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**Implementation Practice: Real Property Registration Systems in Developing Countries:  
Confluence of technological, institutional and organizational requirements in the Addis  
Ababa Project**

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**Summary**

The successful implementation of a real property registration system depends on institutional and technical factors. If the institutional factors are not considered a well, designed system may not be instigated. Thus high priority needs to be given to aligning national and local institutions with new cadastral systems. In September 2009 the Addis Ababa City Government called for tenders for the development of a real property registration and land information system. The tender called for a bundle of services including support for the establishment of municipal real property registration offices. During project implementation an international tender was issued calling for proposals for the management of the newly established real property agency. The tender required the development of the necessary laws and regulations, organizational development, capacity building, the adjudication of rights, and the registration of 150,000 real properties using the newly developed system. At the same time the city administration was required to create a favorable environment for the implementation of the system by, amongst others, aligning local and national policies and laws. This paper has analyzed the efforts of the Addis Ababa City Government to equally balance the demands of technological and institutional factors during the process of implementing a real property registration and land information system, and suggests a planning and implementation process that could assist similar projects facing a similar confluence of varying demands.

## **Introduction**

Ethiopia's first real property registration proclamation was enacted in 1907. It provided procedures for the registration and transfer of land holding and the issuance of title deeds, as well as property taxation and the like. This proclamation was superseded by immovable property registration articles included in the 1960 Civil Code of Ethiopia which was marginalized by the 1975 urban land and extra housing reform that changed the urban land tenure system. Following the introduction of the 1994 urban land lease holding regulation, the City Government of Addis Ababa launched a cadastral project with the aim of registering all property for taxation purposes. The project brought many improvements in the city administration. However, it faced major problems from the start and throughout its implementation. The absence of clear legal frameworks, focal organizations and the appropriate utilization of technology were some of the major problems. As a result, beginning in early 2009, the city commenced the implementation of a modern real property registration and land (cadastre) system development project.

The successful implementation of a real property registration system depends as much on institutional and organizational aspects as on the technological ones. If these institutional factors are not taken into consideration then a well designed system is vulnerable to either not being instigated or falling into disuse. In addition there will be a future reluctance to invest in such projects since they will be viewed, based on past failure, as not having the potential to add value to the successful running of land and property management. This indicates that high priority needs to be given to aligning the development and implementation of essential institutional and organizational requirements. When all these are balanced a sustainable, efficient and effective system is possible. Thus the effective use of registration and cadastre system technologies requires the support and the alignment of all national and local institutions and organizations involved in land and property management. This paper is a general discussion of the implementation practice of the real property registration system project in Addis Ababa.

## **Interests and Implementation Directions**

The implementation of the Integrated Land Information Management Project for the city of Addis Ababa is a direct result of Ethiopian federal government policy. This policy was directed at enhancing the efficient administration and management of urban land. Generally, the government focused on ensuring the protection of land use rights by implementing secure and sustainable real property registration systems at local (city) level and within a framework of national laws and standards. It also directed a step-by-step creation of fiscal and multi-purpose cadastre. The core targets were to further improve property market transactions, property valuation and taxation and the delivery of municipal services. Priority was given to the city of Addis Ababa where there was the greatest need to speed up the regulation of urban

development and property market activities; to control corruption in the market and non-regulated property dealing. Other reasons for the selection of Addis Ababa by the federal government included the opportunity for the project stakeholders to “learn by doing” and the feasibility of “scaling up” to a national level for subsequent use.

Accordingly, in early 2009, the city government embarked on its Integrated Land Information Management Project. The key components of the project were:

- *Regularization of informally in use lands:* - the target has been legalizing of land use rights for informally in use lands, in order to bring these on board during the new registration process. It also included creating rights on open/public land which is owned by the city administration.
- *Establishment of an immovable property registration office:* - the aim was to establish and put in place an agency with the exclusive mandate to register land and land use rights and provide associated services.
- *Updating the cadastre base map:* - the key goal behind this task was to have unified cadastre base map to help to register all the land within the city boundaries.
- *Implementation of an immovable property and land (cadastre) information system:* - the target was to study the requirements for such an information system and to develop and implement an integrated land and land use rights registration system for the agency and its ten sub-city offices. This task included the design and implementation of wide and local area network systems and of a central and ten sub-city data centers.

