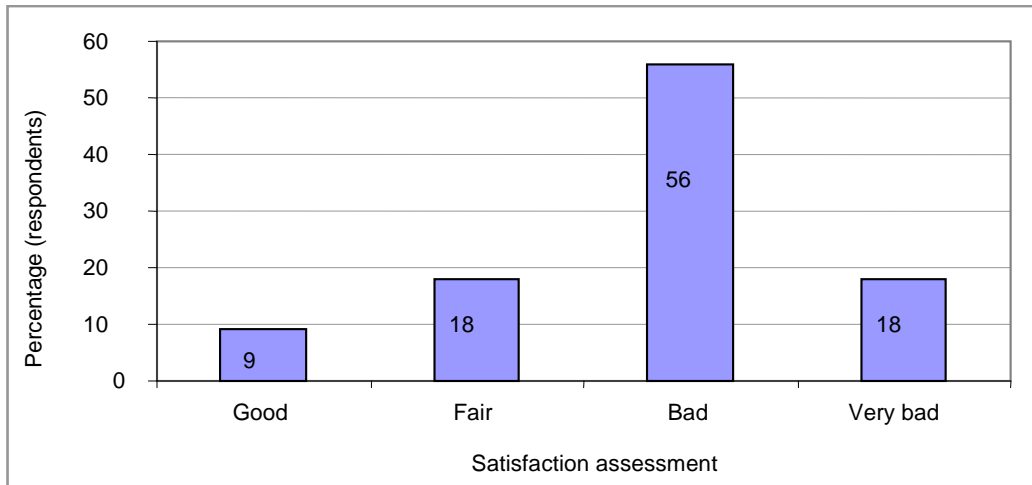


Figure 4.6 General satisfaction of relocated customers

Source: Individual customer response

In figure 4.7 it is shown that the satisfaction of relocated customers was not really good; since reallocation was done in a non-satisfactory manner to them. Even though relocated customer who originated from the city were better awareness, the satisfaction level related to compensation and relocated alternative land was opposite. On the other hand the customers originating from farm were not aware on how the compensation and alternative relocated land was prepared, but the level of satisfaction was higher than that of customers who originated from the city (see figure 4.7). However according to the law ANRS (2002b), and guideline ARBOUD (2007) the relocated person had a right to get compensation for improvement on land and comparable alternative land according to the standard plot of the city.



Figure 4.7 Satisfaction by origin of the relocated customer

Source: Individual customer response

4.6 Efficiency and effectiveness in urban land lease processes

4.6.1 Coordination across organizations

The majority (18/21) of the “City and Regional actors” respondents claimed that; coordination and collaboration with LPAD, City service, City Administration and ARBOWUD were either bad or very bad. They stated that one of the reasons for customer complaints (low work performance and low

revenue collection in land lease implementation) was the existence of unsatisfactory coordination between LPAD and other responsible actors in land lease matters. For instance, three out of seven “City Actor” managers and administrators responded that, LPAD and “Revenue Collection” were responsible for revenue collection from land lease and land rent of the city and were supposed to prepare yearly revenue budget to be collected. The LPAD was responsible for preparation of serviced land for sale through land leases. But, LPAD was unaware of the revenue collection budget that was prepared and the considerations in the budgeting and planning period. They added that, both the plan for revenue collection and collected revenue was very low; this was because yearly fund for infrastructure provision was budgeted in a similar way. One out of the six “City Actors” administrators’ stated that, coordination between LPAD, ARUPI and ARBOWUD was not good. He claimed that when land use change was required, the plan for land use change was prepared by LPAD, but it required ARBOWUD and ARUPI approval, which was difficult to obtain within specified time limit.

The main cause raised for unsatisfactory coordination was interference. Three out of six “Regional Actors” officials and administrators and five out of 11 “City Actors” managers, administrators and professionals stated that interference was the main problem hindering coordination. Two among the city actors’ administrators and managers; and one among the regional actors administrator claimed that it was difficult for them to coordinate since interference was apparent. The coordination assessment across actors by individual customer was within five different levels as shown in figure 4.8 below. The result shows that, LPAD falls in either “bad” or “very bad” levels of satisfaction in coordination with other land lease implementing organizations. According to one out of two respondent from academia and two financial bank managers, the main problem in land lease implementation was lack of coordination.

The financial bank managers added that the coordination of LPAD at city level and local (*kebele*) LPAD branch office was problematic; they added that some works were handled at city level and some others at local level as a result misplacement of documents during registration was common to them. They also stated that the LPAD local branch office lacked parcel information and clear guidelines on how to register land lease plots as collateral; as a result keeping promises were low and banks felt insecure with registered collateral.

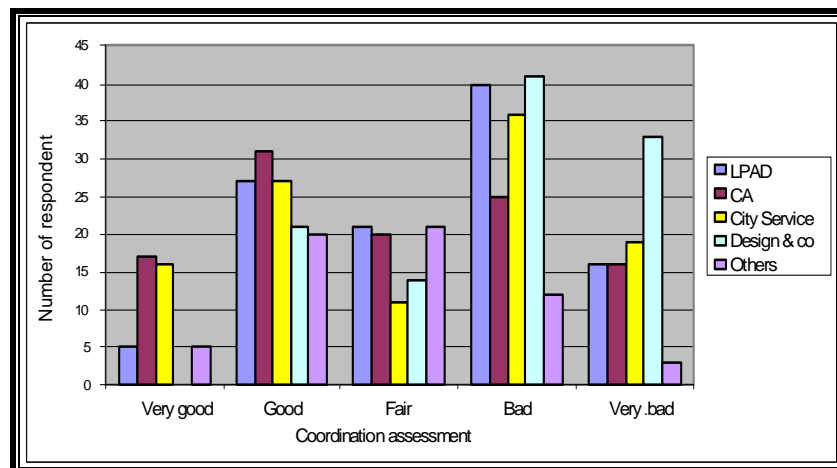


Figure 4.8 Coordination assessments across actors by individual land lease customers

Source: Individual customer response

According to respondents of the “City Actors” staff the level of coordination within LPAD, among different team was 50% both either “good” or “very good” coordination and the remaining 50% was either “Bad” or “very bad” as shown in figure 4.9. From the above it was observed that coordination level within LPAD teams was more satisfactory than coordination across organizations. The existence of such coordination across the main land lease implementing organizations was mentioned as the main problem for low performance. This implies that coordination problem was persistent across organizations. This was mentioned as resulted from interference; and it might be the main reason for delay in land allocation.

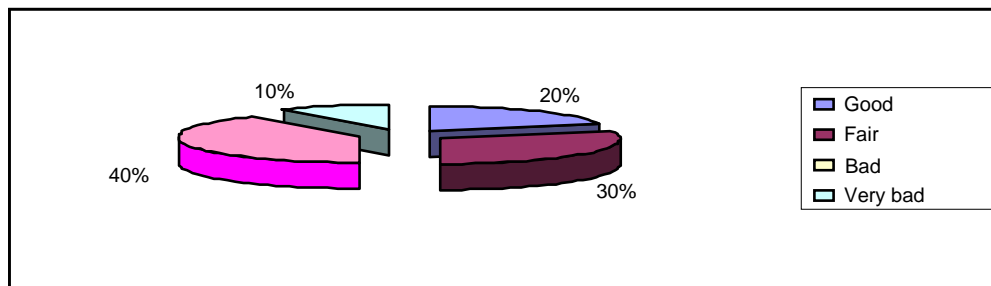


Figure 4.9 Coordination assessments among different teams of LPAD

Source: Response of “City Actor” staff

4.6.2 Time taken to get urban land lease

The standard process time to get urban land lease depended on the type of land lease allocation. According to the standards, the process time for different allocation type was different. Thus, for this assessment the standard process time of each allocation type as a benchmark were taken from LPAD operational manual (City Service, 2008). Then the standard process time and actual elapsed time to get urban land lease were compared. The actual time taken or elapsed time was collected from individual customer responses as shown in table 4.5.

Table 4.5 Allocation type by actual average elapsed time to get urban land lease

Allocation type	Actual average elapsed time (time taken) to get urban land lease						
	15 Day-2 Month	3-7 Month	8 Month-1Year	1-2 Year	2-3Year	4-5 Years	Total
Charge free lease	12	12	6	21	9	11	78
Negotiation	6	3	3	6	3	3	24
Auction	3	1	0	1	1	0	6
Especial Order	0	0	0	0	0	1	1
Total	21	16	9	28	13	15	109

Source: Individual customer response

The table shows that the actual time taken to allocate land through auction was better closer to the standard process time. One out of six “City Actors” administrator’s stated that auction and negotiation was finalized within 15 days time. On the contrary according to customer response most allocation types were longer as shown in table 4.5. Out of the total individual customer respondents 21 of which was finalized within 15 days to two months time and 63 finalized between the range of one to five

years time. For detail see table (4.5). Therefore as mentioned above even though administrators responded that auction and negotiation was allocated within 15 days time, as it is shown in table (4.5) the actual time taken for each type of allocation deviated from the standard time. The majority of the customers (81%) finalized lease allocation over the standard time (table 4.5). Thus, based on the majority the comparison of the standard process time and actual elapsed time is shown in table 4.6.

Table 4.6 Comparison of standard process time with average actual elapsed time to allocate urban land lease

Type of allocation	Process time		Work steps	
	Plan	Average elapsed time	Plan	Actual
Charge free lease	2 day	1-5 Year	4	Unknown
Auction	9day & 2:30 hours	15 day-1 year	8	Above 8
Negotiation	1 day & 4:30 hours	1-3 year	4	Above 4

The table shows that the actual elapsed time for each allocation type as compared to the standard time was longer (table 4.6) than the planned one. The actual work steps for “charge free” lease were unknown, because free charge lease had stopped two years before. There was no register data on how many work steps and elapsed time were required in practice. Therefore, the elapsed time used for such type of allocation was from the customer response only. Thus, 58% of the customer respondents finalized lease allocation in the range of one to five years, as shown in figure 4.10. From the above it was observed that the actual elapsed time to get urban land lease had deviated from the standard process time. But land allocation through auction was closer to the standard process time.

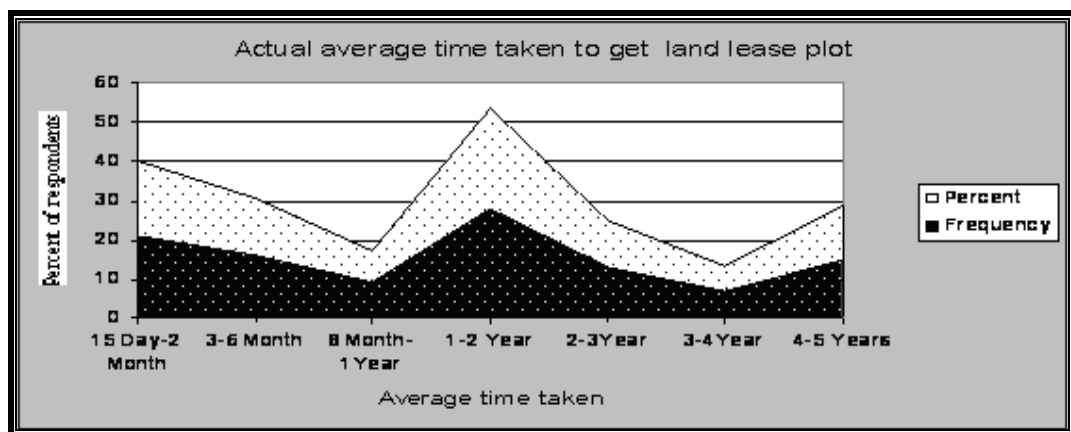


Figure 4.10 Average (elapsed time) taken to get urban land lease

Source: Individual customer response

4.6.3 Average cost to develop serviced land

One out of six “City Actor” administrators stated that, the average cost for infrastructural provision was ranging between 230 Birr/ m² to 250 Birr/ m² and surveying fee was depended on the actual area. For an area between 100 m² to 500 m² the standard surveying service fee was 25Birr and for an area above 500 m², the service fee was calculated using specific formulas given below: -

$$SSF = (25\text{Birr} \times \frac{A}{500})$$

$$TLDC = SSF + CIS$$

Where TLDC = Total serviced land development cost
 SSF = Surveying Service fee = (25 Birr*A/500)
 CIS = Cost for infrastructural service provision = (A*230-250Birr/m²)
 A = Area/plot size

Based on the sample, in the city the major plot area ranges between 105-250 m² for residence, 235-700 m² under auction, 700, 10,000 m² to 350,000 m² under negotiations. To develop this area, the required payment was given as follows:- A minimum TLDC for 250 m² was 57525 Birr and a maximum was 62525Birr, which averaged, to 60,065 Birr. Using similar formula the cost of serviced land for the sample area were calculated and summarized in table 4.7.

Table 4.7 Average cost to develop serviced land

Compound area	Cost of Infrastructural service provision in Birr	Surveying Cost in Birr	Surveying Cost in €	Total cost for Serviced land development in Birr	Total Cost of serviced land in €
2502	6040	25	1.50	60,065	3,603.90
700m ²	175,000	35	2.1	175,035	10,502.10
10,000m ²	2,402,500	2,500	150	2,405,000	144,300
350,000m ²	84,000,000	17500	1050	84, 017,500	5,041,050

Source: Individual priced land lease customer survey and “City Actor” administrators response

4.6.4 Average cost covered by the customer and affordability

Regarding the cost covered by customer, three out of six “City Actors” administrators stated that the majority of land lease prices in the city were very low. Two out of seven “City Actors” managers and administrators stated that the lease price started with “Charge Free lease”, 0.5 Birr/ m², 1Birr/ m² to 80Birr/ m², but some times auction price lease reached to 2000Birr/ m². However, they added that most land lease was allocated through negotiation; the price for negotiation was very low. Moreover, two out of three “Regional Actor” officials claimed that many plots were allocated below the actual land lease price. One out of three “Regional Actors” officials added that many land lease customers who got land through negotiation occupied an area exceeding what was allocated and stated in their title and they did not pay even the service fee for extra-occupied areas.

With regard to the customer payment of service fee for land allocated through “Charge Free lease” was mostly residence and social services. To get “Charge Free” land lease plot the payable cost by the customer was service fee at the start and yearly land rent/tax. Out of the total individual customer respondents, 78 were “Charge Free” lease occupiers and they only paid service fee at the beginning and land rent yearly. The remaining 31 were allocated based on price lease. Two out of seven “City Actor” managers and administrators said that the cost for negotiation and charge free lease was very low. Based on the customers’ response it was observed that residential customers paid 424.24 Birr as service fee for an area of 250 m². The land allocated for residence was inland grade 4 or 5; and the

land rent for grade four was 0.04Birr/ m² (ANRS, 2006a). Thus, land allocated for residence in land grade four was 250 m²*0.04Birr/ m², which means that yearly land rent was 10 Birr/ 250 m² per year for residential as shown in table 4.9. Consider one Birr is = €0.06.

Regarding affordability out of 31 priced land leased customers, 85% stated that the payment for land lease and service fee was affordable, 15% responded that auction price was too high and advance payment was mostly more than 20% of the total payment in advance. According to the price land leased customer response 61%, of them paid between 1Birr/m² to 80Birr/ m², as shown in table 4.8. In addition out of the price lease allocated plots only 6 plots (19%) were allocated through auction the other 25 plots (81%) were allocated through negotiation.

Table 4.8 Land lease price by negotiation and action

Number of Customers	Price		Percent
	Birr/m ²	€/m ²	
8	1	0.06	25.8
7	40	2.4	22.6
4	41-80	2.46 - 4.80	12.9
3	81-200	4.86 -12.00	9.7
8	201-920	12.06-55.20	25.8
1	1300	78	3.2

Source: Individual customer response

Most of the individual customer respondents paid (0.5 Birr/ m² and 1Birr/ m²) through subsidised negotiation and land lease price through auction and negotiation was 80 Birr/ m², 201, 840 Birr/ m² or 920Birr/ m². The payment arrangement for the majority of lower price lease (i.e. 0.5 Birr/ m² and 1 Birr/ m²) was different, (Area*Price in Birr/ m²) per year. Consider 10, 000m²*1Birr/ m² =10,000Birr/year. Thus, the payment arrangement was 10,000 Birr/year until the lease expiry (70) year's time for an area of 10,000 m². Using similar method it is summarized in (table 4.9).

Table 4.9 Government cost for serviced land development Vs payable cost by individual customer

Area m ²	Allocation type	Lease Price Birr/ m ²	Total Cost for serviced land		Total Land lease payment+ surveying fee		Revenue generated at the beginning	
			In Birr	in €	In Birr	in €	In Birr	in €
250m ²	Charge Free lease	Free	60,065	3,603.90	1394.25	83.67	404.25	24.26
10,000	Negotiation	0.5	2,405,000	144,300	350,000	21,000	5000	300
	Negotiation	One	2,405,000	144,300	700000	42,000	10,000	600
700	Negotiation	80	175,035	10,502.10	49,000	2,940	2800	168
	Auction	840	175,035	10,502.10	588000	35,280	88,200	5292
350,000	Negotiation	0.50	84, 017,500	5,041,050	1,225,0000	735,000	612,500	63,750

Source: "City Actors" administrator and customers response

The payment arrangement for land allocation through negotiation depended on the price, when the land lease price increases advance payment increases especially for negotiation. Advance payment of land allocated through negotiation for the majority was less than 5%, of the total payment. Let an

Area of 700 m² be charged at the price of 80Birr/ m², then the total price were 700 m²*80Birr/ m²=56000birr. Considering an advance payment of 5%, the advance payment were calculated as (5*560000Birr/100) this leads a total of 2,800Birr/10,000 m² to be paid as advance payment and the other 53,200Birr expected to pay for a period of 15 to 40years. Using similar method the payable cost for different area were calculated and summarised in table (4.9).

According to the customer response the payment arrangement for land allocation through auction was relatively high and the area was small as compared with negotiation. Thus, from the sample, 700 m² were the highest area and highest auction price were 840Birr/ m² with the least advance payment 15% as shown in table 4.10. Thus, the payable advance payment was (588,000 Birr*15%) =88,200Birr, paid as advance payment and other 499,800 Birr was paid within 15 to 30 years time for the use of 60 years of lease period as shown in table (4.9 and table 4.10).

Table 4.10 Payment arrangement for auction

Auction payment arrangement	Frequency	Percent
15%advance & the rest within 15-30 years	1	16.7
20% advance & the rest within 15-30 years	2	33.3
25%advance & the rest within 15-30 years	1	16.7
100% paid	2	33.3
Total	6	100

Source: Individual priced land lease customer survey

4.6.5 Level of cost recovery

Regarding the cost recovery assessment, the general data collected from one of the “City Actors” administrators’ response were used, (which was used to develop serviced land). And the payable cost by the customer included service fee and land lease price were used from customer response. This comparison depended on minimum and maximum cost and it was possible to assess the level of cost recovery. To develop an area of 250 m² it required an average of 60,065Birr for infrastructural provision and surveying fee. The same area of land generated 404.25 Birr as service fee at the beginning and 10Birr/year as land rent until the lease expiry period (99 years). This implies that the level of cost recovery for “Charge Free” land lease allocated plots were low. This means that the same area was generating revenue about 0.068% of the cost for serviced land development at the start and 2.3% for the whole period until the lease expiry. Likewise to develop serviced land area of 700 m² it requires 175, 035Birr for infrastructural provision and surveying fee, but the same area allocated through negotiation was generating, 2800 Birr as advance payment and 53200 Birr within 15-40 years time. This means that, it covers 1.62% of cost of serviced land development at the beginning and 31.9% until the period of lease expiry, the summary of cost recovery is presented in table 4.11.

However, according to LPAD Work Process Manual, City Service (2008) in order to cover cost of serviced land development, the payment for “Charge Free lease” should be prepared based on the government cost which were costs for the provision of water, electricity and telephone and compensation payments. The total cost for the development of a block of land should be divided to the number of parcels within the block, in order to know the payable cost for each customer. On the other hand the level of cost recovery was low especially “negotiation” and “Charge Free lease” as shown in table 4.11. One out of three of the “Regional Actor” officials stated that land allocated through

negotiation was not only provided at low price lease but also allocated in larger areas. Two out of seven “City Actors” administrators claimed that except auction all type of allocations were subsidised. According to them, even the existing service fees were very low. They also added that land allocated through auction only might cover the government spending on infrastructural service provision.

