Financing and costing of Land Administration Authorities

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Study for GLTN

Problem

• Many years of technical development of land administration organisation have not lead to improved service delivery, especially to poor people

• Not only technical or human resource problem, maybe also management, financial and costing need attention
Financial forms

- Government grants
- Fees level for marginal cost or to cover investments
  - Fees for registration
  - Relation to value of services/cost,
  - User fees, depending on a market for information
  - Annual fees for maintenance
- Transparency means financial system to follow how fees relates to activity costs, including overhead costs
- Taxes, annual taxes and stamp duties (sales taxes)

Economy model

- Not only costs per unit but also related to activities
- Overhead costs to be distributed on activities
- Set prices for customers and for government grants
- Revenue, to stay within organisation or to be delivered to government treasury
Management system

• Detailed government control of use of resources
• Goal and result-based management system
  • Annual plans of operation with agreed budget and results for all level of management
  • Budget separated on organisational unit, type of cost and activities
  • Monitoring through indicators

Costs

• Procedures
• Management
• Organisation
• Technology
Study

• Kenya
• Zambia’
• Botswana

• Compared to Sweden and Georgia

Conclusions

• Efficient land administration depends on efficient management and financial systems
• + more independence from government control and more dependence on customer relations
• + more self-financing
• + more transparent cost-control
• = more reasonable pricing
• = simplified procedures
• = improved service delivery
• = pro-poor price policy possible
• = less corruption