## **Execution of the Project**

### **Establishment of Immovable Property Registration Agency**

The city of Addis Ababa, the capital of Ethiopia, began implementing its first land registration system in 1907. Since then land registration and its respective services have gone through many diverse and unstable institutional and organizational arrangements. As a result over time the system had become increasingly unmanageable, particularly with the accelerated urbanization of Addis Ababa over the previous two decades.

In September 2009 the Addis Ababa City Government (AACG) called for tenders for the development of a real property registration and land information (cadastre) system. The tender’s scope of work included the updating of existing cadastre map data, the design and implementation of a street addressing system

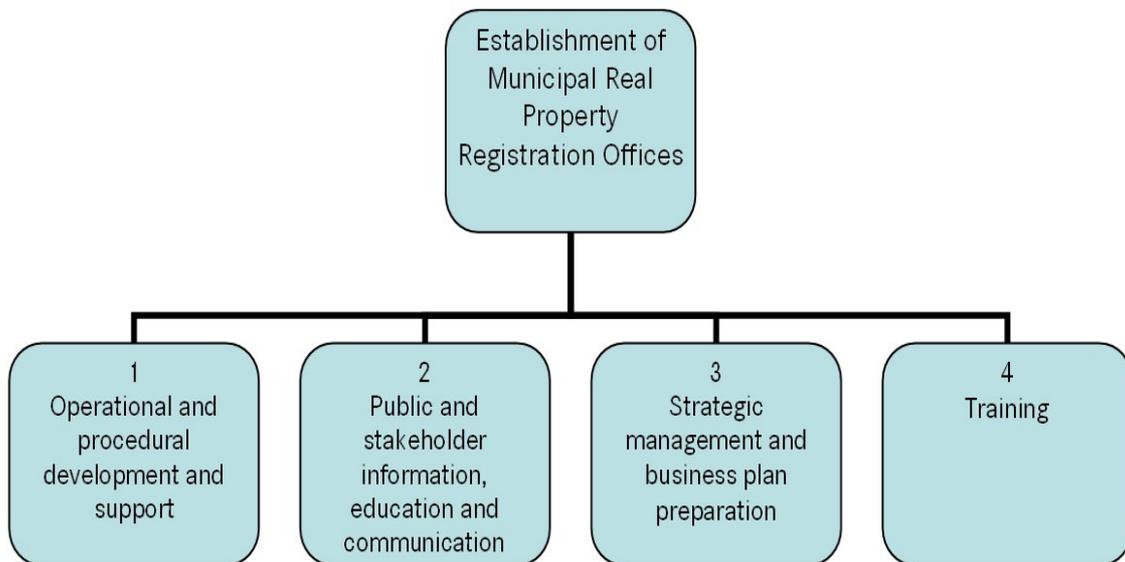
and support for the establishment of municipal real property registration offices. The contract was awarded to the German company Hansa Luftbild.

Support services, to be provided by the contractor, for the establishment of the real property registration office, were required to address:

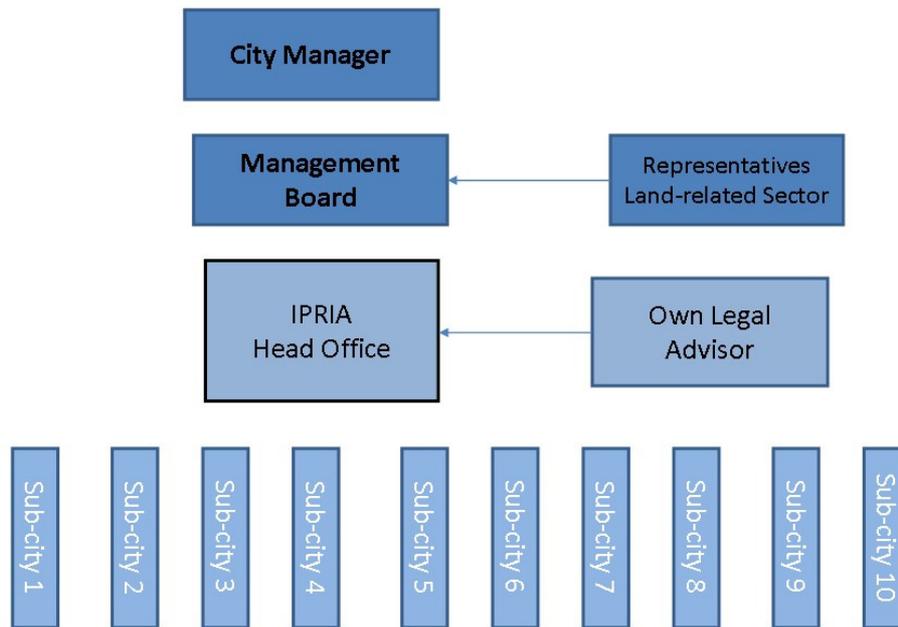
- operational and procedural development support;
- public and stakeholder information, education and communication;
- strategic management and business plan preparation; and
- training.

