



## 1. Project Data

<b>Project ID</b> P163531	<b>Project Name</b> Property Rights Strengthening Project	
<b>Country</b> Nicaragua	<b>Practice Area(Lead)</b> Urban, Resilience and Land	
<b>L/C/TF Number(s)</b> IDA-61980	<b>Closing Date (Original)</b> 15-Mar-2024	<b>Total Project Cost (USD)</b> 49,979,992.83
<b>Bank Approval Date</b> 15-Mar-2018	<b>Closing Date (Actual)</b> 15-Mar-2024	
	<b>IBRD/IDA (USD)</b>	<b>Grants (USD)</b>
Original Commitment	50,000,000.00	0.00
Revised Commitment	49,979,992.83	0.00
Actual	49,979,992.83	0.00

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## 2. Project Objectives and Components

### a. Objectives

The Project Development Objective (PDO) as stated in the Financing Agreement (Schedule 1, page 5) and the Project Appraisal Document (PAD, page 6-7) is:

**" To provide beneficiaries in selected municipalities with: (a) updated and integrated cadastral and property registry information; and (b) improved land administration services "**.



In addition to the PDO stated above, the following objective was added with the project restructuring on September 28, 2021.

**" To provide immediate and effective response to an eligible emergency".**

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

Yes

**Did the Board approve the revised objectives/key associated outcome targets?**

Yes

**Date of Board Approval**

28-Sep-2021

**c. Will a split evaluation be undertaken?**

Yes

**d. Components**

There were five components: (PAD, pages 16 -18).

**1. Institutional and Policy Framework and System Integration.** The estimated cost at appraisal was US\$18.75 million. The revised estimate following the project restructuring on September 28, 2021 was US\$14.98 million. The actual cost was US\$13.34 million. This component planned to strengthen Nicaragua's land administration system. There were three subcomponents:

**1a. Improving land administration policies and interinstitutional collaboration** through: (i) revising land administration policies, standards and technical manuals; (ii) capacity building and training for institutionalization of policies and procedures and improved understanding of the inter-relationship between the cadaster and the property registry; and (iii) conducting institutional, policy and environmental studies for government's future policy and strategy.

**1b. Strengthening the integration of cadastre and registry information** through: (i) implementing the Integrated Cadaster-Registry Information System's (SIICAR) management model in selected property registries; (ii) migration and linking of cadastral and registry data in the Departments of Esteli and Managua; and (iii) preparing a Change Management and Sustainability Strategy for SIICAR.

**1c. Modernizing the national cadaster system and related services** through: (i) implementing a Cadaster Modernization Strategy set in the Project Operation Manual (POM); (ii) establishing six new Continuously Operating Reference Stations (CORS) as per the criteria set in the POM; (iii) establishing Cadaster Regional Offices in the departments of Boaco, Chontales and Rio San Juan; (iv) conducting a spatial data infrastructure pilot, including integrating the Nicaraguan Institute for Territorial Studies (INETER's) geo-spatial databases; (v) preparing a national strategy for Spatial Data Infrastructure (SDI's) interoperability with other governmental databases; and (vi) implementing a monitoring and quality control system for private cadastral surveyors.



**2. Cadaster, Regularization and Titling Services.** The estimated cost at appraisal was US\$25.76 million. The revised estimate was US\$19.71 million. The actual cost was US\$21.88 million. This component planned to support production of cadastral information, and clarifying of land rights through systematic and on-demand land regularization and issuing legal documents, new titles and their registration. There were four sub-components:

**2a. Expanding cadastral coverage** through: (i) systematic and on-demand cadastral surveying including through acquiring aerial photography and field activities; and (ii) incorporating cadastral information into the national database.

**2b. Expanding land regularization, titling and registration** through: (i) land regularization, titling and registration in selected municipalities; (ii) demand-based land regularization, titling and registration for beneficiaries prioritized by national programs; (iii) implementing a Communication Strategy.

**2c. Demarcating Protected Areas (PAs) in selected municipalities** through: (i) preparatory work, data collection and consultation of beneficiaries, geo-referencing and physical demarcation of PAs in selected municipalities, and their registration in the National System for Environmental Information; and (iii) communication and outreach campaigns in PAs and neighboring communities.

