

Project Name Cambodia-KH -Land Management and...@
Administration Project

Region East Asia and Pacific Region

Sector Institutional Development;
Natural Resources Management

Project KHPE70875

Borrower(s) The Kingdom Of Cambodia

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Environment Category B (Partial Assessment)

Date PID Prepared September 20, 2001

Projected Appraisal Date October 17, 2001

Projected Board Date April 2, 2001

1. Country and Sector Background

Historical context. Cambodians have suffered through a tumultuous recent history, during which the rules governing rights to land have been in constant flux. During the precolonial era the sovereign owned all land, but households were free to cultivate as much land as they wished. The French colonists (1864-1953) introduced the system of formal private property rights, but were able to incorporate only the more densely populated rice growing areas into the system. The independent Cambodian government retained the French system, but made limited progress on formally registering property rights. The Khmer Rouge, which came to power in 1975, collectivized all land and destroyed all land records, including cadastral maps and titles. The regime, in addition to killing an estimated two million people, brought about one of the greatest population displacements in human history, forcing hundreds of thousands to move from cities and towns to the countryside and from one part of the country to the other. Many thousands also fled across borders. The right to own land was reestablished in 1989, allowing farmers to claim possession rights of plots up to five hectares after five years of continuously cultivating fields, and households to gain ownership title to residential plots up to 2,000 square meters. Concession rights were granted for plantation plots exceeding five hectares. Land left vacant for more than three years reverted to state ownership. Following the enactment of the 1992 land law, a program was initiated calling for applications for land tenure certificates to confirm occupancy and use rights. More than 4 million applications were submitted, but by mid-2001 only 15 percent of them had been processed due to limited capacity of government.

Current situation and main sector issues.

Statistics on land, and its ownership and use are patchy in Cambodia.

Information available indicates that the country, as of 1998, had an estimated 18 million ha of land mass (including rivers and lakes), of which 2.7 million ha was cultivated and 1 million ha was taken up by towns, infrastructure and waterways (Table 1). It is reported that protected areas were 3.3 million ha, and forestry and fishing concessions were taking up 8 million ha and 1 million ha, respectively; mine contamination accounted for another 0.2 million ha. About 1.8 million ha seems to be unaccounted for presumably due to poor statistics.

Table 1: Cambodia - Estimates of Land Types and Use, 1998

1/ This line item has been inserted to account for the difference between the sum of the itemized items and the total hectareage. Source: Extracted from Kato and Williams (1999, p. 25). The history of land management and administration in Cambodia goes back to the Civil Code of 1920 which established the system of French land law that recognized private property rights. It is reported that during the 1960s, there was an adequate system of land management, including confirmation of private property rights with land records including cadastral maps and land titles. The land management system is said to have started deteriorating during the period 1970-75. Thereafter under the Pol Pot regime (1975-79), not only were private property rights completely destroyed but all records, including cadastral maps and titles, were also destroyed. The professionals in land laws and land management, registration and surveying were either re-deployed to the country side, left the country or were executed. The post-Pol Pot regime (1979-1989) organized collectives as a basis of claiming use rights to agricultural land: residential use rights were allocated on the basis of occupation while ownership of land still remained in the hands of the state. In 1989, the government re-introduced private property rights, with ownership rights issued for residential land with an upper ceiling of 2,000 sq. meters, possession rights for cultivated land less than 5 ha, and concession rights for plantation land greater than 5 ha.

Now, the administration of property rights is spread widely across several government agencies. The Ministry of Land Management, Urban Planning and Construction (which was established last year) is the government agency with primary responsibility for land management, including policy and coordination of land registration and administration, land use planning, geodetic and cadastral surveying, mapping and property valuation. Actual implementation of land registration, administration of land transactions, collection of land taxes (hardly done) and land use planning are carried out by the Provincial and Municipal offices of the MLMUPC. The Ministry of Agriculture, Forestry and Fisheries has responsibility for the management of forestry land and wetlands. The Ministry of Finance's State Property Department has responsibility for administration of state land and other real properties. Due to the weak capacity of the courts (accentuated by ambiguities in the 1992 Land Law) to deal with land cases, a National Land Dispute Settlement Commission (NLDSC), with provincial committees, was set up in late 1999 to resolve, out of court, land disputes. Demining (removal of unexploded ordnance) of land and the allocation of the demined land is the responsibility of provinces. Similarly, the allocation of forestry and fishing concessions seem to be undertaken at provincial level or by Politicians at all levels.