Critical to these consultancy services were the preparation of the required legal frameworks, establishment of the organizational structures to be used in implementing the registration and the ensuring of an efficient utilization of the new system. Chart 1 below shows the support services provided.

Addis Ababa City Government Proclamation No. 22 /2010 established the Immovable Property Registration and Information Agency (IPRIA) and came into force in June 2010. It declared the IPRIA agency to be a legal entity headed by a board accountable to the city manager. In addition to the IPRIA head office the agency was to retain and still retains offices in each sub-city. Figure 1 shows the administrative structure of IPRIA as proposed by Hansa Luftbild.



**Chart 1:** Support Services obtained to the establishment of real property registration offices (Source: AACG, 2009)



**Figure 1:** Proposed Structure of IPRIA (Source: AACG and Hansa Luftbild, 2011)

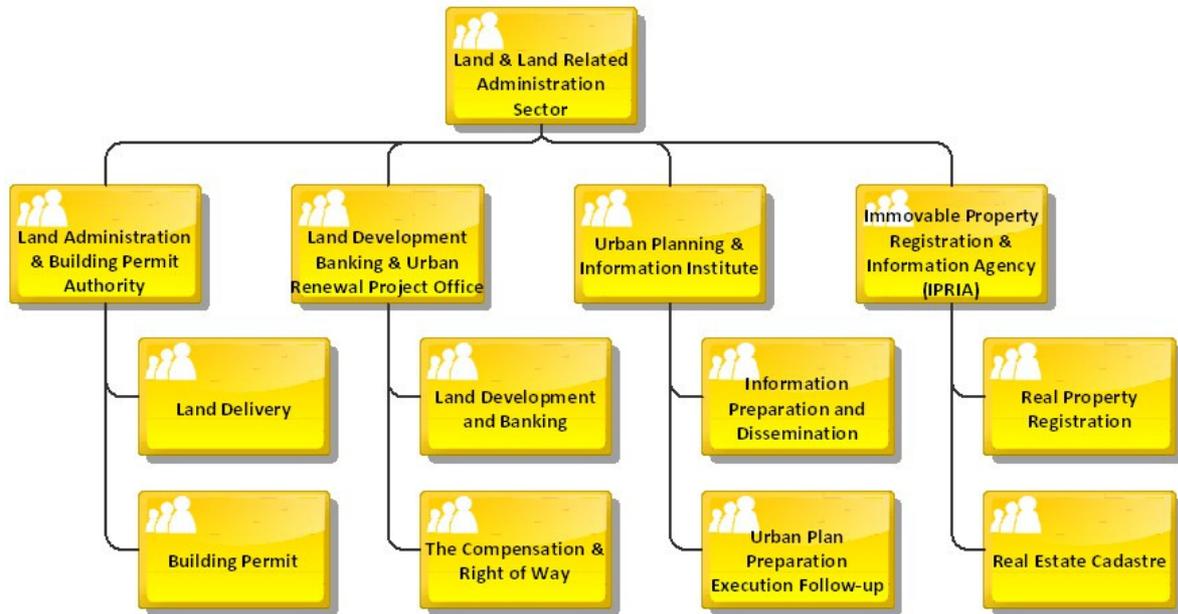
A further proclamation was necessary to stipulate the powers and functions of the agency for example ownership of the Addis Ababa real property registration system (AA-CADIS) and the Addis Ababa land information system (AA-LIS), developed by Hansa Luftbild, and the adjudication of rights. Thus a re-establishment proclamation was necessary which clearly defined the full powers, the complete functions and the objectives of the agency. Figure 2 shows the functions of IPRIA in relation to the other land and land related administration sector (LLRAS) within the Addis Ababa City Administration.

