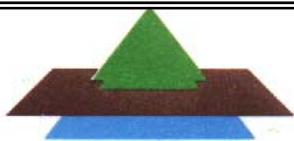


FINAL REPORT OF THE SOCIAL ASSESSMENT

FOR THE
SIX SERVED PROVINCES
AND
TWO UNSERVED PROVINCES
OF THE
LAO PDR LAND TITLING PROJECT



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March 2003

Table of contents

Abbreviations	
Executive Summary	1-58
Introduction	59-61
Status of the project	
Overall purpose and specific objectives of the social assessment	
Overall purpose	
Specific objectives	
Division of the final report	
Chapter One : Summary of the household survey results, interview with bank officials, and financial data in the served provinces	63-74
1.1 Summary of the household survey results	63
1.2 Results from Interview with Bank Officials	67
1.3 Insights from the Household survey and Interviews For Project Design and Implementation	71
1.4 Data on Government revenues	72
Chapter Two : Summary of FGD Result and case studies in served provinces	75-95
2.1. Initial concerned prior to Land Titling	75
2.2. Continuing concerns	75
2.3. Common reasons for wanting and not wanting to have land titles	76
2.4. What they did or would they do with the land titles	76
2.5. Social impacts	76
2.6. Economic impacts	78
2.7. Impact on ethnic groups	80
2.8. Impact on women	84
2.9. Groups that stand to benefit the most	93
2.10 Groups that have not benefited (as yet) from the LTTP	93
Chapter Three : Institutional analysis in served provinces	96-108
3.1 Summary of interviews with the different PFUs	96
3.2 Comments by people on project progress	102
3.3 Summary of discussions with township planning officials	106
Chapter Four : Summary of the household survey results and interviews with bank officials in the unserved provinces	109-113
4.1 Summary of the household survey results	109
4.2 Summary of interviews with Bank officers in the unserved provinces	113

Chapter Five : Summary of finding from the Focused Group discussion in the unserved provinces	114-127
5.1 Aspirations and concerns of villages	114
5.2 Type of disputes and dispute resolution mechanisms in the unserved provinces	117
5.3 Economic changes	118
5.4 Results of women's FGD	118
5.5 Ethnic groups	119
5.6 Risks to ethnic groups	122
5.7 Positive impacts of the Lao PDR Land Titling project	124
5.8 Groups that stand to benefit from these positive effects	125
5.9 Negative impacts of the Lao PDR title project	125
Chapter six : Institutional Analysis in unserved Provinces	128-132
6.1 Capacities of resources available to key institutional stakeholders	128
6.2 Summary of discussion with township planning offices	132
Chapter seven : Implication to Project Design and Recommendations	133-168
7.1 Features in the present project design that led to positive impacts	133
7.2 Continuing concerns	134
7.3 Measures to enhance project benefits	144
7.4 Project affected persons/persons unable to benefit (As yet) from the LLTP /People at risk in the unserved areas	149
7.5 Adjusting project processes	154
7.6 Expanding into the Rural areas : issues for project design delivery	157
7.7 Objectives of LLTP Phase two	168
List of Tables	
Table 1 : Continuing concerns of project beneficiaries and recommendations to address them, served provinces	25-28
Table 2 : Results from the Institutional analysis and recommendations, served provinces	29-37
Table 3 : Measures to enhance project benefits	38-40
Table 4: Groups that have yet to benefit from the LLTP, Served Provinces	41-44
Table 5: Groups that may be negatively affected by the LLTP in the unserved Provinces	45-52
Table 6: Challenges for LLTP in the Rural Areas and Considerations for the Design of Phase II	53-58
Table 7: Accomplishments of the LLTP, Eight provinces, August 31, 2002	59
Table 8: Names on the land title, served provinces	64
Table 9: Summary of land tax collection , Laos 1998- first eight months of 2002	73-74
Table 10: Practices related to the Inheritance of Land, the Naming of conjugal lands and women's land after marriage, and division of poverty in cases of divorce	85
Table 11: Practices related to the inheritance of land, the naming of conjugal lands and women's land after marriage, and division of poverty in cases of divorce (Continuation)	86-87
Table 12: Proportion of Male and Female in PFU Project Staff Served Province	97
Table 13: Names on the land title, unserved provinces	110
Table 14: Comparison of occupation in the served and unserved provinces	137
Table 15: Comparison of educational attainment in the served and unserved provinces	156

Table 16: Challenges for LLTP in the rural areas and considerations for the design of Phase II

159-164

List of Map

62

Served and unserved areas, Lao People's Democratic Republic, Land titling Project

Case Study

Case study 1 : Far and Away Looking for Land

83

Case Study 2 : The Wives Speak

91

Case Study 3 : Conflict over the commons

95

Case Study 4 : Legacy

120

References

ABBREVIATIONS

AFS	Agro Forestry Service
APB	Agricultural Promotion Bank
BCEL	Banque Pour Le Commerce Exterieur Laos
CRS	Customer Relations Services
DAFCO	District Agriculture and Forest Office
DAO	District Administration Office
DOL	Department of Land
DSA	Department of States Assesst
FGDS	Focused Group Discussion
FIAT	Farmer and Irrigated Agriculture Technology
GAD	Gender and Development
GOL	The Government of Laos
GPS	Geographical Positioning System or Global Positioning System
HRD	Human Resources Development
ICC	In Country Course
LA	Land Allocation
LLTP	Lao Land Titling Project
LWU	Local Women's Union
MAF	Ministry of Agriculture and Forest
NGD	National Geographic Department
PAP	Project affected persons
PFU	Project Facilitation Unit
PLO	Provincial Land Office
PMO	Project Management Office
PSU	Project Support Unit
ROSCA	Rotating Credit and Savings Association
ROW	Right of Ways
SA	Social Assessment
SAT	Systematic Adjudication Team
TA	Technical Assistance
TLUC	Temporary Land Use Certificate
UDP	Urban Development Project
UXO	Unexploded Ordinance

EXECUTIVE SUMMARY

The Government of Laos (GOL) has made a long-term commitment to develop an efficient land economy and to facilitate domestic resource mobilization through the titling of lands. Started in July 1997, the project is now in its fifth year. The LLTP has commissioned a social assessment study in all six (6) served provinces and two (2) unserved provinces. The following are the findings and issues raised by the assessment, implications to project design, and recommendations.

I IMPACTS IN THE SERVED PROVINCES

Initial Fears and Expectations:

The social assessment has shown that many of the initial fears of people prior to the commencement of land titling did not happen. These fears relate to:

- Cost of land titling being too expensive for people to afford;
- Time it takes to title lands, that it may be too long.
- Security of tenure, that the title may just be temporary and that they may lose their lands.
- Loss of access, as people fronting the roads fence off their land blocking their neighbors in the interior.
- Loss of land for right of way of various infrastructure projects;
- Boundary disputes that these may persist.
- Gender equality, that conjugal lands and lands that woman inherited or had use rights prior to the marriage, would be titled in the husband's and not the wife's name.

Continuing Concerns

Of these initial concerns, loss of access and concerns over right of way still fester in some villages visited by the Social Assessment.

Loss of land for right of way has been minimized by LLTP project staff mainly in Vientiane Province by repositioning boundary markers to conform with existing settlement and building pattern. Concerns over right of way revolve around the issue of whether the loss would be compensated or not.

There are mixed positions regarding this from the FGDs. A problem related to this is refusal of some title holders to give up part of their land for the widening of village roads that fire trucks will use in case of fire.

Loss of access continue to be a problem as neighbors fence off their property after surveying and adjudication. This can be considered a problem directly caused by the project in tandem with rising land values and improving economic conditions in the urban and peri-urban areas. As value of land rises, people are more worry of the loss of even a minuscule portion of land and immediately fence their property to protect against encroachment. More money circulating in the urban and peri-urban economies makes the fencing using permanent materials possible.

A concern closer to the project is the anxiety felt by some people triggered by not having received their titles and not knowing what the problems with their land use documents were. Supposedly, some have been waiting for three (3) years already. The report proposes measures to address this which will be discussed in the section entitled "Recommendations."

Social and Economic Impacts

Going to impacts, the impacts of the project are generally positive, and most people in the areas covered benefited from the project, although some benefited more than others. Most said that they would have their lands titled even without the LLTP. Only a few in the FGD and some respondents in the household survey gave the opposite answer. The principal reason why people would want to have titles was the opportunity of accessing credit from the bank for business sources. Some replied that they would like to have titles to settle boundary disputes with neighbors. Inversely, the reason why people would not want to have their lands titled was their occupation. They had no business to borrow money for, and they were not planning to start one in the future.

The social impacts of the project cited by the participants in the study are:

- Less disputes:
- Better relations with neighbors.
- Greater security;
- Ease of transferring;
- Greater confidence in entering into transactions;
- More women had their names in the land title;
- Greater understanding of gender equality;

The participants of FGD said that there were less disputes after titling than before.. The LLTP did not title lands unless all disputes were settled. This forced parties in a dispute to come to an agreement prior to intensive project operations like surveying. Dispute resolution was left to the village administration and the housing unit heads. Data comparing the number of disputes in served vis-à-vis unserved provinces support the conclusion that the project indeed reduced the number of disputes. This is also confirmed by interviews with the different PFUs Disputes that were difficult to solve were:

- Disputes over common access
- Disputes related to inheritance.
- Boundary disputes.

A participant mentioned the potential of land titling to increase inheritance disputes because of its irrevocability. Once a transfer is made to a daughter or son and duly recorded at the back of the title, the parent cannot change his or her mind and recall his action. This notwithstanding, disputes over inheritance have been there prior to the project and will continue to emerge long after the project has ended. The driving forces behind such disputes apparently are the rising value of land in the urban and peri-urban area and the expectation of equal treatment due to better education and exposure to other cultures.

Resolution of boundary disputes has promoted better relationships in neighbors. As one participant of the FGD said, having gone through the same process together with the neighbors made it possible to know each other better and improve relations.

People cite that they feel more secure now with their titles, knowing that the land could not be taken away from them. It was also easy transferring land with the title. People also have more confidence entering into land-related transactions.

More women have their names in the land titles than before the project started. Comparison between served and unserved provinces also bears this out. The men said that they did not feel threatened by this development. In fact, they said that they had more understanding and appreciation of gender equality now than before.

To the recipients of land titles, the economic impact of the LLTP are as follows:

- Less time consuming and cheaper than regular government processes for securing other land use rights document'
- Possibility of mortgaging as the principal benefit from land titles;
- Greater access to formal sources of credit.

The LLTP resulted in significant savings in time and money on the part of the beneficiaries. With the LLTP, project beneficiaries said that they were spared the time, trouble, the financial expense of shuffling from one government office to another and waiting interminably for a title. They appreciated the very cheap titling fee of 12,000 kip (US\$1.2). Had the project not been present, people would have paid at least 500,000 kip (US\$50) to acquire a land survey certificate. The project also saved the beneficiaries a yet to be determined sum of money that otherwise would have been used to satisfy rent-seeking behavior.

Observed economic and physical changes in the villages covered by the LLTP were:

- Construction of roads, bridges and flood control facilities;
- Improvement in electric, water, and telephone services;
- Erection of fences;
- Rising land values;

To other stakeholders like the banks, the impacts or benefits of the project area:

- Reliability of the titles,
- Ease in doing credit investigation; and
- Table of values for land and property appraisal and valuation

Data obtained from selected banks showed that there was an noticeable increase in mortgages. Sale and rental value of land is also increasing, especially in fast-growing urban and peri-urban villages. However, it is too early to tell if this is due to land titles. The same can be said with the observed physical changes, except for the erection of fences.

Banks are still accepting other land use documents, and most of their mortgages involve land survey certificates. One bank in Vientiane Prefecture, however, intends to stop accepting land use documents other than land titles once the LLTP has finished its work in the Prefecture.

The expected decrease in loan processing time has not materialized, though ease in doing credit investigation was cited as one of the principal benefits of land titling.

No difference exists between mortgage value for titled lands and lands covered by other land use documents.

The household survey basically confirmed the observation of FGD participants that businessmen and wealthier people would be the first to benefit from land titles. Those who borrowed from the bank in the served provinces had higher income. And they borrowed bigger amounts.

Banks refused to provide data on foreclosures and non-performing loans and levels of delinquency on the grounds of confidentiality. If the FGD participants are to be believed, there are a few who have lost their lands due to inability to pay the loan. The few who did lose their land did so because of vices, extravagant living, and inaccurate estimation of the potentials of the business and of their own ability to manage it.