In addition, as mentioned above two out of seven “City Actor” managers and administrators responded that though land lease price was low, auction price reached to 2000Birr/ m² “some times”. That means that the price of the same area of land through auction generated →700 m²*2000Birr/ m² =1,400,000.00Birr total payment. Thus, (1,400,000.00 Birr*15%) =210,000Birr was paid as advance payment and 1,190,000Birr until 15-30 years time. Meanwhile, among the sample survey 33 percent of the land allocated through auction covers 100% in advance. This means that, government cost to develop serviced land area of 700 m² was 175, 035Birr and land lease payment was equal to 1,400,000.00 Birr. This implies that, though land allocation through negotiation was low; land allocated through auction covers 800 % of the government cost for serviced land development as down payment.

Table 4.11 Average cost recovery

Area m ²	Allocation type	Lease Price Birr/m ²	Total Land lease payment + service fee		Revenue generated at the beginning		Cost recovery in %	
			In Birr	in €	0.07	2.3	At the start	To lease expiry
							0.07	2.3
250	Free charge lease	Free	1394.25	83.66	0.21	14.5	0.21	14.5
10,000	Negotiation	0.5	350,000	210000	5.7	24.9	5.7	24.9
	Negotiation	One	700000	42,000	1.62	27.9	1.62	27.9
700	Negotiation	80	49,000	2940	50.4	336	50.4	336
	Auction	840	588000	35280	120	800	120	800
		2000	1.4 million	84,000	0.73	14.6	0.73	14.6
350,000	Negotiation	0.50	1,225,000 0	73,500 0	612,50 0	63,75 0	0.07	2.3

Source: “City Actors” administrators and customer response

In general it was observed that though the guideline stated clearly how to cover cost of serviced land development; the percentage of cost covered by the customer or the level of cost recovery practice was low for land allocated through negotiation and “Charge Free” lease refer table 4.11; however based on the customer response 33% of the allocated land through auction paid 100% in advance and the auction price was relatively high. This means that the cost recovery through auction was covering a minimum 50.4% in advance as shown in table 4.11.

4.6.6 Quality of standard spatial plan

Quality was intended to be assessed through documents, based on total issued documents, and issued documents without error and the number of times taken back to amend errors. However, the implementing organization (LPAD) did not register such records. Thus, the criteria developed after

fieldwork, which deals with availability of spatial plan and ease of implementation were used as in the following.

➤ Availability of standard spatial plan

It was observed that the city had spatial development plan and land use plan. Three out of six of the “City Actors” technical professionals (planners and surveyors) responded that the master plan was revised three years before 2009; however they stated that the spatial development plan of the city did not incorporate some social services sufficiently and had no detailed Local Development Plan (LDP) and detail parcellation. They added that individual technical professionals prepared new area parcellation, but it lacked different professional inputs. For instance they said that in 2000 E.C many plots were allocated for residence in the expansion area of the city, but the area selection was not reasonable to be given to those who had limited financial capacity because of a number of reasons. One the area had no infrastructural services and was far from the available infrastructures two the natural terrain was costly to develop by low-income group. One out of four “City Actors” professionals stated that in the year 2000 E.C about 2,132 plots were allocated for residence; however it was observed that, within two years time there was no construction in the area (figure 4.11). As the figure shows, it was also observed that land allocation for low-income group were unfair, it might be costly to be handled by low-income group.



Figure 4.11 Non-serviced land allocated for residence
(Source: Field observation)

The “City and Regional Actors” technical professionals and one among the “City Actor” administrators claimed that had no access to digital copy of the city spatial development plan. They added that LPAD had only one hard copy of the standard spatial plan. It also observed that it was difficult for all employees to use one copy of spatial standard plan; this might contribute to delay in performing day- to-day activities.

➤ Ease of Implementation

Technical professionals’ from “City Actors” claimed that the land use plans were changing continually, for instance in the year of 2001E.C around 117,538m² areas of land use plan were changed. They also added that, this change was as the result of lack of implementability; especially social services were not incorporated sufficiently. The main source of the problem was identified to

be lack of participation by customers, “Regional and City actors” at planning stage. This problem was mentioned in the yearly report of LPAD. The report stated that land use change requires approval of the “Regional Actors”, but the response was delayed and many papers were going back and forth. This created additional burden to LPAD (City Service, 2009). “City and Regional Actor” technical professionals added that the existing spatial development plan requires continual change and amendment. In general it was observed that the implementability of the spatial development plan required land use change on the other hand digital data was unavailable for LPAD, this situation can aggravate delay.

4.6.7 Means of data handling

Two among the “City Actors” administrators stated that; the means for record keeping and documentation was outdated. Besides three out of ten “City Actors” staff stated that it was difficult to find file numbers using the available digital referencing system. The computers were located out side the record and documentation office and were operated by another employee. This created delays since it required asking others to find a file reference number. They also claimed that to avoid such inconvenience they were looking for files manually, but missing files was common. The researcher observed that the file and record documentation and storage was not convenient, it was over-crowded, one file was placed over many others, when they tried to take one file all the other files might comedown. It was also observed that in the absence of electric light, it was difficult to find files; the room did not have enough natural light (windows). Four out of ten of the “City Actors” staff claimed to be limited by poor equipment to work efficiently, the book for property list was observed to be so old as a result property list was inaccessible. They added that there was no means for data updating. The existing means of filing and documentation is depicted in figure 4.12 below.



Figure 4.12 Office for land property record and documentation of LPAD.
Source: (Field observation)

Two out of six of the “City Actors” administrators stated that the filing and record management was poor. Employees appointed to this office were not permanent; the turnover was very high. They identified the main cause for missing and hiding of files to be lack of permanency of employees. Two out of three “Regional Actor” officials stated that sometimes when files were required for verification it was difficult to access them due to a practice of hiding files used as a means to cover facts, which may be useful in prosecution against them.

Eight out of eleven “City Actors” managers’ administrators and professionals explained that all the allocated land lease plots had no digital data and compiled hard copy. They added that they did not have any means to keep compiled parcel data and surveying digital documents such as parcellation; there was no means to record the land lease allocated plots and updating the cadastral data. They also added that there was no base map to check which land was free and which was occupied, by whom and on what condition, almost all data was in peoples mind. On the other hand, they also said that even though the cadastral data was incomplete the usability of the cadastre data was low. One among the “City Actor” administrators stated that cadastral data management system was being re-established, the completion of which was expected to reduce or eliminate the current problems.

4.7 Adequacy of Human and financial resource

4.7.1 Financial adequacy

Two out of six “City Actors” administrators stated that the main problems that led to limited serviced land allocation were financial deficit. They also stated that there was no public private partnership (PPP) in serviced land development and in the exception of land lease auction, the government revenue collection related to land rent and land lease through negotiation was very low. Consequently the budget of infrastructural services provision was limited to industrial zone. One among the “city Actors” managers stated that, the city had insufficient budget. They added that, they expected that the local government would be able to generate revenue from land lease and provide necessary public infrastructure ahead of land allocation. However they also added that the performance of LPAD was limited in terms of land development, land allocation and revenue generation. One among the “City Actor” administrators stated that the city was earning revenue from sale of land lease and the revenue was the main source for the city. However, the land lease revenue was not effective, for instance condominium housing was expected to be constructed for the low middle and low income group, but as a result of financial short fall new sites were pending in 2009. The performance of the revenue collection is shown in table 4.12.

Table 4.12 Yearly revenue collection performance

No	Source of revenue	Year	Revenue collection performance in Birr		Percentage
			Plan	Execution	
1	Residence (Land rent)	1999E.C	7,000,000.00	1,538,993.71	22
2	Long term lease	>>	8,000,000.00	7,936,530.65	99.2
1	Residence (Land rent)	2000E.C	3,000,000.00	157,772.02	5.3
2	Long term lease	>>	11,268,710.00	9135421.05	43.15
1	Residence (Land rent)	2001 E.C	4,500,000.00	1660884.95	36.9
2	Long term lease	>>	17,176,968.00	23,393,388.89	136.2
	Performance of average revenue collected	1999-2001EC			57.125

Source: “City Actor” Administrators response

The data on revenues and performance for the year 2001E.C was obtained from one out of the six “City Actors” administrators and is summarised in table 4.12. It shows that the average collected revenue performance in the same year was 86.55% which was in the range of successful. The data on the performance of physical works on the same year were obtained from another respondent (out of

the six “City Actors” administrators) and are summarised in table table 4.13. It showed that the average physical works was 46.17%; which was insufficiently successful under the methodology used in this study (see chapter three section 3.3.6.).

The comparison between physical works and revenue collected shows difference; at 46.17% physical performance, the collected revenue performance was 86.55%. This implies that the physical performance was insufficiently successful while revenue collection within the same year was successful. As stated in section 4.4.2 and 4.5.2 above, having non-participatory land lease price determination and land tax reduction as well as interference to reduce land lease; the collected revenue was remarkably successful. However, this collected revenue was the highest as compared to the previous two years performance (see table 4.12). One among the “City Actors” administrator responded that from 1988 to 2000E.C the city revenue collected 166,617,053.38Birr from different items and the expenditure was 280,168,076.00. This means that, the city revenue collection covered 59.47% of the expenditure.

Table 4.13 Detail physical yearly performance in the year 2001 E.C

No	Different type of land use and allocation type	Performance of land preparation (hectare)		Percentage	Land allocation performance (hectare)		Percentage
		Plan	Execution		Plan	Execution	
1	For Industry	235.44	118	50	70	42	60
2	>>Commercial	80.64	80.64	100	120	25	20.83
3	>> Social service	45	54.2	120	80	53.2	66.5
4	>> Urban agriculture	15	1	6.6	15	1	6.6
5	>> Residence	200	33	16.5	3500	181	5
6	>>Condominium & others	75	58.11	77.48	-	-	-
7	Auction				200	49	24.5
8	Total performance in %			61.76			30.57

Source: (City Service, 2009)

4.7.2 Adequacy of human power

The majority (29 out of 31) of price land lease customer criticized that the staff capacity of LPAD was inadequate. They claimed that the majority of the employees were incompetent. Three out of five “City and Regional Actor” technical professionals claimed that, LPAD had not any urban planner, but they were expected to prepare important detail spatial plans. Four out of five “Regional Actors” officials and administrators’ stated that, LPAD did not have the expected professionals. One among the “City Actors” admitted that LPAD manpower requirement was 43 staffs and they were missing 13 technical professionals.

“City Actors” administrators and the staff stated that as the result of high turnover, sense of ownership of LPAD staff to their work was low. Two out of three “Regional officials” stated that the staff turnover of the LPAD had at all level including professionals and administrators. It is observed that, most of the LPAD including the two (*kebele*) local branch offices of LPAD staff were new, except few surveyors and urban management professionals. In addition important technical professionals

were missing and staff turnover was high, this might affect individual competence and performance of the employee as well as performance of the organization.

4.7.3 Means for achieving staff efficiency and effectiveness

“City Actors” administrators stated that the means of ensuring staff efficiency and effectiveness was limited to negative reward. They added that if any employee did not perform his/her duty or/and not in office in office hours it might be liable to warning, salary reduction or dismissal. One among the “City Actor” administrators stated that the means of incentives for best performers were not existent. The “City Actors” staff recognized that the means of staff handling was not effective and the workload and salary was incompatible. They also claimed that this was because during the organizational restructuring or after the introduction of business process reengineering (BPR) in 2000 E.C they expected rewards in terms of salary increment and training for those who had better ethical attitude and better performance; and timely corrective measures to those who had unethical attitude and poor performers. They added that the implementation of BPR in relation to staff handling and timely follow up had not started. Three out of seven “City Actor” managers and administrators stated that there were staff members of LPAD who had pushed customers to give some engineering works such as architectural plan to them in order to issue land title and building permit. But, they added that the measures taken so far were insufficient. It was also observed that missing LPAD staff from office in office hour was common.

Nine out of 14 of the “City Actors” professionals and staffs responded that, LPAD was affected by high staff turnover hence LPAD staff feel insecure. Four out of six “Regional Actors” officials, administrators and technical professionals recognized that staff turn over of LPAD was affected from two different directions, the first one was for those who had capacity and were opposing non transparent decisions by some of the “City Actor” officials and administrators; and the second was from government side for those who were involved in unlawful. They added that, the staff turn over was high including City Administrators, City Service Managers and Head of LPAD. From the above it was observed that the means of staff handling seems general and de-motivated better performers and affected a sense of ownership. Such general staff assessment gave a room for those who had lower performance and those who were unethical to misalign processes in land allocation.

4.8 Satisfaction level on the implementation of land lease policy

The satisfaction of individual customer on LPAD service delivery was very low. 61% of the individual customers were not satisfied where as 39% of the individual customers were satisfied. According to customer responses the satisfaction was related to complexity and delay of the LPAD, they claimed that land allocation were very slow in land allocation processes. Respondents from financial organizations, academia, “Regional and City Actors” officials, managers, administrators and staff (31 out of 36) were also not satisfied with the outcome of land lease; they perceived that the outcome of land lease had not attained the anticipated policy goals. Especially Financial organizations were not feeling secure with the existing security of tenure provided through LPAD.

Regarding individual customer satisfaction levels across actors it was different as shown in figure 4.13; the satisfaction level of the majority of the customer assessment of LPAD was next to design and construction (Design & Co). That means the assessment of the majority was either bad or very

bad. The priced lease customer explained that land lease information and land lease allocation was unfair and they were dissatisfied with that; and some unethical professionals of LPAD were pushed customers to give them some works in order to issue land related documents. They added that after getting the land lease plot, getting building permit from Design and construction (Design & Co) was problematic it required giving architectural plan to them, unless getting building permit was not easy. It was observed that the government recognised the situation and to achieve customer satisfaction as a corrective measure the government restructured LPAD to serve as a one-stop shop including building permit.

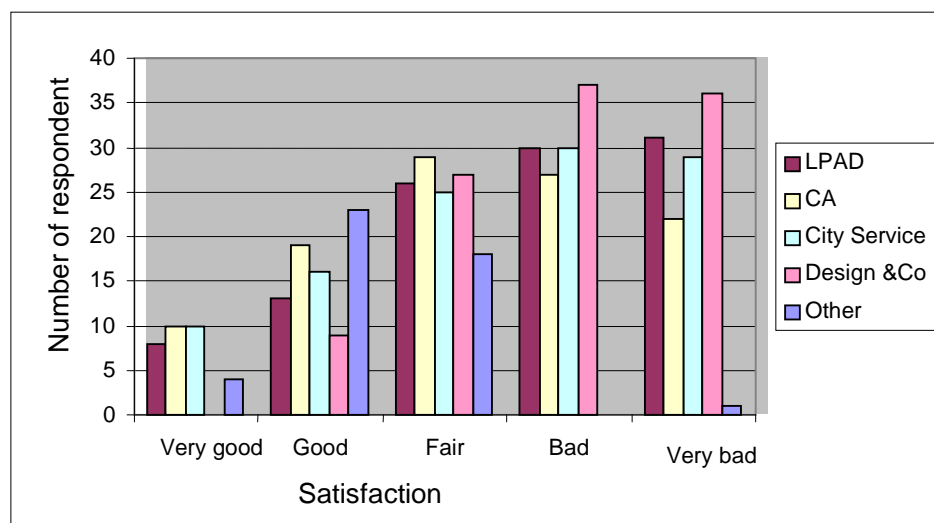


Figure 4.13 Individual customer satisfaction assessments across actors (Source: Individual customer)

However, the City court complained of delayed response of LPAD to information request, because they intended to deliver justice within one month’s time, but the judgment of the court required verification of property rights in order to judge properly. They stated that almost all land leases related cases were pending as a result of property information delay. They also added that, most cases were related to those who were relocated from their former location; claiming for compensation and against low compensation paid. Similarly the court added that lack of awareness of LPAD and inadequate staff capacity led to customer dissatisfaction. Therefore it was observed that though the government was trying to improve the land lease implementation by avoiding multi-organizational involvement and vested all land related issues including building permits to a single organization (LPAD) the satisfaction of the actors and customers was low with the output and attained benefits of land lease.

4.9 Determinant of land lease implimentation

The responses on the main determinants of the land lease implementation processes as identified by respondents were. 1) Coordination, 2) Uniformity and enforceability, 3) participation by both actors and the public, 4) Means of data handling, 5) man power and financial adequacy, 6) completeness and up-datedness of parcel (cadastral) data, 7) incentive for employee 8) availability of standards and implimentability, 9) Organizational set up,10) availability of serviced and, 11) accessibility to land lease and land information. A summary of these determinants is displayed in table 4.14. Different

respondents explained the determinants differently. However the majority consider that these determinants operated in a negative way. for example according to respondents from academia, “City and Regional Actors” the main determinants were poor coordination, lack of land lease agreement enforceability, lack of participation by both actors and the public, absence of standard clarity, inadequate skilled man power and financial inadequacy, incomplete and outdated parcel (cadastral) data.

Table 4.14 Summary of determinants of land lease implementation outcome

Key contributors	Detail branches of contributors
Human and financial resource adequacy	In adequate financial and skill manpower, high staff turnover, lack of means to achieve staff efficiency & effectiveness in effect resulted to absence of computation, lack of coordination, low cost recovery and high staff turnover
Means of data handling	Incomplete and un maintained parcel data, means of land related data handling and low usability as well as inaccessible to the majority
Participation	Lack of participation in spatial plan preparation, guideline revision and decision making
Uniformity and enforceability	Non-uniform land lease price, non-uniform relocated alternative area of land
Accessibility	Lack of equal access to information and land lease
Availability and Clarity of standard	Lack of complete, detail and clear spatial plan and guidelines and directives
Resource inequity	Intervention, non-transparent land lease price reduction and land lease allocation, lack of lease agreement enforceability, high speculation and encroachment
Organizational set up	Low attention, unwise decision and absence of check and balance and delay

Similarly “city Actor” staff stated that the means to give incentives for better performers of LPAD staffs were non-existent, which might contribute to low performance. Seven out of 11 “City Actors” managers, administrators and professionals responded that lack of participation in spatial development planning and lack of implementable spatial plans were determining the land lease implementation. Three out of seven “City Actors” managers and administrators mentioned that lack of transparency in guideline preparation & revision as well as land allocation and lack of ethics has been the main one. Four out of six “Regional Actors” administrators, professionals, officials and three out of seven “City Actors” managers and administrators stated that though other problems were existent the main problem was interference and it resulted in good opportunities for unethical professionals and speculators, in reducing revenue and in inefficient land allocation. One among the “Regional Actors” administrators and two out of seven “City Actor” managers and administrators added that lack of enough attention and inappropriate organizational set up was among the main factors for insufficient land lease goal attainment.

More over according to the majority (29 out of 31) of the price lease customers, responded that land allocation was highly bureaucratized, delayed, lacking confidence to give timely decision by

administrators and lacking transparency in land allocation, uniformity in terms of information delivery, lease price and requirements and lacking enforceability on available laws resulted in high speculation were the main problem. 95% of the total individual residential land use customer respondents mentioned that lack of infrastructural provision resulted into limited timely construction. As depicted in table 4.14 the summary of the determinants might closely relate to absence of participation and interference.

4.10 Extent of goal attainment

The intentions of the land lease policy as observed were to create an effective serviced land allocation, attract investment, collect revenue for the local government, provide public infrastructure, avoid land speculation, and improve transparency in land allocation, control undesired urban development (ARBOWUD, 2004). After which it was expected that the local government would be able to provide serviced land to low and middle income groups of the society as well as provide public infrastructural services.

“Regional Actor” officials, administrators and professionals claimed that the land lease policy goal attainment were very low. One among the “City Actors” managers and two professionals stated that the land lease policy goals were attained by 25%, because of different types of obstacles. However two out of six of the “City Actors” administrators estimated that the attainments of the land lease goals to be 50 %. One out of six “City Actors” administrators estimated that the attainment to be 60%. Similarly, two out of 10 staff of “City Actors” estimated that the attainment to be 75%.

Furthermore, one among the “Regional Actors” administrators stated that the main bottleneck for investment in the city was LPAD, because of non-transparent land allocation and lack of information. Indeed to customer complaints related to corruption and delay. He also added that, though the government was trying to control and avoid non-transparent land allocation and delay, the result seems very low, investment was slow. They also stated that for instance from 1985 to 2001E.C, 742 investors were registered in investment office with a total capital of 8.1 billion Birr and 70938-job opportunity. However, out of them 94 investors had already started their operations with 844,306,100 Birr of capital and other 58 inventors were under construction, the remaining 590 investors had not started; that’s why the regional government decided to involve ARBOWUD in land allocation.

