World Bank Policy on Land Governance in Support of the Millennium Development Goals

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Presentation Outline

• World Bank – Overview, MDG
• World Bank Support for Land Sector
• Land Governance
• Joint UN-WB Land Governance Initiatives
• Beyond “Cadastre 2014”
**World Bank Group - Overview**

- 186 member countries
- 9,000 staff (approx) from 165 countries
- 120 offices – 37% of staff are based in regional offices
- In 2009, the World Bank provided approx. US$58.5 billion for 767 projects
- Administrative budget FY2010 US$ 2.25 billion

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**The World Bank Group 2009**

**IBRD (International Bank for Reconstruction & Development)**
- Established 1944 | 186 Members
- Cumulative lending: $479 billion
- Fiscal 2008 lending: $32.9 billion for 126 new operations in 42 countries

**IDA (International Development Association)**
- Established 1960 | 169 Members
- Cumulative commitments: $207 billion
- Fiscal 2008 commitments: $14 billion for 176 new operations in 63 countries

**IFC (International Finance Corporation)**
- Established 1956 | 182 Members
- Committed portfolio: $32.2 billion (includes $7.5 billion in syndicated loans)
- Fiscal 2008 commitments: $10.5 billion for 447 projects in 103 countries

**MIGA (Multilateral Investment Guarantee Agency)**
- Established 1988 | 174 Members
- Cumulative guarantees issued: $20.9 billion
- Fiscal 2008 guarantees issued: $1.4 billion for 26 countries

World Bank Group - Mission

- The work of the World Bank focuses on achievement of the Millennium Development Goals (MDG), which call for the elimination of poverty & sustained development.

“Our mission is to help developing countries & their people reach the goals by working with our partners to alleviate poverty. To do that we concentrate on building the climate for investment, jobs & sustainable growth, so that economies will grow, & by investing in & empowering poor people to participate in development.

- To achieve its mission, the World Bank concentrates on building the climate for investment, jobs & sustainable growth, so that economies will grow, & by investing in & empowering poor people to participate in development.

- Support for the land sector is critical to the World Bank’s achievement of its mission.

Millennium Development Goals – Target 2015

- Goal 1: Eradicate extreme poverty and hunger
- Goal 2: Achieve universal primary education
- Goal 3: Promote gender equality and empower women
- Goal 4: Reduce child mortality
- Goal 5: Improve maternal health
- Goal 6: Combat HIV/AIDS, malaria, and other diseases
- Goal 7: Ensure environmental sustainability
- Goal 8: Develop a global partnership for development
World Bank Support for Land Sector

- The World Bank has been directly engaged in supporting the land sub-sector for more than 30 years.
- This work can be broadly divided into two key areas:
  (i) support for policy development including analytical & TA; &
  (ii) investment lending to support development & reconstruction.
- Currently the World Bank is supporting land administration projects around the globe with a total value of around US $1.5 billion.
- These projects have had varying emphases on institutional & policy reform, capacity building, tenure security, land management, governance, social equity, economic development, service delivery, ICT & NSDI.

Financing for Land Administration Projects

<table>
<thead>
<tr>
<th>Region</th>
<th>2009 Implementation</th>
<th>Under Preparation</th>
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<tbody>
<tr>
<td></td>
<td>No. of projects</td>
<td>US$ million</td>
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<tr>
<td>Africa</td>
<td>12</td>
<td>169</td>
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<tr>
<td>East Asia &amp; Pacific</td>
<td>6</td>
<td>182.6</td>
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<tr>
<td>Europe &amp; Central Asia</td>
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<td>716</td>
</tr>
<tr>
<td>Latin America &amp; Caribbean</td>
<td>6</td>
<td>375.5</td>
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<tr>
<td>Middle East &amp; North Africa</td>
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<td>0</td>
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<tr>
<td>South Asia</td>
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<td>48.5</td>
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<tr>
<td>Total</td>
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<td>1,4981.6</td>
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**Analytical & TA for Land Administration Projects**

<table>
<thead>
<tr>
<th>Region</th>
<th>2009</th>
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<tbody>
<tr>
<td></td>
<td>No. of projects</td>
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<tr>
<td>Africa</td>
<td>3</td>
</tr>
<tr>
<td>East Asia &amp; Pacific</td>
<td>7</td>
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<td>South Asia</td>
<td>4</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>17</strong></td>
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**Some Key Considerations for Land Sector**

- World Development Reports (2007, 2008, 2009) have consistently emphasized a need to scale-up land sector support
- Land sector reforms are complex and cross-sectoral - requiring broadly based development strategy that addresses the wider social, economic, natural resources & environmental agenda
- Land sector reform requires long-term engagement
- Land sector reforms closely aligned to achieving MDG
- **Land governance** underpins land sector reform
Importance of Land Governance – Deforestation

Importance of Land Governance – FDI
Importance of Land Governance - Disasters

Importance of Land Governance – Tenure Security & Land Evictions
Importance of Land Governance – Economic Impacts on Land Resources, Production, Livelihoods, Food Security etc.