During 1990s, titles for land ownership on private land were issued mainly in

Phnom Penh, but for only about 25% of the land. The 1992 land law did not allow land ownership in rural areas; only possessory rights. Following the enactment of the 1992 Land Law, a program was initiated to call for applications for land tenure certificates to confirm occupancy and use rights. Apparently more than 4 million applications were submitted, but there has not been a capacity to process applications and only about 15% of the rural people have received land use certificates. As for public land, apparently the state does not know the amount, location and boundaries of the land that falls under it; obviously, much of it would not be surveyed, mapped or titled either. According to the 1992 Land Law, public land is reported to be of two categories. There is the 'state public land' and 'state private land' where the former cannot be sold or used to create any private land rights (and is therefore intended only for conservation) but the latter can be sold and is reported to be frequently sold by ministries and state agencies in an ad hoc manner, with the proceeds not returning to the Treasury for public benefit. It is reported that, out of the public land (presumably state public land), there are 8.0 million of forests and 1 million of wet lands which have been given out as forest and fishing concessions, respectively, but that these concessions are not covered under any laws. Consequently, even forests, which by law are unambiguously 'state public land' and therefore not subject to private rights, have been given out for exploitation by concessionaires.

It is overwhelmingly clear to both government and donors that the overriding problem and the one with the greatest contribution to poverty is lack of land tenure security (and the associated landlessness) and restricted access to common property resources. Symptoms of the problem are clear from the rising number of landless people due to forced or distressed sales and the high number of land disputes clogging the judicial and other institutions for resolving land conflicts. Recent studies have shown a significant and rising trend in landlessness (found to be as high as 20% of the rural population in some sample surveys) and restrictions of access to common property resources (forests and wet lands), areas that provide an estimated 20% of some rural household incomes. There are suggestions that state agents such as the military and politically connected people have dispossessed people of their land which is being facilitated by the lack of formal recognition of rights on those lands. In the case of natural resources suitable for Commercial use such as forest land (for logging) or wet lands (for fishing), there are reports that concessions for their use have often been offered to investors at very low prices. There is concern that the allocation of decontaminated land has been inequitable and ad hoc, and has been complicated by the lack of land titling services to formalize the rights of the recipients. Since 1998 Cambodia has enjoyed peace and stability for the first time in 30 years. Democracy is taking root, as demonstrated by the government's decision to hold the country's first commune elections in February 2002 and its tolerance of organized protests by citizens in Phnom Penh and other centers of government. The economy has also been growing steadily, at an average annual rate of about 5 percent per year. However, unclear rules governing rights to land threaten both political stability and economic development. Conflicts over land are growing, increasingly involve people or entities from outside the community seeking land for commercial purposes. The poor and less well educated lose in the process because they do not have the access to money and power needed to defend their rights. As a result, land is becoming progressively more concentrated in the hands of people or entities who are politically well connected or can afford informal payments, especially in regions with potential for tourism, logging, industrial or urban development.

Conflicts over land are high in Cambodia for several reasons. Chief among them is uncertainty about where boundaries of land under the control of various state entities or private individuals lie. This in turn is the result of unclear policies and regulations about how land should be classified and lack of high quality maps that can allow boundaries to be precisely demarcated. This has led to competing claims for the same piece of land. In some cases the claims are between different government ministries. In others they are between farmers who have settled on the land and government agencies that allocate the land as concessions to commercial interests. In still other cases the disputes are between private individuals. A second reason is lack of government capacity to resolve disputes through either the courts or land dispute resolution commissions which were established in 1999 to settle land disputes out of court. This has led to a rising backlog of cases, with disputes routinely taking several years to resolve. Moreover, people involved with resolving disputes often do not fully understand the relevant laws or procedures involved and issue rulings that are inconsistent and legally incorrect. The problems are made worse through lack of transparency in both the process and the reasons for decisions. The problems with the dispute resolution mechanisms are undermining confidence of ordinary people in the formal system, who view it as favoring the rich and powerful. Conflicts over land cannot be reduced without better information on land use, clear policies and regulations, adequate capacity to resolve disputes and, ultimately, demarcation of boundaries generally accepted by all.