Three out of five “Regional Actors” officials, administrators and two among the “City Actor” professionals stated that almost all developed buildings in the city were those on allocated land through proper procedural channel; and such allocations generated significant amount of revenue to provide infrastructural services. In addition one among the “City Actor” administrators stated that the city was trying to utilize the revenue for public infrastructural services and to construct subsidising housing units for instance from 2007-2009 the city was constructing 1909 subsidising condominium houses for the middle and low income housing units. It was observed that even though land allocation procedures were difficult, there were changes such as basic public infrastructural (road) provision activities and condominium building construction in the city. In addition, though the means of assessment for improvement and attainments were less the central government as well as the regional government had tried to change the situation by instituting different guidelines, directives and standards.

4.11 Concluding remarks

From the above information and analysis it was observed that the implementation of urban land lease was unsuccessful in many aspects. Different respondents agree that the implementation of urban land lease in the city had not met the intended goals of the policy. The slight differences across respondents were only on the cause and level of unsuccessfulness. The main contributors of land lease implementation in the study area were many as shown in table 4.14. Most of the problems were related to commitment for instance land lease price was non-uniform guidelines, directives were interpreted subjectively and staffs were missing in office in office hours. This shows that the implementation of land lease was not implemented based on the guidelines and the means of monitoring and timely corrective measures was lacking. The land allocation faced a number of challenges such as interference by some city officials and from “above” for their interest. The involvement of multiple organizations, which include ARBOWUD, City Administration, City service and LPAD, didn’t attain a remarkable improvement.

Further it was observed that land lease implementation was less-transparent, less equitable, had limited participation for both actors and customers in spatial planning, guideline revision, land lease price determination and decision making process. This resulted in the following issues which needed further investigation:-

- ✚ Though some legal gaps were observed in proclamations, guidelines and directives; the concepts of standardisation in terms of directives, manuals, spatial plan and work flow as well as process time were available. But, during implementation the gaps were widened. The observed gaps were related to clarity and completeness of standards, partial legal amendments and un-compiled and some legal documents required realistic decisions, which were missing. In addition, the majority of the interviewed “City Actors” staffs were not aware of land lease legal documents; and these documents were inaccessible to the majority of customer and LPAD staff.
- ✚ It was also observed that cadastral data (parcel information) were incomplete and not maintained properly. The tendency on record keeping and usage of available data was low. It was also mentioned that this was used as a means to hide files. However, during the fieldwork Land lease related information and digitisations was undergoing.
- ✚ Land lease related information and land allocation were done through non-transparent inequitable way.
- ✚ Land lease price determination was non-uniform and case specific. There were unnecessary interference in reversing decisions of LPAD by City official committee; this in turn affected revenue generation and uniformity of price determination.
- ✚ The land lease agreements were not enforceable; many plots were fenced for a long time for speculative purposes.
- ✚ The means of staff handling de-motivated the best performers and affected the sense of ownership and competition, which contributed to lower performance.

- ✚ Coordination level of LPAD among the teams as well as across organisations was not good. This might contribute to delay in land allocation. The actual elapsed time to get urban land lease deviated from the standard process time. But land allocation through auction was closer to the standard process time.

- ✚ It was also observed that though the government was trying to improve by instituting different directives, guidelines and restructuring LPAD; fair and inclusive investigation during revision was lacking. Some guideline revision lacked enough assessment, such as rent and lease price reduction. The above problems led to dissatisfied actors and customers with the attained output and low benefit of land lease.

- ✚ Though the guideline clearly stated how to cover government cost of serviced land development by the customer, the cost recovery was very low. Except land allocation through auction all other allocation type were subsidised. For detail refer table 4.12.

The next chapter deals with discussion of these main points in relation to the research questions and hypothesis

5. Discussion of Findings

5.1 Introduction

This chapter discusses the results of data analysis based on the research objectives, research questions and hypothesis. To accomplish these objectives, the chapter is divided into five sections. Section 5.1 interprets the results on fairness of land allocation and access to land lease by the majority. Section 5.2 focuses on transparency, in terms of clarity, accessibility of standards and implementability, participation at planning and decision making process. Section 5.3 describes the results of efficiency and effectiveness in serviced land allocation, coordination across implementing organisations, efficiency in serviced land allocation, the means for achieving staff efficiency and effectiveness, the means of data handling, enforcement of land lease agreement and organizational set up; section 5.4 land tenure and land allocation in the past and the present. The chapter concludes with remarks of the main findings of this study.

5.1.1 Fairness in land allocation

In this research, it was observed that, the principles of fairness in land allocation such as accessibility to all and clarity of procedure and standards were applied contrary to expectations associated with the policy. According to ANRS (2004) the main goal of the urban land lease policy in the region as well as in the study area is to achieve adequate supply of serviced land for residential, industrial and other uses so as to improve the economic efficiency of urban areas and to improve the quality of life for residents. However the majority of the respondents from “City and Regional Actors” recognized that the outcome of land lease deviated from the anticipated goals (about 14 different organizations/departments -see table 3.1). One of the reasons raised for the unsatisfactory results was lack of accessibility to land lease processes and lack of clarity of procedures. It was observed that land allocation procedures were non-transparent and the majority of customers lacked access to information about land lease. Transparent service standards and costs contributes to higher efficiency, accountability and fairness where information is open to all parties (Davis, 2008).

It was also observed that there were many customer complaints related to informal payment and delay. This was supported by responses from the “Regional Actors” administrators and officials. Similarly according to City Service (2008) despite the effort made by the government to encourage investors based on principles of free market economy and willingness of investors to invest on land; the existing land administration and allocation practices were the main bottleneck for development of the city as well as limited land for housing by the majority. This was the main obstacle for investment on land and a reason for customer dissatisfaction. As a result of the above mentioned problem the government decided to restructure land administration and land allocation as a separate autonomous organization. However, the city service and the city administration still were involved in the day-to day activities of LPAD. The effort made by the government didn’t lead to substantial improvement in serviced land allocation as well as land related service delivery. As a result the government decided to involve ARBOWUD in land allocation processes.

It was observed that land related works were handled by four organizations and “charge free” land lease for residence were suspended since 2000 E.C. However, suspending “charge free lease” for two years time may be linked to suspending land allocation for the low-income group for the same period. This may be viewed as inappropriate to the low-income group because the only means of access to land for them were “charge free” lease. Although access to land through auction and negotiation was inadequate and non-transparent, high-income group had the opportunity to participate through auction to get land for residence. In addition involvement of more than one organization and centralization of investor or project selection through negotiation was not a proper solution. Centralization might be problematic and it had been experienced in many countries as a main reason for delay and mismatch of priority setting (Garba and Al-Mubaiyedh, 1999).

Many respondents asserted that intervention and absence of check and balance were the main factor hindering the achievement of the fair land allocation. If intervention is fair and based on legal bases, positive, and transparent, it can help managers, administrators, professionals and staff to trust, and speed up work process to reduce complaints. However, if the interference is for the purpose of favouring individuals, it can lead to loss of “Actors” confidence, trust and low revenue generation; and it could also de-motivate sense of innovation among staffs. For example most decisions given by LPAD were reversed by “City official committee” in order to avoid land lease payment and reduce land lease price contrary to the law. The city officials were blamed for defining laws in their favour, which created two major problems. One, decline in lease revenues due to unnecessary cuts in land lease price and unpaid service fee; which was often in their favour and two, land allocation through negotiation comprised larger areas than officially stated in their title. Dowall and Ellis (2009) states that such type of activities in land allocation and LA often facilitated corrupt transaction.

The above findings are in line with other studies, which show that land allocation within the legal procedures can be affordable by the majority; but land allocation processes require a very long time often leading to unfair and unaffordable outcome. According to Rajack (2009), many state interventions in land markets are motivated by a desire to alleviate the dilemma of the low income group by compensating for market inefficiencies. However, quite apart the existence of imperfection in land and housing markets was evident. Dowall (1992) states that land plot allocation that is delivered within the limit of legally authorized procedures of many developing country is normally affordable to all, but the practice has been unaffordable especially for the low-income group of the society. This forced low-income group to look elsewhere for shelter such as informality. Xu and Yeh (2009) associate informality with a formal way by necessity, ignored in the most desperate cases, the resultant effect have been to invade state land without any payment as it was observed in this study.

This study observed that the government had instituted different proclamations and directives, which were intended to improve access to land. For instance many of the administrative orders of the central and state governments reflect a spirit for competitive land market that has enabled the affluent to attract investment and developers. However, the main reason among many contributors to low performance in terms of land allocation, coordination, revenue generation and non-equitable land allocation plots were interference and non-transparent decision-making in land allocation. This observation is in line with Li (2009) who claims that despite the central government’s frequent call to follow legal procedure for public bidding in land transfer (in China), corruption becomes possible because land leasing is often subject to price negotiation. Massive land leasing activities created

opportunities for corruption as well as a property boom, as private interests find opportunities to capture public officials who possess the de facto power to decide whether, how, to whom, and at what price often yield to bribery, while many of them also engage in aggressive “rent seeking” activities. The total loss incurred nationwide in illegal land leasing activities is reportedly as high as 20 billion a year

The perception on the successfulness or achievement of the land lease policy implementation, show a wider diversity in internal assessment among the respondents. While some approximate land lease goal attainment within a level of about 25%-50%, others estimated success above 50% -75% (chapter four section 4.10). The interpretation of this diversity can be in two directions. One, those who approximated success at 50% and above would be those who were directly responsible bodies; two, it might be associated to failure to compile performance report hence unable to provide meaningful estimate. Dijk (2009) claimed that the first step for organisational performance improvement is accepting the existing practice is not efficient and effective to attain the anticipated policy goals. Apart from that, successfulness was assessed from the investment perspective where it showed that the majority (79%) registered for investment had not started. UN ESCAP (2006) claims that efficient and effective land market, encourages investors and investment and realizing the cost of urban land and make an efficient use of it.

In addition to that, customer dissatisfaction was highest on LPAD related to land allocation. This may be a result of a number of reasons, one, LPAD was the direct contact office to customers, two they were responsible for land allocation and three, all decision made about land lease allocation was transmitted or disseminated to customers through LPAD. This means that all decisions and mistakes might be viewed as LPAD output. In addition, such intervention and frequently changing guidelines, rules, regulations and directives were associated with lack of check and balance. This offered an opportunity for unethical, managers, administrators and staffs to use it as loophole for informal gains. The cumulative effect of this resulted into poor performance of the land lease processes and may contribute to customer dissatisfaction from the services of LPAD.

5.1.2 Land lease access by the majority

Even though the land lease policy stress to create equitable serviced land allocation to all, it was observed that the practices were different. Equal access to land means that people have equal opportunity to access land. The land lease policy goals, guidelines and manuals emphasises the need for serviced land ahead of allocation; especially for residential which was charge free land with very few (four) work steps and within short period (two day) time for low-income groups whereas for high income group who requires more than 250m² or more than one plot of land and for business purposes it was allowed to access through, negotiation and auction (See chapter four section 4.3.1). This implies that according to the land lease goals and directives as well as manuals the low-income group has a relief in terms of payment, work steps and process time. However, in this study it was established that the practice in implementing the land lease policy resulted into negative outcome to the anticipated goals. This was because the process time was very long, the procedural steps were unclear, land lease plots for allocation were limited and the provision of plots was without any infrastructural services. This might push the low-income group to informality.

Garba & Al-Mubaiyedh (1999) claim that in Kano, Nigeria, the city is characterized by inequity to land access and illegal speculative market development leading to high prices. As a result the low-income group restarted squatting. Dowall and Ellis (2009) claim that the main reason behind inadequate urban land supply is that most cities of developing countries are not able to finance the construction of infrastructure to support development, and there are enormous backlogs. They add that private developers, including housing societies and cooperatives routinely face the problem of inadequate availability and/or significant delays in the provision of public infrastructures and utilities; for instance in Karachi, lack of infrastructure has reduced land supply and serviced land supply is constrained by inadequate infrastructure provision to developable sites.

The ANRS (2002a) proclamation permitted effecting payment for commercial/businesses in instalments within a period of 30 years. But it was observed that 33% of the 'priced land lease' customers responded to have paid 100% of the total lease payment upfront and the minimum advance payment for land auction was 20% of the total payment. These involuntary payment arrangements restrict access to land. It was observed that the price for highly subsidised negotiated land was lower than auctioned land and it was also observed that, it was undeveloped. The gap was enlarged by subsidized lease which was paid over extended periods of time, while auctioned and some negotiated prices were heavy up-front and loaded by the penalty. However, the land allocated through proper channel that means land allocated for real investors were developed and generated high upfront revenue. 15% of the respondents complained that the land lease price was non-uniform, for some people the lease price, advance payment and process time was very low, for others the process time was very long, as land lease price increase the down payment was increased accordingly. This shows that the land lease guidelines and directives were implemented in a non-uniform and case specific way.

Land related issues including land allocation and building permit works were vested upon the LPAD. However, City Administration (CA) and City service were involved in day-to-day activities; where as both organizations were expected to supervise and monitor LPAD. Anderson, Rungtusanatham et al (1994) claimed that the aim of supervision should be to create constancy of purpose toward improvement of product and service in order to become competitive and to stay in business. Continuous service improvement in quality and productivity leads to decrease costs (Anderson, Rungtusanatham et al., 1994; Molen, 2002; Lemmen, 2009; Toomanian and Mansourian, 2009). It was mentioned that as a means to curve land lease problems "Regional Actors" were involved. In practice at least four organizations were involved in land allocation; LPAD, City service, City administration and ARBOWUD. Investors/project selection for land allocation through negotiation was mainly handled by ARBOWUD and other works were performed by the above other organizations. Land allocation through auction requires site approval of ARBOWUD and the remaining work was handled by the other three "City actor" organizations and there was no commenced common plan and on how to perform each activity that could led to a lower level of coordination among organizations.

According to Clausen (2008) inter-organizational coordination is the key for development of land administration. Land management often occurs in fragmented organizational environments and it requires high levels of inter-organizational coordination. Similarly, Kueng (2000) in order to anticipate an unintended shift and a more fruitful output it demands an approach to get competent

staff where there is a common understanding of shared goals, objectives and values. Including individual feedback is very important to improve performance. However, methods and tools to support process performance measurement and feeding relevant information back are still rare. Therefore interference, non-enforceability of available laws and unsatisfactory coordination across organizations coupled with involvement of more than one organization resulted in low land allocation performance, low revenue generation, and non-uniformity in land lease price and non-inclusiveness in land allocation.

5.2 Transparency and participation

5.2.1 Clarity, accessibility of standards and implementation uniformity

In terms of transparency it was observed that there was an agreement between “Regional and City Actors” officials, managers, administrators and professionals that the means of land allocation was inadequate. This was because the majority of respondents asserted that lack of transparency and uniformity was a major setback in enforcing standards relating to prices. Land lease price was fluctuating daily across customers and its assessment depended on subjective judgement. Though the guideline clearly stated that the city had five different land lease grades, it was not converted and standardised as a land price map. This means that there was no map to show which area belongs to which grade; this was the main cause for non-uniformity in price and was used as a loophole to favour individuals. This is related to strong resistance to transparent procedures and independent audit (Zimmermann, 2007). This is because lack of incomplete information about state land and rights and use of state land may lead to illegal land exchanges (FAO, 2007).

The unavailability of delineated land lease grade or price map and unclear investor selection can be deliberate because as long as the land grade was fixed into five different grade levels (as mentioned in proclamation and guideline) it can be converted into a standard price map in order to have clear and uniform price map. Making standardised land lease price have a number of advantages, one of which is that, it can make clear and transparent land lease price determination for all customers; thus eliminating the possibility for informal payment (FAO (2007) the second is that, it can reduce resource wastage because land price and land grade were decided on site tour which is associated to ineffective regulation Li (2009) standardised land lease price can facilitate -clear price setting, increase responsiveness to the demand of land allocation, avoid cost of site visit in terms of time, need of vehicle and fuel as well as to improve timely response of LPAD in land allocation.

It was further observed that the criteria for investor selection were not clear (chapter four section 4.3.1). The majority of priced lease customer and “Regional Actors” officials were of the view that land related information was given to favoured individuals leading to charges for unfairness and informal payment. Hong and Bourassa (2003b) argue that when public officials have the power to bend rules in the name of trying to be flexible to accommodate special circumstances, favouritism may emerge that will subsequently undermine the confidence of investors and developers. They also add that without a system of checks and balances to ensure both flexibility and consistency in implementing leasehold policy, land leasing might become unpredictable, thus rendering investment impossible. This is evidenced on one hand, by the fact that well serviced land was sold at lower price without any computation, with limited requirements and within short process time and on the other hand non-serviced land was allocated at high price, with many requirements and long process time.

According to Mekonnen (2008) though, the main goal of the Amhara region urban land policy is to achieve adequate supply of serviced land for residential, industrial, and other uses so as to improve the economic efficiency of urban areas as well as improving life of urban resident, the attainment of the goal is far behind. Yirsaw (2006) provide that the land lease policy implementation in ANRS is far from its intended output in all three lease cities including Bahir Dar city. The main problem mentioned was complex land lease allocation procedures and unavailability of land for sale, lack of reliable time series information on land price determination, lack of proper planning provision i.e. lack of information about infrastructure and inaccessibility of land information to the public. Werknhe (2007) state that before the year 2006/07 Bahir Dar, had no pre-defined criteria for land auction and negotiation. 95% of lands were discharged to investors without clear allocation procedures. The observation in this study suggests that land lease information delivery and land allocation had limited procedural clarity and lacked fairness because of unavailability of land lease price map and lack of transparency on investor selection criteria. These led to non-uniform land lease price determination and inelastic land supply in response to demand.

5.2.2 Participation at planning and decision making

Regarding participation, the majority of individual customers responded that they never participated in any land lease planning or priority setting in the city. Similarly, the majority of “City and Regional” actors’ managers, administrators and professionals responded that participation at planning level was rare and insufficient to incorporate interest of the majority of city and regional actors and the public at large. They stated that as a result of limited participation both from regional and city actors the spatial development plans were incomplete and difficult to implement (for detail refer chapter four sections 4.4 and 4.6.6). In turn land use change by LPAD during implementation was common; however approval of the “Regional Actors” was delayed. This is in conformity to the observation by Dowall and Clarke (1996) who states that in developing countries approval and review of locally prepared land-use plans takes longer period even years. Furthermore, such reviews offer little benefit to the local government.

According to Werknhe (2007) in 1996 E.C a new master plan was prepared for Bahir Dar city by National Urban Planning Institute (NUPI) as per the city plan, the planned area was covered 3862.4 hectares of which 571 hectares of the land use was allocated for industry and commercial purposes, the implementation scheme and phasing proposal were given very limited consideration in the master plan. The coordination (of the master plan) between the Municipality and other public infrastructure providers, Electric Power Authority, water supply and Telecommunication was limited. Meanwhile, the city development plan implementation program was not supported by piecemeal detailed plan or LDP, which is expected to integrate with different multi sector organizations.

Some “City Actors” managers and administrators provided that “there was lack of wise, sensible assessment and participation in decision making as well as guideline revision in the city. They added that for instance the decisions made in land lease price and land rent reduction was non-participatory and was incorrect. Land rents or/and land tax were expected to contribute to government revenue and enhance social equity, promote environmentally sustainable activities, and facilitate low-income groups’ access to land (Bandeira, Sumpsi et al., 2009). Contrary to that, it was observed that land

lease price was reduced drastically i.e. by 63%. Similarly, the reduction for commercial and residential land occupied before leasehold system was applied.

However, the reduction for commercial use was the highest between 84% to 98% (see Chapter four section 4.4.2, table 4.13 &14). The land rent reduction for previously occupied commercial plots was high as compared with both the residential land rent reduction and land lease price reduction. While the inclusion of costs of service provision in the allocation price charged to the customers has proven to be the best scenario (Keivani, Mattingly et al., 2008). Difficulties in computation among commercial customers, having the same land grade and the same land use, but different payment may create serious problems. In addition to that, according to the law commercial use should pay a high land rent and land lease price; however the land rent reduction for commercial was, more than residential use, which was not inline with land lease law.

The land rent and land lease reduction by itself might be a good opportunity to generate revenue. If the procedural steps were participatory and transparent; it could help to attract unregistered properties to register, so as to generate revenue as well as to attract investors. However, some “Regional Actor” officials responded that land lease price was fixed based on individual city officials, managers, administrators and some professionals in their favour. They added that, the price reduction and guideline revision was used as a good opportunity to cheap out state land in non-transparent way without being publicised openly to the public. They also claimed that many plots allocated through negotiation-favoured individuals not only in terms of price, but they received large area out of officially titled area. It was also mentioned that land property valuation was non participatory and compensation of land property during relocation were inadequate in terms of compensation payment and non-uniform in relocated land.