The objectives of the agency thus are defined as

- ensuring the implementation of a secure, reliable, trustworthy and efficient cadastre information system (AA-CADIS),
- delivery of immovable property information from AA-CADIS and AA-LIS;
- support of land management, land use planning and property valuation;
- fostering the economic development of the City of Addis Ababa; and
- supply property information to the city’s citizens and the private sector.

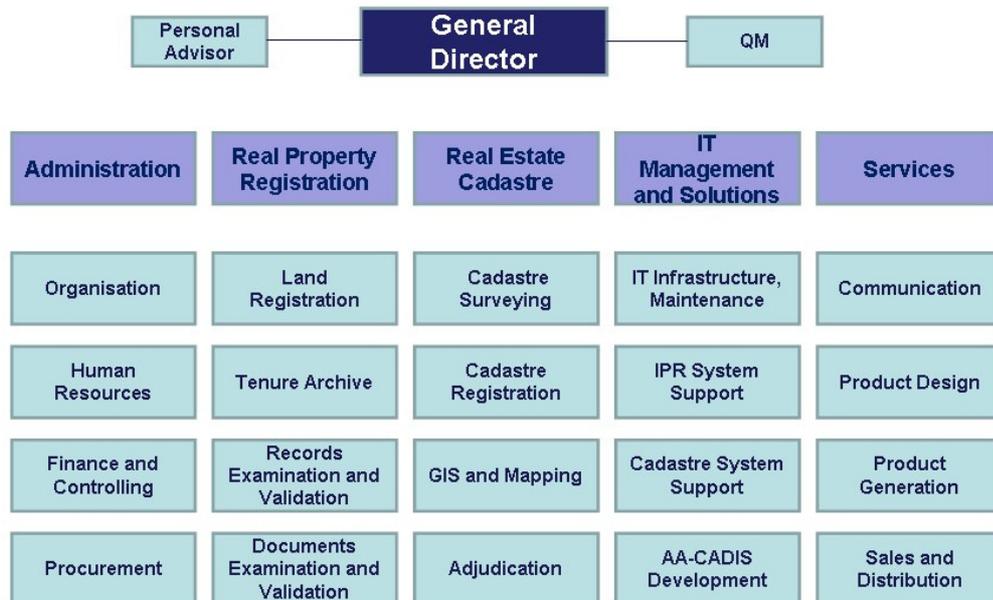
Thus the main powers and the functions of the agency include responsibility for the immovable property registration; adjudication (systematic and sporadic) of rights, and all related first registrations; and

cadastral surveying. The agency also has full ownership of AA-CADIS and AA-LIS and is responsible for their maintenance.



**Figure 2:** Functions of IPRIA within LLRAS (Source: AACA and Hansa Luftbild, 2011)

On the basis of the proclamation Hansa Luftbild recommended that IPRIA’s organizational structure be made congruent with the business use cases as defined in the requirements analysis. Figure 3 shows the proposed structure of the agency at head office level.



**Figure 3:** Proposed organizational structure of IPRIA’s head office (Source: Hansa Luftbild, 2011)

The powers and functions of the sub-city offices of IPRIA are in line with the ones at head office level. Figure 4 shows the proposed organizational structure of IPRIA at sub-city level.