The FGD participants said that they were cautious about mortgaging their land.

Impact on Women

The project's impact on women were as follows:

More women had their names on the land titles.

The project succeeded in getting more names of women in the land title, a fact confirmed by the household survey in the served provinces. Titles were in the name of women singly or jointly with their husband.

Women felt more secure about their land use rights.

With their names on the land title, the women felt more secure about their rights, and the possibility of transferring these land use rights to their children. Land that they inherited from their parents are sure to remain in their name.

Women felt that they have greater power in decision-making.

With the titles, women felt they had more power in terms of deciding whether to mortgage, sell, or buy land. For jointly owned property, the husband is required to consult them before mortgaging and selling it.

Traditional customs and practices concerning inheritance, the titling of properties, and the division and transfer of conjugal property in cases of divorce and the death of a spouse are still practiced.

The report enumerates the majority of these practices. Long-standing practices are not expected to change overnight.

The participation of women varied in different stages of the project, with surveying and adjudication being a weak spot.

Women's participation in surveying and adjudication left much to be desired. This was due to the:

- Lack of women staff.
- Domination of the village authority by men;
- Technical nature of surveying and adjudication;
- Persistent cultural expectations for women to fulfill traditional gender roles, e.g. household work.
- Variances in the strength of the LWU at the village level;

The institutional analysis showed that female staff comprised an estimated thirty percent (30%), below the recommended forty percent (40%). Many of the women are in administrative position.

The differences in the women's participation is also due to the variations in the strength and activity of and the resources available to the Lao Women's Union (LWU) at the central and local levels.

Problems with the budget of the LWU and with coordination between the organization and the DoL, is also responsible for the variances in performance. Interview with one head of a Project Facilitation Unit (PFU) indicate that while progress has been made, some problems in coordination remain.

Impact on Ethnic Groups

In the process of conducting the SA, the team encountered members of ethnic groups who attended the FGDs.

Some ethnic groups like the Loven have mostly integrated themselves in the mainstream of Lao society. Hmongs in Naphok, a rural village, in Vientiane Prefecture were covered by the project. The SA team also encountered a group of Khmu in Vientiane Province who have not yet benefited from the project and did a case study on them. The case study provided data on the actual and potential impacts to Khmu and ethnic groups with similar agricultural practices. The impacts are:

- Change from shifting cultivators to settled farmers that leads to:
- Removal of flexibility in land allocation among members of the group or the village, which in turn:
- Render impossible the use of some consumption smoothing strategies; and
- Loss of mutual support systems; and the
- Potential loss of culture due to settlement by compulsion.

Impact on Ethnic Women

Ethnic women stand to be disadvantaged by titling because of peculiar traditions related to inheritance and the undeveloped sense of joint or conjugal property, especially among the men. Inheritance practices vary across ethnic groups but they are basically crafted to keep

land and other properties within the clan. These inheritance practices favors son over the daughter and the relatives, parents of husband over the wife.

Inheritance practices and assignment of property rights are dominated by paternalistic notion that the woman is a dependent all her life, first of her family and then of her husband and his clan after marriage. Marriage is an occasion to transfer this responsibility.

These practices pose unique challenges to the LLTP, especially to CRS and SAT.

Be this as it may, ethnic women do have the desire to have rights over properties jointly acquired during marriage, as shown by the case study included in the report. This provides an opening to the project.

Groups that stand to benefit the most

The SA team identified those who benefited or stand to benefit first and more from the project as:

- People with businesses;
- People who know people in the bank are familiar with bank procedures and have experience in borrowing;
- People with high income, as shown in the household survey;
- People living along major and secondary roads, the value of whose lands are higher and whose properties are preferred by the bank as loan guarantee;

They can be one and the same person.

Groups that have not benefited (as yet) from the Project

In summary, those who have not benefited as yet from the project are:

- Occupants of State Lands. A common concern across all six provinces is what would happen to those occupying state lands. Some of these people attended the village meetings but for the absence of a clear government policy on whether they were qualified to obtain land titles, they remained in the dark regarding their status. Some of the occupants of state lands were worried that the government might take back the land. The FGDs and key informant interviews revealed different types of occupants of state lands
 - Those who were allowed by the state to occupy and use state lands, e.g. retired government officials, current government officials.
 - Those who were renting the use of state lands from parties whom the state permitted to stay on state lands;
 - Those who were occupying state lands with no authority whatsoever from the state.
- Aliens (Permanent residents) like Vietnamese, Chinese, Thai and others who have established businesses within Laos and have been using lands for these purposes. These people were asking if they could obtain titles for the lands they were using. Some were renting houses; other had bought houses. Under Lao law, all lands

belonged to the Lao people, and only Lao citizens could have full use land rights over these lands.

- A group of Khmu in Phonhong village, Phonhong district, Vientiane Province who had been unable to get a land tax declaration for the last ten (10) years.
- Other similarly situated ethnic groups who practice shifting cultivation and have no land acquisition papers.
- People living in lands that were formerly for common use. An example are the lakeshore farmers in Vientiane Province whose story is narrated below.
- Heirs of those who fled after 1975 and those presently occupying their land. Pending approval of policies over their land use rights, these groups are still uncertain about their land use rights.

II INSTITUTIONAL ANALYSIS/COMMENTS ON PROJECT PROCESSES

The substance for the institutional analysis was obtained from interviews with the heads or deputy heads of PFUs in all the served provinces and the comments that the villagers made regarding project processes and staff during the FGDs. The results of the institutional analyses were:

PFUs

- Lack of qualified project staff. These had consequences in project implementation such as:
 - Slowdown in project implementation;
 - Lapses in the quality of project delivery as PFUs coped with the lack and sought to meet set targets;
- Gender composition of project staff in the men's favor. More women are in administrative work than in field operations.
- Skills and qualifications of project staff still leave much to be desired but staff turnover has been lesser now.
- Training of staff in equipment and procedures delayed project implementation.
- Project staff were careless and did not comply with the Manual of Operations. In some cases, their decorum left much to be desired.
- In Luang Prabang, there was delay in disbursement of project budgets.
- Collaboration with other stakeholders were good. However, the problem between the project's CRS unit and the LWU over the timely release and use of funds is still there.
- Coordination can be improved between PSU and the PFU.

- Coordination need to be improved between PSU and TA because their instructions at times conflicted with one another, e.g Technical Audit, photomap.
- The LLTP still needed policies to address the issue of state land users and foreigners.
- Conclusion process is a bottleneck.

Comments on project processes varied across provinces. This is understandable, as in some of the villages visited by the SA team, land tilting has just begun recently.

Some of the less than positive remarks centered on:

- FGDs for village administration gave the impression that the length of the orientation for the village administration varied from the supposed fifteen (15) days to three (3) days
- CRS activities were not also standard, with some villages having only one meeting while others having several meetings at housing unit or sub-village levels and for specific groups.
- The lack of involvement of village women and administration in surveying and adjudication. The project staff at time omitted getting the signatures of the wives for the adjudication form covering the land parcel.
- The project dealt only with the household during adjudication. The neighbors should be involved. (Vientiane Prefecture)
- Conflicting instructions from project staff and different survey results.
- Decorum and quality of work of project staff. In one village, project staff were rushing the work, forgetting to sign the certification and certifying the land, leaving villagers uncertain about their land; loss of documents by the project staff in one village in Vientiane Prefecture.

Common recommendations across the FGDS were:

- Inclusion of township planning officials in the SAT;
- Inclusion of legal specialists in the SAT;
- Use of seals and stamps similar to those in passports in the land title;
- Encouraging banks to conduct CRS on their lending products and services.

The detailed comments and recommendations of the PFU and the villagers are found on Table 2 at the end of this Executive Summary

Township Planning Department

The SA also interviewed Township Planning officials in the served provinces because they are key institutional stakeholders in the LLTP. Also, a common recommendation of FGD participants was to involve them in the project team and to tighten coordination between Township Planning and the LLTP.

The main points of the interviews were:

- Coordination was said to be better now between DoL and Township Planning.

Coordination was to be better now between Township Planning Officials and the DoL. In the past (mid 1990s). because there was lack of coordination between the Department of Land (DoL) and the Township Planning offices, certain areas like those reserved for government purposes in Vientiane Prefecture were covered by land survey certificates. But the project has to bring in a new stakeholder in the urban areas, the Urban Development Project (UDP). The UDP had taken over the issuance of building permits from the Township Planning Office in Vientiane Province Vientiane Province, Khammouane, Savannakhet, and Champasack.

- Agreement between LLTP and Township Planning regarding ROW

In Vientiane Province, the Township Planning officials and the LLTP have forged an agreement regarding the boundaries of the land parcel. If the building were constructed before the Township Planning Acknowledgement, the existing boundaries would be retained even though they overlapped with the right of way (ROW). However, new constructions would follow the regulations of the Township Planning Office.

In Luang Prabang district, right of way was not a problem since the district has been declared a World Heritage Site. The historical buildings would be maintained as usual. Only renovations were allowed. For these reasons, coordination was tight between the different government departments in the province. New buildings and the expansion of the roads would be done in the peri-urban areas.

In Champasack, the Project Manager of the Township Planning said that there were *initial* problems between LLTP practices and the township plans in Savannakhet. The township plans measured from the middle of the road to the ROW. The LLTP placed the boundary marker after the drainage. If the township plans were to be followed, the boundary markers would be placed inside the building, as what happened in Savannakhet province. This has since been settled by placing the markers according to the present boundaries of the structures.

- Mixed Views regarding Compensation for those who Lost Lands due to ROW.

Responses to the question on compensation varied across interviewees. One township official said that the people affected by ROW would be compensated either in land or in cash. Compensation would be based on a rate determined by the Township Planning Office. The Table of Values developed by the LLTP would not be used because it was based on market value and was too high. The government did not have enough budget to compensate people. In Vientiane Province, the Table of Values was still being prepared. For lack of budget, one Chief of the Housing and Urban Planning Office said that people would be encouraged and mobilized to part with their lands because any way the construction would benefit them. According to the UDP Chief of another province, government might compensate those project affected persons (PAP) who really needed help.

- Easier and faster to get building permits with the LLTP

The LLTP made it easier to secure a building permit. Previously, an applicant needed a land survey certificate to get a building permit. The process of getting one was time-consuming and costly, because the applicant would need to have his land surveyed for this purpose.

Because of the expense, many decided to construct without the permit, preventing the government from overseeing the process and depriving it of revenues.

Be this as it may, the process, requirements, an cost for getting a building can still be streamlined. In residential areas, the number of building permits have not been so numerous because of the complicated application process, the time needed for an application to be approved, and the cost of getting the building design approved.

III POTENTIAL IMPACTS AND RISKS IN THE UNSERVED PROVINCES

Concerns and Aspirations

Similar to those in the served provinces, the villagers were concerned about:

- The cost of land titling;
- The participatory character of the process, especially accuracy of surveying and the fairness of adjudication;
- The quality of project staff that would be assigned to their villages;
- The participation of women in the land titling process and their right to inherit land and to have their names included in the titles for conjugal land;
- Concerns over common or village access to roads;
- Right of way for public infrastructure projects and compensation for project affected persons;
- The coordination between different government offices, especially the LLTP, Township Planning, and the Water and Sewerage sectors;
- Not getting a title because of gaps in documentation and existing boundary disputes;
- Concern over encroachment into common village lands and buffer zones;
- Disputes over inheritance; and
- Disputes over lands left behind by those who fled the country or migrated to other villages, over lands formerly under the administration of cooperatives, and over state land ownership

Strong Demand for Land Titling

The reasons frequently given during the FGDs for wanting to have titles were:

- Avoidance/lessening of land disputes as land boundaries would be defined more accurately;
- Greater security because with a title, the land could not be taken away by other parties;
- Opportunity to do mortgaging with the banks and greater eases in doing so because of the greater confidence generated by the possession of land titles.
- Fuller utilization of the land. Because of greater security and access to larger and cheaper sources of capital, they could fully utilize the land, start new businesses, send children to school, pay debts, and finance medical expenses.
- Increase in rents. Because of greater security, the landowners were expected to increase the rents they charge for the use of the land.

- Ease in dividing a land for inheritance to children and in cases of divorce because of the distinction between and separate titling of conjugal and pre-nuptial properties of the spouses.

Hardly anyone said that he did not want a title. A handful said that land titles were good if a person had a business and had to borrow from the bank.