This implies that, early participation and inclusive publication in land related issues with all actors including “regional and city actors” and the customer at large can contribute to reducing burning issues of inequality and it can contribute to transparent land lease decisions. In turn it can contribute to attaining the targeted goal of the policy. Thus, inclusive view and participation throughout the land lease planning and allocation process can be a top priority in order to have holistic interest, complete and implementable standards, guidelines as well as logical payment arrangements; see figure 5.1. As shown in the figure participation throughout the process and using feedback for improvement can result into continued service improvement and to perform this, substantial actor’s commitment and attitudinal change to invite and incorporate public need as well as organizational change is necessary.

According to Rajack (2009) participation gives a greater potential of voice for the poor and enhanced accountability. Moreover, public land can be better protected from encroachment by a land management organizations with local patrolling capacity; which is difficult if public land management is centralized as state function or where de facto function is weak, the responsiveness of land supply is likely to be adversely affected by communication gaps, competing and unconnected priorities and limited opportunities for feedback from key actors including the public. Absence of participation leads to weak implementation, over bureaucratisation and abuse of power is likely to achieve neither efficiency nor equity in the supply of land for urban development. Hong and Bourassa (2003b) contend that land leasing is a flexible instrument for allocating public land, but it requires that adequate administrative capacity to administer such leases is in place.

With respect to participation of actors and public at large, it was observed that it was low or non-existent both at planning and decision making process. The adverse effect resulted into inequitable land lease allocation and low revenue generation. However, actors and customers' early participation can be very important to minimize undesired outcome and promote efficiency and effectiveness of land lease goal attainment.

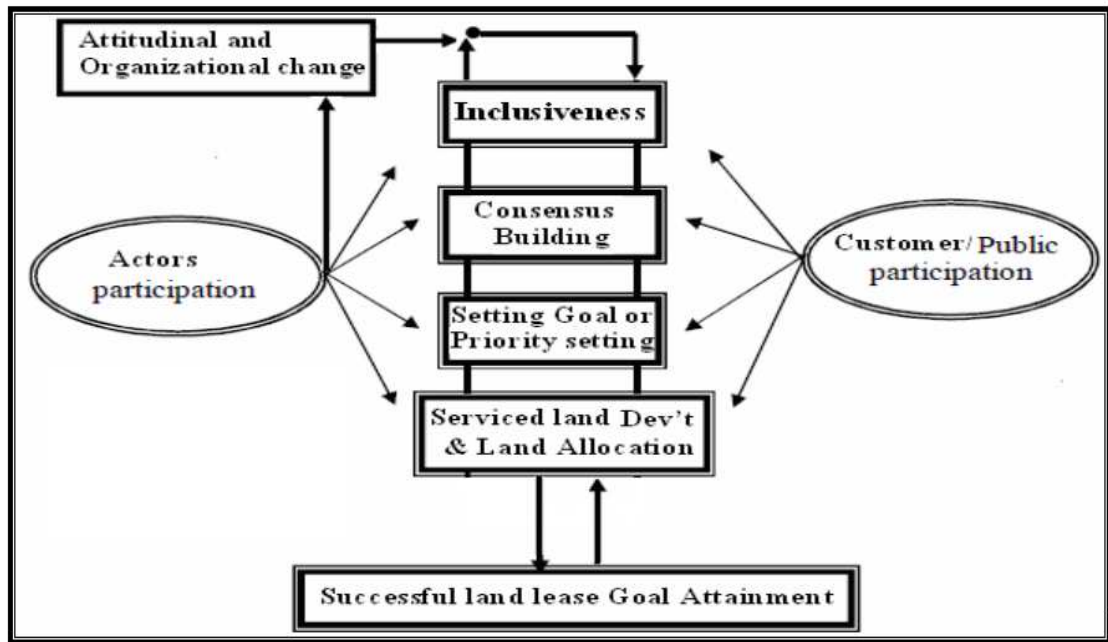


Figure 5.1 Result of inclusive Actors and Customer participation

5.3 Efficiency and effectiveness in land lease implementation

5.3.1 Coordination across organization

The implementation of land lease in Bahir Dar city using the rules and regulations to meet the anticipated goal in the study area was low due to unsatisfactory coordination across implementing organizations. According to ARBOWUD (2004), in Bahir Dar lack of coordination/integration between municipalities and various sectoral agencies, Telecommunication Corporation, Electric and Power Corporations, Towns' water Supply Offices and Road Authority at municipal level was contributing to delays in infrastructural provision and land allocation.

Lack of coordination is cited by Musole (2009) to be one of the major problem in implementing urban land lease in many cities around the globe. Another problem related to that is enforcing the rules and regulations (Catherine Farvacque and McAuslan, 1992). The coordination problem across the main land lease implementing organization was persistently bad (chapter four section 4.6.1). This study established that coordination among land lease implementing organisation in Bahir Dar city was unsatisfactory from both Actors and Customers perspectives.

According to Rajack (2009) some land allocation issues are determined by interagency relationships, because of requirements for information, approvals, and participation from different organizations for land development, allocation and regularization of encroachment. These agencies often do not share one another's priorities and sometimes have conflicting interests in the proposed development site. Coordination among these agencies is often weak. The net result is slowing of the land allocation process and development. According Chimhamhiwa, Molen et al. (2009) in most developing countries, several autonomous organizations are usually involved in the LA for a specific output. However, these independent organizations often do not collaborate & cooperate in the most effective way.

According to Garba & Al-Mubaiyedh (1999) and Garba (1993) in Kano, Nigeria, the existing land management organizations are characterized by never-ending conflicts as a result of lack of coordination between the various agencies involved in land management in carrying out their work. The existing land allocation process encourages the use of land for speculative and corrupt practices, and reinforces the trend towards higher prices and inaccessibility to land. This works against the needs of the low-income group who have neither resource to participate in the open market, nor influence the market for land allocation through the formal process (Garba, 1993).

5.3.2 Efficiency and effectiveness in serviced land allocation

Land lease implementation in the study area was inefficient and ineffective because of a number of reasons. One of the reasons relate to failure to fulfil the requirements of lease as stated in standards and plans which was reflected in some responses from "Regional and City Actors" officials, manager and administrator stated that, though standards were available it was difficult for LPAD to follow and implement those plans as well as standards (chapter four section 4.3.1). The physical performance was in the category of insufficiently successful and revenues collection was in the category of successful. The reason for successful revenue collection might be from two different aspects; one it might be as the result of "Regional Actors" involvement, two as the result of significant number of investors who got land through auction paid 100% of the land lease price in advance.

Gondo (2008) stated that in Ethiopia despite the major gains made over the last 10 years, a number of challenges exist in urban land lease implementations, which are continuously constraining allocation of land to the poor. Both the public and private formal land delivery systems have failed to cope with the needs of the urban poor. Urban land policy has not been immune to a myriad of constraints affecting the land delivery processes of other developing nations. Access to land assets by the poor in most cities and towns of Ethiopia has been deteriorating over the years. Similarly Aneley (2006) claimed that despite the unswerving political will on the part of government to improve LAS and wide range of legal and institutional reform, to strongly compliment poverty reduction efforts and stimulate economic growth the fundamental hurdles encountered in the process of implementation were too many for immediate break through.

The findings in this study show that the outcome of implementing the policy in the city deviates from the anticipated plan. Availability and allocation of serviced land for the majority was observed to be limited and inappropriate. As a result the low-income group were looking for other alternatives. Responses from "Regional and City Actors" professionals criticized that land allocation for the low-income group was in non-serviced and unaffordable by the low-income group and far from basic

services such as water; road and electricity (see chapter four section 4.6.6). They also recognized that informality was increasing in the city. Whereas some “Regional Actors” officials were of the view that those who can afford and who were willing to pay the land lease price were allocated in serviced land charge free. Many feasible decisions given by LPAD were reversed and reallocated cheaply by City officials committee in their favour (for detail see section 4.5.2). In addition some “City Actors” administrators provided that provision of infrastructure depended on government fund, the level of cost recovery was lower than expected.

It was observed that the means of cost recovery and provision of infrastructural services were inappropriate (refer section 4.6.5 table 4.11). The intention of land lease is to generate revenue for local government from land lease sale and to utilize 90% of the revenue collected from land lease in provision infrastructural facilities (TGE, 1993). According to the City Service (2009), annual performance of LPAD in terms of physical works and revenue collection was below the anticipated output (chapter four section 4.7.1). As a result, availability of land lease plots was limited and the few allocated plots were not serviced and highly subsidised (see chapter four table 4.9). The majority of customers of charge free lease or residential respondents claimed that, land was allocated without any basic infrastructural services. According to Mekonnen (2008) in Bahir Dar the reason for limited land allocation was inadequate financial capacity to develop serviced land; and the informal settlers created additional burden in land development. Werknhe (2007) observed that some informal settlers occupied 141, 370 m² area of land, 90% of which, was reserved for commercial purposes. Similarly, Dowall and Leaf (1991) observed that lack of infrastructural provision led to a limited allocation of land and high land and housing price.

In addition it was observed that in the study area land allocation was limited and the involvement of PPP was non-existent. On the contrary involvement of Public Private Partnership (PPP) in land development can enhance capacity to produce serviced land and increase efficiency in serviced land allocation. Mekonnen (2008) observed that, in Bahir Dar there was no PPP in land development.

The land lease allocation standards in terms of process time was reasonably shorter; elapsed time was much longer than standard process time (for detailed refer section 4.6.2). This resulted from inadequate capacity and lack of commitment of leaders as it was observed that most of them were preoccupied with incidental work rather than organisational duties. According to Kueng (2000), the role of officials and manager, or administrators, is essential in performance improvement of the organization. He or she has to play the role of a leader, as an entrepreneur and a negotiator. If his/her competency is limited or/and decision-making power is restricted, it will be time-consuming to implement the goals of the land policy as the necessary changes can not be realized.

This observation leads to a conclusion that cost recovery and serviced land allocation was low. Regarding standards, though the standard process time was short, elapsed time was very long. This may be related to non-enforceable law, intervention, involvement of more than one organization, capacity limitation, and lack of commitment especially the “City Actors” some officials, manager and administrators.

5.3.3 Means for achieving employee efficiency and effectiveness

The means for achieving efficiency and effectiveness of employee was unclear; as a result no incentive system was in place which in turn led to high staff turnover “City Actors” administrators and staff mentioned that the means for achieving efficiency and effectiveness of the employee of LPAD was limited to time controlling; warning, salary deduction and dismissal (see chapter four section 4.7.3). They also claimed that, staff turnover of the LPAD as well as the city officials were high. The “City Actors” staffs added that promises of BPR related to staff motivation such as reward (positive and negative) timely control, timely amendments were not met. It was also observed that missing of LPAD staff in office in office hour was common. The majority of “City Actors” staffs claimed that there was a mismatch between salary and workload for/in LPAD staff. According to Rajack (2009) computation and the scope for internal promotion encourage to preserve staff and allowing greater functional continuity. Higher compensation makes it possible to attract competent staff where as low pay and poor training of staff weakens the land administration organisations.

Lack of employee motivation within LPAD was mentioned to leave the organizations with unskilled staff; that were considered a major constraint in the management of processes in land allocation. This observation plus the theoretical view that public officials in state land management often are poorly paid and lack a career path with realistic opportunities for promotion contributed to lower productivity and inefficiency of the land allocation processes. These in turn affects land supply, with adverse consequences for affordability. In such environment low motivation, temptation to abuse office for financial gain is strong, especially since the valuable asset of public land is usually allocated administratively and not competitively. Land allocation decisions based on rent seeking by public officials are unlikely to contribute either to its most efficient use or to strategic welfare objectives for the poor. If rent-seeking behaviour is widespread, it should manifest itself as distortions in overall land prices (FAO, 2007; Zimmermann, 2007).

It was also observed that the measures taken so far for unethical individuals were insufficient. Some “Regional Actor” officials and administrators stated that the measures taken were inadequate to be a lesson to others, firing only can’t be considered a negative reward. However, experiences from other countries are similar. For instance according to Li (2009) referring to China (1998) in China the Ministry of Land and Resources, incurred an annual loss of at least several millions \$, a year in state revenue in small cities, while the revenue loss could be billions a year in big cities because of illegal land transfer. Li (2009) stated that the total loss incurred nationwide in illegal land leasing activities is reportedly as high as 20 billion a year. According to Jiang Xu and Yeh (2009) key officials in cities such as Shanghai, Beijing and Zhengzhou have been fired because; they ignored central orders and violated national land policies for informal gain by interference with land transfers after accepting bribes.

Thus, the current high-level of staff turnover in LPAD may contribute to reduced performance in terms of land allocation and revenue generation. In addition insufficient corrective measure on those who were poor performers and unethical staff can aggravate the situation.

5.3.4 Means of data handling

In the study area the means for data handling both digital and paper based were not of the required standards and the usage of the existing document in decision-making and planning was poor. This might be difficult to control and to take timely measures. “City Actors” administrators provided that the means of record keeping and documentation was inappropriate. The “City Actors” staff supported this, though some of the plots had digital data it was not easy to use because of complicated means of finding the file number using computer systems. Similarly according to some of the “Regional actors” officials’ and “city actors” administrators responded that, filing and record management was very poor and used as a means to hide important legal documents that was important to differentiate who did what. “City Actors” administrators and professionals were claimed that there was no means for handling digital data as well as compiled hard copy on allocated land lease plots and land inventory (for detail see chapter four section 4.6.7).

According to Werknhe (2007) in Bahir Dar city the cadastre was established in 1999. The general objective of the cadastre was to support the city development through establishing an efficient land management system. It was expected to improve the municipal service provision by introducing transparency and promote working procedures, to establish a quick and efficient map based monitoring of land to maximize land inventory of vacant and illegally occupied land, administrating land lease payments and land redevelopment. However, the coverage of land information system was limited to nearly 47% only. On the contrary Garba & Al-Mubaiyedh (1999) stated that availability of necessary information about land to sustain decision making is vital. In addition, lack of a complete, reliable documented inventory of state and private land will often allow public officials to give away state assets with no records of the transactions (Bell, 2009).

Some “City Actors” administrators mentioned that though property record was the backbone for LPAD performance improvement the importance of record keeping got limited attention. Not only availability of compiled data but also the usage of the existing document in decision-making and planning was poor. Unavailability of up-to-date cadastral data leads to subjective valuation for compensation assessment; that resulted to the majority of relocated land property owners to be unsatisfied. The city court responded that court decisions were impeded by lack of timely response on land property information. This was observed by Payne and Durand-Lasserve et al. (2009) who states that over-complicated information dissemination and registration procedures can cause serious delays, which can bias programme outcomes. The city court added that though the standard process time of the court was short (one month), lack of information about land property ownership for verification took very long time (7 months) still the court was waiting for responses.

Dowall and Clarke (1996) claimed that the above may happen due to unavailability of updated parcel data and related procedures which has proven to enhance process time including staff time. Therefore dealing with sustainable land management without knowledge about who owns what and where, becomes very difficult for governments (Molen, 2002). The “price lease” customers responded that information on availability of land lease to the majority was limited. They added that lack of timely decision coupled with non-transparent information delivery played a main role for ineffective and unfair land allocation. According to Werknhe (2007) in Bahir Dar not only limited coverage of land information system, lack of systematic way on how to discharge land information for private

developers was problematic. In addition the existing data had never been updated and there is loosening coordination among different related departments and sections and the system operated by traditional experienced experts.

From the above it can be concluded that, though land related information (cadastral data) was incomplete the usability was very low. There was no updating and the maintenance of land information and delivery was poor. As a result court cases were pending for 7 months, waiting for information.

5.3.5 Implementation and enforcement of lease agreement

In the study areas, lease agreements were non-enforceable and conducive for speculation. In the city large parcel of strategically located land lie vacant or in a use that is in no way consistent with land value. “City and Regional Actors” professionals as well as customers responded that, enforcement based on the lease agreement was non-existent; as a result speculations were increasing. “City and Regional Actors” officials, managers and administrators added that lease agreement and construction grace period of almost all fenced plots in the city had expired; no measures were taken for almost 13 year’s time, they only started to take back undeveloped priced land lease allocation during the fieldwork period of this study (Oct, 2009). The researcher observed that prime land was fenced and underutilised in well-serviced areas of the city. This implies that, the land lease opportunities to activate timely development and reduced speculation had not benefited the city.

According to Rajack (2009) in many cities strategically located land lie vacant. This situation is often linked to lack of land management capacity among public officials and widespread deficiencies in data management. It is not uncommon for public officials to be unable to reliably estimate the extent or value of public lands because of incomplete and dysfunctional information systems. Consequently, land is not managed efficiently. Hong (1999), provide that public leasehold systems allow the government to manage urban growth by incorporating land use regulations into land leases. If lessees do not develop the land according to the lease agreement, the government has the right to take back the land. Such a contractual right is not available to the government when land is privately owned. However, to take full advantage from this special land right, the government must be coordinated and capable to enforce contractual agreements. Where land use enforcement means are very weak public land leasing is likely to achieve neither efficiency nor equity in the supply of land for urban development. Since its operation will likely be tilted by the same defects that affect other instruments; weak implementation, over bureaucratisation and abuse of power (Rajack, 2009).

According to Hong (2003) public leasehold has provided governments with useful tools to balance both public and private interests in land. For instance the government of Canberra and The Hague have been more “successful” in implementing and controlling land use. Similarly according to I. Baxter (2003) Ukraine land leasing has enabled local governments to allow needed development and to avoid speculative land pricing while appropriate market intuitions were developed. On the contrary Dale-Johnson and Brzeski (2003) stated that in Poland upon violation of stipulated dates, the landowner may impose an additional penalty equivalent to 10% of the initial land price (upon granting the leasehold) for each calendar year of delay. However in practice the ability to impose penalty success is case specific. According to Hong and Bourassa (2003b) in Hong Kong enforcement was problematic, the major problem before 1949 was that the use of lease conditions to control land

development was not guided by zoning plans. According to Hui (2001) later after 1949 Hong Kong introduced land development plans based on short-term and inclusive projections of land demands and attempting to accommodate future development; and they were able to enforce the lease agreement.

It can be concluded that though land lease give flexible means of enforcement, success of land leasing requires both capacity and coordination to implement and administer it. In some cases it was difficult to enforce based on the lease agreement; this was used as a means to land speculation. However, the major enforcement problem was at the root of the introduction of the policy; through time they were able to improve and enforce lease agreement as well as attain some policy goals.

5.3.6 Organizational set up

Though, LPAD was responsible for land lease implementation in the city; the existing organizational set up with the involvement of city service, city administration and ARBOWUD in day to day land lease implementation at large and specific in land allocation limits the performance of LPAD. Some “Regional and City Actors” manager, administrators and professionals claimed that, land allocation was inappropriate because the organization was authorized to deal with land related issues, but administratively it was under the City administration and “City Service”; both organizations were expected to supervise, but practically they were involving in day to day activities. Where both “Regional and City” actors were preoccupied with many issues to manage, as a result LPAD get less attention. Most of the priced lease customer responded that public confidence on LPAD was very low; paper back and forth for decisions were common and resulted into delayed decisions (see appendix A). The figure shows that decisions took by many employees and how cases were going back and forth.

In public leasehold government must pay special attention to support the organization in terms capacity to facilitate timely decision and honesty to make land leasing functional (Hong, 2003).

According to ARBOWUD (2004) there is intolerable turnover of municipal staff in Bahir Dar resulting from inconvenient working environment, which in turn affected the performance of municipalities. Organizational frameworks for land development and management required rationalising in line with decentralisation principles. Currently, land matters are handled by regional, *zonal*, *wereda*, municipal and *kebele* councils. According to Rajack (2009) officials and manager could not devote adequate attention because they also served as town controllers; and regularly transferred because of frequent changes in government setup which has been common in many countries. Moreover lack of managerial and administrative capacity in the government can be a severe obstacle to implement land policy instrument and managing urban land. According to Garba & Al-Mubaiyedh (1999) in Kano, Nigeria, the land organization had very limited capacity in terms of staffing and proper organizational set up characterized by never-ending conflicts between the various agencies involved in management coupled with lack of established system for collecting information to aid planning and decision making, as a result it appears as if none of the organizations engaged in managing urban area, this has led to inefficient land allocation as well as mismanagement.