**2d. Implementing mediation and conflict resolution** through: (i) mediation services during the cadastral and regularization processes; and (ii) conflict resolution training for mediators and staff of co-executing agencies.

**3. Municipal Land Administration Services.** The estimated cost at appraisal was US\$2.64 million. The revised estimate was US\$2.02 million. The actual cost was US\$2.01 million. This component planned to strengthen land administration capacities at the municipal level. There were two-sub-components;

**3a. Integration of municipalities into the national cadastral system** through: (i) installing the updated cadastral system (SISCAT) in municipalities and supporting its integration with the national cadastral information system; (ii) technical assistance (TA) and training municipalities on: (a) incorporating cadastral information into SISCAT; (b) integrating SISCAT into the national cadastral information system; (c) the municipalities' role in maintaining the national cadastral information system; (iii) preparing procedures and guidelines on the role of municipalities in the national cadastral information system and managing the municipal cadaster; and (iv) preparing a strategy for maintaining cadastral information in municipal cadastral databases linked to SIICAR.

**3b. Strengthening municipal capacities for using the cadastral information for multiple purposes** through: (i) TA and training on the use of geospatial information for disaster risk assessments, investment planning and territorial development; and (ii) carrying out analysis of shared and municipal lands.

**4. Project Management, Monitoring and Evaluation.** The estimated cost at appraisal was US\$2.92 million. The revised estimate was US\$2.28 million. The actual cost was US\$2.28 million. This component planned to support the Nicaraguan Attorney General's Office (PGR) and its Project Coordination Unit (PCU) to manage the project. There were two sub-components:

**4a. Supporting Project Management** through: (i) trainings and workshops; (ii) support for coordination, administrative and fiduciary aspects and audits; and (iii) carrying out the oversight of the Project communication and gender strategies.



**4b. Supporting Monitoring and Evaluation (M&E)** through: (i) collection of base line data to assess the social, environmental and economic impacts; and (ii) preparing semi-annual progress reports, midterm review and final evaluation report, including surveys and data collection activities.

**5. Contingent Emergency Response Component (CERC).** No costs were estimated at appraisal. Reflecting the strategic approach taken in Nicaragua, across the World Bank's portfolio, this component planned to provide immediate response to finance emergency activities through reallocating funds from the Project. The CERC component was activated at government request on February 25, 2021, to support the Government's response to the adverse impacts of Hurricanes Eta and Lota. The actual cost was US\$9.92 million.

Activities planned in this component: (i) rehabilitating over 450 kilometers (km) of roads to transit of agricultural products: and (ii) rehabilitating productive activities in the artisanal fisheries sector.

#### e. **Comments on Project Cost, Financing, Borrower Contribution, and Dates**

**Project cost.** The estimated cost at appraisal was US\$50.00 million. The actual cost was US\$49.79 million.

**Financing.** The Project was financed by an International Development Association (IDA) Credit of US\$50.00 million. The amount disbursed was US\$49.79 million.

**Recipient contribution.** Recipient contribution was not planned at appraisal.

**Dates.** The project was approved on March 15, 2018, became effective on July 2, 2018, and was to close on March 15, 2024. The Mid-Term Review (MTR) was held on May 2, 2022, and the project closed as scheduled on March 15, 2024.

**Changes.** The following changes were made with the Level 1 restructuring on September 28, 2021.

- With the activation of the CERC component, a new PDO was added to reflect the change in project components.
- Following the activation of the CERC, US\$11.00 million of the uncommitted funds (out of the IDA Credit of US\$50.00 million) from the project component one activities, was diverted to finance immediate activities.
- The results framework was changed. The original project scope was scaled down and original targets were reduced.
- .With the activation of the CERC, the safeguards on Indigenous People (OP 4.10) was triggered.

**Split rating.** With the activation of the CERC component, a new PDO was added. However, the original scope and targets were reduced to fund the CERC component, when US\$20.91 million of the loan was disbursed,. Therefore, this review uses the split rating of objectives methodology for determining the outcome rating.

### 3. Relevance of Objectives



## Rationale

**Country context.** Despite satisfactory economic growth in the years before appraisal, Nicaragua was the second poorest country in Latin America. Poverty in Nicaragua was concentrated, with 70% of its poor living in rural areas. Nicaragua also remained vulnerable to natural disasters such as hurricanes and extreme rainfalls. Strengthening property rights and the land administration system was critical for Nicaragua's sustained poverty reduction efforts.