Lack of clear title is also hindering economic growth in Cambodia by reducing incentives to invest. Farm productivity in the country is the lowest in all of Southeast Asia, with rice yields averaging 1.8 tons per hectare compared with an average of 3.9 tons per hectare in Vietnam and 2.7 tons per hectare in Laos, countries with a similar climates and resource endowments. Rice output in Cambodia is enough to feed the average family for only seven months a year. Low yields are due primarily to low investments in water control technologies, essential to take full advantage of high yielding rice varieties. Around 85 percent of rice cultivation is rainfed, and generally only one crop is produced each year. Low investment in agriculture is in part a result of lack of security over rights to land. Increasing agricultural productivity would have a significant impact on economic growth and poverty in Cambodia; agriculture is the most important economic sector in the country, accounting for 40 percent of GDP and employing 70 percent of the labor force.

Ambiguity about land rights is also inhibiting industrial and urban investment. Lack of a land law is one of the main complaints of foreign investors in Cambodia (the others are high utility costs, inadequate infrastructure, and excessive bureaucracy).

Finally, lack of clear rights to land has led to widespread destruction of natural resources. In many areas, forests and fisheries are under the control of no one, and are being exploited for short-term gains. Entities that have been granted forest and fishing concessions do not feel sufficiently secure to manage them sustainably for the long-term benefit of the country. People are settling in coastal areas and other places that are vulnerable to natural disasters. Some 80 percent of land is estimated to be in the state domain, although this bears little relationship to existing land use or on evidence of its suitability for particular uses. Much of the reserved forest land is actually settled agricultural land. There is a need to reduce the amount of land under state control, coupled with taking more effective efforts to

protect core areas. Better information on how and by whom land is currently being used, followed by clear demarcation of boundaries and distribution of titles will enable government at all levels to better manage land.

Government strategy

The Government has recognized the need to address land issues since late 1989. It enacted the 1992 land law and asked for donor support to issue land titles in 1995. In 1999, with improved decision making, the government moved quickly to address the land issues by: (i) establishing in late 1999 the Ministry of Land Management, Urban Planning and Construction; (ii) requesting during the CG meeting of 2000 donor support in addressing land issues; (iii) establishing in late 2000 a Council of Land Policy chaired by the minister of the MLMUPC, and comprising of senior officials from 17 ministries and institutions, including ministries of environment; agriculture, forestry, and fisheries; rural development; interior, economics and finance; and defence; (iv) causing the the Council of Ministers to approve in May 2001 a " Statement on Land Policy" outlining the direction of government policies in the land sector, the text of the "Statement on Land Policy" is included in Attachment IV, Annex 2; and (v) having the national assembly and the senate pass a draft new land law which was signed into law by the King on August 31, 2001.

The government's strategy, expressed in its "Statement on Land Policy", articulates government policy on land management, administration and distribution. It calls for the creation of a state land inventory and classification system; increasing capacity to resolve disputes; registering all land in the nation (both public and private) over the long-term using both systematic and sporadic procedures; strengthening land tenure security and preventing or speedily resolving land disputes; developing land use plans for priority areas (including areas with potential for tourism, industrial investment, urban areas and major road corridors); improving management of natural resources; and developing procedures for urban land management. The government recognizes that implementing the strategy will be a long-term process requiring broad public consultation and consensus building. It will also require clarifying roles of various government agencies involved with land management, developing mechanisms for improving coordination among them. It will also involve the creation of accurate geodetic networks, maps and land information systems.

The government views the proposed project as an important instrument to support the implementation of these policies. However, in a weak governance system, actual implementation of these policies will rely heavily on the commitment and capacity of the government to implement these reform areas, yet to be seen during project implementation.