The household surveyed showed that more than eighty seven percent (87%) of the total respondents said that they wanted to have their lands titled. The reasons frequently given were:

- Possibility of using the title as guarantee for bank loans
- Greater security;

Those who said that they did not want reasoned out that they had no business and that they had no need to borrow money from the bank.

Expected Benefits from the LLTP:

The villagers, especially those in urban villages, expected economic activity to rise after land titling:

- More outsiders, especially tourists coming into the area;
- Conversion of agricultural land to residential and commercial uses,
- Increase in rental rates;
- More banks coming into the area and lending money and providing competition to informal moneylenders;
- Increase in the sale and mortgage values of land;
- More businesses opening;
- Increased competition among these businesses;
- More investments in farms;
- Increased productivity of farms as more machinery and better technology are introduced;
- Higher wages; and
- Improved land tax collection because of more accurate measurement of land sizes and the number of parcels actually owned by a person.

Interview with some bank officials in the two provinces said the same things. The LLTP would lead to more people mortgaging their lands. It would facilitate credit investigation and loan approvals. One bank official expressed concerned that greater access to formal credit might be hindered by the high mortgage registration fee charged in Luang Namtha. The fee charged in Luang Namtha was six percent (6%) of the loan amount.. In other provinces, the fee was only one percent (1%) of the loan amount.

Type of Disputes in the Unserved Provinces and Dispute Resolution Mechanisms

Most commonly cited land-related disputes in the unserved provinces were:

- Inheritance.

- Boundary disputes between Individuals and Villages
- Competing claims over use rights between occupants and previous users.
- Disputes between state authorities and occupants and users of state lands.

The boundary disputes resulted from the following:

- Disappearance over time of “natural” markers such as trees and canals;
- Disputed and allegedly inaccurate measurements done by the district land office in the past for tax purposes; and
- Creeping encroachment into village lands, buffer zones, and neighboring lands.

Similarly, villages are in dispute with other villages over the proper boundaries. These disputes were brought to the district authorities.

There were also lands in one district of Oudomxay that the state had taken under its program of cooperative farming from long-standing tillers and approved the use of these for others. With the end of the program, state authorities had ordered the return of the lands to its previous tillers; many have regained their lands; some have not. Laolum farmers were said to have returned the lands to their former cultivators but Laosung and Laotheung farmers had not. This has breed resentment and tension.

Disputes were happening between descendents of the original or former cultivators and those that were given permission to use the land as a result of cooperative farming.

Dispute resolution normally started within the household or clan. Conflicts over inheritance are initially kept “within the family or clan” and only later, when the differences proved intractable, do the disputants raise the conflict to the housing unit heads. If the housing unit heads could not resolve the conflicts, the dispute was brought to the attention of village heads, elders, or the front organizations such as the women’s union. If the conflict remained unresolved at this level, the matter was finally brought to court.

These dispute resolution mechanisms can be used for individuals in conflict but they cannot address disputes requiring policy issues, e.g. status of those who fled and those occupying state lands. Conflicts between villages would have to be resolved at the district and provincial levels.

Economic Changes

There has been noticeable economic changes happening in the villages where the SA was conducted. These are;

- Steady rise in land values;
- Increasing presence of banks;

The presence of banks encouraged more people to mortgage their lands to finance a business, purchase agricultural inputs, and pay off debts. Mortgaging became a better alternative to selling or borrowing from informal moneylenders because of the lower interest

rates. With access to capital, the people in peri-urban areas were more inclined to stay permanently in the area rather than sell their land and move elsewhere.

Status, Aspirations, and Involvement of Women in Community Activities

Women participants in the FGDs shared the following insights on their condition, status, and concerns:

- Customary practices in the transfer of land use rights remain strong
- Increasingly expanding participation and role of women, especially the ethnic Lao women, in household decision-making due to better education;
- More land use documents in the name of women than before
- Concerns over their land use rights being recognized and to see their names on the title
- That they be consulted separately;
- Interest in participating in the project
- Recommendation to have women in the project staff.
- Participation of women in community activities still lag behind that of Men because of traditional expectations about the role of women.

Customs still play an important role in transferring the land as inheritance. Results from the women's FGD showed that long-standing customs continued to wield considerable influence in how land was divided and/or transferred by inheritance, marriage, and divorce.

In all of the villages, participants in the women FGD concurred that women, especially of the dominant Laolum majority, have a greater role and participation in decision-making regarding the mortgaging and selling land. Some of the participants attribute this to better education of present-day women as compared with their mothers and grandmothers and to women's greater access to information coming from outside their villages. According to them, more parcels of land are in the name of women compared with four to five years ago.

While the role of women in the household has expanded, their participation in community development activities has lagged behind that of men, according to representatives of the Lao Women's Union. Men still outnumber women in the village administration, and often their only avenue of participating in community's activities is through the LWU. Many are not active at all in the LWU.

Ethnic Groups:

Issues relating to ethnicity emerged in the FGDs in the unserved provinces, relating specifically to the Tai Dam subgroup, the Ikor (called Akha in Thailand), the Yuan, the Hmong and Khumus. Inheritance practices among the Yuan and the Tai Dam resembles that of the dominant Lao population. A case study was made on a Hmong farmer and his two wives in Oudomxay entitled "Legacy." It provides a snapshot of gender relations, household management, control of household resources, inheritance practice and their rationale. Customary practices regarding the inheritance of land favor men over women. Women are said to have almost no participation in decision-making over the use of lands. This Hmong farmer plans to bequeath the land and properties to his eldest son and to leave to the decision of apportioning the properties among his brothers, half-brothers, sisters, and half-

sisters. The farmer does not intend to give land use rights to any of his two wives because of the possibility of divorce.

The LLTP is expected to have a strong impact on the assignment of property rights and on gender relations in the household. One of the risks is provoking conflicts between husband and wives, among the wives, and among the children of different mothers. There are also other risks, derived largely from the *Draft Existing Land Tenure and Forest Land Study*. These are:

Economic Risks:

- Less sufficiency and at the extreme, landlessness due to selling of land. Ethnic groups may be enticed by the high property value;
- Concentration of land among the affluent leaving poorer people landless;
- Loss of land due to inability to use loans well. Access to formal sources of credit may entice ethnic groups to borrow, without understanding the implications and the ability to use the loan well;
- Reduced family income because of the reduced amount of land put under the plow to avoid penalties imposed by the Land Law (Article 57)
- Creation of class of landless rural workers and renters who are unable to purchase land because of high prices; and
- Loss of revenues for the government as people avoid paying transaction fees because they are perceived to be too high.

Cultural Risks:

- No more land for children to inherit, as parents sell the land to take advantage of high prices;
- Increase in land-related conflicts within the family because of rising value of land. This can erode harmony within clans and families;
- Changes in the way land is transferred to the next generation. Land would be divided equally among children. The resulting smaller pieces may lead to decline in productivity, and encourage the next generation to sell, rather than use it for agriculture;
- Loss of flexibility in managing land;
- Weakening of the mutual support system, e.g. the way ethnic groups allocate land among poorer members of the village; and
- Loss of culture due to selling of land and subsequent migration into rural and urban towns;

Social Risks:

- Conflicts with other villages as result of migration or resettlement by compulsion;
- Widening of the gap between rich and poor;
- Women may lose rights to land if they are not aware of their rights;
- Social problems, e.g. various kinds of addiction, vices, prostitution affecting ethnic groups in their new settlements; and
- Reduced opportunities for rural family to buy land because of high prices.

Potential Impacts of the Laos Land Titling Project and Project Affected Groups

The SA identified other potential direct and indirect impacts of the LLTP

Direct Positive Impacts:

- Less disputes and greater security;
- Greater security would lead to fuller utilization of the land and increase in employment;
- Higher mortgage, selling, and lease value of land due to improvement, optimization of existing uses, and conversion into more financially and economically rewarding uses;
- Greater revenues for government;

Indirect Positive Impacts

- Better electricity, water services, and infrastructure;
- More off-farm businesses would tip agricultural sharing arrangements in favor of the land owner;
- Improve productivity of the Contractor. A diminished share would incite agricultural contractors to improve their productivity by investing in better seeds and labor-saving farm machinery.

Groups that Stand to Benefit from these Positive Impacts.

The social assessment identified those groups that would stand to benefit from the direct and indirect impacts of the project. These were:

- Villagers whose lands and houses were located along major and secondary roads as banks preferred to lend to these people. Their businesses stood a better chance of flourishing than those in the interior because of the expected increase in traffic and commerce along the roads;

- Farmers cultivating wet, well-watered or irrigated, paddy fields. Banks normally did not approve loans to farmers cultivating dry, upland farms dependent on the rain for irrigation;
- Households owning several parcels of land. With a wider asset base, these households could mortgage one or two pieces and take advantage of emerging economic opportunities. Loss, if that indeed happened, would not severely affect the family's economic standing and consumption patterns.

Direct Negative Impacts

- Potential loss of land use rights of certain groups. These groups are identified below under groups that risk being negatively affected.
- Tensions within the community between occupants of state lands and state officials, former cultivators and present occupants of Lands formerly under cooperatives, between the heirs of those who Fled after 1975 and the Present Users. The tensions arise from efforts to regain the lands.

Indirect Negative Impacts.

- Increased incidence of encroachment into forest and communal lands and privatization of their use. Rising land values could increase the incidence of encroachment into forest and communal village lands and the privatization of their use for the benefit of a few.
- Indiscriminate conversion of agricultural land into other uses.
- Loss of employment for those in the agricultural sector who depend heavily on selling their labor.
- Possibility of increased loan defaults.
- Right of way problems.
- Increased drug-related crimes, business related disputes. While they have their benefits, the influx of outsiders, the greater mobility of people, and economic growth are feared to cause other social problems such as drug addiction, rise in drug-related crimes, and increased number of business-related disputes.

Groups that Risk Being Negatively Affected by the Project.

From the FGD results in the unserved provinces, the LLTP could cause the loss of land use rights, and even landlessness and/or homelessness of the following groups:

- People who fled the country after 1975 and have returned claiming back their land.

- Descendants of earlier users of land who are seeking a return of their parents' land now being tilled by someone else as a result of the defunct cooperative farming program of the government.
- People presently occupying the land of these soldiers and those who left the village and have made improvements in the meantime and who have acquired written proofs of land use rights such as a tax declaration.
- People presently occupying the land of those who fled the country after 1975;
- People presently occupying and tilling the land by virtue of the defunct cooperative farming scheme of the government.
- Persons occupying state lands who have been temporarily allowed to stay there by state authorities but are now being asked to leave. Examples are teachers in Xiengnuen village, Xing District, in Luang Namtha province, who have built houses made of permanent materials on school lands with the permission of district education authorities but are now being asked to vacate the premises.
- Ethnic groups like the Khmu and the Hmong whose farming practices would change.
- Women belonging to ethnic groups like the Ikor, Hmong, and Khmu who by custom, do not have rights to land. Conjugal land is normally titled in the name of the man.
- Hmong women, especially wives of polygamous husband.
- Landless farm workers who depend on farm labor. They risk being displaced and losing their source of livelihood if agricultural lands are indiscriminately converted to other uses.
- Poorer members of the village like the landless who depend much more on the use of common farming and grazing lands can be negatively affected by the "privatization" of these areas.

IV INSTITUTIONAL ANALYSIS

The SA team conducted a rapid institutional analysis of the Provincial Land Offices and Provincial Agriculture and Forestry Offices of Luang Namtha and Oudomxay. The objective of the study was to find out if there were enough qualified people to staff the project once it was implemented in full in the two provinces. The institutional analysis looked at the availability of equipment and the information needed by the LLTP. The findings were:

Provincial Land Offices

- Lack of qualified staff in the PLO

The Head of the Provincial Land Office (PLO) in Luang Namtha said that they would have to increase their personnel complement by fifty percent (50%) if the project were implemented immediately. Most the staff had backgrounds in finance.

In both PLOs, none of the staff was trained in doing ground survey, let alone photo mapping. None of them knew how to use ground surveying and photo mapping equipment. No one had formal training in dispute resolution.

In Luang Namtha, no one among the staff had formal training in the use of the computer. Most learned by observation and hands-on.

- members of ethnic groups.

In Luang Namtha, some of the project staff were ethnic minorities who could speak the languages of the different ethnic groups. In Oudomxay, twenty percent (20%) of the Land Office staff came from ethnic minorities who could speak the languages of the different ethnic groups.