It was mentioned that many decisions of LPAD were reversed in order to reduce land lease price. According to Peterson (2006) mobilizing large amounts of infrastructure financing from land sales requires a motivated, entrepreneurial municipality that has freedom of action to assemble land parcels,

sell them at market prices, and keep most of the profits for investment. However, the land market is normally not a competitive market. According to Rajack (2009) inefficiency of land allocation emanates from withholding of land from the market, high transaction costs, limited functional decentralization. The involvement of city officials or supervisory body in land allocation without any check and balance may aggravate, negative intervention, non-transparent and non-participatory decisions. Thus, direct involvement of officials in land allocation led to unclear and unfair land allocation.

5.4 Land tenure and land allocation in the past and present

Originally Land tenure in Ethiopia was customary, but land was in the hands of few individuals the majority were tenants and land issue was the main cause for government change (Teklu, 2005). In the country private ownership of real property has existed traditionally for centuries (Kebede, 2002; Woldegebreal, 2005). During the imperial regime Ethiopia had a monopoly of political and economic power over land and other tangible properties. During that period both rural land and urban land were widely idle and misused. The bureaucrats misused urban plan using their power. Hence, no urban land use plan was enforceable. All such bottlenecks of development created by the feudal system called for a radical land reform and overthrow of the Imperial regime in 1974 E.C. after which all land was nationalised, a policy which paralysed land marketing in urban areas (Aneley, 2006).

Yirsaw (2006) argue that contrary to the policy intentions that were primarily meant to benefit the low income groups; the practices were to favour bureaucrats who distributed urban land for free and favoured their friends and relatives. As a result none of the policy directives attempted resulted into a significant economic development (Teklu, 2005; Aneley, 2006; Yirsaw, 2006). This leads to an urgent need for a radical urban land reform in 1993. These changes introduced the land lease policy in 1993. Broadly, the focus of the policy is on efficiency and effectiveness in land allocation, land management and land administration(Aneley, 2006). According to Gondo (2008) the important dimension of Ethiopia's urban land policy is to ensure equitable land distribution both to the rich and the poor. Hence this policy was seen as appropriate to the country to minimize land inequity, to implement city plan, to guide urban development and to attract and promote important projects.

This was expected also to generate revenue, which could be utilized for infrastructural services. As a result of implementing the policy, it was observed that some private buildings were built and government condominium buildings for the middle and low-income group and roads were undergoing construction (refer figure 5.2). Werknhe (2007) found that in the city land lease was the main source of revenues. The total revenue collected from land lease from 2001-2005 was 20.3 million Birr, it share 36.5% from the total collected revenue.

In addition the city was trying to utilize the revenue for constructing subsidizing housing and public infrastructural services. For instance from 2007-2009, 1909 housing units for the middle and low-income group of the society were constructed; more over almost all high-rise buildings in the city were developed within the land lease system. In the city among the registered investors in investment office 94 of them had started their operations with 844,306,100 Birr of capital and the other 58 were under construction. This implies that as far as land governance is fair and access to land is easy the existing tenure type does not harm development rather it can promote by reducing upfront payment.

As long as land allocation is transparent and well supported legally, whether investors owned or leased land, is secondary. This is supported by the observation by Hong (2003) in Finland where lessees having the right to convert their leasehold rights into freeholds are not eager to exercise that option because public leaseholds are secure and can help home buyers and investors avoid the financial burden of raising the initial capital or arranging financing for acquiring land for housing or commercial purpose.



Figure 5.2 Construction activities in Bahir Dar City

Source: filed observation

From the survey results, it becomes clear that, “city Actors”, officials, administrators, and professionals were involved in routine land related works, which resulted into lack of a means of checks and balances in the organization. Corrective measures on unethical and/or illegal activities were limited to firing or reshuffling only. This created conducive conditions for unethical officials, managers, administrators and professionals to favoured themselves. Thus, strong control, checks and balances by supporting matured corrective measures and introducing means for incentives for better performer, such as positive rewards may result into employee satisfaction. If staff were satisfied it would have resulted in better performance, better commitment and a stronger sense of ownership. Even though the above hindrances may be resolved and completed, without checks and balances by a separate body for timely auditing and supported by wise corrective measures, success may be impractical.

5.5 Concluding Remarks

The country's history shows that, Ethiopia has experienced with different tenure types, customary, freehold and rent system. The result of the previous tenure system was remarkably problematic. Freehold was mainly experienced as the main cause for inequity of land distribution and abusing urban land use plans. Under Freehold and landlords' monopolization of urban land were among the main causes for government overthrow; and land tenure was changing accordingly. Similarly when land was under the rent or permits system (between 1974-1990 E.C) favouritism and inequity was continued. More over, at that time private-to-private transactions were not allowed with the exception of inheritance. Land transaction was fully government dependent with the effect that, the construction industry was hindered and the housing deficiency was aggravated. Thus, having this in mind land leasing for the country as well as for the study area is a feasible tenure option.

Although, urban land leasing is important for equitable land allocation, it also generates revenue from land sales for local government, so as to provide public infrastructure ahead of land allocation and subsidised land plots and housing for low-income group, the implementation in the study area was unsuccessful. Though, the government was instituting different proclamations and directives, which was intended to improve access to land. Many of the administrative orders of the central and state governments reflect a spirit for a competitive land market that enabled the affluent to attract investment and developers. However, the main reason among the many contributors to the low performance in terms of land allocation, coordination, revenue generation and non-participatory land allocation of plots were interference and non-transparent decision-making leading to inequitable land allocation. This resulted from improper organizational set-up of LPAD, absence of auditing, lack of checks and balances as well as limited corrective measures on unethical individuals mainly officials, managers, administrators and unethical professionals. This shows that the main reason for unsuccessfulness in urban land lease implementation is directly related to governance issue rather than tenure type.

6. Conclusions and recommendations

6.1 Introduction

The main objective of this study was to assess the organizations and processes involved in urban land lease allocation in relation to the rules and regulations guiding those processes. The assumption made throughout the study is that the existing rules and regulations in the study area were made to reflect the anticipated objective of the land policy instituted by the government of Ethiopia with the purpose of providing efficient and effective utilisation of land, market value restoration, to eliminate land speculations, to attract investment, generation revenues, effective serviced land allocation to all land use and to improve public infrastructure, to avoid non-transparent and inequitable land allocation. In order to achieve these national objectives ANRS is adopted the policy and translated it into regional specific goals, rules, regulations and directives. The main goal of the ANRS urban land policy was to achieve adequate supply of serviced land for residential, industrial, and other uses so as to improve the economic efficiency of urban areas and improve the life of urban resident. The study also examined the extent to which the implementation processes influenced the anticipated goals of urban land lease policy. This chapter provides the findings of the study by first providing a reflection of the research objectives and then answers to the research questions and the results of hypothesis testing. The chapter concludes with practical recommendations to improve land lease processes in the study area and recommendation for further research.

6.2 Reflections on research objective

The rationale behind this research was the need to assess processes involved in land lease implementation in the study area by identifying the main actors and customers of the land lease and linking them to economic as well as social relationships involved in land lease allocation processes. The research was conducted in line with the envisaged objectives, that is to assess the land lease allocation processes and the perception of various actors and customers or/and beneficiaries of the lease policy and to measure the achievements of lease against the intended goals and to filter out the factors that contributed to the results. The research identified that within the study area urban land lease implementation was associated with price imperfection and limited number of serviced land lease supply as compared to the demand. It was observed that a number of problems in land lease implementation were identified which were hindering the attainment of the targeted goals. It also was observed that the number of organisations involved in land lease implementation was quite different from what was statutorily provided. The answers to specific questions that the study answered are provided below.

6.3 Answers to research question No. 1

The first research question was about the anticipated goals of the lease policy in relation to land allocation in the study area. The goals were derived from the policy document and provide that the main goals of urban land lease policy in the region as well as in the study area were to achieve adequate supply of serviced land for residential, social, industrial and commercial uses so as to improve the economic efficiency of urban areas and to improve the quality of life for residents. With the specific objective of acquiring sufficient land for urban development ahead of demand, plan and

produce adequate serviced land in line with demand, to promote the efficiency and effectiveness of urban land market, enhance the use of modern technology for land related information handling, to develop clear and appropriate legal and institutional frameworks for urban land development and management.

This research recognises that, the city was able to translate the above goal into rules and regulations as well as timed plans as shown in a number of proclamation and guidelines. For example according to ANRS (2003b) the revised proclamation was issued to provide for the establishment and organization of urban areas of the Amhara National Regional state (No. 91/2003), the powers and duties of the City service was given to perform all urban service delivery issues including land related issues, such as provision of adequate residential, commercial and industrial land plots for customers, managing the land in effective and efficient way, develop serviced land ahead of demand and providing support on this record and maintenance of it, ensuring the implementation and follow up of land use and building regulations, preparing detailed action plans so as to support and facilitate the implementation of the Master plan, compulsory acquisition of land for public purposes.

However, the City Service (2008) states that despite the effort made by the government to encourage investment based on principles of free market economy and willingness of investors to invest on land; the existing land administration organisational set up and allocation practices are the main bottleneck for development of the city as well as land for housing shelter of the majority. This obstacle hinders the development of the city and was a source of customer dissatisfaction. As a result of the above mentioned problem the government decided to restructure LPAD as a separate authorised organisation to deal with land related issues and land allocation and introduced BPR to it. LPAD was structured within four teams at city level; and branch offices at each local (kebele) level. The intention was to reduce the involvement of many organizations, which included City Service and City Administration, in the day-to-day operational activities of LPAD. However the City Service and City Administration maintained supervisory power over LPAD, which provided an opportunity to continue in the interference of the operational activities of LPAD. The government efforts in instituting LPAD authorised separate organization and introducing BPR didn't improve the situation.

As a result the government decided to involve ARBOWUD into land allocation; this intended to curve down the above situation and to improve customer complaints. However this fragmented LPAD operationally, which in turn made controlling of processes difficult for LPAD. In practice, the City administration, city service and ARBOWUD were involved in the day-to-day activities of LPAD. The city administration, city service and ARBOWUD, decide on land allocation and time of plot allocation. In general LPAD was unable to discharge the given responsibilities and control the processes involving in land allocation.

The above organisational drawbacks caused LPAD to prepare limited land to meet the market demands and the land management practices were inefficient. This was evidenced by responses from some respondents who stated that the LPAD had difficulty in adhering to proper plans and follow the plan as well as targeted standards in land allocation for different uses. Also it had no proper land inventory mechanisms on allocated land and to know how much land is available for future urban development functions, it had inadequate ability to regulate conditions associated with property development and serious delay in land allocation. The elapsed time for land allocation was very long

and the land allocation processes of the city were inequitable. It was mentioned that those who had relatives and close relationship with the city officials, managers and as well as those who had intimate friendship with some LPAD staff were served with easy and fast, while the ordinary people had to wait between one to five years. This led to dissatisfaction of the majority of the customer respondents in this study.

According to the regional constitution every resident of any urban centre is entitled to access land lease plot through legal procedures for residential purpose. However, significant proportion of residents and “Actors” claimed that the land allocation system of the city was unparalleled with the constitution. Based on this it can be concluded that land allocation process of the city did not consider the equality of the residents. Thus, the mismatch and unfair land allocation processes was evidenced by lengthy and costly land delivery processes. Lack of equal access to land lease information and access to land lease, transparency in decisions about urban land allocation led to the physical, social, economical and managerial problems of the city such as the proliferation of squatter settlement, speculation and land lease price instability and higher staff turnover.

6.4 Answers to research question number 2

The second research question was about, how different processes in land lease allocation are coordinated to attain the targeted goals. Through the research it was found that the implementation of lease policy in the study area in relation to the targeted goals was very low as a result of poor coordination across implementing organizations. The main organisation legally vested with powers to deal with land matters such as land allocation and enforcement of the lease agreement was LPAD. However the LPAD faced a number of challenges. One of the challenges includes interference from city officials in discharging its responsibilities. In addition to that, though LPAD was legally autonomous body to deal with land allocation and enforcement of lease agreement, in practice it was observed that three additional organizations were involved in land allocation. This study established that the coordination among these organizations in day-to-day activities was lacking. This made it difficult for the LPAD to discharge its responsibilities. As mentioned earlier LPAD was engaged in incidental day-to-day works and had difficulties in coordinating with other organizations. Lacking of better to coordinate with these organisations resulted into unfair land allocation due to non-transparent and non-participatory decision making processes and some officials used this lack of coordination to fuel their own motives by reversing decisions made by LPAD in order to reduce land lease price, which substantially influenced the realised policy goals such as revenues for the city.

The involvement of “Regional Actors” in land allocation and especially land allocation through negotiation was mentioned as intended to curb non-transparent land lease price and land allocation. It would be proper if thorough investigations were carried out to identify the sources of these problems and whether it was necessary to reversing the autonomy given to LPAD or not. In addition to that involvement of more than one organization can lead to a fragmented organizational structure, which in turn makes it difficult for customers to know who did what at what condition and additional work channels were created. Apart from that it was mentioned that LPAD had limited right to discharge its responsibilities, it was also directly within the reach and view of uninformed customers who might be of the view that LPAD was responsible for all decisions about land allocation. Customers might assume that all the problems encountered were directly caused by the LPAD. Therefore the

dissatisfaction from government perspective and customer point of view with LPAD may give a wrong message that LPAD failed to deliver to customer expectation voluntarily. A proper conclusion would be to coincide that LPAD had failed to deliver expected output, but as a result of unnecessary interference, involvement of many organisations, coordination of which was too difficult and some unethical professionals and staffs used this as a loophole to used office for individual benefits.

6.5 Answers to research question No. 3

The third research question was about the major determinants of urban Land lease implementation processes. These include factors that led to the current state of performance of the implementation of the land lease policy in the study area. The answers emanates from the second question which provides that the implementation of urban land lease policy was insufficient due to unnecessary interferences, non-transparent planning and decision-making, as well as inequitable land allocation. These led to unsatisfactory coordination across organization and within LPAD in land allocation which it turn aggravated other problems such as non-enforceability, incomplete and less usage of parcel information, improper means for achieving staff efficiency and effectiveness, incomplete availability, non-clear and inaccessible of spatial standard plans and legal documents, non-existent means for auditing, checks and balances as well as inadequate corrective measures on some unethical individuals, officials, manager, administrators and staff, low performance in terms of revenue generation, physical works and land allocation inadequacy, inadequacy of financial and skill man power as well as dissatisfaction of both actors and customers. The determinants can be summarised as follows -

6.5.1 Land parcel information

In addition to the above constraints, the implementation of land lease policy in Bahir Dar city was hindered by lack of adequate land related information. There was no complete and comprehensive data on land parcels and number of housing units. This contributed to delayed decisions, low performance monitoring, weak evaluation and low means of enforcement. It was also used as a means to hide important legal documents to escape responsibility. Lack of land information system hampers levying of land rent and it caused difficulties in setting land lease prices and fees; which were expected to be sources of revenue for the provision of public infrastructure and development of serviced land. Lack of information was the root of inequity in land rent and land allocation price.

6.5.2 Manpower adequacy, availability of standards, directives and employee awareness

The organizational capacity of LPAD was mentioned to be insufficient. In terms of manpower, 30% of the positions were vacant the majority of which for professional posts. LPAD had the responsibility to prepare a detailed land use plan and other necessary plot parcellation ahead of demand and ahead of allocation. Urban planners or urban designers and architects were expected to prepared detailed land use plan, but all these posts were vacant. Insufficient qualified staff was a result of unattractive working condition and lack of motivation amongst the staffs. To provide effective and efficient services for the public all the concerned employees in LPAD were expected to be committed. However, it was observed that only a few staff such as those working in filing and record keeping, secretarial and fresh surveyors as well as the head of LPAD was at their respective workplaces throughout the study period. All the other staffs were frequently absent. However customers were

always kept for a long time waiting for them. Keeping promises was mentioned as not a custom for LPAD staffs, proper and timely follow up was missing; and motivation for best performers and timely corrective measures for unethical staff were inadequate to be a lesson to others.

In addition land price map and LDP were not available and the existing spatial development plan of the city was developed without participation of the majority of actors and the public. It was problematic to implement; in practice land use change was common and time consuming to approve. More over, LPAD had not compiled legal documents and operational guidelines/directives were missing. Issuing partial amendment of legal documents was many and took long time to trace. Most of LPAD staff was not aware of the legal documents (i.e. they were not familiar with various legislations, guidelines and directives issued currently and in the past).

6.5.3 Financial adequacy and land lease attainment

LPAD faced financial inadequacy specifically for serviced land development. The revenue generated from land rent and service fee was low. Though the plan preparation as mentioned above lacked actors participation, the revenue collected from land lease were relatively better as compared to land rent. This was caused by poorly handled parcel information used to levy land rent and land lease price reduction through interference and inefficient revenue collection. Due to these financial shortages, public infrastructural provision and serviced land development were limited.

Though the land lease allocation and price determination practices were mostly out of the intended land lease goals/targets; the land lease policy is still appropriate for the city. In the study area the major source of revenue was land lease. In addition, land lease gives an opportunity to implement the land use plan and to set development priorities of the city; almost all buildings in the study area were constructed within 13 years time. It means that after the land lease introduction, investors' were willing to invest and the construction industry shows a positive change. The policy also gives priority for strategic and important projects of the city by subsidising land lease price and "charge free" which was provided for specific selected investment (ARTIB, 2006). It was also gives relief in terms of process time, work steps and charge free for the residences of the city by providing equal access to serviced land. In general even though the land lease implementation practices were problematic, there were indications of investment activities as a result of implementing the lease policy in certain areas.

6.5.4 Fairness in land allocation

This study establishes that the practices of access to information about land lease and land allocation was not equally accessible. Limited publications or announcement, long and many steps in land allocation processes were time consuming and non-uniform evidenced this. Also it was observed that decisions on land lease allocation and land lease price determination were non-transparent and customer specific. In additional to that, land allocated for the low-income group was unaffordable because the land allocation was in non-serviced land, far from provided infrastructural services, non-proper site selection and allocation was not aligned with the land lease laws. It was observed that the selected site for residence required pre-construction or site treatment, such as cut and fill; which the low-income group could not afford. These difficulties resulted into all allocated plots being vacant up to two years after allocation. The suspension of land allocation for the low-income group for the last two years led to the majority to search other means of access to land. It was also observed that the

land allocated through negotiation was expected to motivate and attract important investment by reduced upfront payment. However, land allocation through negotiation was mentioned as non-transparent, proper investor selection were non-existent; in turn most allocated plots in serviced land were not developed, it was fenced for a long period even after the expiration of grace period.

6.5.5 Participation

With respect to participation it was observed that participation was lower than the requirements of the law not only for individual customers, but also organizations like financial banks, academia and most of the implementing actors. Guidelines, regulations and directives as well as spatial plan preparation and revisions were done without sufficient actors' and public participation. This reduced the land lease price substantially contributing to limited revenue generation from land rent as well as land lease. The spatial development plan required land use change during operationalisation; and it was also mentioned that, though the land use change was prepared by LPAD, approval from the "Regional actors" was one of the causes for delayed decisions and it created an additional burden to LPAD. In addition most of the staff was not aware of the legal documents; it may lead to the staff to follow individual's need rather than the intended policy goal requirements.

6.5.6 Enforcement of land lease agreement

In the study area land lease agreements were not enforceable. Inexistent of land lease agreement enforcement coupled with limited land supply aggravated speculation. In general the lease policy objectives such as effective serviced land allocation, eliminating of land speculations, improved transparency and attractive for investment, improved revenue generation and improved public infrastructural provision were not attained in the study area. The gaps of the guidelines directives and manuals were individually minor, but cumulatively it was not easy for LPAD to implement the policy; especially it was mentioned that when individual officials use it to stimulate their own objectives. It was also mentioned that land lease was inaccessible to the majority of the public and actors as well as to the justice system by means of limited access to information and corrupt practices. The land allocation system was non-transparent, and the decision processes were not participatory. The level of effectiveness was low because of intervention resulted into coordination problems and poor financial and human capacity. The motivation and ethical profile of the organizational staffs were not good and for some officials it was extremely bad; there were indications that corruption was a driving force of action. Due to those facts customer satisfaction level on the service was low.