2. Objectives

The overall goals of the proposed project are to reduce poverty, stimulate economic development, promote social stability and improve environmental management. The specific objectives of the project are to improve land tenure security and promote the development of efficient land markets. These objectives will be achieved through: (a) development of national policies, the regulatory framework, and institutions for land administration; (b) issuance and registration of titles in urban and rural areas; and (c) establishment of an

efficient and transparent land administration system. The proposed project is the first phase of the government's Land Administration, Management, and Distribution Program (LAMDP), which is expected to be implemented over 15 years. The objectives of the LAMDP program as stated in the Land Policy Statement of the Royal Government of Cambodia (May 2001) are to:

(a) strengthen land tenure security and land markets, and prevent or resolve land disputes; (b) manage land and natural resources in an equitable, sustainable and efficient manner; and (c) promote land distribution with equity.

3. Rationale for Bank's Involvement

The World Bank has supported many land management and administration projects throughout the world, including in four countries of the Southeast Asian region (Lao People's Democratic Republic, Philippines, Thailand and Indonesia). Through these projects, the Bank has developed considerable expertise in integrating the policy, institutional and technical aspects required to improve land tenure security. IDA has also developed a good working relationship with the government, which makes it possible to maintain the dialogue needed to resolve the difficult issues that inevitably arise during implementation of land projects. Finally, the Bank has developed effective relationships with other donors in Cambodia working on both land issues and issues closely related to land, including environment, poverty reduction, and resettlement. The Bank is mobilizing donor support for the project and is working closely with donors in related areas to assure that efforts are well coordinated.

4. Description

1. Project components

The Cambodia Land Management and Administration Project will comprise the following components:

Component 1: Development of land policy and regulatory framework

- (a) Development of the capacity of the Secretariat of the Council of Land Policy.
- (b) Formulation of key policies for land administration and management.
- (c) Development and drafting of legal instruments.

Component 2: Institutional development

- (a) Long-term institutional development of the MLMUPC at all levels.
- (b) Project management.
- (c) Development of land management and administration education program.
- (d) Development of a private surveying industry.

Component 3: Land titling program and development of a land registration system

- (a) Information dissemination and community participation.
- (b) Systematic land titling program.
- (c) Sporadic land titling program.
- (d) Development of a modern land registration system.

Component 4: Strengthening mechanisms for dispute resolution

- (a) Rationalization of existing land dispute resolution mechanisms.
- (b) Capacity building in provincial institutions and decentralization of dispute settlement in the project provinces.

(c) Increasing accessibility of dispute settlement services and administrative support through logistical and other support for dispute resolution institutions.

(d) Increasing accessibility to legal assistance of people disadvantaged in land disputes.

Component 5: Land management

(a) Clarification of procedures for defining different classes of land, such as forest land, protected area land, private land, public private land, and the like.

(b) Procurement of aerial photographs and satellite images as needed.

(c) Preparation of land classification maps for each of the project provinces showing boundaries of forests, protected areas, land under private use, land under public use, land under concession, and the like.

1. Development of land policy and regulatory framework
2. Institutional development
3. Land titling program and development of a land registration system.
4. Strengthening mechanisms for dispute resolution
5. Land management

5. Financing

Total (US\$m)

The Government of Cambodia	3	
The Government of Germany	3.5	
The Government of Finland		3.5
IDA		23.4

Total Project Cost 33.4

6. Implementation

Project implementation period. The project will take place over five years, fiscal 2002-2007. It will be completed by June 2007 and the Credit will be closed by December 31, 2007.