The head and the deputy head of Oudomxay's Land Office came from ethnic groups. The head was Hmong and his deputy Lao Theung. Thus, they were familiar with the culture of the different ethnic groups.

- Predominantly male staff in the PLO.

In terms of gender composition, only two (2) out of the combined fifteen people (15) in the PLO of the two provinces were female.

- Familiarity with the LLTP

One thing going for the staff of the PLOs was their familiarity with the LLTP, having implemented pilots in both provinces. Some of the Land Office staff In Oudomxay were involved in the CRS campaign for the LLTP pilot. Thus, almost eighty percent (80%) of the staff was familiar with land laws, policies, and decrees of the government

- No equipment for ground survey and few vehicles.

Both PLOs had no equipment to do ground surveys and photo mapping. Both PLOs had a few motorbikes. The PLO Head of Luang Namtha described them to be unsuitable for use in the rural areas.

- Lack of computers and communication equipment.

In both Land Offices, there was only one (1) computer used by the Division of Finance for printing letters and reports. No one among the staff had formal training in the use of the computer. Most learned by observation and hands-on.

Both Land Offices had only one telephone line. It was easy to communicate with the Central Office but difficult to communicate with the rural villages

- No up-to-date information on land transactions.

Both Land Offices had up-to-date information on the number of villages (urban and around the district), the number of parcels in the different districts, and land tax collections.

Unfortunately, they had no up to date data on land-related transactions. Land-related transactions were kept in the *In-Out Document Registration Book*. Transaction data were not stored in computers.

Agriculture and Forestry Offices

The findings for the Agriculture and Forestry (AF) Offices in both provinces were:

- Generally better staffed.

The AF Offices in both provinces were generally better staffed than the PLOs. The Luang Namtha Office had sixty nine (69) people while the Oudomxay Office had seventy six (76) people.

- Predominantly male.

The AF in Oudomxay had a few women but most of them were working in administration. Less than ten percent (10%) were working in the field.

In Luang Namtha, two (2) women worked in technical jobs. The rest were in administration.

- Members of ethnic groups

One (1) employee in the Luang Namtha office was a highlander belonging to the Hmong ethnic group. He could speak the Hmong language and was familiar with the traditions and practices of his people.

- Better educated.

A number of the AF staff in Luang Namtha graduated from university in the field of agriculture and forestry. Every year, the office received scholarships to take short and long term training courses in Japan, Malaysia, Thailand, and China.

The AF Head of Oudomxay said that half of his staff had medium-diploma, forty percent (40%) had high diploma, and ten percent (10%) had a masters' degree. Every year, the office received scholarships to take short and long term training courses in different countries.

- An employee trained in GPS and CRS

Both AF Offices had an employee who underwent training in the use of the Global Positioning System (GPS) utility in Vientiane.

Both offices had people trained in Customer Relations Services organized by FIAT. The training was for the implementation of irrigation projects.

- No training in dispute resolution

None of the staff in both AF offices had undergone formal training in conflict resolution. Instead they relied on their experience to resolve disputes.

- Familiar with the LLTP

Some of the AF technical staff in both provinces had worked with the LLTP pilots as surveyors.

- No equipment for ground survey.

Both AF offices had no equipment to conduct ground survey. It did not have people who were skilled in operating these equipments.

- Better equipment and familiarity with computers

Both AF offices had computers, and people who went through a full computer course in school.

Both offices also had a facsimile machine, and at the time of the interview, the both offices were expecting the installation of electronic mail facilities.

- No records of land use documents

Both offices did not keep records on Temporary Land Use Certificates and Land Survey Certificates. This was said to be the responsibility of the Land Office.

The conclusions arising from analyzing the capacities of the PLOs and AFS in the two unserved provinces are:

Absence of Up-to-Data Poses a challenge to adjudication

The absence of up-to-data on land transactions poses a challenge to the SAT once project implementation begins. Data available are not stored in the computer.

Improve Quantity and Quality of Human Resources

In general, the PLOs would need to scale up its operations by hiring more people once the LLTP goes into full gear in the two provinces. They would have to hire more women and technical people. Some of the staff would have to be trained in surveying and in conflict resolution.

Improve Logistics

The PLOs would need the right vehicles, computers, and more telephone lines and other communication equipment.

Involve AF People

The study revealed that some skills needed in the LLTP are present among AF staff. The LLTP ought to consider tapping them. Some AF staff are familiar with the LLTP, having served as surveyors in the LLTP pilots being implemented in the two provinces.

Township planning department

The main points raised in the interview with Township Planning Officials were:

- Less right of way issues and better project design and implementation in the unserved provinces

A township planning official interviewed thought that the LLTP would not encounter the same ROW problems as in the served areas because the ROW had been identified and setup in the peri-urban areas. There would not be a problem because there were less buildings in the peri-urban and rural areas than in the urban areas. According to another official, the experience and the lessons learned from the implementation of the LLTP in the six served provinces would be of enormous help once the LLTP was implemented in Oudomxay.

- Faster and easier processing of building permit applications

Like in the served provinces, the land title was expected to speed up the process of issuing building permits.

V . IMPLICATIONS TO AND RECOMMENDATIONS FOR PROJECT DESIGN AND DELIVERY

The report ends with a chapter on the implications of the findings and recommendations for the design for Phase II. The impacts are presented as issues, and recommendations to address them follow. Features of project design that led to the positive impacts are also discussed. It also discusses peculiar challenges that the LLTP faces in the unserved provinces and in the rural areas. At the end, it discusses the merits and demerits of expanding into rural areas and proposes two sets of criteria for expansion.

Features of Project Design that Led to Positive Impacts:

The following were the features of project design that led to positive impacts:

- Use of posters, slideshows, radio and television ads, and lectures;
- Meetings and leaflets helped people understand the benefits and risks of having a title;
- Deployment of women to conduct CRS/GAD activities, and to some extent, surveying and adjudication.
- Special meetings for women
- Systematic Adjudication
- SATs left dispute resolution to the village administration.
- Participatory process used;

- Low cost of the titling fee

Issues Raised and Recommendations

The concerns and impacts that were raised during the SA were presented as issues and recommendations made.

The issues presented were:

- Increasing the efficiency of the titling process;
- Problems with common access and concerns over right of way
- Translating confidence provided by the land title into greater access to credit
- Enhancing the participation of women
- Addressing security of tenure issues for various groups like occupants of state lands, long-staying foreigners, those who fled after 1975 and migrated after 1992, and those affected by the cooperative farming scheme
- Ensuring that ethnic groups also benefit or are not negatively affected by the LLTP
- Ensuring that ethnic women would not be disadvantaged
- Adjusting project processes like CRS and SAT.

The details are placed in a matrix below, from Tables 1 to 5. The recommendations made by the villagers, the PFUs, and the SA teams are tabulated alongside the detailed findings.

Factors to consider in expanding to rural areas:

The chapter ends with some considerations on expanding into rural areas. There are several factors that have to bear in mind in the proposed expansion of the project in the rural areas:

- The different social economic situation. There are poorer people in the rural areas.
- Obviously a lot more people are into farming in the rural areas.
- From this follows that more people depend on the land for living. They are also more dependent on it as an asset and factor of production than are urban dwellers.
- The rhythm of life follows closely the weather and the planting cycle of dry and wet seasons.
- The weather is more extreme, and protective measures are less sophisticated.
- The resource base is also more fragile, easily destroyed but not as readily rehabilitated.
- There are a lot more ethnic people in the rural area both in number and variety. There are different types of relationship to the land.

- It follows that there are different practices related to the transfer, ownership and use of the land. Certain concepts taken for granted in the urban villages have no equivalent with some ethnic groups, e. g. conjugal property.
- The size of the land and number of parcels are different. There are less parcels but they are bigger, and distances are greater between them.
- The parcels are less accessible. The roads are rough, or they may not be any road at all. The roads may be impassable during the rainy season.
- Because of their inaccessibility and remoteness, the people are less integrated in the mainstream of political, social, and economic life.
- As the household survey and literature showed, people are less well educated in the rural areas.
- They don't enjoy the same level and quality of services like electricity, water communication, information and entertainment, as others.
- Traditional ways of life and gender roles and relations are more entrenched in the rural areas.
- State presence and capacity are not as strong.
- The rural areas face other issues like the opium trade, unexploded ordinance, and deforestation.

In general, people in the rural areas are more vulnerable to changes like the LLTP. There are also conflicts generated by the defunct cooperative scheme and by occupation of state lands.

Implications for project design and delivery:

The implications of these factors to project design and delivery are found on Table 6 at the end of this Executive Summary.

Criteria for expansion

Finally, upon the request of the Project Management Office, the SA team developed two sets of criteria to guide decision-making in which villages to expand. The criteria are as follows:

Recommendation 1: General Criteria.

- Areas experiencing high economic growth, population growth, and rapid conversion of land use from agricultural to residential and commercial;
- Areas where land is rapidly increasing in value;
- Areas where many land transactions are taking place;
- Areas where good township or land use planning has been done or is being done;

- Areas targeted by the government for township development or focal site development;
- Areas that are “strategically located” like border crossing points, trading centers, transit areas, and site for strategic infrastructure like river ports and airports

Recommendation 2: Rural Areas:

- Areas where agricultural land use planning has been done, meaning the areas where farm-to-market roads, irrigation canals, post-harvest facilities will be built.
- Rural areas where critical agricultural infrastructure have been built or substantially completed;
- Rural areas with a large number of primary and secondary roads crisscrossing it;
- Rural areas that have undergone previous measurement by the Ministry of Agriculture and Forestry;
- Rural areas that are extensively serviced by formal financial institutions as indicated by the number of banks operating or have services in the area, loan sizes, and number of mortgages.

Both sets of criteria target those areas where:

- A substantial land market already exists;
- Land disputes are likely to occur in the near future;
- Government can generate the largest revenues; and
- Project implementation can proceed more easily, i.e. no problem with accessibility.

The report ends with three recommendations:

- To saturate the urban and peri-urban areas of both the served and unserved provinces.
- To improve and finish the land Allocation being done by the MAF in agricultural areas:
- To include poverty reduction as an objective of Phase II.
- To include security of tenure as an objective of Phase II

**Table 1:
Continuing Concerns of Project Beneficiaries and Recommendations to Address Them
Served Provinces**

	Recommendations from the Villagers (if indicated, they are suggestions made also by Project staff)	Recommendations from SA Team
<p>Efficiency of the Titling Process</p> <ul style="list-style-type: none"> • Anxiety due to Non-Issuance of Titles and No Updates on their Documents • Perceived Delays in Conclusion; • Other causes of delays in the Titling Process like Disputes and Boundary Markers not placed 	<ul style="list-style-type: none"> • Classification of documents for the title into A: no problems; B: minor problems; C: major problems.(Project) • Different performance targets and time frame for rural and urban areas to reflect the difference. (Project) • Include a legal specialist in SAT to hasten settlement of disputes. 	<ul style="list-style-type: none"> • Better CRS on boundary marking • Post-adjudication CRS <p>For delays in the Conclusion</p> <ul style="list-style-type: none"> • Delineate which problems should be solved at the field level and which should be raised to Provincial Conclusion Committees. Ensure issues are solved at the appropriate level and not passed on to the next stages. • Adopt positive silence approaches. <p>Project Scheduling to Promote Efficiency</p> <ul style="list-style-type: none"> • Craft a realistic time frame for rural and urban areas and stick to it. Schedule project activities according to the characteristic of the area; • Adopt efficient surveying and mapping technologies. <p>Addressing Disputes that Delay the Titling Process</p> <ul style="list-style-type: none"> • Expansion of Initial Meeting with Village Administration into a Rapid Assessment • Use the intervening period between the rapid assessment and first village meeting to contact absentee owners, resolve boundary disputes, and encourage people to prepare land acquisition documents. • Training in Dispute Resolution for Village Administration • Update SAT on the latest policies to better advice people on how to handle disputes.