**Sector context.** Nicaragua had made efforts in land administration through enacting new laws and modernizing land institutions before appraisal. Despite these reforms, challenges remained due to factors such as, inconsistent legal and administrative decisions that contributed to tenure insecurity. About a third of parcels of land lacked clear land titles. Overall land tenure insecurity undermined land market transactions and generated land disputes.

**Government strategy at appraisal.** The PDO was well-aligned with the government's priorities. Recognizing the importance of land tenure challenges, the Government with World Bank (WB) support implemented a medium-term strategy. The strategy's goal was to strengthen property rights and promote land governance, underpinned by an understanding that institutional development and clarifying property rights requires continued commitment and investments for a substantial period. The government also rolled out the Land Administration Project (PRODEP) selectively throughout Nicaragua. PRODEP was consistent with the National Plan for Human Development for 2021 - 2016. This plan recognized the contribution of land tenure security to economic development through expanding access to credit and facilitating land regularization at the subnational level.

**Current government strategy.** The PDO is well-aligned with the current Government strategy, articulated in the *2022-26 National Plan to Fight Poverty and for Human Development* and the Plan's strategic axis "*Guaranteeing Property Rights at the Countryside*". The Government's prioritization and commitment to land issues is also reflected in its decision to continue financing PRODEP with its own resources.

**WB strategy at appraisal.** The PDO was well-aligned with the third pillar of the Country Partnership Strategy (CPF) for 2018 - 2022 "*Improving institutions for Resilience and Sustainability*". Under this pillar, the Project was expected to contribute directly to improving government transparency and capacity through improved availability of data, building public sector capacity to facilitate effective allocation of resources and provide an enabling legal and administrative framework for land transactions. The Project was also expected to contribute to improving natural resource management and reducing vulnerability to natural hazards. The CPF also articulated the need for shifting focus to the country program.

**Current WB strategy.** The ICR (para 28) noted that a new CPF had not been completed, when the Implementation Completion Report (ICR) was prepared. However, the Performance and Learning Review (PLR) of the 2018 -2022 CPF, completed in February 2022, reiterated the relevance of the 2018-2022 CPF. The PLR confirmed the importance of WB support to land tenure security and land governance, especially in a context where the scope to the WB's country program had been reduced. The PDO remained relevant as it directly reflected the national key challenges, priorities and needs of municipalities, communities and Indigenous Peoples.

**Bank experience.** The WB's engagement with land administration projects started in 2002, when the Bank financed the first Land Administration Project. Given the substantial issues faced by the country at that time, including a post-conflict transition, this project was designed as a pilot focused on selected municipalities.



The Bank's second Land Administration Project in Nicaragua was launched in 2013. The second operation helped in consolidating the land administration framework, including integrating the land regularization agency into the Attorney General's office (PGR) to improve coordination and established the National Commission of Property Registries to better manage standards and procedures.

This was the third and final phase of the Bank-financed Government's PRODEP program. This project aimed at consolidating the improvements made on the legal and institutional framework, expanding the reach of land administration services to the population across more municipalities, deepen the interconnection between the central and local governments and advance the government's priority of advancing gender equality in aspects relating to property rights.

**Relevance of the PDO.** Given that Bank's previous experience with land administration projects take long time to show the desired results, the project, the results chain was pitched at an appropriate outcome level, as it directly addressed a development problem of high incidence of poverty in the rural areas of Nicaragua. Since the PDO continues to be relevant to the Government strategy and the current Bank strategy for Nicaragua, the relevance of the PDO is rated as High.

## Rating

High

## 4. Achievement of Objectives (Efficacy)

### OBJECTIVE 1

#### Objective

To provide beneficiaries in selected municipalities with updated and integrated cadastral and property registry information.

#### Rationale

**Theory of change.** The outputs of activities such as linking municipal cadasters to the national cadaster, developing municipal capacities for using cadaster/ geospatial information for Disaster Risk Management (DRM), territorial planning and property taxation and conducting land tenure diagnostics, were likely to help in strengthening municipal capacities to administer land services. These outcomes were likely to help in the medium and long-term outcome of improving the dynamism of the real estate market. The causal links between activities, outputs and outcomes were logical. The intended outcomes were monitorable. The intended outcomes were predicated on the realistic assumptions that municipalities remained committed and that the roles of the central land agencies and local governments are clearly specified.