Project coordination. The MLMUPC will be responsible for overall project implementation. A project management office (PMO) will be established within the ministry to coordinate project activities. The PMO will be headed by a project manager who will report to the Minister of the MLMUPC on matters of project implementation, and to the Land Policy Council through the Secretary General for policy guidance. The project manager will also chair a project technical committee comprised of the general directors of the various departments implementing the project. The PMO will be responsible for project planning, coordination, monitoring, accounting, financial management and procurement. It will include three subdivisions: administration and finance; procurement; and planning, budgeting and monitoring. Each will be headed by a qualified unit chief and staffed with qualified technical personnel. Various departments of the MLMUPC will implement aspects of the project. For example, the Secretariat of the Land Policy Council will implement the policy development component, the General Department of Cadastral and Geography will be responsible for production of aerial photographs and orthophotos, the General Department of Land Management will implement the land management component, and the General Department of Construction will plan and supervise the construction of the building for the ministry and the renovation and construction of provincial and district offices. The PMO will be supported by

technical assistance (to be financed by the governments of Germany and Finland). In addition to the TA team leader who will advise the project manager, there will be four regional TA advisors supporting the various units in the PMO (procurement; finance; planning and budgeting; and monitoring). There will also be several international and national TA personnel supporting the Ministry in implementing the project.

Project oversight. The Land Policy Council will act as steering committee for the project. The council will convene at least once every six months to review progress made and to assist in resolving any policy issue that arises and that may affect project implementation.

Executing agency. The MLMUPC will execute the project. Small provincial (or municipal) project management offices (PPMO) will be established in each of the ten provinces and one municipality (Phnom Penh) where systematic registration will be undertaken. The PPMOs will support the land registration teams. The director of the provincial or municipal departments of land management will also serve as the provincial or municipal project manager and report to the project manager at the central PMO on all project matters. The field managers of the systematic adjudication teams will report to the appropriate provincial project manager. The PPMOs will be responsible for (a) coordination and management of provincial/municipal project activities, (b) preparation and submission of periodic and technical reports as required to the project manager, and (c) liaison with other provincial/municipal officials.

7. Sustainability

A number of actions will be taken to ensure project sustainability. First, to ensure that benefits of first-time titling are sustained through registration of subsequent transactions, the project will include public information campaigns to explain the importance of formal registration for maintaining land tenure security and gaining access to credit. NGOs working in villages during systematic adjudication will reinforce the message. Second, the project will support a study to develop appropriate fee levels and structure, taking into account the impact of various fee arrangements on people's decisions to formally register transactions. Third, the project will support the development of institutional and human resource capacity that will sustain titling and registration activities after the project is completed. In particular, the project's support for development of an efficient land registration system will help build capacity to manage title transfers on an ongoing basis once properties are registered in the land offices.

8. Lessons learned from past operations in the country/sector

Including land titling as part of a comprehensive program. Experience shows that projects focused narrowly on titling before a national consensus on land policy has been reached rarely succeed in meeting their objectives. A better approach is to include land titling as part of a comprehensive policy and institutional framework for land management and administration. The proposed project takes a comprehensive approach, supporting policy and regulatory reforms, consensus building and institutional development along with land titling. It carefully sequences activities so that systematic titling does not take place on lands with unclear status until after the status is agreed with all stakeholders and boundaries between private and state domains demarcated.

Establishing the project on strong government commitment. A lesson of previous projects is that strong government commitment at the highest level is required to build consensus on sensitive issues of land rights. The Cambodian prime minister has repeatedly emphasized the importance of securing land rights by formally titling and registering land. Other members of government, including leading members of the opposition, have similarly declared their commitment to formalizing rights to land. Demonstrating this commitment, the Council of Ministers has approved a Statement on Land Policy in May 2001, and the new land law was enacted in August 2001.

Basing project design on experiences of pilot projects. With politically sensitive land titling projects, piloting is especially important to discover potential issues and to develop appropriate and efficient arrangements for adjudicating boundaries. The proposed project is based on the lessons learned from both the Finnish and German government's pilot projects in land titling in five provinces of Cambodia, including the need to thoroughly plan the systematic registration process, and the need to issue titles quickly following completion of adjudication to ensure that the agreements reached do not disintegrate. The teams implementing the pilot projects (GTZ and Finnmap) will continue to support the further development of policies, institutions and procedures until the project becomes effective, at which time they will become full partners with the government and IDA in supporting it.