**Table 1:
Continuing Concerns of Project Beneficiaries and Recommendations to Address Them
Served Provinces**

	Recommendations from the Villagers (if indicated, they are suggestions made also by Project staff)	Recommendations from SA Team
Continuing Concerns		
Problems with Common Access Roads: <ul style="list-style-type: none"> • Fencing off property • Disagreements over contribution to road widening 	<ul style="list-style-type: none"> • Include Township Planning people in Pre-Adjudication activities. • Include a legal specialist in the project staff 	<ul style="list-style-type: none"> • Expansion of Initial Meeting with the Village Administration into a Rapid Assessment and Scoping: ocular inspection to identify areas where common access problems are bound to occur. • Emphasize that CRS is also a Venue for Participatory Community Problem Identification, Analysis, and Solving • Tighten coordination between Township Planning and LLTP • Train Village Administration and Respected Villagers in Dispute Resolution If loss is inevitable: <ul style="list-style-type: none"> • Ensure that a household is not unfairly penalized by having more lands taken from them and provide compensation. LLTP and township planning to sit as observers in the meeting and to document the process and the results

**Table 1:
Continuing Concerns of Project Beneficiaries and Recommendations to Address Them
Served Provinces
(Continuation)**

	Recommendations from the Villagers (if indicated, they are suggestions made also by Project staff)	Recommendations from SA Team
Continuing Concerns		
Right of Way Issues: <ul style="list-style-type: none"> • Loss of land • Possibility of Compensation 	<ul style="list-style-type: none"> • Concerned officials should explain township plans, ROW issues and compensation scheme clearly to the villagers. • Those who lost land due ROW should be compensated. Compensation should match the person's loss and not handed out equally. • Recognize the contribution of people to access roads for posterity • The land titling team should come in tandem with personnel from the township planning office, with those involved in road and bridge construction, and legal specialists to explain township plans, and settle ROW and boundary issues. 	<ul style="list-style-type: none"> • Be aware of the township plans. Better <i>on the ground, field-level</i> coordination between the LLTP and township planning office. • In long-settled, large settlements (usually in urban areas), it is recommended that titling follow the pattern of settlements. Buildings should be titled "as is, where is" • In peri-urban areas, less densely populated areas or new township developments, titling should follow road right of way defined in finalized township plans. • Those that lose portions of their land to ROW should be taxed according to the new and not the previous land area.

**Table 1:
Continuing Concerns of Project Beneficiaries and Recommendations to Address Them
Served Provinces
(Continuation)**

	Recommendations from the Villagers (if indicated, they are suggestions made also by Project staff)	Recommendations from SA Team
Continuing Concerns		
Right of Way Issues: <ul style="list-style-type: none"> • Loss of land • Possibility of Compensation 	<ul style="list-style-type: none"> • Compensate with land in the peri-urban areas those who after deducting ROW have only 4 meter x 10 meter of land or less left. (Township Planning) • Compensate with land in the peri-urban areas those who lost lands measuring 1000 square meters. (Township planning). 	<ul style="list-style-type: none"> • In peri-urban areas, less densely populated areas or new township developments, titling should follow road right of way defined in finalized township plans. • Develop criteria when a household would have to be resettled or not. Criteria could include the <i>size of the affected land, magnitude of loss</i>, i.e. if loss is only 10%, compensate monetarily, if 50% of land or more, resettle with land of equal quality and same access to basic social services and economic opportunities. Resettlement, however, should be the last resort.

**Table 2:
Results from the Institutional Analysis and Recommendations
Served Provinces**

	Recommendations from the Villagers (if indicated, they are suggestions made also by Project staff)	Recommendations from SA Team
Institutional Analysis/Comments on Specific Project Processes		
Variations in CRS Delivery: <ul style="list-style-type: none"> • In some places, one big meeting only; in others several meetings tailored to the needs of a particular group like ethnic minorities. • Perceptions that CRS is being rushed. 	<ul style="list-style-type: none"> • Visual aids, television and radio ads, posters very helpful. • Spend more time in CRS. • Information campaign on banks, land tax computation, and land registration process and computation of land transaction registration fee 	<ul style="list-style-type: none"> • Not just one meeting but several tailored to the specific needs of the audience or group. Conduct meetings at the sub-village or housing unit levels. • Hold meetings at the village itself • Carefully monitor village meetings and other CRS activities and immediately submit results to Monitoring Unit. The monitoring unit should quickly analyze and provided feedback. • Schedule meetings when people are available. • Provide continuous, just-in-time, on the job training and refresher courses. • Ensure that heads and deputy heads of village front organizations attend the initial meeting between the project and the village administration. • Explore the possibility of tapping good village administration officials as trainers.

**Table 2;
Results of the Institutional Analysis and Recommendations
Served Provinces**

	Recommendations from the Villagers (if indicated, they are suggestions made also by Project staff)	Recommendations from SA Team
<p>Institutional Analysis/Comments on Specific Project Processes</p>		
<p>Surveying and Adjudication</p> <p>Variations in the performance of surveying team such as:</p> <ul style="list-style-type: none"> • Different instructions given by staff; • Different measures; <p>Perceptions that SAT was rushing its work leading to omissions like:</p> <ul style="list-style-type: none"> • Failure to certify land area; • Sign adjudication paper <p>Difficulty understanding surveying and adjudication; not too much participation of village administration and women</p> <p>Adjudication proceeded by household. It was between the project and the household. The village administration and neighbors were not involved</p>	<ul style="list-style-type: none"> • Training of the village administration on the details of the land titling process. This training should be uniform across all villages. The training has to be good. • The village administration should take part in the actual survey. • The village administration should be trained and take part in adjudication. • Surveying should be done uniformly and follow standard procedures across the different households and across different villages to avoid different results, as had happened in the past. • Those with land use rights should be allowed to participate in the surveying of their land. 	<ul style="list-style-type: none"> • More surveyors to be trained under the In Country Course (ICC). • Encourage more young people to take up the high diploma course on surveying at the Polytechnique. • Better supervision and monitoring by SAT team leader. Emphasize “Do it right the first time.” • Emphasize that SAT team is also responsible for CRS.

**Table 2:
Results from the Institutional Analysis and Recommendations
Served Provinces**

	Recommendations from the Villagers (if indicated, they are suggestions made also by Project staff)	Recommendations from SA Team
Institutional Analysis/Comments on Specific Project Processes		
<p>Surveying and Adjudication</p> <p>Variations in the performance of surveying team such as:</p> <ul style="list-style-type: none"> • Different instructions given by staff; • Different measures; <p>Perceptions that SAT was rushing its work leading to omissions like:</p> <ul style="list-style-type: none"> • Failure to certify land area; • Sign adjudication paper <p>Difficulty understanding surveying and adjudication; not too much participation by village administration and women.</p> <p>Adjudication proceeded by household. It was between the project and the household. The village administration and neighbors were not involved</p>	<ul style="list-style-type: none"> • Use appropriate surveying techniques; • Correct omissions in the land title, e.g. name of the wife was missing. • The wife should also sign the adjudication papers • Involve township planning people 	<ul style="list-style-type: none"> • Training for the more technical people to explain important technical subjects in language ordinary people can understand. • Improvement of communication of surveying and adjudication procedures. Module must aim for the primary and lower secondary level where most of the respondents in the household survey are.

**Table 2:
Results from the Institutional Analysis and Recommendations
Served Provinces**

	Recommendations from the Villagers (if indicated, they are suggestions made also by Project staff)	Recommendations from SA Team
Institutional Analysis/Comments on Specific Project Processes		
<p>Surveying and adjudication</p> <p>Problems with boundary marking, difficulty understanding boundary marking. Villagers have not placed the boundary markers when the SAT arrived</p> <p>Difficulty locating boundaries in peri-urban and rural areas.</p> <p>Problems in preparing and gathering land acquisition documents</p>	<ul style="list-style-type: none"> • Project should provide boundary markers of varying length: longer markers for eroded, low-lying, flood-prone areas. • Provide painted boundary markers so that they can easily be seen. • Use the latest and last document as basis for land use right. 	<ul style="list-style-type: none"> • Demonstrations of boundary marking in both CRS campaign and also sub-CRS (in the field)

**Table 2:
Results of the Institutional Analysis and Recommendations
Served Provinces**

	Recommendations from the Villagers (if indicated, they are suggestions made also by Project staff)	Recommendations from SA Team
Institutional Analysis/Comments on Specific Project Processes		
Decorum and Quality of Work of Project Staff. Tendency to rush, perceived not to be competent, not in the proper state when in the field		<ul style="list-style-type: none"> • Better supervision and monitoring. • For neophyte staff, field coaching or mentoring. • Refresh trainings should be offered during the project implementation
No Uniform Distribution of Land Titles: Some titles brought to the village; others got in the Provincial Land Office Delays in the issuance of the title.	<ul style="list-style-type: none"> • Set a time frame for the issuance of the titles and stick to it. • Inform people if there would be delays and explain the reason why some cannot get their titles as yet • Titles should just get the signature of the Provincial Land Office to hasten distribution. 	<ul style="list-style-type: none"> • Announce where and when titles will be available. • Post-Adjudication CRS: updates to people on what is happening to their titles

**Table 2:
Results of the Institutional Analysis and Recommendations
Served Provinces**

	Recommendations from the Villagers (if indicated, they are suggestions made also by Project staff)	Recommendations from SA Team
Institutional Analysis/Comments on Specific Project Processes		
Improvements in the Land title:	<ul style="list-style-type: none"> • The paper used in the title should be the same as that used in paper currency to avoid duplication and tampering • Attach seals and stamps similar tot those used in passports. • Indicate distance between corners of the lot in the title. • Indicate the category of the land • Ink used for signatures in the title should be indelible or not easily erased. • Widen the space provided for at the back of the title for transactions so that seals and stamps do not overlap 	Same as villagers
Filing System	<ul style="list-style-type: none"> • Improve the filing system for the titles • Registration book must only have 50 pages and not 150 pages to facilitate search, verification, and registration of transactions 	<ul style="list-style-type: none"> • Explore the possibility of using a loose leaf system similar to that in Thailand and Indonesia • Make electronic copies of the title to protect against fire

**Table 2:
Results of the Institutional Analysis and Recommendations: Interviews with PFU Head
Served Provinces**

Topics	Observations	Recommendations
Quantity of Project Staff	<ul style="list-style-type: none"> • Still lacking • More contractual personnel than government people • Improvement in staff turnover situation. Incentive structure may be working. 	<ul style="list-style-type: none"> • Duration of Training should be longer • On the job training are more workable.
Gender Composition	<ul style="list-style-type: none"> • Three out of four are men; • Women generally in office and administration 	<ul style="list-style-type: none"> • Conduct CRS/GAD for the Organization; • Better hiring female staff to deal with gender issues
Quality of the Project Staff	<ul style="list-style-type: none"> • Still not up to the requirements • Attitudinal problems: careless and lack of quality consciousness; • Lack of qualified staff slowed down project operations 	<ul style="list-style-type: none"> • Better supervision and monitoring. Field coaching • HRD critical. If project can solve this, performance will shoot up. • Better hiring
Training	<ul style="list-style-type: none"> • Lack of qualified internal trainers; • Needed to train staff in using computers, photo mapping, and the GPS utility; • Generally on the job training. • No continuous training. • Bright spot (Vientiane Prefecture): monthly evaluation and refresher courses. 	<ul style="list-style-type: none"> • Tighten coordination with NGD to conduct the trainings, ESP, photomap and GPS utility. • Monitoring and Evaluation should be done after training.
Budget and Procurement	<ul style="list-style-type: none"> • Delayed release in Luang Prabang and other provinces as well 	<ul style="list-style-type: none"> • Increase signing authority of PFU head beyond 5 million kip (US\$500)
Logistics	<ul style="list-style-type: none"> • Sufficiency of vehicles, except Luang Prabang 	<ul style="list-style-type: none"> • Vehicles should be used for specific fields

**Table 2:
Results of the Institutional Analysis and Recommendations: Interviews with PFU Head
Served Provinces**

Topics	Observations	Recommendations
Coordination among different stakeholders	<ul style="list-style-type: none"> • Generally good with departments with field offices like township planning. • Coordination between PFU and PSU can be improved. • In at least one province, the problem between the CRS unit of PFU and the LWU is still there over the disbursement of CRS-GAD funds for the LWU 	<ul style="list-style-type: none"> • Improve coordination between DoL, PSU and other stable holders • Issue policy regarding problem between CRS Unit and LWU.
CRS	<ul style="list-style-type: none"> • LWU performance should be improved in two provinces. • CRS materials not adequate in Champasack and Savannakhet. Delivery was delayed in one province. • There were a lot of questions about land transaction registration and about boundary marking. 	<ul style="list-style-type: none"> • Produce more materials on land valuation • Improve content and color of posters, manuals, and leaflets to make them more interesting. • No. of households with boundary markers in place is an indicator of the effectiveness of CRS

**Table 2:
Results of the Institutional Analysis and Recommendations: Interviews with PFU Head
Served Provinces**

Topics	Observations	Recommendations
Surveying and Adjudication	<ul style="list-style-type: none"> • Khamouanne shifted to mini-systematic. • People had not put boundaries when the project came delaying the process. People had conflicts which they wanted the LLTP to resolve. • Women are good mediators. • People need assistance with reading and writing on the forms. They can understand spoken instructions but had difficulty reading and writing. • Problem with absentee land use right holders, e.g. those living outside the village. • Instructions and methodologies coming from PSU and TA were not suitable to local conditions, e.g. photo mapping may not be appropriate for peri-urban areas with large lands. The scale of 1:4000 not appropriate for very small land parcels. GPS may not be as useful. 	<ul style="list-style-type: none"> • Improve the adjudication form. Put in longer paper A4 or A6. • NGD, TA, and LLTP to come together and discuss the pros and cons of photo mapping and ground surveying • Use total station instead of GPS. • Awareness for project, some areas that electricity is not available
Conclusion	<ul style="list-style-type: none"> • Too many steps. 	<ul style="list-style-type: none"> • PSU to issue instructions regarding the handling of problematic cases.
Policies	<ul style="list-style-type: none"> • GOL to issue policies on occupants on state lands and Aliens (Permanent residents). 	