#### Outputs.

- 15 municipalities with technical cadaster were certified by the Nicaraguan Institute for Territorial Information (INETER) and the Nicaraguan Institute of Municipal Development (INIFOM) achieving the original and revised targets of municipalities respectively.



- 15 municipal land diagnostics were performed, achieving the original and revised targets of municipalities respectively.
- 21 municipalities incorporated at least 90% of INTER cadastral database into SISCAT, exceeding the original and revised targets of 15 municipalities respectively.

**Outcomes.**

- 21 municipalities managed cadastral information with the Municipal Cadastral System (SISCAT) that were linked to the national cadaster, when the project closed, exceeding the target of 18. (The original target for this indicator was revised from 19 to 18 with the project restructuring).

The original targets were exceeded, despite the funds allocated to this component reduced with the activation of the CERC.

**Rating**  
High

**OBJECTIVE 1 REVISION 1**

**Revised Objective**

The PDO was not revised. However, the original targets were revised with the restructuring of the project.

**Revised Rationale**

**Outputs.**

The outputs discussed above were relevant to the objective.

**Outcomes.**

- 21 municipalities managed cadastral information with the Municipal Cadastral System, exceeding the revised target of 18.
- Five municipalities used the tool linking the Integrated Cadaster and Registry System (SIICAR) and the Municipal Cadaster System (SISCAT), exceeding the revised target of three municipalities (This indicator was added with the project restructuring). The linkage represented a step forward in bringing together the full interaction of information between municipalities, INTER and the property registry. Although the initial plan envisaged linkage in only three municipalities, two more were added based on the progress made.

Efficacy of the PDO is rated as high, as the revised targets were exceeded.

**Revised Rating**





High

## OBJECTIVE 2

### Objective

To provide beneficiaries in selected municipalities with Improved land administration services .

### Rationale

**Theory of change.** The outputs of activities such as developing policies and procedures, providing technical assistance (TA) for deepening interinstitutional coordination and modernizing the national cadaster system were likely to help in strengthening the institutional framework for developing land administration policies. The outputs of activities such as integrating cadaster and registry information, increasing coverage of cadaster information in the national data base, regularizing land tenure, setting mechanisms for resolving land conflicts, demarcating Protected Areas (PAs) and conducting educational campaigns for environmental management were likely to aid in improving land administration services. The causal links between activities, outputs and outcomes were logical. The intended outcomes were monitorable. The intended outcomes were predicated on the realistic assumptions that there is coordination among the executing agencies, the integrated cadaster and registry Information System (SIICAR) is adequately maintained, new titles are properly registered and that Government continues to invest in maintaining and updating the systems.

### Outputs.

- Four new technical manuals were developed to establish and simplify the institutional processes with a focus on gender equity. achieving the original target of four.
- The strategy and Business Plan for SIICAR were completed as originally targeted. The strategy and business plan were adopted by the Nicaraguan Supreme Court of Justice (CSI) and the Nicaraguan Institute for Territorial Studies (INETER) as originally targeted.
- The geospatial information database of INETER was integrated under INETER's Spatial Data Infrastructure as originally targeted.
- 146,515 parcels of land were incorporated into the National Cadaster database, exceeding the original target of 116,500. The original target for this indicator was revised downwards to 98,339 following the project restructuring.
- 100% of the grievances related to the project with an average period of five business days, exceeding the target of 90%.
- The gender strategy was implemented as per the original target.
- Four household impact evaluations were conducted as per the original target.
- 115,713 new titles or deeds were registered in the property register, exceeding the original and revised targets of 86,000 and 77,400 respectively. 51% of the new titles were issued to women exceeding the original and revised targets of 50% respectively.
- 1100000 hectares (ha) were covered by cadastral surveying as originally targeted.
- 70% of mediation agreements pre-qualified as potentially registrable were formalized in the property register. Targets were not specified for this indicator.
- Eight demarcated Protected Areas (PAs) were registered in the database of the National System of Environmental Information, as originally targeted.
- One geospatial information database of the Nicaraguan Institute of Territorial Studies (INTER) was integrated under INTER's Spatial Data Infrastructure, short of the original target of four.