Land Governance

- Good governance is increasingly recognized as critical to effective development and sustainability.
- A fully functioning land and property system is composed of four building blocks:
  - (a) a system of rules that defines the bundle of rights and obligations between people and assets;
  - (b) a system of governance;
  - (c) a functioning market for the registration, exchange of assets; and
  - (d) an instrument of social policy.
- Each of these building blocks can be dysfunctional - operating against the poor
Key Land Sector Governance issues

- Rule of Law, Institutional and Policy Reform
- Corruption
- Capacity Building & Sustainability of Land Administration Systems
- Utilization of ICT
- Development of NSDI
- Access to Land for Development Investment - FDI
- Land Acquisition – public & private purposes
- Gender Mainstreaming – WDR 2012 will focus on gender
- Rights of Indigenous Peoples
- Dispute Resolution & Recourse
- Taxation - fairness

Need for Good Land Governance – 3 Broad Global Trends

1. Increased & more volatile commodity prices, population growth, & the resulting increased demand for rural & urban land make it more important to define & protect land resources as a precondition for the ability to broadly share the benefits from such opportunities.

2. Climate change is likely to have particularly pernicious effects on areas traditionally considered to be hazardous or marginal. Adequate land use planning together with land-information based geo-spatial tools to manage disasters can help mitigate or adaptation to these effects.

3. Global programs to provide resources for environmental services (eg reduced deforestation) are likely to affect behavior at the local level & thus accomplish their objectives only if local land rights are recognized & resources are transferred effectively to land right holders.
Joint UN / WB Initiatives – on Land Governance

1. Land Governance Assessment Framework: (LGAF)
   - Developed by UN agencies and WB
   - Indicators (21) to monitor land governance and policy reform – across 5 thematic land governance areas
   - Tested across a few countries in each region in 2008-09

2. Principles for Responsible Agri-Investment:
   - Agreement was reached in Sep-Oct of 2009, WB, FAO, UNCTD, and IFAD that a set of principles for responsible agricultural investment involving significant acquisition of resource rights is warranted
   - These principles are based on preliminary evidence from this ongoing work, as well as the accumulated experience of a broad set of informed observers and partners within the partner agencies

LGAF – Thematic Areas

- **Thematic area 1** - Legal & institutional framework (LGI 1-6)
- **Thematic area 2** - Land use planning, management & taxation (LGI 7-11)
- **Thematic area 3** - Management of public land (LGI 12-15)
- **Thematic area 4** - Public provision of land information (LGI 16-19)
- **Thematic area 5** - Dispute resolution & conflict Management (LGI 20-21)
KEY PRINCIPLES for responsible agri-investment.

PRINCIPLE 1: RESPECTING LAND AND RESOURCE RIGHTS
• Existing rights to land and associated natural resources are recognized and respected.

PRINCIPLE 2: ENSURING FOOD SECURITY
• Investments do not jeopardize food security but rather strengthen it.

PRINCIPLE 3: ENSURING TRANSPARENCY, GOOD GOVERNANCE, AND ACCOUNTABILITY
• Processes for accessing land and making associated investments are transparent, monitored, and ensure accountability by all stakeholders, thereby improving the business, legal and regulatory environment.

PRINCIPLE 4: CONSULTATION AND PARTICIPATION
• All those materially affected are consulted and agreements from consultations are recorded and enforced.

KEY PRINCIPLES continued

PRINCIPLE 5: ECONOMIC VIABILITY AND RESPONSIBLE AGROENTERPRISE INVESTING
• Projects are viable economically, respect the rule of law, reflect industry best practices, Investors ensure that their projects respect the rule of law, reflect best practice and result in durable shared value.

PRINCIPLE 6: SOCIAL SUSTAINABILITY
• Investments generate desirable social and distributional impacts and do not increase vulnerability.

PRINCIPLE 7: ENVIRONMENTAL SUSTAINABILITY
• Environmental impacts due to a project are quantified and measures taken to encourage sustainable resource use while minimizing the risk/magnitude of negative impacts and mitigating them.
Beyond “Cadastre 2014”

- Cadastre 2014 – seminal publication
- Did not address MDG or governance
- FIG, with partners, now need a new flagship document focused on land governance
- FIG professionals need to focus on the big picture – the broader cross-sectoral agenda – globally, regionally and nationally
- Cadastre 2014 was conceived in 1994 FIG XX in Melbourne, so it is fitting for a new direction to be set in 2010 FIG XXIV in Sydney
- World Bank looks forward to working with FIG et al on the new Cadastre
Thank you & enjoy FIG 2010

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