Emphasizing stakeholder participation. Experience shows that active participation of all stakeholders during policy formulation, demarcation of boundaries between private and state domains, and systematic adjudication is critical to the success of the program. The proposed project contains measures for participation during each of these processes. During policy formulation, the project will support a public information campaign through radio, television, newspapers and other appropriate measures to inform citizens of the provisions of the new land law and will invite public comment on drafts of land policies as they are formulated. During the process of classifying land and demarcating boundaries, all stakeholders will participate in a process of public consultation to ensure general agreement with decisions. During systematic adjudication, NGOs with specialized training in participation will work closely with villagers, explaining the process, producing village land files, and ensuring that all members of the community who are eligible benefit from land titling.

Promoting private sector participation. Projects elsewhere show that involving the private sector in surveying and other technical tasks can substantially speed up the process of titling. Using private contractors has several advantages. They can be hired to perform specific tasks, rather than as part of the civil service, and therefore can be used flexibly. They can also be offered performance incentives (such as payment based on number of parcels adjudicated) that cannot be offered to the government staff. Currently, Cambodia has little private sector capacity in surveying and mapping. The project will therefore help to create private sector capacity by training private individuals together with staff from the ministry so that all will have the same knowledge, and then use both private and ministry teams for systematic adjudication. The project will also promote development a private sector through its university degree program in land administration and management.

9. Program of Targeted Intervention (PTI) Y

10. Environment Aspects (including any public consultation)

Issues : The project is classified as category B because it is not expected to have significant adverse environmental impacts. Other than rehabilitation/construction of project office space and related facilities, the project will not support civil works, land conversion, resource extraction, industrial production or any activity that could potentially damage the environment. Contracts for civil works under the project will be subject to screening for environmental impacts by the Council for Development of Cambodia. All policy and institutional development activities (about 50 percent the total project cost) are environmental assessment category C. They are not subject to special environmental review requirements.

Among other goals, the project seeks to improve natural resources management by supporting development of policies, regulations and procedures for land classification, generation of information needed to classify land (including procurement of aerial photos and satellite images), and production of land classification maps showing boundaries of land designated for particular uses and under the control of various government entities. Reaching a clear understanding of how various tracts of land will be managed in the future is a precondition for effective land-use planning and management of natural resources. This activity is also essential for effective implementation of the country's new forestry, fisheries, and water laws, which are now being drafted to deal with specific categories of state property. In this way the project is expected to directly contribute to improved environmental management in Cambodia.

Indirectly, by stimulating new investment in industries, agriculture, urban housing and offices, the project has potential to affect the environment both positively and negatively. On the positive side, by improving incentives to manage resources for long-term benefit, the project may encourage farmers to invest in soil conservation, and firms and communities to manage forests and fisheries sustainably. By formalizing rights to residential plots, the project encourages investment in activities and infrastructure that improve environmental conditions where people live and work, such as solid waste management, water supply systems, and sanitation facilities and formulating rights to agriculture land, the project will encourage investment in proper land management. On the negative side, without proper land use planning and enforcement, the project may cause uncontrolled urban development and without proper land classification, there may be a risk of conversion of critical watershed and other environmental sensitive areas to agriculture land. To minimize or mitigate the potential impacts will require developing the government policy and procedures for land classification, strengthening land use planning, and strengthening the environmental law and its subdecrees, including that on environmental impact assessment. It will also necessitate the building of capacity of the ministry of environment (MoE) to enable it to better enforce laws and regulations on environmental protection and natural resources management.

11. Social Aspects:

Social Assessment. The Royal Government of Cambodia has embarked upon a reform agenda designed to promote sustainable economic and social development, poverty alleviation, and peace. The Land Policy Framework is one of the most significant initiatives and includes accelerated land titling, establishing a