- 98,339 parcels of land were incorporated into the national cadaster database, short of the original target of 116,500.
- Areas covered by cadastral surveying was reduced to 435,671 hectares (ha), short of the original target of 1,100,000 ha.

#### **Outcomes.**

- 68% of the parcel-based data were identified and linked in the cadastral and property registry modules of the Integrated Cadaster and Registry System (SIICAR), exceeding the original and revised targets of 50% respectively.
- According to the evaluation of SIICAR, carried out by an Independent Consultant, 96% of the beneficiaries were highly satisfied with SIICAR's performance in terms of safety, operation and integration, exceeding the target of 90%.
- 137,021 legal documents were issued, exceeding the target of 77,400. Of these 58,800 titles were issued to women, either individually or jointly with their spouses. This represented 51% of women beneficiaries, exceeding the target of 50%.

Although the original targets were exceeded, this was despite reduction in funding to the activities, following the activation of CERC. Some of the output level indicators were not achieved. Therefore, the efficacy of this PDO is rated as Substantial before restructuring.

#### **Rating**

Substantial

### **OBJECTIVE 2 REVISION 1**

#### **Revised Objective**

The PDO was not changed. However, the targets were reduced with the project restructuring.

#### **Revised Rationale**

##### **Outputs.**

Outputs discussed above were relevant to this objective.

##### **Outcomes.**

- 68% of the parcel-based data were identified and linked in the cadastral and property registry modules of the Integrated Cadaster and Registry System (SIICAR), exceeding the revised target of 50%.
- An Independent evaluation showed that 96% of the beneficiaries were satisfied with the performance of SIICAR in terms of operation, data and security, exceeding the revised target of 90%..
- The number of days required to complete recording of purchase/sale of a property in the Property Registers with SIICAR reduced from 35 days at the baseline to 12 days, exceeding the revised target of 25 days.



Efficacy of this PDO is rated as High after restructuring, as the revised targets were exceeded.

**Revised Rating**

High

**OBJECTIVE 3**

Objective

**Rationale**

Not applicable

**Rating**

Not Rated/Not Applicable

**OBJECTIVE 3 REVISION 1**

Revised Objective

To provide immediate and effective response to an emergency.

**Revised Rationale**

**Theory of change.** The outputs of activities such as rehabilitation of rural roads and provision of urgent recovery support for the artisanal fisheries sector, mainly benefitting indigenous communities were aimed at providing emergency response to the communities affected by the hurricanes Eta and Iota. The causal links between project activities, outputs and outcomes are clear and the intended outcomes are monitorable.

**Outputs.**

- 263.95 rural roads were rehabilitated, short of the planned 450 km of rural roads.
- 1,816 fishing boats were repaired, exceeding the target of 294.
- 391 productive kits were provided to artisan fishing communities, exceeding the target of 173.
- 1,445 lobster pots were provided for economic recovery to artisan fishing communities, exceeding the target of 787.

**Outcomes.**

- 62,396 beneficiaries benefitted from CERC activities, short of the target of 85,000. 44% of the beneficiaries were women. There were no targets for this indicator.
- The time taken to implement the CERC was 18 months as targeted. The CERC was activated on February 25, 2021 and concluded on August 25, 2022. Therefore, it was completed in the planned 18 months implementation period.



Efficacy of this PDO is rated as substantial, as the targets were realized.

**Revised Rating**

High

**OVERALL EFFICACY**

**Rationale**

The achievements of the original PDO was rated as High before restructuring, as the original targets were exceeded. The original Objective 2 was rated as Substantial, as while all the outcome targets were exceeded, some of the output targets were not achieved. Efficacy of the added objective was High, as the outcomes were realized. Original overall efficacy is thus High.

**Overall Efficacy Rating**

High

**OVERALL EFFICACY REVISION 1**

**Overall Efficacy Revision 1 Rationale**

The revised objectives were rated High as the revised objectives were exceeded. Therefore, the revised overall efficacy is rated as High.

**Overall Efficacy Revision 1 Rating**

High

**5. Efficiency**

**Economic analysis.** A cost-benefit analysis was conducted at appraisal and at closure to assess the economic viability of the project, using the same methodology. The economic benefits were assumed to come from higher property values due to increased land tenure security after titling. The likely impact of titling on property value was estimated through econometric and other statistical methods that allowed for isolating, with a reasonable degree of statistical significance (95%), the effect of property titling on perceived market values from the effect of other variables contributing to determining property prices. Other economic benefits such as the demarcation of Protected Areas (PAs), the impact of reduction of land conflicts and financial benefits related formal land transactions were not included, due to the difficulties of either monetizing or obtaining information.