6.6 Answers to research question No. 4

The research question no. 4 intended to examine the extent to which the implementation practices influences the current initiatives towards attaining the anticipated goals of the policy. The perception on success level of the land lease policy implementation, show a wider diversity among the respondents. Some approximate land lease goal attainment between 25% and 50% while others rated it between 50% and 75%. However, based on the assessment dimension that included efficiency and effectiveness as well as governance dimension, in terms of transparency, participation and equitability, the achievements was low compared to the expectation of the policy goals. The governance dimension of transparency in terms of availability and clarity; participation of actors and customers in planning and decision making process; equitability, in terms of access to information and land lease as well as adequacy of compensation were low. Efficiency and effectiveness in terms of

time, cost, and quality, coordination, satisfaction and goal attainment of land lease policy were also measured in the existing practice of land allocation. However, the assessment based on the above-mentioned indicators shows that land allocation processes were unsuccessful in attaining the set land lease goals.

This means that the existing practice was far below the anticipated land lease goal attainment. Land related information and land lease allocation were basically non-transparent, non-equitable, non-participatory and ineffective. LPAD didn't attain the land lease goal according to targets set as shown in the rules, regulations and directives; the existing practices didn't respond to the demand of land lease. These findings were in line with the finding by Werknhe (2007) who state that in Bahir Dar in two years 2005-2007, LPAD response to the land lease demand was about 4% of the land lease application of the city and 95% of land was allocated administratively without clear and transparent means. That means that 96% of the applicants didn't get response for their applications. The majority of the residents were not satisfied about the land allocation processes. In addition though land lease was the main source of revenue in the city; the effectiveness of the revenue collection was mentioned, as it was weak and not properly valued. The other main reasons for weak efficiency in land price determination were non-graded land and unregistered land.

There were no open public meetings to make citizens aware of the responsibility and accountability of the land lease-implementing organisations. Residents were not invited to decide on what should be the prior development of the city contrary to the requirements of the law. Spatial development plans of the city were prepared but it was not participatory. Land related guideline revision such as price reduction, land lease allocation; plot size especially for relocated replacement land was done in the same manner. The means to publish land allocations programs were very limited and non-inclusive. This was mentioned to create loopholes for those who have the opportunity to know the current information as a means to benefit for their favoured and to use as a means for informal income.

6.7 The conclusions on research hypotheses tested

The first research hypothesis was about the deviation of urban lease policy implementation from the anticipated plans, set by the city administration. According to the method deployed and the assessment conducted, the physical performance was below the planned. This means that physical performance was categorised insufficiently successful and the revenue collection performance was in the category of successful. Therefore the hypothesis was accepted; that means that, the outcome of implementing lease policy in the city deviates from the targets set. The second hypothesis was about persistency of certain problems in more than one of the land lease implementing organizations. According to the method deployed, the coordination problems across the main land lease implementing organisations were found to be persistent. Therefore the hypothesis cannot be rejected since there were persistent problems across the implementing organisations.

6.8 Recommendations

Based on the findings of the study the following recommendations are made to improve the existing situation in relation to the land related issues and to bring an efficient and effective land allocation process as well as to attain the anticipated goals of the policy. 1) The process must be based on well investigated, guidelines, manuals and standards; the existing gap of guidelines must be well assessed

and correctly amended. 2) Apply corrective and preventive action for unethical practices: of some officials, managers and administrators into LPAD day-to-day activities; and focus on wise, strategic issues of long term planning and innovation for service improvement 3) Strive for high level integration:- Collaboration, which gradually will develop to coordination and integration, should be commenced between the LPAD and other “City and Regional Actors” 4) Put in place inclusive plan revision, implementation and monitoring system:- The Regional urban planning institute (ARUPI) and ARBOWUD should ensure simple procedures for conversion of land use, land allocation, and ensure the development and standardisation of land lease price map based on the regulations, guidelines and directives of the city, 5) Establish a strong citywide cadastre: -The City Service and LPAD should strengthen the ongoing cadastral information development and establish a means of information provision for the customer, “City and Regional Actors” as well as put enough attention on how to maintain the system. 6) Provide incentives to staff to develop a sense of ownership and commitment, 7) Strengthen revenue enhancement capacity: -To curb the financial deficit, 8) Institute a pro-poor land allocation and management system: - To bring the Low-income groups, into formal land market.

Given the above findings and recommendations, the following areas need further research

- ✚ Although a sense of independency of the LPAD can improve efficiency, effective, inclusiveness, and accountability of the organization especially to the public, success of such independency depends on different factors. Therefore whether independency of urban land administration organisations may lead to improved performance of the organisation may be subject to further research.
- ✚ Land organisations face considerable interference specifically in land allocation, however there is limited literature on whether such interference results from necessity or is purposefully used for personal benefits of personnel from higher authorities. Therefore this area may also be investigated
- ✚ Parcel data handling, updating, storage and usage requires a special attention for any land organisation. That can only be achieved with enough funding. The mechanism to finance cadastral/parcel data in the study area was observed to be dependent on government. An investigation on the possibilities of introducing cost recovery mode of financing may help to specify whether the current practices are the most efficient or not.
- ✚ Though the city is naturally gifted and attractive to numerous investment possibilities (ARTIB, 1995), still urban land lease has not been able to attract the expected investment/investors to the city. Therefore whether improving the urban land lease can attract more investors may be subject to further investigation.

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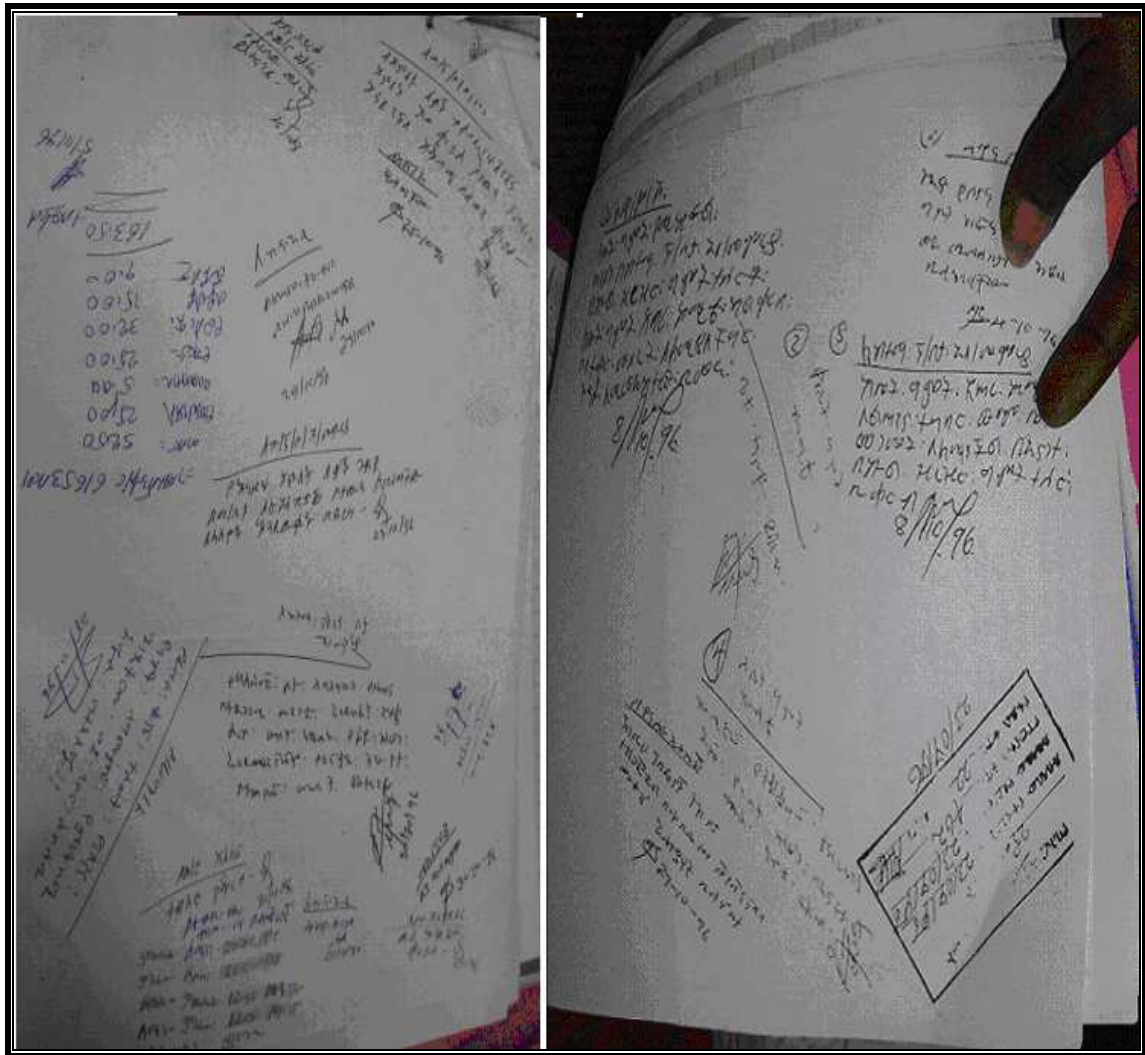
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Appendices

Appendix A Different statements from different delegated employee to give one decision



Source: filed observation

Appendix B Pre- determined indicators

Dimension	Criteria	Indicators
Performance assessment of land lease implementation	Availability process standard time to allocate land lease (Time)	<ul style="list-style-type: none"> • Submission time • Waiting time • Process time • Data exchange time • Resubmissions time • Total process time • Elapsed time
	Availability of land lease standard, price, & service fee (cost)	<ul style="list-style-type: none"> • Activity cost and process cost(knowledge and equipment) • Total cost carrying out to provide public facilities and utilities per squire meter • Land lease price per squire meter • Total cost for serviced land lease per meter squire • Expected cost covered by customer • Means of cost recovery
	(Quality)	<ul style="list-style-type: none"> • Total issued works, total issued works with out error • Percentage of returned back for correction, • Times retuned back for correction
	Availability & usage of technology (Technology)	<ul style="list-style-type: none"> • Availability of land information management tool • Availability of computerized data (digital data) • Usage of available digital data • Reduction of staff time
	Participation	<ul style="list-style-type: none"> • Participation in standard and guild line preparation -Customer, employee and other organs
	Availability and legal enforceability	<ul style="list-style-type: none"> • Availability and clarity of special development plan • Availability, clarity of regulations and important guidelines • Legal enforceability • Availability of land speculation
	Coordination	<ul style="list-style-type: none"> • Coordination across organization for specific out put • Coordination within the organization for specific out put
	(Equal benefit of leased land or accessibility)	<ul style="list-style-type: none"> • Equal access to in formation and to get land lease • Level of exclusivity in land related information delivery • Clear information on availability of land to the public, professionals and other organs • Clarity and simplicity of land allocation processes for employee, individual customer and the public at large • Level of uniformity in information delivery about availability of serviced land • Level of gained benefit from land lease to the public
	Level of satisfaction	<ul style="list-style-type: none"> • Customer satisfaction in % and actors satisfaction % In terms of security, <ul style="list-style-type: none"> • Clarity and simplicity, • Timeliness, • Fairness, accessibility and • Cost and sustainability • Satisfaction of Employee in percent
	Benefit	<ul style="list-style-type: none"> • Collected revenue, utilization land lease revenue
Goal attainment	<ul style="list-style-type: none"> • Performance of land lease goals • Gained investment from land lease • Investment situation 	

Appendix C Reviewed documents

Authors	Concept	Indicator
(Hong, 1998; Werner, 2001)	Suitability of Freehold as a tenure	Efficiency in property transfer, equity and security
(Tian and Ma, 2009)	Serviced land availability	Number of allocated plot, means of allocation type and revenue collection
(Olima and Obala, 1998)	Accessibility & planning control in freehold tenure	(Land use conflicts), accessibility, informality and illegality
	Suitability of leasehold tenure	equity, quick implement ability of city plan, city development control, coordination & integrity
(V. Virtanen, 2003)	To attain successful leasehold	Good lease hold legislation, competent and none corrupt administration, clear policy goals supported by enforceable lease condition and complimentary planning system.
(Hong and Bourassa, 2003a)	Importance of lease,	Recapture land value and annual land rents, ease implementation of city plan
	Implement ability	Integrity and degree of coordination, agreement enforceability
(Gondo, 2008)	Ownership right (equal right)	Equity in land distribution and equal right
	Equal access to land to all	Accessibility, enforceability, resource situation, and participation by the poor & land allocation to the poor
	Land allocation	Proportion of demand Vs supply
(Catherine Farvacque and McAuslan, 1992)	Success of leasehold	Popularity with property developers; efficiency and bureaucratic complexity
(Farvacque-Vitković and McAuslan, 1992)	Main policy instruments affect the supply of land	Property right, land titling and registration, land-use regulations, direct public intervention in land acquisition
	Well functioning land markets	ease entry and performing transactions, availability of adequate land information, secure tenure arrangements market orientation, efficiency and effectiveness
(Deininger, Sarris et al., 2004)	Inefficiency of leasehold	Popularity with property owner, level of investment, efficiency and bureaucratic complexity
(Deininger, 2003a; Deininger, 2004)	Land lease productivity	Level of investment, transparency of processes in land lease allocation, level of corruption
(Sikor and Müller, 2008)	Top down land lease initiatives	Adoptability & implement ability
(Deininger, Jin et al., 2003)	Weak land administration	Violation of land use rights, confidence of land user and level of tenure security
(FAO, 2007)	Good governance	Accountability, political stability, government effectiveness, regulatory quality and rule of law, commitment and control of corruption.
	Land use planning, procedures and policies	Participation at planning stage, procedures and systems to control and monitor, legal use, and value of land.
	Means of staff of attaining efficiency and effectiveness	Means of motivation, level of pay and level and quality of staff training
(Moges, 2008)	Efficiency in land tax	Availability of parcel data and adequacy of revenue
(Dijk, 2009)	Tenure security	Transparency, Administrative capacity and investment situation
(Tsfaye, 2007)	Underdeveloped land	Number of allocated serviced plot and accessibility

	supply	
(Mitchell, Clarke et al., 2008)	Success in land reform	Transparency, participation, wariness of unintended consequences, openness to utilizing a variety of tenure forms
(Zakout, Wehrmann et al., 2006)	Efficiency	Procedures, standards and steps
	Equity	Equal access to services and same service standards
	Accountability	Uniformity of service standards, implementation monitoring, staff code of conduct and incentives
(Davis, 2008)	Transparency	Transparent recruitment of staff, information and decisions openness to all parties, transparent service standards and costs of service
(UNESCAP, 2006)	Well-functioning land market	Level of investment(Efficient), equitable, Environmentally sound and Compatible
(Zimmermann, 2007)	Optimal land management	Transparent process, availability of independent, political interference in land acquisition, organizational arrangements, clarity of responsibility
	Availability of information	Attention on how complete, accurate, reliable and relevant information have for planning and decision-making
	Problem related to decentralized power	Capacity to implement the policy and to enforce based on agreement, ease access to information, accountability and reporting on state assets
(Andrews and Boyne, 2009)	Level of decentralization	Transparency to the majority,
(Payne, Durand-Lasserve et al., 2009)	Inclusiveness	In guide line revision, spatial plan preparation
	Delay in land access	Complexity of procedural processes, clarity of requirements, number of involved actors
(Silverman, 2009)	Citizen participation	Availability of proper urban development, sustainability of development, equity, responsiveness to the citizen
	Adequacy of land supply	Affordability, availability of informal settlers
	Prior work in Land administration and LA system evaluation	
(Bandeira, Sumpsi et al., 2009)	Evaluation of national land administration systems	Availability of information systems, land tax, land-related subsidies, and land regulations
(Chimhamhiwa, Molen et al., 2009)	Processes of land consolidation or subdivision by formal (LA)	Time, cost, society, customer satisfaction, technological innovation and quality.
	Access to land for low income group & efficient resource use	Land use market regulation, government revenue, equity, Collaboration
(Tuladhar, 2007)	Transparency and accessibility	Incidence of corruption, resource management, information openness between the governor and the governed
(Franken, Jonkers et al., 1997)	Multiple process time variables	Response time, processing time, completion time
Reed(2008)referring to Wilcox (1996)	Full Participation in Laws and plan preparation	Empowerment, equity, trust and learning, inclusiveness and transparency
(Zevenbergen, 2001)	Customer satisfaction in Land registration procedures	Cost and bureaucratic complexity
(FIG, 1995)	Customer satisfaction	Satisfaction in terms of security, clarity and simplicity, timeliness, fairness, accessibility, cost and sustainability
(Enemark and van der Molen, 2008)	Customer satisfaction	Customer experience and need and Customers awareness
(Kueng, 2000)	Process performance evaluation	Customer expectations compared with Perceptions, quality criteria to measure degree of fulfilment and importance

(Lemmen, van Oosterom et al., 2003)	How organizations meet customer expectations	Customer satisfaction assessment and Customer satisfaction
(Steudler and Williamson, 2002)	Land administration evaluation	Objective, Strategies, performance, Evaluation of results
	Benchmarking	Performance, standards, Similar organizations, Customer satisfaction
(Clover and Eriksen, 2009)	land distribution and poverty	Accessibility and equity
(Zevenbergen, Frank et al., 2007)	Property transaction	Access to land, simplicity of involved processes and optimal use of resource
	Customer satisfaction	Professional opinions, government agencies and citizens in the field of land market
(Jiang Xu and Yeh, 2009)	Policy implement ability in land market operation	Transparency in land allocation, type of land allocation, Administrative control, technical supervision, local countermeasures, available tool of control at central government and trend of illegality
(Li, 2009)	Perfection in land market	Transparency in land allocation process and decisions, effectiveness of regulation, price seating
	good governance	State capacity, level of power decentralization and resources to regulatory agencies, PPP, effectiveness, availability of dual leadership
	Effect of land lease	Source of revenue, opportunity for corruption, property boom, rent seeking” activities
(Dowall and Ellis, 2009)	Weak governance	Organizational arrangements, number of involved organizations, Corruption
	Limited serviced land	Local resources mobilization and taxation, adequacy of revenue, level of subsidy, availability of low cost plot
	Procedural delay	Bureaucratic situation, accessibility, complexity, capacity
(Wu, 2003)	Efficiency of land leasehold	Level of investment, generated revenue
(Dowall and Clarke, 1996)	Efficiency in guideline implement ability and	Affordability of land price to low & middle income Ensure land value increases associated with infrastructure Equity, responsiveness, availability of skilled man power, PPP, close monitoring, common understanding across organizations
	Efficient and equitable land markets	Availability of informal settlement, level of investment and formal mortgage markets, land market price and price distortion, availability of serviced land, time taken to allocate land, demand oriented and inclusive& process time
	Availability of comprehensive data	Transparency in land market information, Costs of registration and related procedures, including staff time and unofficial payments
	Regulatory complexity	To many regulations, procedural complexity and affordability for the majority, spatial plan compatibility
	Affordability to the poor	Level of formal land allocation, availability of informality
(Garba, 1993)	Efficiency in land allocation	Overlapping responsibility, coordination across organization and lease agreement enforceability
		Simplicity and accessibility, means of prevention for speculative and corruption practices, land prices trend

	Availability of serviced land	Level of government subsidy, means of cost recovery, level of land tax, replication of land development activities and organizational capacity
(Dowall, 1978)	Successful land development	Number of organizations, Number of staff, Capability to reach a scale of production, tendency to take risk, Number of goals
(Pantuliano, 2007)	Functionality of the land administration	Land grabbing, speculative activities, availability of important data on allocated and transfer land & reliability of land information.
(Clausen, 2008)	Inter-organizational collaboration in LA system development	Awareness of others responsibility and capabilities Awareness of the shared values, goals and vision and Awareness of the need for partnership in goals and visions.
(Hui, 2001)	Well-established leasehold tenure system	Effective system to control planning & source of revenue, and prevent speculation
(Bandeira, Sumpsi et al., 2009)	Availability of serviced Land & allocation	Means of cost recovery, adequacy of land tax, land prices situation and land market activity, land productivity and access to land for low-income groups'
(McAuslan and Farvacque, 1991)	Flexible consumer oriented systems	Land markets development, flexibility of land management, commitment to transparency, accountability, equity and administrative appropriateness
(Yirsaw, 2006)	Land market distortions	Adequacy of organizational arrangement, level of honesty and transparency in land allocation, level of infrastructural services provision, speed and complexity in land allocation procedures
	Efficiency and reliability of land registration system	Efficiency of land lease markets, clarity in legal ownership of land, land disputes and optimal use of land
(Aneley, 2006)	Land lease performance	Organizational capacity and availability of comprehensive parcel data
	Artificial scarcity of urban land for development	Land speculation, availability of infrastructure, adequacy in land allocation, and transparency in land allocation
	Coordination	Adequate of coordination with various responsible organizations in land administration (at local level), consistency in land administration and responsiveness to present need
	Efficiency of land record and management	Availability of complete cadastral data and appropriateness in record keeping
	Land distribution	Equity and fairness
(Peterson, 2006)	Transparency in land allocation	Type of land allocation, process transparency, collected revenue
(Dowall, 1991)	Successful land development	Size of organization, entrepreneurial, skilled personnel & availability of serviced land parcels for the poor, ease of development approval
	Efficiency of land market	Involved Actor/organizations, ease of entry and the ease of performing transaction
	Use of land in local control	Land use patterns to shift from one use to another, good governance is state capacity
	Quantity and price of land	Spatial patterns of infrastructure, physical develop ability of land, existence of speculative motives and government land use regulations (zoning regulations)