legal framework for governing property rights, and setting up territorial master plans and zoning rules. As a prelude to the titling program, a social assessment was conducted during project preparation. The main objectives of the social assessment were to (1) identify different stakeholders of land and the project, (2) examine the social and institutional capacity at the local level for governing land rights, (3) forecast possible negative impacts of the program, and (4) make relevant policy recommendations. The study was qualitative in nature and was conducted in five provinces, as well as one urban case study in Phnom Penh which focused on squatter settlements. Various qualitative methods were used, such as small group discussions and individual interviews with farmers, migrants, demobilized soldiers, women's groups, and local officials. The research team also interviewed personnel from the land management departments at the provincial and district levels, the provincial land dispute settlement commissions, chief judges at provincial courts, tax department officials, as well as village, commune, and district chiefs. In Phnom Penh, a day-long seminar in February 2001 that involved municipal officials and NGOs was organized to elicit information on land issues in the city. The findings and final analysis of the SA was presented at a stakeholder workshop on July 9, 2001 sponsored by the Ministry of Land Management Urban Planning and Construction and Cambodia Research Development Institute. Participants came from NGOs, provincial land departments and governors' offices of the 24 Provinces.

The key findings from the SA showed that disputes over land are growing, as land values rise, especially in areas with potential for development such as lands near roads and in or near urban areas or market centers. While communities recognize land rights according to traditions and customs, increasingly people and entities from outside the communities are claiming land according to formal laws and procedures. Operating within an informal system, ordinary people often cannot defend themselves successfully using formal dispute resolution mechanisms, which rely on presentation of formal documentation and require money and time. A major social development outcome of the project is to help one million families, mostly smallholders, to obtain formal titles to land, and thereby reduce their vulnerability from being dislodged. To assure that the poor and marginal groups fully benefit from the process, the project will provide legal aid to the poor and will contract NGOs to work in communities and involve all eligible households in the program. The ministry will also conduct a public information campaign to explain the new land law, regulations and procedures.

The key findings and recommendations from the social assessment are listed in the matrix at the end of Annex 12, Attachment 1. The full social assessment is available in project files. The findings of the social assessment have been used in designing the project, especially in the areas of participation, information dissemination and education on land rights; land dispute resolutions; and future policy studies and implementation guidelines.

Resettlement

The project has been designed to avoid negatively affecting people. The only potential negative impact on people would be related to the establishment of a land administration building. The Project will assist in the repair, rehabilitation and/or construction of office spaces for the program. There are two options for land acquisition in the case of construction of new office space. The first and preferred option is to construct the buildings on vacant

public land in order to avoid any negative impact. The second option, if vacant public land is absolutely not available, is for the government to use public land where people may be affected. An agreed resettlement policy framework will apply if the second option is used.

Agreement has been reached with MLMUPC regarding the approaches to be used in the case of informal settlers including squatters. The project (a) will issue titles where there is agreement by the government to provide the land to be registered to informal settlers, (b) will facilitate the provision of services and titling where the municipality is working with United Nations Center for Human Settlements (UNCHS) and its partners to provide land to informal settlers through land sharing and/or relocation programs, and (c) will not issue titles where there is no agreement to allocate the land to informal settlers or through municipality/UNCHS land sharing and/or relocation programs. The UNCHS program is based on international principles for shelter--i.e., a) provide security of tenure; b) promote the right to adequate housing; c) provide equal access to land; d) promote equal access to credit; and e) promote access to basic services and guidelines.

The project will develop procedures for screening and consultation to ensure that the above conditions are agreed before provision of land registration and titling services. As the project will finance a construction of a new office building for the Ministry and the rehabilitation/new construction of provincial and district land offices, it was agreed with the government that these offices will be built on vacant public land, and therefore, no resettlement will be involved.

Indigenous Minorities

The area covered by the project (the first phase of the long-term program), which comprises ten provinces and the municipality of Phnom Penh, has been proposed by the MLMUPC based on agreed criteria. These areas do not include provinces in the northeast where the indigenous minorities live .

In anticipation of including the northeast area in the second phase of the program, a review and drafting of implementation guidelines for registering communal and indigenous minorities' land rights will be undertaken during the first phase . The proposed review and implementation guidelines for land titling for indigenous minorities will take as its basis the policy contained within the draft land law 2001 and lessons learned from ongoing projects for indigenous communities in the northeast area.

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Note: This is information on an evolving project. Certain components may not be necessarily included in the final project.

This PID was processed by the InfoShop during the week ending November 16,2001