The Net Present Value (NPV) at 10% discount rate when the project closed was US\$30.00 million, as compared to the NPV of US\$14.13 million at appraisal. The ex-post Intern Rate of Return (EIRR) was 19%, as compared to the ex-ante EIRR of 19.33%.

The NPV of road rehabilitation activities undertaken as part of CERC was US\$1.50 million and an EIRR of 22.3%, while the artisanal fishing sector showed a NPV of US\$2.47 million and an EIRR of 10%. The EIRR for lobster fishing showed an EIRR of 31%.

The project demonstrated other aspects of cost efficiency. The Project's unit land surveying costs were estimated at US\$83.3/parcel for urban and US\$109.3/parcel for rural land. As compared to the prior Bank-financed land administration project in Nicaragua, surveying costs in rural areas had decreased by 25%, while surveying costs in urban areas were about the same. The Project Management cost was US\$1.62 million, as compared to the US\$2.93 estimated at appraisal.

**Project implementation efficiency.** The project was implemented within the period planned at appraisal.

Overall efficiency is rated as High.

### Efficiency Rating

High

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

	Rate Available?	Point value (%)	*Coverage/Scope (%)
Appraisal	✓	19.33	0 <input checked="" type="checkbox"/> Not Applicable
ICR Estimate	✓	19.00	0 <input checked="" type="checkbox"/> Not Applicable

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

## 6. Outcome

Relevance of the PDO to the Government strategy and the current WB strategy for Nicaragua is rated as High. Efficacy of the original PDO is rated as High, both before and after restructuring. Efficacy of the added objective with the activation of the CERC component is rated as High. Efficiency is rated as substantial in view of the economic rationale for the project. Taking the share of disbursement before and after restructuring into account, overall outcome is rated as Highly satisfactory.

**Table: Overall Outcome Rating using the split rating methodology.**



	<b>Original Objectives and targets without restructuring</b>	<b>Revised Objectives and targets with restructuring</b>
<b>Relevance of PDO</b>	High	
<b>Efficacy PDO</b>		
<b>PDO 1a</b>	High	High
<b>PDO 1b</b>	Substantial	High
<b>PDO 2.</b>	High	
<b>Efficiency</b>	High	
<b>Outcome ratings</b>	Highly Satisfactory	Highly Satisfactory
<b>Numerical value of the outcome ratings</b>	6	6
<b>Disbursement</b>	US\$20.91 million	US\$29.06
<b>Share of disbursement</b>	0.418	0.582
<b>Weighted value of the outcome rating</b>	2.5	3.50
<b>Final Outcome rating (2.5+3.50 = 6)</b>	Highly Satisfactory	

**a. Outcome Rating**  
Highly Satisfactory

**7. Risk to Development Outcome**

**Government commitment/ownership.** The ICR notes that the risk to development outcome is low(ICR, page 78). The Government has a clear vision that is reflected in the long-term program. The ICR notes that the Project outcomes are likely to be sustained given the institutional commitment, increased capacity and the close inter-institutional collaboration and coordination fostered through the program. In addition, the Integrated Cadaster-Registry Information System (SIICAR), which was developed could be established relatively rapidly in the rest of the property registries. Also, the cadaster and registry information management model that underpins SIICAR was expanded to 11 of the offices. The ICR notes that the Government with WB support has developed and adopted a sustainability strategy and allocated resources for its implementation. The Government commitment was also demonstrated by its decision to finalize regularization processes and system expansion with its own resources.

**Natural disaster risk.** There is risk to development outcome, given that Nicaragua is vulnerable to natural disasters.

**8. Assessment of Bank Performance**



### **a. Quality-at-Entry**

The Bank prepared this project based on analytical underpinnings from the WB's Systematic Country Diagnostics (SCD), which called for continued efforts to secure land property rights to increase productivity, especially in the agricultural sector. The Bank prepared this project based on the lessons from the WB's programmatic support to land administration in Nicaragua. Key lessons incorporated at design included: One, recognizing that land administration reforms require long term and programmatic support. Two, focusing on sustainability and mainstreaming results through building the capacities of municipalities. Three, securing commitment to land administration modernization efforts by engaging key land agencies. Four, cadaster and land regularization activities need to pay attention to social aspects, besides technical issues. and five, capacity development for conflict resolution and close inter-institutional coordination.