(Keivani, Mattingly et al., 2008)	Resource equity	Fairness in distribution, availability of laws to regulate urban land, sufficiency of allocated land plots, means of development control, cost of developed land
(Garba and Al-Mubaiyedh, 1999)	To assess land lease policy	Availability of appropriate and coordinated policy, availability of information and policy feed back and review process (responsiveness to feed back)
	Land lease organizational practices	Clarity of organizational mandates, level of decentralization, resource situation; inter organizational coordination, equity in land allocation, availability of information and appropriateness of standards and procedures, efficiency of land allocation
	Organizational capacity	Collaboration, PPP, conflicting mandate, participation
(Jogan and Patassini, 1996)	Effectiveness of public land lease hold	Global productivity of the lease systems; capacity in satisfying the demand, effectiveness in managing land and physical form of urban centres; fairness, compatibility with various policies, measures of taxation and planning at local, regional and national level; continuity with respect to tradition and risks connected to sudden changes and possibility of maintaining a double regime of land renting and leasing.
(Woldegebreal, 2005)	Investment situation	Level of serviced land supply, revenue collection
(Aneley, 2006) referring to DHV consultants (2006)	Urban land implementation problems	Land speculation, coordination, adequacy of land information handling, ratio of demand and supply
(Mekonnen, 2008)	Adequacy of serviced land supply	Competitive market procedure, eases of requirements, availability of delineated price zone , technical capacity
(Warden, 2001)	Level of decentralization	Public participation, peoples better live, democracy
(TGE, 1993)	Urban land lease allocation	Fairness in land lease price, level of investment, inclusiveness in land allocation
	Land lease goal	Market value of land, investment incentive, level of city expansion, infrastructural provision, speculation
	Centralization	Level of centralization. level of revenue generated
(Hong and Bourassa, 2003b)	Advantage of land lease	Accomplished policy goal, generated revenue level of public infrastructure provision, availability of serviced land, land lease price Availability of compromise public private interest
	Intervention	Land price uniformity, financial adequacy, property price, availability of computation
(Hong, 2003)	Enforceability	Agreement availability and enforcement
(Alterman, 2003)	Enforceability	Administrative capacity and timely enforcement
	Cooperation	Willingness to coordinate, to share common equipment
(Deng, 2003)	Availability of speculation	Availability of tools to enforce, level of enforcement, availability of undeveloped land
(Dale-Johnson and Brzeski, 2003)	Means of land lease enforcement	Availability of controlling means to undeveloped land, Level of penalty, level of developed land

Appendix D Questionnaires about urban land lease implementation in Bahir Dar city

I. For Bahir Dar City Court

A: Respondent's Particulars

Name of Interviewer: _____ Date _____

1. Name _____ (Optional)
Post _____ Duty _____
Gender Female Male Age _____

B. Attitude survey

2. Do you think the urban land lease is implemented as it was expected under the land lease policy goals? _____

2.1 Are the legal documents, standards and requirements related to land allocation clearly accessible to the majority? _____

2.2 How do you assess the urban land lease allocation requirements & process in the city? _____

2.3 How do you assess the coordination between your organization and other organizations/departments implementing land lease in urban land lease related issues? _____ (Very good, Good, Not really good, Poor, very poor)

2.4 What problems do you observe in the implementation process & to which organizations do you relate those problems? _____

C. Figures & Facts

3. Do you have any land lease allocation related conflicts? Yes if yes go to Q3.1 No

a. If yes how many conflicts do you have in the court related to land lease allocation in the year 2011E.C? _____

b. What is the percentage of land lease registered conflicts out of the total registered conflict? _____

c. What is the content of the registered land lease related conflicts? _____

d. What kind of information do you seek from the LPAD in related to land lease and land allocation conflicts? _____

e. On average how many days it require to finalize one urban land lease conflict? _____

f. In the finalization of all cases what is the percentage of cases that were decided against the LPAD or lease implementing organization/department? _____

4. How is the performance of land administration, in information delivery when the court seeks information? Very Good Good Fair Bad Very bad others specify

4.1. What was the cause for low information delivery? _____

4.2. If the answer for Q4 is fair & below fair what should be added or removed to meet the customer & government benefit? _____

4.3. Do you think the existing organizational/departmental requirements & procedures in land lease allocation able to meet the expected benefit of the government as well as the citizen?

Yes if yes go to Q 4.2.1 No if no go to Q4.2.2

4.2.1. If yes how do you explain? _____

4.2.2. If not what should be added or removed to achieve the expected benefits? _____

5. How do you exchange information with Land provision and Administration (LPAD) ? _____

6. Is there any court case caused by the organizational/departmental procedural errors during urban land lease allocation? yes if yes go to Q 6.1 No

6.1. If yes are the errors because of multiple responsible organizations/departments or because of simple procedural error only? _____

7. How do you asses the responsiveness of Land Provision and Administration for your organization as well as for the individual customer? _____(Quick, slow, Very poor, No idea)

8. In your opinion do you think the enforcement means of land lease implementing correctly? _____

9. As a citizen how do you evaluate the lease allocation process in general? _____

10. Is the land lease implementing organizations/departments clear from corruption?

Yes No If no go to Q 10.1

10.1. If yes how many related registered cases do you have? _____

10.2. What were the percentage of organizational problems during decision finalization? _____

10.3. What are the causes invited for corruption? _____

11. How do you assess the capacity of LPAD to implement the land lease goal? _____

12. How do you assess completeness and clarity of the land lease proclamations, guidelines and directives? _____

13. What are the possible alternatives to make the citizen and the local government benefit from urban land lease policy? _____

14. Would you like to add any thing related to urban land lease implementation? _____

II. Questionnaires about urban land lease implementation in Bahir Dar city For Amhara Region Ethics and Anticorruption

A: Respondent's Particulars

Name of Interviewer: _____ Date _____

1. Name _____(Optional)

Post _____ Duty _____

Gender Female Male Age _____

B. Figures & Facts

2. Is the land lease goal implementing as of the anticipated in the policy goal in relation to land allocation?

2.1. Are the legal documents, standards and requirements related to land allocation clearly accessible to all? _____

2.2. How do you asses the urban land lease allocation requirements & process in the city? _____

2.3. How do you assess the coordination of your organization and other organizations/departments in urban land lease allocation? (Very good, Good, Not really good, Poor, very poor)

2.4. How do you asses the responsiveness of Land Provision and Administration for your organization as well as for the individual customer? _____(Quick, slow, Very poor, No idea)

- 2.5 If the coordination assessment is not good what are the problems & to which organizations are more related those problems?_____
- 2.6 Is the land lease implementing organizations/departments are clear from any corruption?
 If Yes go to Q 3.1 No
- 2.6.1 Do you have any land allocation as well as land related registered corruption?
 Yes go to Q 3.2 No
- 2.6.2 If yes how many registered cases do you have related to land lease allocation in the year 2001?_____
- 2.6.3 Out of the registered cases what was the percentage of land lease related registered cases?_____
- 2.6.4 In the finalization of all cases what is the percentage of cases that where decided against the land lease implementing organization/department?

- 3 How is the performance of LPAD in land lease information delivery?_____
- 3.1 If the answer for Q4 is not good what should be added or removed to meet the customer & government benefit? _____
- 3.2 Do you think the existing organizational/departmental requirements & procedures in land lease allocation able to meet the expected benefit of the government as well as the citizen? _____
- 4 How do you exchange information with land lease implementing organization/department?__
- 4.1 How is the performance of land administration, in information delivery when the court seeks information? Very Good Good Fair Bad Very bad others specify
- 5 Is there any case caused by the organizational/departmental procedural errors during urban land lease allocation? Yes if yes go to Q 6.1 No
- 5.1. What are the reasons for those procedural errors?_____
- 6 How is the LPAD responsiveness in service delivery in general?_____
- 7 Is the means of land lease enforcement implementing effectively? _____
- 8 How do you access participation in the priority setting and decision making of land lease related process by actors and the public? _____
- 9 How do you asses transparency of land lease allocation processes in the city?_____

C. Attitude survey

- 10 How do you evaluate the lease goal attainment in general as well as specific in land allocation?_
- 11 What are the possible alternatives to make the people and the local government benefit from urban land lease policy?_____
- 12 Would you like to add any thing related to urban land lease service implementation?_____

III. Questionnaires about urban land lease implementation in Bahir Dar city: For Investment office

A: Respondent's Particulars

Name of Interviewer: _____ Date _____

Name _____ (Optional);

Post _____ Duty _____

Gender Female Male

Age _____

B. Figures & Facts

2. Is the land lease goal implementing as of the anticipated in the policy goal in relation to land allocation? _____
 - 2.1. Are the legal documents, standards and requirements related to land allocation clearly accessible to all? _____
 - 2.2. How do you asses urban land lease allocation requirements & process in the city? _____
 - 2.3. How do you assess the coordination of your organization and other different organizations/departments in urban land lease allocation? _____
 - 2.4. If the coordination assessment is bad what are the problems & to which organizations are more related those problems? _____
 - 2.5 How do you asses the responsiveness of Land Provision and Administration for your organization as well as for the individual customer? _____ (Quick, slow, Very poor, No idea)
 - 2.6 How is the performance of land administration, in information delivery when the court seeks information? Very Good Good Fair Bad Very bad others specify _____
3. Is the land lease implementing organizations are clear from any corruption?
 - If Yes go to Q 3.1 No
 - 3.1. Do you have any investor compliant in land allocation as well as land related issues? Yes go to Q 3.2 No
 - 3.2. If yes how many complaint investors do you have? _____
 - 3.3. What is the content of the complaint? _____
4. How is the land lease investment situation in the city? _____
 - 4.1. If the answer for Q4 is not good what are the reasons _____
 - 4.2. Do you think the existing organizational/departmental requirements & procedures in land lease allocation able to meet the expected benefit of land lease goal for both the government as well as the citizen? _____
5. How do you exchange information with land lease implementing organization/department? _____
6. Is there any investment case delayed or caused by LPAD? _____
 - yes if yes go to Q 6.1 No
 - 6.1. What were the reasons for investment delay? _____
7. How was the LPAD responsiveness in service delivery in general? _____
8. Is the means of land lease enforcement implementing effectively? _____
9. How do you access participation in the priority setting and decision making of land lease related process by actors and the public? _____
10. How do you evaluate the lease goal attainment in general as well as specific in land allocation? _____
11. How do you access participation in the priority setting and decision making of land lease related process by actors and the public? _____
12. How do you asses transparency of land lease allocation processes in the city? _____
13. What are the possible alternatives to make the people and the local government benefit from urban land lease policy? _____

14. Would you like to add any thing related to urban land lease service implementation? _____

IV. Questionnaires about urban land lease implementation in Bahir Dar city; For Bahir Dar Financial Organizations

Name of Interviewer: _____ Date _____

A: Respondent's Particulars

1. Name (Optional) _____ or Organization _____
 Post _____ Duty _____
 Gender Female Male
 Age _____

B. Attitude survey

2. In your opinion how do you assess the implementation of urban land lease in the city?____
 2.1. How do you assess achievements of the anticipated goal of land lease policy in relation to land allocation? _____
 2.2. How are the requirements, standards about land allocation accessible to your organization and to the majority? _____
 2.3. How do you asses' clarity of the land lease allocation requirements & process in the city? _____
 2.4. How do you assess the capacity of Land provision and administration to implement the anticipated goal of the policy? _____
 2.5. How do you assess coordination of LPAD with the organizations and other different organizations/departments in urban land lease allocation? _____
 2.6. Which organizations are better coordinated in land lease implementation? _____
 2.7. Are the land lease implementing organizations/departments are clear from any corruption? _____
 2.8 How do you asses the responsiveness of Land Provision and Administration for your organization as well as for the individual customer? _Quick, slow, Very poor, No idea)
 3. Do you ever participate in any land lease related issues, such as spatial development preparation and priority setting as well as decision making process? _____
 4. How do you access participation in the priority setting and decision making of land lease related process by actors and the public? _____
 5. How do you asses transparency of land lease allocation processes in the city? _____

C. Figures & Facts

6. What are the requirements to get mortgage for urban land lease customers or owners? _____
 6.1. What are the requirements & processes involved in mortgaging? _____
 6.2. For how many plot of land lease did you give as a mortgage? _____
 7. What is the necessary information you seek from the land lease implementing organizations during mortgaging? _____
 8. How do you exchange information with land lease implementing organization/department?____
 9. In your opinion how do you assess the performance of land provision and administration, in information delivery when your organization seeks information? _____
 9.1. If the assessment is below fair what are the problems? _____

- 9.2. What are the possible means to solve those problems? _____
- 9.3 Do you think the existing organizational requirements & procedures in land lease allocation able to meet the expected benefit of the local government as well as the citizen? _____
10. In general what are the possible alternatives to make the people and the local government benefit from urban land lease? _____
11. Would you like to add any thing related to land lease service delivery? _____

V. Questionnaires about urban land lease implementation in Bahir Dar city; For Bahir Dar City land Administrators, managers & Officials.

Name of Interviewer: _____ Date _____

A: Respondent's Particulars

1. Name (Optional) _____ or Organization _____
 Post _____ Duty _____
 Gender Female Male
 Age _____

B: Facts & figures

2. What are the anticipated goals of the urban land lease policy?
- 2.5. What are the main goals of the policy in relation to land lease allocation? _____
- 2.6. What rules, regulations, guidelines and strategies do you have? _____
- 2.7. How is the clarity of rules, regulations and guidelines to implement the anticipated goal? _____
- 2.8. Is there any difficulty in the implementation of rules, regulations and guidelines relating to the national land policy? _____
- 2.9. 2.5. How are the intended goals of the policy met? _____
- 2.6. How do you assess the responsiveness of Land Provision and Administration for your organization as well as for the individual customer? _____ (Quick, slow, Very poor, No idea)
3. What organizations are involved in urban land lease implementation? _____
- 3.1. Who are the important organizations responsible for the various aspects of the land lease allocation and administration issue? _____
4. How do you assess the coordination between your organization and other actors in land lease allocation to attain the anticipated goal of the policy? _____
- 4.1. What are the requirements in land lease allocation? _____
- 4.1.1 How many days it requires to finalize one land lease allocation? _____
- 4.2. Is there any limiting factors face in urban land allocation process? _____
5. On average what costs may be incurred to develop a plot of urban land lease for allocation purposes? _____
- 5.1. How much percent of the cost is covered by the customer? _____
6. Are the processes for urban land lease allocation clearly known by the employee as well as by customers? _____
- 6.1. What are the means to publicize the requirements & processes? _____
- 6.2. What problems did you encountered during publicized the processes for customers and other actors? _____

- 6.3. How does rules, regulations, guidelines and standards' concerning land lease made open to the public? _____
7. Does the land lease implementing organizations have a means to assess the level of customer satisfaction? _____ yes if yes go to Q7.1 No
- 7.1. If yes what are the criteria to assess the customer satisfaction? _____
- 7.2. According to your criteria how many percent of the customer are satisfied? _____
8. Do you think the land lease system is helpful to bridge the pervious back log? _____
9. What was the physical performance in percentage in 2001E.C? _____
- 9.1 How is the land provision and administration performance in relation to land allocation? _____
- 9.2. What was the revenue collected performance? _____
- 9.2.1. How do you asses the performance of revenue collection? _____
- 9.3 What are the causes for low performance of land lease and revenue collection? _____
10. What are the major determinants of the urban Land lease implementation process? _____
11. How customers and Actors participate in physical planning & priority setting of land lease? _____
- 11.1. Is there an open public participation at planning stage for public debate to improve the efficiency of land lease implementation? _____
12. How is the land lease enforcement in the city? _____
13. How is the level of speculation and informality in the city? _____
- 2.7 After land lease allocation who is responsible to enforce the land lease agreement? _____
- 2.8 Do you have any land lease customer that abuses the land lease agreement? _____
- 3 Is the land lease implemented organizations/departments are clear from any corruption? _____
- 3.5 Are they adequate to safeguards against corruption and rent seeking in land administration Systems? _____
- 3.6 Is public/government land managed effectively in the public interest? _____
15. In general how do you assess the performance of employee & satisfaction? _____
- 15.1. What are the means to ensure the efficiency and effectiveness of the employee? _____
- 15.2. How is the working environment of the land lease implementing organization/department? _____
16. How is the urban land lease benefiting the society as well as the government? _____
- 16.1. How is the accessibility of land lease information to all? _____
- 16.2. How is the accessibility of land lease to all? _____
- 16.3. What was the proportion between the demand and land supply? _____
- 16.4. How was the capacity of LPAD in implementing land lease? _____
- 16.5. How is the proportion of land claims subject to unresolved disputes? _____
- 16.6 How is your satisfaction with outcome of land lease implementation? _____
17. How do you access participation relocation, valuation and decision making of land lease related process by actors and the public? _____
18. How do you asses transparency of land lease allocation processes in the city? _____
19. In general what are the achievements and challenges of urban land lease implementation in thecity? _____
- 19.1 Is there any policy restriction on the free operation of land markets? _____
- 19.2 What are the possible alternatives to make the people and the local government benefit from urban land lease policy? _____

VI. Questionnaires about urban land lease implementation in Bahir Dar city; for Bahir Dar City Service, LPAD professionals, ARBOWUD and ARUPI officials, administrators and professionals

Name of Interviewer: _____ Date _____

A: Respondent's Particulars

1. Name (Optional) _____ or Organization _____
 Post _____
 Duty _____
 Gender Female Male
 Age _____

B: Facts & figures

2. What is the attainment of anticipated goals of the urban land lease policy in relation to land lease allocation? _____
- 2.3. What rules, regulations, guidelines and strategies do you have? _____
- 2.4. How are the rules, regulations and guidelines clear to implement the anticipated goal of the policy? _____
- 2.5. Is there any difficulty in the implementation of rules, regulations and guidelines relating to the national Land policy? _____
- 2.6. What is the achievement of the intended goal in percent since land lease to date? _____
- 2.7. If the performance of the policy goal is low, what are the reasons for low performance? _____
3. What organizations are involved in urban land lease implementation? _____
4. How is the coordination between your organization and other land lease implicating organizations in land allocation to attain the anticipated goals? _____
- 4.1. How are the requirements in land lease allocation clear to all? _____
- 4.2. How many days it requires to finalize one land lease allocation? _____
- 4.3. Is there any kind of limiting factors face in urban land allocation process? _____
5. Do you think the requirements and processes of urban land lease are known by costumers? _____
6. How do you rate the land lease customer satisfaction in percentage? _____
7. Do you think the land lease system is helpful to bridge the pervious backlog? _____
9. How is the current percentage of demand and supply of urban land lease? _____
10. How do you assess performance of LPAD in land lease allocation? _____
- 10.1. What was the physical performance in percentage in 2001E.C? _____
- 10.2. What was the revenue collected performance? _____
- 10.3. How do you asses the performance of revenue collection? _____
- 9.4. What are the causes for low performance of land lease and revenue collection? _____
11. Do you think the land lease agreement is implementing effectively? _____
12. How is the land lease enforcement implementation in the city? _____
13. How is the level of speculation and informality in the city? _____
- 13.1. Why is many plots allocated by lease are fenced and undeveloped? _____
14. What are the major determinants of the urban Land lease implementation process? _____