**Table 3:
Measures to Enhance Project Benefits**

	Recommendations from the Villagers (if indicated, they are suggestions made by Project staff)	Recommendations from SA Team
Measures to Enhance Project Benefits		
<p>Access to Formal and Institutional Sources of Credit</p> <p>Risk of Defaults and Subsequent Foreclosure of Land</p>	<p>Protecting the integrity of the land title</p> <ul style="list-style-type: none"> • Attach seals and stamps in the land title paper similar to those used in passports. <p>Enhancing Access and Reducing Possible Loan Defaults and Subsequent Foreclosure of Land</p> <ul style="list-style-type: none"> • Banks should introduce financial products and services that are more attuned to the people's needs to minimize the possibility of defaults. Villagers recommend lengthening the repayment period. • Successful borrowers should share experience with others who have not had the experience of mortgaging land to the banks. • Bank personnel should be part of the project team to explain their loan products, procedures and requirements. • Lower mortgage registration fee. (Bank official in Luang Namtha) 	<ul style="list-style-type: none"> • Prevent the duplication of the land title by putting seals and stamps similar to passports. • Use paper the same as those used in paper money • Protect the land register by having backup, electronic copies. • Enhance the credit-worthiness of people and the value of agricultural land through investments in farm infrastructure and productivity enhancing measures, e.g. provision of technical advice and technology, e.g. better seeds and cultivation methods, and agricultural inputs. • Information and dissemination campaign by banks • Create the environment for the adoption of more equitable and developmental lending methodologies like cash flow and character-based lending methodology. • Institute social financing schemes like educational plans and health insurance; • Awareness on the bank credit conduct by CRS of LTTP

**Table 3:
Measures to Enhance Project Benefits**

	Recommendations from the Villagers (if indicated, they are suggestions made by Project staff)	Recommendations from SA Team
Measures to Enhance Project Benefits		
Increased Government Revenues: <ul style="list-style-type: none"> • Land transaction registration fees • Land taxes • Building permits 	<ul style="list-style-type: none"> • Explain to us how land taxes are computed. • CRS should tap bank personnel to explain the Table of Values and the transaction registration fees. Bank personnel are very familiar with the table of values because they use it often. (Project); • Streamline the process and reduce the transaction cost of getting building permits to encourage more people to apply. (Project) 	<ul style="list-style-type: none"> • Township Planning to streamline process and reduce the transaction cost involved in getting building permits • Post-Adjudication CRS ought to explain how land transaction registration fee are computed (by using valuation table rates)

**Table 3:
Measures to Enhance Project Benefits**

	Recommendations from the Villagers (if indicated, they are suggestions made by Project staff)	Recommendations from SA Team
Measures to Enhance Project Benefits		
Greater Participation of Women: Women in the project staff constituted only 25% of the total Most are in administrative not field jobs.	<ul style="list-style-type: none"> • Wives should also sign adjudication paper covering conjugal land. • More female staff should be recruited for CRS Unit of PFU 	<p>Women in project staff:</p> <ul style="list-style-type: none"> • Aim for the recommended forty percent (40%) • Half of the 40% in the field • Hire more women and assign them in surveying and adjudication • Encourage more women to enroll in surveying by setting aside a portion of scholarships for them in the Polytechnique. • Internal CRS/GAD for project organization to dispel traditional notions about the women's work <p>Field level</p> <ul style="list-style-type: none"> • Continue separate meetings for women • Ensure that women sign adjudication paper.

**Table 4:
Groups that have yet to Benefit from the LLTP
Served Provinces**

Groups that have yet to benefit	How Affected (Not Benefited)	Interest	Recommendations
Various Kinds of Occupants of State Lands	Anxious about their land use rights and the possibility of being displaced	Security of Tenure	<ul style="list-style-type: none"> • Inventory and survey of all state lands and all their occupants/users. • Distinguish among different occupants • Finalize, get approval, and implement draft decree on status of people on state lands • Conduct CRS to explain these decrees. • Explore different tenurial instruments like long-term leases, residential and agricultural use permits • Draft land use plan for state lands • Technical Assistance to Dept. of State Assets (DSA) to implement policies and manage state lands • Institute safeguards against illegal occupation, e.g. cut off date. • Explore options of giving villages, land use rights over village land as protection against illegal occupation. • Institute safeguards against those selling state lands.

**Table 4:
Groups that have yet to Benefit from the LLTP
Served Provinces**

Groups that have yet to benefit	How Affected (Not Benefited)	Interest	Recommendations
A group of Khmu in Phonhong village, Phonhong district, Vientiane Province who had been unable to get a land tax declaration for the last ten (10) years.	Anxious about getting land acquisition documents. Anxious about their land use rights.	Recognition of their land use rights Security of tenure Carry on with their livelihood.	<ul style="list-style-type: none"> • Rapid assessment and scoping to identify these groups and their number. • Specific meetings for ethnic groups to surface their issues. • Translate materials into their language • Tap project staff who belong to the same ethnic group. • Tap elders and respected members of the group.

**Table 4:
Groups that have yet to Benefit from the LLTP
Served Provinces**

Groups that have yet to benefit	How Affected (Not Benefited); Possible Effects	Interest	Recommendations
Other Ethnic Groups like Hmong, Khmue in other places, Lao Kang in the served provinces	<p>Change in Farming Practices</p> <p>Inability to use traditional consumption smoothing strategies</p> <p>Possible Loss of Mutual Support System</p> <p>Possible Destruction of Culture</p>	<p>Security of Tenure</p> <p>Food Security</p> <p>Power</p>	<ul style="list-style-type: none"> • Recognize differences among and within ethnic groups, identifying the more vulnerable sub-groups and groups. • Tap project staff who are members of ethnic groups. Hire more members of ethnic groups to assist their people. • Conduct cultural sensitivity and basic language courses for project staff. Require staff to undergo an immersion among different ethnic groups
People living in lands that were formerly for common use. An example are the lakeshore farmers in Vientiane Province.	<p>Anxious about their land use rights</p> <p>Disharmony and conflicts among them and between villages</p>	<p>Security of tenure</p> <p>Carry on with farming</p> <p>Resolution of conflict</p>	<ul style="list-style-type: none"> • Resolve boundary disputes between villages • Explore options to grant villages land use rights over village land as an intermediate step while studying the option of giving stronger land use rights to those tilling the land. • Explore the option of long-term leases.

**Table 4:
Groups that have yet to Benefit from the LLTP
Served Provinces**

Groups that have yet to benefit	How Affected (Not Benefited); Possible Effects	Interest	Recommendations
<p>Heirs of those who fled after 1975 and those presently occupying their land. Pending approval of policies over their land use rights, these groups are still uncertain about their land use rights.</p>	<p>Anxious about their land use rights.</p> <p>Possibility of being displaced and being landless and homeless (those presently using)</p>	<p>Heirs of those who fled;</p> <ul style="list-style-type: none"> • Emotional Attachment to the Land; • Sense of Entitlement. (The land belongs to us) • Security of tenure in Laos <p>Present Users</p> <ul style="list-style-type: none"> • Security of tenure • Sense of entitlement (We improved this land) 	<ul style="list-style-type: none"> • Finalize, pass and implement draft decrees regarding the claims of those who fled after 1975 and their heirs.

**Table 5:
Groups that may be negatively affected by the LLTP in the Unserved Provinces**

Groups that may be negatively affected	Possible Negative Impact/Risk	Interest	Recommendations
Returning Soldiers and other people who left the village for reasons of employment or who migrated elsewhere after restrictions on residence were relaxed in 1992.	Loss of Land	<ul style="list-style-type: none"> • Emotional Attachment to the Land; • Sense of Entitlement. (The land belongs to us.) 	<ul style="list-style-type: none"> • Draft guidelines on negotiation, compensation by land or cash, and sharing arrangements. • Broker negotiations • Offer state lands for use of those who will be displaced.
People presently occupying the land of these soldiers and those who left the village.	Loss of Land, (If it is the only parcel) Landlessness and Homelessness	<ul style="list-style-type: none"> • Security of tenure. • Sense of entitlement (We improved this land) 	
People (or their heirs) who fled the country after 1975 and have returned claiming back their land.	Loss of Land	<ul style="list-style-type: none"> • Emotional Attachment to the Land; • Sense of Entitlement. (The land belongs to us) 	<ul style="list-style-type: none"> • Finalize, pass and implement draft decrees regarding the claims of those who fled after 1975 and their heirs.
People presently occupying the land of those who fled the country after 1975;	Loss of Land, (If it the only parcel) Landlessness, Homelessness	<ul style="list-style-type: none"> • Security of tenure. • Sense of entitlement (We improved this land) 	

**Table 5:
Groups that may be negatively affected by the LLTP in the Unserved Provinces**

Groups that may be negatively affected	Possible Negative Impact/Risk	Interest	Recommendations
Descendants of earlier users of land who are seeking a return of their parents' land now being tilled by someone else as a result of the defunct cooperative farming program of the government.	Loss of Land	<ul style="list-style-type: none"> • Emotional Attachment to the Land.(This land belonged to us since time immemorial.) • Regain back the land: same size as much as possible 	<ul style="list-style-type: none"> • Draft guidelines on reallocation, negotiation, and compensation by land or cash, and sharing arrangements over the land.
People presently occupying and tilling the land by virtue of the defunct cooperative farming scheme of the government.	Loss of Land, (If no other parcel owned) Possibility of Landlessness and Homelessness	<ul style="list-style-type: none"> • Security of tenure.(We can give it back but give us land to till.) • Sense of entitlement (We improved this land.) 	<ul style="list-style-type: none"> • Conduct re-allocation of land in affected villages • Broker negotiations between conflicting parties. • Offer state lands for use of those who will be displaced.

**Table 5:
Groups that may be negatively affected by the LLTP in the Unserved Provinces**

Groups that may be negatively affected	Possible Negative Impact/Risk	Interest	Recommendations
<p>Persons Staying in State Lands with various kinds of use rights: those state officials with legitimate permission to use state lands; tenants or renters of state officials who have been awarded by the state the privilege of use; and those who claimed to have “bought” the land from unscrupulous state officials.</p> <p>Persons Occupying State Lands who have been temporarily allowed to stay there by state authorities but are now being asked to leave, e.g. teachers in Luang Namtha and farmers in Ban Doxa</p>	<p>Landlessness and Homelessness</p>	<ul style="list-style-type: none"> • Sense of entitlement. (We deserve to stay here because we serve the state. The state should allow us here.) • Security of Tenure. (Give us an alternative site.) • Compensation (Compensate us for taking it away, for improvements we made) 	<ul style="list-style-type: none"> • Inventory and survey of all state lands and all their occupants/users. • Distinguish among different occupants • Finalize, get approval, and implement draft decree on status of people on state lands • Conduct CRS to explain these decrees. • Explore different tenurial instruments like long-term leases, residential and agricultural use permits • Draft land use plan for state lands • Technical Assistance to Dept. of State Assets (DSA) to implement policies and manage state lands • Institute safeguards against illegal occupation, e.g. cut off date. • Explore options of giving villages, land use rights over village land as protection against illegal occupation. • Institute safeguards against and penalize those selling state lands.