**Figure 4:** Proposed organizational structure of IPRIA’s sub-city offices (Source: Hansa Luftbild, 2011)

### Managing the Immovable Property Agency

In 2010, during the time that the real property registration and the land information (cadastre) systems were being implemented an international tender was issued calling for proposals for the management of the newly established agency. The scope of work of the management consultancy service included the development and implementation of the necessary laws and regulations, organizational development, capacity building of the required personnel, and the adjudication of rights and the registration of 150,000 real properties using the system developed by Hansa Luftbild. The tender was issued with the intention of bringing in good international practice and experience to ensure the implementation of a secure and efficient real property registration and cadastre system. The management service would make available broad experience to local staff to enable them to sustain the system that the city administration was in the process of implementing. It was also required to build the capacity of the agency’s local management group and transfer the leadership role to that group prior to the completion of the management contract. In general the service was required to apply acceptable international real property registration standards and practice in all its undertakings.

On the basis of the objectives and targets four main work components were identified as needed to fulfill the management requirements. These were:

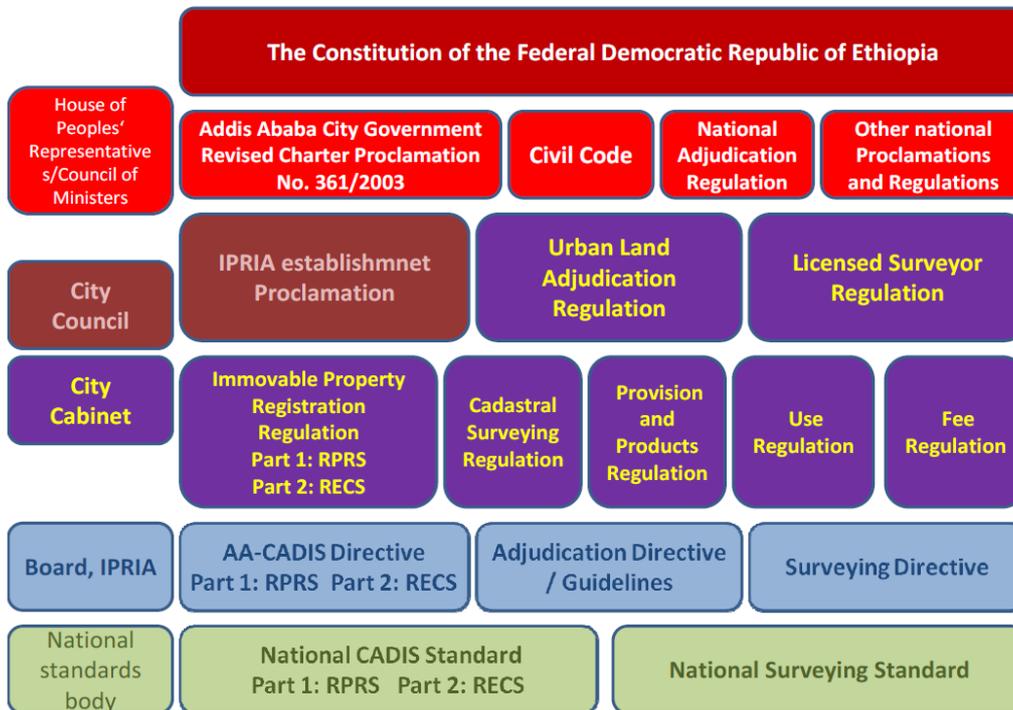
- organization, human resources and public awareness;
- immovable property registration;
- establishment of the legal framework; and
- finance and material resources.

With regard to the first work component, that is organization, human resources and public awareness, 160 staff were recruited by the city administration following the start of the management contract. It also adapted the organizational structure of the agency which had been recommended by Hansa Luftbild. The local management group, with the support of Hansa Luftbild, is in the process of planning the public awareness campaign so as to maximize audience exposure, and to create public awareness of the agency and its functions including the adjudication processes.

The second work component that of the immovable property registration required the results of the adjudication processes. In order to gain experience in the adjudication process, a pre-pilot adjudication process is currently being carried out for around 1000 parcels in each of the two pilot Woredas (districts) of the two sub-cities in Bole and Nifas Silk Lafto. On the basis of the experience gained a roll-out of the systematic adjudication process will take place.

The essential legal framework for the operation of the agency consists of the re-establishment proclamation for the inclusion of the developed system and its operational requirements, regulations regarding adjudication of rights, immovable property registration, cadastral survey of parcels and service fees. Figure 5 shows the basic relationships within the necessary legal framework.