The implementation arrangements replicated the arrangements of the ongoing Bank-financed Second Land Administration Project. The arrangements included: The Attorney General's Office (PGR) - the leading agency for the land sector in Nicaragua - overall in charge of implementing the project. The Project Coordination Unit (PCU) housed in PGR was in charge of day-to-day project implementation (PAD, para 40). The arrangements proved to be adequate for implementing this project as well.

The preparation team identified several risks at appraisal including risks with ensuring continuous inter-institutional collaboration, weak implementation capacities of the municipalities and Nicaragua's vulnerability to natural disasters. With mitigation measures, overall project risk was rated as moderate (PAD, para 48). The arrangements made at appraisal for safeguards and fiduciary compliance were appropriate (discussed in section 10).

Bank performance at Quality-at-Entry was rated as satisfactory.

#### **Quality-at-Entry Rating** Satisfactory

### **b. Quality of supervision**

A total of 18 supervision missions were held during the project lifetime (five of which were technical visits). These were supplemented by multiple audioconferences. The ICR (para 76) noted that missions were timely, appropriately resourced and solution-oriented. Effective decisions and agreements resulted from the Mid-Term Review (MTR). The ICR notes that critical issues were handled by bringing in international expertise and collaborating with the Food and Agriculture Organization (FAO). The Bank at government request activated the CERC component and provided immediate response to finance emergency activities through reallocating funds from the Project, to support the Government's response to the impacts of Hurricanes Eta and Lota. During the COVID-19 pandemic, the Bank continued to provide support remotely through virtual meetings. The support provided by the supervision team aided in safeguards and fiduciary compliance (discussed in section 10). There was good and continued leadership with the same Task Team Leader (TTL) from beginning to project closure and the TTL had also led the preceding project.

Bank performance during supervision is rated as satisfactory.





Overall Bank performance is rated as Satisfactory.

### **Quality of Supervision Rating**

Satisfactory

### **Overall Bank Performance Rating**

Satisfactory

## **9. M&E Design, Implementation, & Utilization**

### **a. M&E Design**

The PGR through the PCU was responsible for monitoring and evaluation (M&E). The IDA Credit was to finance activities relating to gathering baseline data to assess the Project's social, environmental and economic impacts, including gender-differentiated data (PAD, para 45). The results framework was clear, and the key outcome indicators were appropriate for monitoring project performance (discussed in section four).

### **b. M&E Implementation**

With the activation of the CERC component, key outcome and intermediate indicators were specified for the added component. With the project restructuring, the results framework was revised to reflect the scaled down activities. Four household impact evaluation surveys were conducted during the project execution period.

### **c. M&E Utilization**

M&E data on project performance, progress and results were used to inform project management and decision-making. The impact evaluation and an additional economic evaluation contracted by the PCU, provided key data to develop the ex-post economic analysis.

Overall M&E is rated as High, given the well-developed M&E system that was well implemented and used (in addition to having four household impact evaluation surveys).

### **M&E Quality Rating**

High

## **10. Other Issues**

### **a. Safeguards**



The Project was classified as a Category B (partial assessment) project under the WB safeguard policies. Five safeguard policies were triggered at appraisal: Environmental Assessment (OP/BP 4.01); Natural Habitats (OP/BP 4.04); Forests (OP/BP 4.36); Physical Cultural Resources (OP/BP 4.11); and Involuntary Resettlement (OP/BP 4.12) (PAD, page 4). Indigenous Peoples (4.10) was triggered during implementation, with the activation of CERC.

**Environment Assessment, Natural Habitats, Forests and Physical Cultural Resources.** Major adverse environmental impacts were not expected from the Project activities. The PAD (para 56) noted that minor works under components one and two could have some impacts. These works were generally small in number, temporary and reversible. The safeguards on Natural Habitats and Forests were triggered, as land regularization in rural areas could have adverse impacts for critical natural habitats and forests. The safeguards was triggered to address "chance finds". An Environment Assessment (EA) and Environmental Management Plan (EMP) was prepared and publicly-disclosed at appraisal to address these safeguards.