**Table 5:
Groups that may be negatively affected by the LLTP in the Unserved Provinces**

Groups that may be negatively affected	Possible Negative Impact/Risk	Interest	Recommendations
Different Ethnic Groups	Economic risks like landlessness due to selling of land and loan defaults; concentration of land among the affluent leaving poorer people landless; reduced self-sufficiency because of reduced amount of land under the plow (Article 57 of the Land Law); creation of class of landless rural workers and renters who are unable to purchase land because of high prices; and	<ul style="list-style-type: none"> • Food security for the clan. • A better life for the children. • Be part of society. • Preservation of distinct cultural identity, language, culture and customs. • Power to choose where they will relocate • Support services and livelihood once they settle in their new homes. • Recognition of land use rights. • Preservation of mutual support system. 	<ul style="list-style-type: none"> • Recognize differences among and within ethnic groups, identifying the more vulnerable sub-groups and groups. • Tap project staff who are members of ethnic groups. Hire more members of ethnic groups to assist their people. • Conduct cultural sensitivity and basic language courses for project staff. Require staff to undergo an immersion among different ethnic groups

**Table 5:
Groups that may be negatively affected by the LLTP in the Unserved Provinces**

Groups that may be negatively affected	Possible Negative Impact/Risk	Interest	Recommendations
<p>Different Ethnic Groups (Continuation)</p>	<p>Cultural risks like no more land for children to inherit, as parents sell the land to take advantage of high prices; increase in land-related conflicts within the family because of rising value of land.; changes in the way land is transferred to the next generation. Land would be divided equally among children. The resulting smaller pieces may lead to decline in productivity, and encourage the next generation to sell, rather than use it for agriculture; loss of flexibility in managing land; weakening of the mutual support system, e.g. the way ethnic groups allocate land among poorer members of the village; and ; loss of culture due to selling of land and subsequent migration into rural and urban towns;</p> <p>Social risks like Conflicts with other villages as result of migration or resettlement by compulsion; widening of the gap between rich and poor; women may lose rights to land if they are not aware of their rights; and social problems, e.g. various kinds of addiction, vices, prostitution affecting ethnic groups in their new settlements</p>	<p>Same as above</p>	<ul style="list-style-type: none"> • Tap elders of ethnic groups. • Careful monitoring of project activities in ethnic villages. Immediately, analyze, feedback, and fine tune approaches accordingly. <p>If relocation is inevitable,</p> <ul style="list-style-type: none"> • Adopt participatory approaches • Provide safety nets

**Table 5:
Groups that may be negatively affected by the LLTP in the Unserved Provinces**

Groups that may be negatively affected	Possible Negative Impact/Risk	Interest	Recommendations
<p>Women belonging to ethnic groups like the Ikor, Hmong, and Khmue who by custom, do not have rights to land. Conjugal land is normally titled in the name of the man.</p>	<ul style="list-style-type: none"> • No recognition of their rights over property acquired during marriage, since by culture and in the land use documents, it belongs and is named after the husband • No property in their name because they cannot inherit. • By not recognizing their rights, the LLTP can reinforce the almost total dependence of women on their husband and his clan; Because of this, they can become the victim of physical and psychological abuse. 	<ul style="list-style-type: none"> • Be granted rights to property acquired during marriage. • Preserve harmony within the marriage, avoid conflicts with the husband. • Protect oneself and children in case of divorce or death of the husband. 	<ul style="list-style-type: none"> • Recognize differences among and within ethnic groups, identifying the more vulnerable sub-groups and groups. • Tap project staff who are members of ethnic groups, Hire more people who are members of ethnic groups. • Conduct cultural sensitivity and basic language courses for project staff. Require staff to undergo an immersion among different ethnic groups • Conduct house visitation before the special meeting for women to encourage women to attend • Tap male elders and village leaders as CRS/GAD speakers for special meetings with men • Use inductive and indirect approach • Careful monitoring of CRS/GAD activities ethnic men and women. Immediately, analyze, feedback, and fine tune approaches accordingly.

**Table 5:
Groups that may be negatively affected by the LLTP in the Unserved Provinces**

Groups that may be negatively affected	Possible Negative Impact/Risk	Interest	Recommendations
Hmong women married to polygamous husband.	<ul style="list-style-type: none"> • If they assert their rights , they can be at odds with the other wives. • If they assert, the husband may divorce them. • Children may be penalized for their mother’s actions. They may not be able to inherit. • By not recognizing their rights, the LLTP can reinforce the almost total dependence of women on their husband and his clan; Because of this, they can become the victim of physical and psychological abuse 	<ul style="list-style-type: none"> • Be granted rights to property acquired during marriage. • Preserve harmony within the marriage, avoid conflicts with the husband. • Ingratiate herself more to the husband so that her children will inherit more than the children of the other wives. • Protect oneself and children in case of divorce or death of the husband. 	Same as above.

**Table 5:
Groups that may be negatively affected by the LLTP in the Unserved Provinces**

Groups that may be negatively affected	Possible Negative Impact/Risk	Interest	Recommendations
Landless Farm Workers who depend on farm labor.	Loss of livelihood because of indiscriminate conversion of agricultural land into other uses, farm mechanization, and division of property among the owner's children.	Earn a living Improve their life Have their own piece of land	<ul style="list-style-type: none"> • Provide training to ease the transition from rural to urban life or to undertake off-farm businesses
Poorer Members of the Village like the landless who depend much more on the use of common farming and grazing lands than the wealthier members of the community.	Loss of land due to encroachment and privatization	Earn a living Improve their land Have their own piece of land.	Explore giving land use rights to villages

**Table 6:
Challenges for LLTP in the Rural Areas and Considerations for the Design of Phase II:**

	CRS	SAT	Project in General
	Challenges	Challenges	Challenges
Poorer People in the Rural Areas	Explain the link between titling and poverty reduction.	Titling fee: possibility of increasing it?	One of the project objectives may have to be poverty reduction
Less Well Educated	Adjust the content, language and presentation to the education level. Use demonstrations, concrete examples.	Photomap: Is it more understandable? Ground survey: Are people more familiar with it? Is it more participatory? More challenging to explain what is being done in surveying. Assign people who will help people read what is in the form, write on it and sign it. Improve the forms. Use of pictorial language on the forms.	Better training for people. Communicating skills. Presentation skills.
More People into Farming	Adjust the metaphors and examples used in CRS to the experience of farmers.	Be aware of paddy buffer zones, buffer zones between village and forest land, and village land used for farming, grazing, and village forest, Boundaries may not be clearly marked. Natural landmarks may have disappeared eroded.	Link up with the Ministry of Agriculture and Forestry Tap their field people.
Greater Dependence on the Land	Explain risks of mortgaging and of losing the land. Explain risks of impulsive selling.		Link up with rural development projects especially farm infrastructure and agricultural development.

**Table 6:
Challenges for LLTP in the Rural Areas and Considerations for the Design of Phase II:**

	CRS	SAT	Project in General
	Challenges	Challenges	Challenges
Rhythm follows the weather and the planting cycle	Schedule of activities: more in the dry season and in-between planting and harvest when farm labor is presumably lightest	Timing of surveying and adjudication in the dry season Bulk of the work during the dry season. Doing the survey and adjudication in the field, women may not be able to participate if they have to stay in the house.	Different time frame Different targets for SAT
Weather more extreme	Not possible to work during the rainy and cold season affecting productivity	Protection for equipment from the rain. Boundary markers longer, more visible despite erosion	Hire sturdier people. Offer better pay because of the hardships to attract qualified people. Qualified people prefer working in the urban areas.

**Table 6:
Challenges for LLTP in the Rural Areas and Considerations for the Design of Phase II:**

	CRS	SAT	Project in General
	Challenges	Challenges	Challenges
More Ethnic Groups	<p>Be aware of the risks. Translate materials into their language.</p> <p>Be culturally sensitivity</p> <p>Immersion to prepare people to work with ethnic groups.</p> <p>Members of ethnic groups to do CRS work.</p> <p>Tap village elders and ethnic group leaders.</p> <p>Suspicion of the project</p>	<p>Absence of land acquisition documents</p> <p>Linguistic differences.</p> <p>Suspicion of SAT</p> <p>Use indigenous dispute resolution strategies</p>	<p>Saturate urban and peri-urban areas in the unserved provinces before going into the rural areas</p> <p>Wait for the evaluation of the results of the rural pilot and the impact evaluation of land allocation (LA)</p> <p>For upland areas and rural areas consider improving Land Allocation and finishing it. Land titling can be done in the future.</p> <p>Consider the criteria for expansion: two by the SA, one by the <i>Existing Land Tenure and Forest Lands Study</i></p> <p>Introduce safety nets for shifting cultivators</p>
Different practices related to ownership, transfer, and use of the land. Certain concepts like conjugal property has no equivalent in the language.	<p>More challenging to explain gender equity in property rights.</p> <p>Sensitivity to the situation of women, younger brothers because of practices.</p> <p>Conflicts may be provoked within families.</p>	<p>Adjudication may have to be more exhaustive and tracing the history of the land and its acquisition.</p> <p>Women must be extensively interviewed because the land may be conjugal or inherited but the document is in the name of the husband.</p>	

**Table 6:
Challenges for LLTP in the Rural Areas and Considerations for the Design of Phase II:**

	CRS	SAT	Project in General
	Challenges	Challenges	Challenges
Bigger area, less number of parcels		Photomap may not be appropriate. One parcel will be in two pieces or scale has to be adapted. Surveying more expensive and time consuming. Scale of the map different Methodologies that work in the urban areas may not work in rural areas.	Different productivity target for SAT Better led teams. Better SAT leaders because of longer time needed to stay in the field. Many of the decisions would have to be done in the field Better training
Lesser Value of Land		Surveying may need lesser level of accuracy than in urban areas.	Less revenues for government. Examine cost-benefit of land titling.
Less Accessible or even Inaccessible	Difficulty May have to stay in the area for prolonged periods of time	Difficulty traveling and bringing equipment Urban adjudication procedures may not work. Notices may not be seen.	Provisions for other communication equipment, e.g radio, cellular phones Sturdier vehicles
Larger Distances	Difficult to conduct CRS	Different scale for maps Difficulty carrying around equipment Appropriate technologies. Urban adjudication procedures may not work. Notices may not be seen by all.	Staff may have to stay in the area for extended period of time. The PMO may have to budget for bigger daily subsistence allowance. Hazard pay, life and health insurance for staff in areas with UXO or unexploded ordinance. Sturdier vehicles for the rugged terrain

**Table 6:
Challenges for LLTP in the Rural Areas and Considerations for the Design of Phase II:**

	CRS	SAT	Project in General
	Challenges	Challenges	Challenges
Time when electricity is available limited. Water may be limited. Communication limited	TV ads may not be seen. Radio ads may be better.	GPS utility may not work unless battery packs provided	Bigger budget.
More traditional gender roles and relations	More women in CRS More intense CRS to reach out to women and communicate gender equity. Greater sensitivity to problems of women, dependence of women on men. Careful not to provoke conflict.	More women in SAT to inspire ethnic women to talk.	Development of new approaches strategies dealing with more entrenched practices.
Lesser presence of the state and lower capacity	<ul style="list-style-type: none"> • Greater visibility • More intense CRS 		Better coordination Hire more contractual Greater incentive for urban people to work in rural areas.

**Table 6:
Challenges for LLTP in the Rural Areas and Considerations for the Design of Phase II:**

	CRS Challenges	SAT Challenges	Project in General Challenges
<p>Disputes between: State authorities and occupants of state land;</p> <p>Those affected by the defunct cooperative movement</p> <p>Those who fled after 1975 and those who used their land</p> <p>Those who left their lands and migrated internally and those who used it.</p>	<p>Conduct CRS on policies governing this group.</p> <p>Seek them out and identify these people.</p>	<p>More skills in dispute resolution</p>	<p>One of the project objectives have to be security of land tenure. Finalize, get approval, and implement decrees governing occupants of state lands, leasing of state lands and building, land use rights of Lao people who fled after 1975. Draft procedures for allocating land taken for the cooperative.</p>

INTRODUCTION

INTRODUCTION

The Government of Laos (GOL) has made a long-term commitment to develop an efficient land economy and to facilitate domestic resource mobilization through the titling of lands. Started in July 1997, the project is now in its fifth year. The project has five components: the Development of a Land Policy and Legal Framework, Accelerated Land Titling, Land Administration, Land Valuation, and Project Management and Institutional Strengthening.