The re-establishment proclamation of the agency and regulations regarding adjudication of rights, immovable property registration, and cadastral survey of parcels have been drafted. Their enactment is awaiting the process of aligning them with the national land registration proclamation which is currently under public discussion. The operation of the agency is funded by the city administration. Thus the fundamental requirements for the operation of the agency have now been met and a piloting program for two of the Woredas can now commence. Following this implementation for all Woredas will take place.



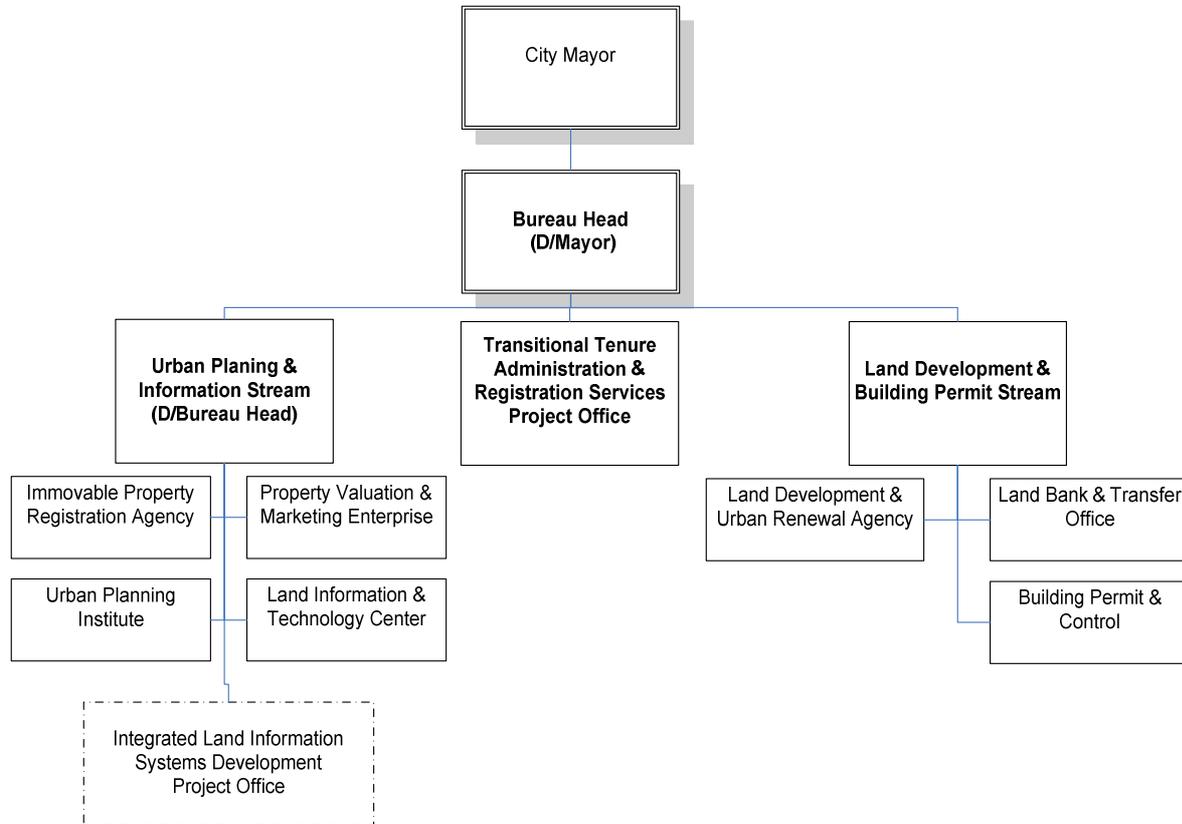
**Figure 5:** Approval hierarchy and relationships within the necessary legal framework (Source: AACA and Hansa Luftbild, 2012)

**Rearranging the Land Sector Organizational Environment**

In addition to the tasks carried out by the consultancy services a number of tasks were left to the city administration to perform. These included creating favorable institutional and organizational conditions for the successful implementation of the system. In this respect, local laws needed to be aligned with federal policies and laws and to be harmonized with the organizational structure of the land sector. Following government approval of the federal urban land development and management policy, in 2012, the Federal Ministry of Urban Development and Construction formulated a national land and land related registration proclamation which set out the general framework for the establishment of urban land registry offices, adjudication of rights, land registration and cadastral surveying processes. The Ministry has also prepared a model organizational setup for the Land Development and Management Bureau to be adapted by all Ethiopian cities.