Overall safeguards was rated as satisfactory at Project closing (ICR, para 70). The Project fully complied with the WB policies, excepting for a brief period between June 2022 and June 2023, when there were issues related to the rural roads rehabilitation activities under the CERC. These issues were satisfactorily addressed. An issue pertaining to a road accident in April 2022, was also resolved when the Project closed (ICR, para 70).

**Involuntary Resettlement and Indigenous Peoples (IP).** Physical displacement was not expected under the Project. However, the safeguards on Involuntary Resettlement was triggered considering the potential restriction of access to natural resources related to the demarcation of the external boundaries of the Protected Areas (PAs). At appraisal a Social Assessment (SA) was carried out to assess any risk of impacts on stakeholders, and a Process Framework was prepared and publicly disclosed. The safeguards on IPs was triggered, as the CERC planned to finance activities for the recovery of of the artisanal fishing sector to benefit IP in the Caribbean Region. The Government prepared a required Emergency Action Plan to support early recovery activities.

The performance on social safeguards was deemed satisfactory (ICR, para 71). The project avoided restricting community members' access by adopting a collaborative approach with local communities, enlisting their involvement in activities related to the natural resources of the protected areas.

## **b. Fiduciary Compliance**

**Financial Management (FM).** The Bank conducted an assessment of the FM arrangements of the PCU in the PGR . The assessment concluded that the FM arrangements were adequate to carry out the financial activities of the Project (PAD, para 53).

FM performance was rated as Satisfactory during implementation (ICR, para 72). The FM system implemented and operated satisfactorily. Bi-annual interim financial reports were submitted in a timely fashion. Audit reports that were submitted timely to the WB were unmodified, with clear opinions.



**Procurement Management.** The Bank conducted a procurement assessment of the PCU at appraisal. The PCU had gained experience while executing the second Bank-financed second land operation and the assessment concluded that the procurement arrangements were satisfactory (PAD, para 54).

The procurement rating was satisfactory throughout implementation (ICR, para 73). The procurement plan was updated periodically during implementation. The support provided by the team aided in procurement compliance and there was no reported case of mis-procurement.

**c. Unintended impacts (Positive or Negative)**

There were no unintended impacts.

**d. Other**

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**11. Ratings**

Ratings	ICR	IEG	Reason for Disagreements/Comment
Outcome	Highly Satisfactory	Highly Satisfactory	
Bank Performance	Satisfactory	Satisfactory	
Quality of M&E	High	High	
Quality of ICR	---	Substantial	

**12. Lessons**

The ICR draws the following main lessons from the experience of implementing this project, with some adaptation of language.

**1. Sustained engagement might improve the potential for land administration projects.** Bank's experience with such projects is that they require time. The lesson from this project is that it might help in initially focusing on the key building blocks of land administration in the country, then building institutional capacity through pilot interventions and scaling up progressively to ensure that results are sustainable.

**2. Focusing on immediate recovery needs can help in designing a contingent emergency response component (CERC).** In this project, the CERC activities were agreed upon first before identifying the strategic emergency response needs, the World Bank crisis response toolkit, options available for the country and coordination with development partners.



**3. Designing a gender strategy may raise the potential for securing women's land rights.** This project prioritized a Gender strategy. This helped in generating a high level of women's participation in field activities, training and leadership. The strategy was also facilitated by the Project's provision of childcare spaces during meetings and events. These factors allowed women to engage fully in the project and underscored the importance of women's role in economic stability and community development.

### 13. Assessment Recommended?

No

### 14. Comments on Quality of ICR

The ICR is well-written and adheres to the recommended page length. The theory of change provided in the text clearly specifies the causal links between the project activities, outputs and the intended outcomes. The ICR also explicitly states the assumptions underlying the results framework. The evidence provided in the text is adequate to assess project performance. The ICR draws reasonably good lessons from the experience of implementing this project.

One shortcoming of the ICR is that no split rating was done despite the reduction in project scope and targets, when the Contingent Emergency Response was activated. Given that the targets were reduced, the IEG guidelines call for a split rating methodology to determine the outcome rating. The ICR could have clarified that the split evaluation was considered but not done since some of the original targets were exceeded.

#### a. Quality of ICR Rating Substantial