



1. Project Data :
OEDID: L3051
Project ID: P004386
Project Name: Land Mobilization Project
Country: Papua New Guinea
Sector: Other Agriculture
L/C Number: Loan 3051-PNG
Partners involved : IBRD, Govt. of PNG, Govt. of Australia
Prepared by: John Heath, OEDST
Reviewed by: Luis Landau
Group Manager: Roger Slade
Date Posted: 03/12/1998

2. Project Objectives, Financing, Costs and Components :
Objectives (a) Create a clear policy and legislative environment to promote investment in land; (b) Enable customary land owners to participate more in the development of their own land; (c) Provide effective land services (surveying, valuation, registration etc.) to all land users; (d) Transfer land administration from the national government to provincial governments; and (e) Optimize the use of alienated land.
Components (a) Construction and equipment of offices and staff houses; (b) Technical assistance to raise land administration quality standards; and (c) Incremental recurrent costs, including staff salaries
Costs (a) Total project cost —Appraisal US\$42.8 million —Actual US\$28.7 million (b) Loan amount US\$19.6 million of which US\$451,000 was cancelled

3. Achievement of Relevant Objectives :
(a) After a long delay some progress was made in the drafting of improved legislation; but apart from the Consolidated Land Law of 1996 no new legislation has been approved by Parliament; (b) No steps were taken to increase participation of customary land owners in the development of their own land; (c) Very little progress was made in improving land services . A system was developed for processing information on land transactions; although it is suitable for PNG circumstances there has been little progress in implementation--throughout the country there are still backlogs at every stage of the land transaction process; (d) Government has begun to transfer some land administration functions from the center to the provinces but progress is very patchy and maintaining quality control for the decentralized functions has been hampered owing to persistent budget problems; (e) There is no evidence of any improvement in the use of alienated land; the 1989-92 survey of land availability was not completed and the (partial) results were not used for planning purposes .

4. Significant Achievements :
The consolidation of disparate pieces of land law is nearly complete, and the Consolidated Land Law of 1996 has been enacted.

5. Significant Shortcomings :
The designers of the project assumed that the existing land tenure system was a major constraint on economic and social development in PNG without looking at the bigger picture, considering alternatives, or having a detailed

discussion of the issue with stakeholders. Although the long-term objectives of the government's Land Mobilization Program are probably valid, in the short-run, there are a number of institutional weaknesses that remain to be strengthened. The project failed because it was much too ambitious given government's weak implementation capacity.

6. Ratings :	ICR	OED Review	Reason for Disagreement /Comments
Outcome :	Unsatisfactory	Unsatisfactory	
Institutional Dev .:	Partial	Negligible	Owing to weak government commitment there was no real progress in building institutional capacity.
Sustainability :	Uncertain	Uncertain	
Bank Performance :	Deficient	Unsatisfactory	
Borrower Perf .:	Deficient	Unsatisfactory	
Quality of ICR :		Satisfactory	

7. Lessons of Broad Applicability :

Do not launch land administration projects without adequate foundation in sector work and a full and well-informed discussion with stakeholders of future land tenure options; do not assume in advance of such discussion that "irregular" land administration is necessarily a major development constraint.

8. Audit Recommended? Yes No

9. Comments on Quality of ICR :

The ICR gives a complete, clear and internally consistent account of the project. No comment receive from Government and cofinanciers.