In accordance with these new general frameworks the Addis Ababa City Administration reorganized its land and land related administration sector. The land sector organizations have now been separated from the municipal services organizational administration. This separation also helped to draw an understandable line between land administration and land management. Moreover, unlike other bureau heads within the city administration, the position of the head of the Land Development and Management

Bureau has been set at the level of deputy city mayor. Figure 6 below shows the organizational structure of the bureau.



**Figure 6:** Organizational structure of Land Development and Management Bureau of Addis Ababa (Source: Land Development and Management Bureau - LDMB, 2012)

The mission of the Land Development and Management Bureau is to:

- improve the efficiency and transparency of land registration and transfer;
- accelerate efficiency in the supply of serviced land;
- improve urban planning and control systems and facilitate urban renewal; and
- facilitate decentralization of services and establish public participation.

The separation of the land administration sector from the municipal administration entailed the changing of the physical working environment. A new three-storey office building for each of the ten sub-city land development and management offices was constructed. Figure 7 shows a sample of one of the office buildings.



**Figure 7:** Old (above) and new (below) sub-city offices building (Source: Addis Ababa Integrated Land Management Information System Project Coordination Office - ILMISPCO, 2013)

### **Aligning Technological, Institutional and Organizational Requirements**

Urban land administration and management is a comprehensive system of policies and legal frameworks that deal with the regulation, segregation and stabilization of respective organizations and systems. At the same time the formation of new policies and legal frameworks and their alignment with existing systems so as to provide consistency and flexibility, and the accommodation of new technology of such systems is a challenging task.

Notwithstanding the challenges and the problems encountered, the implementation practice of the Addis Ababa project indicates that bringing together and aligning the technological, institutional and organizational requirements of newly developed real property registration systems is possible. The following components of the project may be identified as good examples to be followed by land registration agencies:

- Regularization of the legal state of informally in use land has and is creating favorable conditions for the newly established registration agency and its registration process. The regularization is currently being achieved by formulating and enacting regulations and directives that support the legal recognition of various informal land use practices. In addition, an organizational setup and a strategy to facilitate the transition from the old system to the new system were established to resolve organizations operational mandate conflicts that may occur during the transition period. These achievements are expected to speed up the registration process. These should also minimize resistance to the implementation of the new system.
- Establishment of support and consultancy services for the registration agency were included in the project with the aim of making use of the experience of Hansa Luftbild in updating the cadastral map and aligning the implementation, the operation and the maintenance of the registration system to the new agency. Such a move had the advantage of countering any possible interference by external parties not involved in the study, or the development and the implementation of the system. In the case of Addis Ababa the inclusion of the above mentioned consultancy services allowed the city administration to bring together all components of the project within the required organizational structure of the new agency and to draft the necessary regulations for the registration processes.
- The inclusion of a management service, planned as a 2 year contract was intended to ensure the successful implementation of the new registration system by bringing in relevant international experience in land registration practice and operation. Furthermore, the capacity building process of the local management group by the management consultant was to provide solid operational hands-on know-how, and experience for the taking over of the agency.
- The reorganization of the land administration sector was implemented to create a clear separation between the land sector and other municipal organizations. The creation of a separate land development and management bureau has provided a central authority for the improvement of land administration services and the demarcation of land management responsibilities. In the case of Addis Ababa the bureau is currently responsible for planning and leading property regularization, adjudication of rights and registration processes under one common institutional framework. This ensures the successful implementation of the new system.

**Conclusion**

This paper has analyzed the efforts undertaken by the City Government of Addis Ababa to equally consider and balance the varying demands of the technological, institutional and organizational spheres during the process of implementing a real property registration and land information (cadastre) system. Based on the practical lessons observed, the paper suggests a strategic planning and implementation process that could assist similar projects in the face of a similar confluence of varying demands.

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