- Availability of Plan Implementability of the plan Legal enforceability _____
- Capacity of the organizations/departments to implement Coordination across the organizations/departments Participation of stakeholders and customers All of the above other specify _____
- 14.1. Do you have any plan relating to urban land lease implementation? Yes No
- 14.2. If yes what are those plans? _____
- 14.3. Do you think those plans can execute within the specified time? Yes No
- 14.4. What Authorities were involved in setting those plans? _____
- 14.5. How does the capacity of the employee of the delegated organization/departments to prepare the Plan? _____
- 14.6. How does the customers &actors involved in the planning & prioritization process?
- 14.7. How do you assess the level of participation arranged by the delegated organizations? _____
- 14.8. If the participation is low what is the alternative means to know and incorporate the customer need? _____
- 14.9. How do you assess the different organizations and customers coordination in setting the implementation priorities of urban land lease? _____
- 14.10. How does the lease agreement helpful to implement the city plan, such as land use plan? _____
14. Is the land lease implementing organizations are clear from any corruption? _____
15. How is the turnover of land provision and administration employee? _____
- 15.1 Are the employee of LPAD satisfied? _____
- 15.2. How is your satisfaction with outcome of land lease implementation? _____
16. How urban land lease benefiting the society as well as the government? _____
17. How do you access participation in the priority setting and decision making of land lease related process by actors and the public? _____
18. How do you asses transparency of land lease allocation processes in the city? _____
19. In general what are the achievements and challenges of urban land lease implementation in the city? _____
20. What are the possible alternatives to make the people and the local government benefit from urban land lease policy? _____

VII. Questionnaires about urban land lease implementation in Bahir Dar city; For Bahir Dar University

- Name of Interviewer: _____ Date _____
- A: Respondent's Particulars**
1. Name (Optional) _____ or Organization _____
- Post _____
- Duty _____
- Gender Female Male
- Age _____
- B: Facts & figures**

2. In your opinion how do you assesses the implementation of land lease allocation in the city?_
 - 12.1. Is there an open public participation at planning stage for public debate to improve the efficiency of land lease implementation? _____
3. In your opinion are the requirements, standards about land allocation clear to the majority? _____
4. In your opinion how do you assesses the capacity of land provision and administration in implementing the anticipated goal of land lease in relation to land allocation in the city?__
 - 4.1. How is the accessibility of information about land and land lease allocation to all? _____
5. In your opinion what are the determinants of urban land lease implementation in the city?__
 - 5.1. Were the land lease implementing organizations they adequate to safeguards against corruption and rent seeking in land administration systems? _____
 - 5.2. Is public / government land managed effectively in the public interest? _____
6. How do you assess coordination across land lease implementing organizations? _____
7. Do you think the implementing organizations/departments are responsive? _____
8. In your opinion are the land lease implementing organizations/departments are clear from any corruption? _____
9. How do you assess completeness and clarity of the land lease proclamations, guidelines and directives related to land allocation? _____
10. How has been benefiting urban land lease to the society as well as to the government? _____
 - 10.1. In general what are the achievements and challenges of urban land lease implementation in the city? _____
11. Do you think the land lease system is helpful to bridge the pervious back log? _____
12. How is the land lease enforcement implementation in the city? _____
13. In your opinion do you think the urban land lease implementation is successful? _____
14. How do you asses transparency of land lease information and allocation processes in the city? _____
15. What are the possible alternatives to make the people and the local government benefit from urban land lease policy goal? _____
16. Would you like to add any thing related to land lease service delivery? _____

VIII. Questionnaires about urban land lease implementation in Bahir Dar city; for staff & officers (Who are working in Land provision and administration (LPAD))

Name of Interviewer: _____

A: Respondent's Particulars

1. Name (Optional) _____ Team _____
 Post _____ Duty _____
 Gender Female Male; Age _____

B: Facts & figures

2. Are you aware of the anticipated goals of the urban land lease policy in relation to land lease allocation? _____
 - 2.1 Do you know the goal of urban land lease relating to urban land allocation? yes if yes go to Q No

- 2.2. What are the main goals of the policy? _____
- 2.3. What rules, regulations, guidelines and strategies do you have in relation to land lease allocation? _____
- 2.4. Are the rules, regulations and guidelines clear to you to implement the anticipated goal?
 yes if yes go to Q2.5 No if no go Q 2.8
- 2.5. If yes are the intended goals of the policy met?
 yes if yes go to Q 2.6 No go to Q 2.7
- 2.6. If yes what is the land lease goal attainment in percentage? _____
- 2.7. If no what are the limiting factors?
 Skilled man power limited staff shortage of finance the policy itself
 mismatch b/n the policy & guidelines other problem
- 2.8. If the answer Q 2.3 in no which legal document is unclear? _____
- 2.9. How do you execute your duty?
 I use the yearly plan to perform my duty I simply follow what the boss says
 I use the norm of the organization Other
3. Is there any difficulty in the implementation of rules, regulations and guidelines relating to the national Land policy? _____
4. What is the performance LPAD in terms of the request & response of land allocation in the year 2001 EC? _____
- 4.1. How many plots do you allocated since land lease to date (1994-2009) _____
- 4.2. How many plots are allocated without any error? _____
- 4.3. How often (on average) are documents submitted returned for correction of error? _____
- 4.4. How long on average it takes to correct those errors? _____
5. What are the processes to develop serviced land for allocation? _____
6. What kind of problem you face during land development Processes? _____
7. How do you provide the public infrastructures such as water supply and electricity before you lease out land? _____
8. On average what costs may be incurred to develop a plot of urban land lease for allocation purposes? _____
- 8.1. What were the costs required to lease out one plot of urban land? _____
- 8.2. In general how mach payment is expected to pay by the customer to get the land lease?
 Service fee only cost for the land & Service fee only
 including other additional cost other specify
- 8.3. In your opinion is the land price and service fee affordable by the majority of the citizen? Yes No if no go to Q 8.3
- 8.4. If no what are these problems that make the land allocation unaffordable? _____
9. Are you aware of any strategy adopted by your city to implement the land lease policy? _____

yes if yes go to Q9.1 No if No go to Q 9.4

9.1. If yes, what are these strategies you are aware of? _____

9.2. Which strategies do you think are implemented well? _____

9.3. Of those strategies that are implemented successful provide a ranking on the extent you think it has been successful.

S/N	Strategy	Year 2001Ec	Performance in No		Performance in %					Comment
			Plan	Execution	Below 49	50- 64	65-79	80-94	95- 100	
1										
2										
3										
3										
4										
5										
7										

9.4. If no how did you execute your work?

I use the yearly plan to perform my duty I simply follow what the boss says, but I already served I use the organizational norms others specify

10. Do you think that land lease allocation is implemented successfully in your city?

Yes if yes go to Q10.1 No go to Q10.2

10.1. If yes how do you explained? _____

10.2. If no what are the problems?

Delay Frequent change of requirements and processes There is no participation in those change Decision making in land allocation were not transparent All Others specify

11. Are the requirements & processes for urban land lease allocation clearly known to you as well as to the customer?

Yes if yes go to Q11.1 No if no go to Q11.2

11.1. If yes what are the means to publicize the requirements & processes? _____

11.2. If no what problems prevents you from knowing the requirements of processes? _____

12. Is there any requirements that expected to full fill by the customer in urban land lease allocation? _____

Yes, if yes go to Q 12.1 No, if no go to Q 12.4

12.1. If yes what are the requirements involved in urban land allocation?

All the processes mentioned in the guideline

12.2. How do you asses the existing processes of urban land lease? (very simple, highly simple, complex, somehow complex, very complex).

12.3. Is there any problem in the processes? _____

- 12.4. How many work steps were involved in land lease allocation? _____
- 12.5. How many day it require to allocate one plot of urban land lease? _____
13. What organizations/ departments are requiring visiting the customer in order to get one plot of urban land lease? LPAD Kebele (Local administration) City Service City Administration ARBOWUD ARUPI All the above other specify
- 13.1 How are different processes coordinated in land allocation to attain the anticipated goal of the policy? _____
- 13.2 Are you aware of the duties of other land lease implementing organization/department? _____
- 13.3 How do you asses the coordination between your organization and other organizations and within LPAD it self in land lease allocation to attain the anticipated goal of the policy? _____

Coordination assessment across organization and within LPAD itself

Organizations/departments	Very good	Good	Fair	Bad	Very bad	Other	If any comment
within LPAD it self							
(LPAD)							
Kebele							
City service							
City Administration							
ARBOWUD							
ARUPI							
other							

- 13.4. If the assessment result is fair and below fair, specify the cause for the low coordination? _____
- 13.5. What activity do you share with each organization/department? _____
- 13.6. What is the frequency to see with each organization/department? _____
- 13.7. Where did you get difficulties during land lease allocation?
 LPAD Kebele City service
 City Administration ARBOWUD ARUPI All the above other specify
- 13.8. How do explain those problems? _____
14. Does the organization/department have a means to assess the level of customer satisfaction?
 Yes go to Q 14.1 No go to 14.4
- 14.1. If yes what are the criteria to assess the customer satisfaction
 Waiting time Process time Overlapping interest
 Response time Completeness Accuracy Other specify
- 14.2. According to your criteria are the costumers satisfied?
 Yes go to Q 14.2a No go to 14.3
- 14.2a. If yes how many percent of the customer were satisfied? _____
- 14.2b. What is the level of customer satisfaction? _____

Organizations/departments	Very good	Good	Fair	Bad	Very bad	Other	If any comment
Land provision & administration							
Urban Development							
City service							
Municipality							
All the above							
other							

- 14.3. If no what was the problem and in which organization/department? _____
 LPAD City service City Administration ARBOWUD ARUPI other
- 14.4. If the answer for Q 14 is no what is the problem that hinder the organization to assess customer satisfaction? _____
15. What are the major determinants of the urban Land lease implementation process?
 Availability of Plan Implementability of the plan Legal enforceability
 Capacity of the organizations/departments to implement Coordination across the organizations/departments
 Participation of Actors and customers in general All of the above other specify
- 15.1. Do you have any plan relating to urban land lease implementation?
 Yes, if yes go to Q 15.1 No
- 15.2. If yes what are those plans? _____
- 15.3. Dose those plans complete and clear to execute within the specified time?
 Yes No
- 15.4. What Authorities are involved in setting those plans? _____
- 15.4. How does the capacity of the Delegated organization/departments to prepare the plan? _____
- 15.5. Do you participate in any planning & prioritization process? _____
 Yes if yes go to Q 15.6 No if no go to Q15.7
- 15.6. If yes how do you rate the level of participation arranged by the delegated organizations/departments? Always Often Occasionally
- 15.7. If no what is the problem hinder participation of the employee?
- 15.8. How do you rate the different organizations and customers coordination in setting the implementation priorities of urban land lease?
 Very Good Good Fair Bad Very bad others
- 15.9. How does the lease agreement helpful to implement the city plan, such as land use plan? _____
16. Is it allowed to use urban land lease for mortgaging?
 Yes, if yes go to Q 16.1 No, if no go to Q16.2
- 16.1. If yes is the process easy to get mortgaging? _____
- 16.2. How many land lease plots have taken & registered mortgage? _____
- 16.3. If No what are the problems? _____
17. If the construction of the project is not finished according to the lease agreement, what will happen?

- The government take it the land back The customer were penalize
- Nothing happen other specify
- 17.1. How many plots were not developed as expected (18 month's) after being leased out? _____
- 17.2. Of those plots not developed how many were resold? _____
- 17.3. How many informal occupations do you have in the city? _____
18. If the expected payment is not paid on time what happens?
- The government take it the land back it have additional payment as a punishment
- nothing other specify
- 18.1. In general how do you rate the current means of land lease enforcement in the city?
- Very Good Good Fair Bad Very bad others
- 18.2. Do you have any experience related to the above problems?
- Yes, if yes go to Q18.3 No
- 18.3. If yes what are those problems? _____
19. If customers like change the permitted function or land use how simple is the process?
- It is easy to change It is difficult it has unfair processes other specify
20. How do you assess the benefit of land lease system in general to the majority of the citizen as well as the government? Very good good fair bad Very bad Other
21. Are you satisfy with the means of staff handling? Yes No, if no go to Q 21.1
- 21.1. If no what are the causes for dissatisfaction? _____
22. How do you asses transparency of land lease information and land lease allocation processes in the city? Non-transparent Fairly transparent Transparent
23. Is the land property valuation and compensation payment clear for you?
- Yes No Other specify _____
24. How do you asses the land lease benefit for the government as well as the society?
- very low benefit the benefit was not for all the government was losing revenue Other specify _____

C. Suggestions

25. In your opinion what are the challenges & achievements of urban land lease implementation in the city? _____
26. What are the possible alternatives to make the people and the local government benefit from urban land lease policy? _____
27. Would you like to add any thing related to land lease service delivery? _____

IX. Statistical and documentary questions about land lease

1. What is the performance of LPAD in land lease allocation in the city since 1994 to date? __

No	Allocated and for lease different function	Year E.C	Performance in		Performance in %					Comment
			Plan	Execution	Below 49	50-64	65-79	80-84	95-100	
1	For individual residence									
2	For cooperatives									
3	For Housing agency									
4	For commercial									
5	For Industrial									
6	For social services									
7	Others									

NB: If Possible furnish me with statistical data on the performance of different but related aspects from 1994-2009

1.1 Which years do you think you experienced poor performance? _____

1.2 What do you think are the sources of low performance? _____

1.3. What is the existing proportion of land supply and demand in percentage in the city?_

2. Is the LPAD generating the expected revenue from land lease as of the planed since 1994 to date?

yes if yes go to Q 2.1 No if no go to Q 2.2

2.1. If yes what are the overall performances in every year since 1994 E.C to date in percent?

S/N	Collected from	Year	Performance		Performance in %					Comment
			plan	collected Revenue	Below 49	49-59	60-79	80-85	86-100	
1	From individual residence									
2	From cooperatives									
3	From real state									
4	From Housing agency									
5	From commercial									
6	From Industrial									
7	From social services									
8	Others									

2.2 If no which years do you think you experienced poor performance? _____

2.3. What do you think are the sources of low performance? _____

3. What were the payment arrangements of different land lease allocation type? _____

S/N	Function	Year in E.C	Payment arrangement					Comment
			5% advance &	10% advance &	20% advance &	100% paid	others	
			Other payment within 15-40 years time					
1	For individual residence							
2	For cooperatives							
3	For Housing agency							
4	For commercial							
5	For Industrial							
6	For social services							
7	Others							

4. What are the existing rules, regulations, strategies, guidelines and service standards related to land allocation? _____

5. Do you have any standards in terms of time and work steps? Yes, if yes go to Q 4.1 No

5.1. If yes what is the performance in percentage?

S/N	Available standards	Expected steps	Executed steps	Performance in Percent	Expected time	Executed time	Performance in percent

6. What was the trend of land speculation and informality since land lease? _____

X. Questionnaires for occupants (customers); (For investors / individual customers/ cooperatives / housing agency)

Name of Interviewee: _____ Date: _____

A: Respondent's Particulars

1. Name _____ Name of organization _____ Kebele _____

Post _____ Duty _____

Gender Female Male Age _____

Duration of entitlement _____

Land use (function) _____

- Commerce Social service real state
- Industry Housing agency others (specify)

2. Allocation type charge free lease Negotiation Auction Others specify

3. If it is not free charge lease what was the land lease Price per m2? _____

3.1. What is your compound area? _____

3.2. If it is cooperative/real state/ housing agency for how many housing units did you take the land? _____

3.3. Investment amount (Capital) _____

4. What costs did you pay to get the land lease plot? _____

Service fee only cost for the land & Service fee only

it including other additional cost other (specify)

4.1. Is the land price and service fee affordable by the majority of the citizen?

Yes No if no go to Q 4.2

4.2. If no what are these problems that make the land allocation unaffordable? _____

4.3. If it is not free price lease what is the payment arrangement? _____

S/N	Function	Year	Payment arrangement					Comment
			5% advance &	10% advance &	20% advance &	100% paid	others	
			Other payment within 20years time					
1	For individual residence							
2	For cooperatives							
3	For Housing agency							
4	Real state							
5	For commercial							
6	For Industrial							
7	For social services							
8	Others							

B. Attitude Survey

5. Are you aware of any strategy adopted by your city to implement the land lease policy?

yes if yes go to Q5.1 No

5.1. If yes, what are these strategies you are aware of? _____

5.2. Which strategies do you think are implemented well? _____

5.3. Of those strategies that were implemented well provide a ranking on the extent you think it has been successful?

S/N	Strategy	Year 2001E.C	Performance in No		Performance in %					Comment
			Plan	Execution	Below 49	49-59	60-79	80-85	86-100	
1										
2										
3										
3										
4										
5										
7										

6. How is land allocation done in the city?

In clear & easy way difficult to know & access

non-transparent & non participatory to the majority Other specify _____

10.1. Is the information about availability of land lease accessible to all?

Yes No, if no what are the problems? _____

10.2. Are the requirements & a process for urban land lease allocation is clearly known to you? Yes -go to Q.6.1 No - go to Q.6.2

10.2.1 If yes what are the means to publicize the requirements & processes? _____

7.3.1 If no what do you think for the problems that hinder to know the requirements & processes? _____

7. Do you think that land lease implementation is successful?

Yes go to No go to Q10.1

11.1. If no what are the problems?

Delay Frequent change of requirements and processes

There is no participation in those changes

LPAD is not easily accessible Both Others

11.2. Was access to land lease equal to all? _____

12. Do you know what requirements are expected to full fill by the customer in urban land lease allocation? Yes go to Q 12.1 No if no go to Q 12.4

12.1. How do you asses the land lease allocation process? _____

(Very simple, highly simple, complex, somehow complex, very complex) _____

12.2. How many work steps do you pass through to get land lease plot? _____

12.3. How many days it took you to get the land lease plot? _____

12.4. If the answer for Q12 is no how did you get your land? _____

I simply apply with out knowing any thing, but I already served

- I do not know what is included in the process, but I was suffering with complex work steps
 Because of my relative others specify

13. What organizations/ departments did you visit in order to get your plot of urban land lease?

- LPAD City Service City Administration ARBOWUD ARUPI
 Kebele All the above others

13.1. How do you assess coordination of those organizations/departments in land lease allocation processes?

Organizations/departments	Very good	Good	Fair	Bad	Very bad	Other	If any comment
LPAD							
City service							
City Administration							
Kebele(Local administration)							
ARBOWUD							
AREAC							
ARUPI							
Revenue collection							
City court							
Appellate court							
Financial institutions (Banks)							

13.2. Where did you get difficulties during land lease allocation?

- LPAD City Service City Administration ARBOWUD ARUPI
 Kebele All the above other specify

13.3. How do explain those problems? _____

13.4. How do you assess the responsiveness of LAPD? _____

14. Are you satisfied with the existing urban land lease allocation?

- Yes go to Q 14.1 No go to 14.2

14.1 If yes what was your level of satisfaction across organizations?

Organizations/departments	Very good	Good	Fair	Bad	Very bad	Other	If any comment
LPAD							
City service							
Design and construction							
City Administration							
Kebele(Local administration)							
ARBOWUD							
AREAC							
ARUPI							
Revenue collection							
City court							
Appellate court							
Financial institutions (Banks)							

14.2. If no what kind of weakness do you observe and in which organization/department?

15. Do you participate in any planning and priority setting of urban land lease implementation?

- Yes if yes go to Q15.1 No if no go to Q15.2

- 15.1. If yes how do you rate the level of participation arranged by the delegated organizations/departments?
 Always Often Occasionally
- 15.2. If no what is the problem hinder for participation? _____
16. Do you use your land lease for mortgage purpose? Yes No
- 16.1 If yes is the process simple to get mortgaging? _____
- 16.2 If No what was the problems? _____
17. If the construction of the project is not finished according to the lease agreement, what will happen?
 The government takes it the land back nothing
 It have punishment other specify
18. If you like to change the permitted function like land use how is the process?
 It is easy to change It is difficult it has unfair processes other specify
19. If the expected payment is not paid on time what will happen?
 The government take it the land back it have additional payment as punishment
 nothing other specify
20. How do you rate the benefit of land lease system to you?
 Very good good fair bad Very bad Other
20. How do you asses transparency of land lease information and land allocation processes in the city? Non-transparent Fairly transparent Transparent
21. If you are a relocated from your previous location, how was the compensation process?__
22. Is the land property valuation and compensation payment clear for you?
 Yes No Other specify _____
23. How do you asses the land lease benefit for the government as well as the society?
 very low benefit the benefit was not for all the government was losing revenue Other specify _____

C. Suggestions

24. In your opinion what are the challenges & achievements of urban land lease implementation in the city? _____
25. What are the possible alternatives to make the people and the local government benefit from urban land lease policy? _____
26. Would you like to add any thing related to land lease service delivery? _____