Status of the Project

At the beginning of September 2002, the Laos Land Titling Project was operating full-blast in eight provinces and testing pilots in several others, among the two provinces described in this study as unserved, Luang Namtha and Oudomxay. The eight provinces where the LLTP was operating were: Vientiane Prefecture, Vientiane Province, Luang Prabang, Khammouane, Savannakhet, Champasack, Xayabouly, and Bolikhamxay.

At the beginning of September 2002, the LLTP has accomplished the following

**Table 7:
Accomplishments of the LLTP
Eight Provinces
As of August 31,2002**

	Land Certificates	Land Titles Distributed
Luang Prabang	1936	1735
Vientiane Province	4904	2549
Vientiane Prefecture	41,425	22,825
Khammouane	1858	1567
Savannakhet	11,940	5671
Champasack	3964	2105
Xayabouly	0	0
Bolikhamxay	0	0
Total	66,397	36,380

Source: Ministry of Finance, Land Titling Project, *Progress on Systematic, MiniSystematic, and Sporadic Adjudication for the Month of 9/2002.*

Overall Purpose and Specific Objectives of the Social Assessment

One of the subcomponents of the Project Management and Institutional Strengthening component is the conduct of a social assessment on land titling in six (6) served provinces and a social assessment of two (2) unserved provinces. Burapha Development Consultants won the bid in January 2002 to do the Social Assessment.

The following is the Terms of Reference for the conduct of the Social Assessment (SA).

Overall Purpose

The overall purpose of the Social Assessment is to undertake a rapid assessment of the effects and initial socio-economic impact of the Lao PDR Land Titling Project's interventions in the communities already and currently being served.

Specific Objectives

Served Provinces (Vientiane Prefecture, Vientiane Province, Luang Prabang, Khammouane, Savannakhet, and Champasack)

The conduct of the SA in the currently/already served communities will focus on , but will not be limited to the gathering and analysis of the following information. These information are to be gathered at the beneficiary and/or community level:

- type and number of beneficiaries assisted by the project in terms of gender, ethnic grouping, socio-economic status, etc.;
- role and level of involvement of various stakeholders in the project activities and processes;
- acceptability/non-acceptability of project approaches and interventions to the beneficiaries;
- adequacy of the information dissemination program and consultation sessions for beneficiaries to understand about the project;
- direct and indirect benefits and impacts derived from the project (both at the individual and community level);
- what other interventions (from the project or from other agencies) helped to or would have maximized benefits from land titling for households;
- direct and indirect negative social impacts and consequences experienced (or expected) as a result of the project. If there is any, also determine the mitigating measures adopted to address/minimize the negative impact or consequence);
- specific project design features and other factors that facilitated project implementation;
- challenges, problems, issues and constraints that affect project operations and beneficiaries' interest/access to the project;
- other lessons learned and good practices adopted by the project;

Unserved Provinces (Luang Namtha and Oudomxay)

The conduct of the SA in the proposed expansion sites will focus on , but not will not be limited, to the gathering and analysis of the following information at the beneficiary and community level. The SA will need to be designed to generate information that will confirm the demand and relevance of the proposed expansion of the project in the village. Information on the socio-economic and other demographic data may also be more exhaustive for this sample group to establish some baseline information about the potential beneficiaries.

- key stakeholders in the village and their level of awareness, knowledge and experiences on land tenurial security, users' rights and land transactions;
- individual and organizational capacity and interest of the villagers in obtaining the land title and participating in the project;
- potential negative impact and social risks of the project on specific individuals and/or groups and how these can be mitigated;

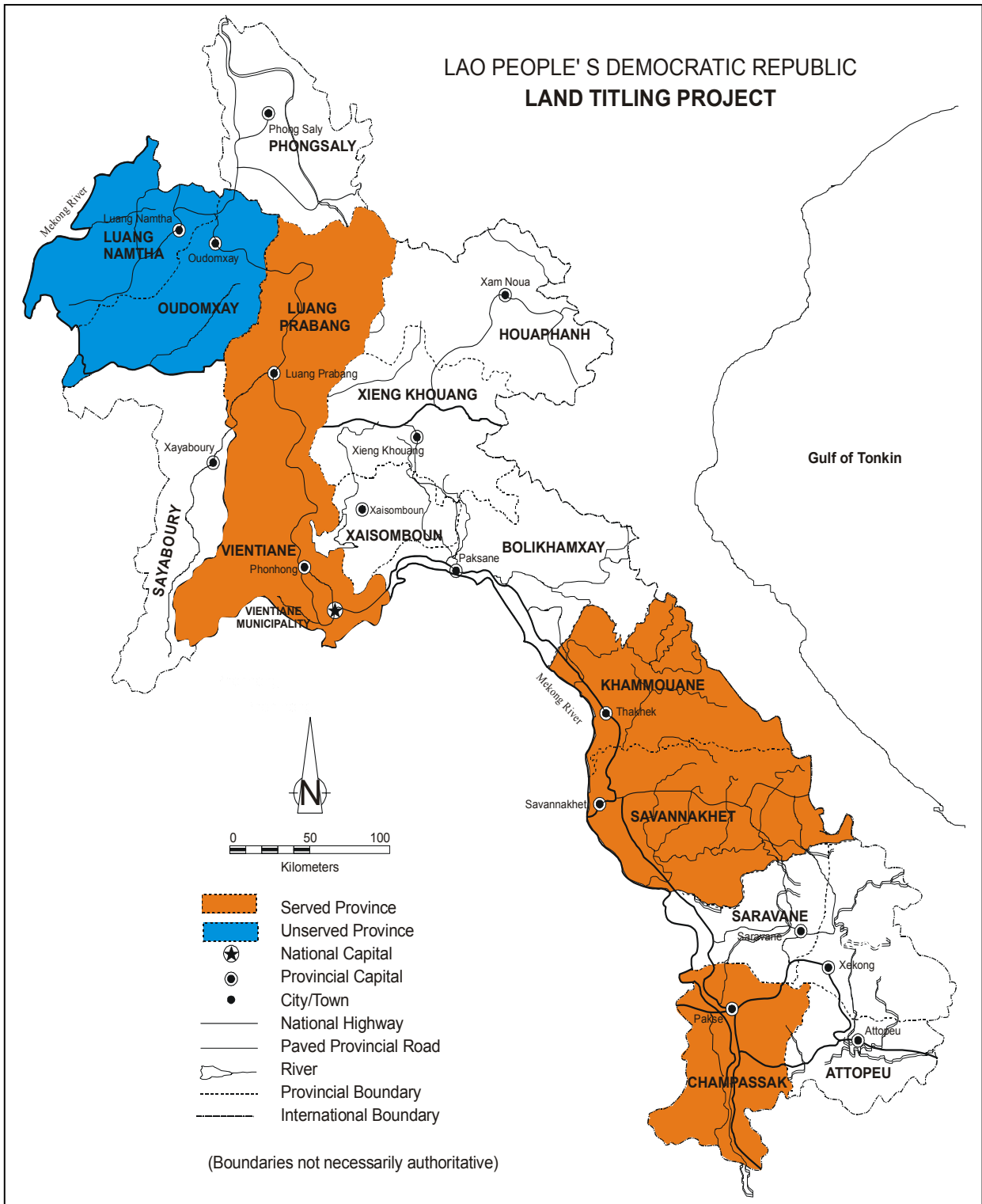
- mechanisms to ensure villagers' access and interest to participate in the project;
- traditional and existing land dispute/conflict resolution mechanisms and the villagers' perception on its effectiveness;
- equality/inequality between men and women relative to ownership rights and use of real property;
- expectation on fee level for the land title;
- most effective methods for disseminating information to the people;

Division of the Final Report:

This final report is one of three deliverables of the Social Assessment. The other two are: the *FGD Report* and the *Household Survey Report*. This final report derives most of its contents from the *FGD Report* and *Household Survey Report* submitted earlier. This final report is divided into three main sections:

- The Results of the Social Assessment in the six (6) served provinces, containing among others the initial expectations of beneficiaries, the social and economic impacts and the institutional analysis, positively and negatively affected groups
- The Results of the Social Assessment in the two (2) unserved provinces, containing among others the initial expectations of potential beneficiaries, the potential social and economic impacts, the institutional analysis, and potentially affected groups.
- The Overall Implications of the Results to Project Design, including Recommendations

LAO PEOPLE'S DEMOCRATIC REPUBLIC
LAND TITLING PROJECT



CHAPTER I

SUMMARY OF THE HOUSEHOLD SURVEY RESULTS, INTERVIEW WITH BANK OFFICIALS, AND FINANCIAL DATA IN THE SERVED PROVINCES

**CHAPTER ONE:
SUMMARY OF THE HOUSEHOLD SURVEY RESULTS, INTERVIEW WITH BANK
OFFICIALS, AND FINANCIAL DATA IN THE SERVED PROVINCES**

The following were the results of the household survey in the six (6) served provinces of the LLTP. The supporting tables and the breakdown of the results into provinces and into villages are found in the *Household Survey Report*.

1.1. SUMMARY OF THE HOUSEHOLD SURVEY RESULTS

1.1. 1. Gender, Ethnicity, Age, and Family Status

- For the served provinces, fifty three percent (53%) of all respondents were men; forty seven (47%) were women. Almost all were Laolum, except for one (1) Alien (permanent resident).
- Fifty four percent (54%) of all respondents were between the ages of 31 to 50 years. Thirty five percent (35%) belong to the 51 and above age bracket.
- Eighty two percent (82%) of all respondents were married. Eight percent (8%) were divorced. Of those who were divorced, eighty one percent (81%) were women.

1.1.2 Educational Attainment, Occupation, and Annual Household Income

- A little more than thirty one percent (31%) finished primary school and another thirty one percent (31%) reached lower secondary. Only fourteen percent (14%) underwent schooling beyond the higher secondary level.
- Men were better educated than women, fifty five percent (55%) of the men have educations from *lower secondary upwards*. In contrast, majority of the women (74%) had educational attainments from *the lower secondary downwards*, with ninety one percent (91%) of all those who described themselves as illiterate being women.
- Forty one percent (41%) listed their occupation as businessmen. Government employment came in second with nineteen percent (19%) of all respondents listing this as their occupation.
- Forty seven percent (47%) of the respondents had annual household incomes between 5- 14 million kip (US\$ 500-1400). The country's average household income in 1997 was 11.36 million kip or US\$2400 (at the 1997 exchange rate of US\$1-4735 kip). Only sixteen percent (16%) had annual household incomes greater than 25 million kip (US\$2500).

1.1.3 Headship of Households and Number of Members

- Sixty one percent (61%) of the respondents said that they belonged to a household headed by a man; thirty nine percent (39%) said that they belonged to a household headed by a woman.
- The average number of members per household was six (6).

1.1.4. Total Number of Parcels Owned, Average Landholding, Distribution of Parcels Across Households

- The three hundred seventeen respondents (317) cumulatively owned eight hundred twenty two (822) parcels, for an average of three (3) parcels of land owned per respondent.
- The majority of households (52%) owned one parcel of land. Another thirty six percent (36%) owned between two to four (2-4) parcels of land. Seven (7) respondents said that their households owned between eight (8) to ten (10) parcels of land. One (1) respondent said that his household owned more than ten (10) parcels of land.

1.1.5. Names on the Land Title

- Of the eight hundred twenty two (822) parcels, the SA team succeeded in identifying the ownership of three hundred eighty one (381) parcels.

Table 8.
Names on the Land Title:
Served Provinces

Names on the Title	Number	Percentage
Man Only	93	24.4%
Woman Only	130	34.1%
Joint	145	38.1%
Others (parents' names, siblings, and children)	13	3.4%
Totals	381	100%

1.1.6. Attendance in Village Meeting for the LLTP

- Two thirds of all respondents said that they attended the village meeting.

1.1.7. Perceived Time and Cost of Land Titling

- There was great demand for land title. Sixty eight percent (68%) indicated their desire to have their land titled
- Thirty two percent (32%) said that they would not have their lands titled. Asked why, the most frequent answers given were: first, they have other proofs of ownership (like

land titles dating back to the royal period); second, it would be too expensive; and third, they had no need for land titles as they would not be engaging in business and borrowing money.

- Fifty five percent (55%) of those who answered that they knew the cost of getting a title without the LLTP said that they would have paid between 1-2 million kip (US\$100-200) to get one.
- Thirty two percent (32%) of all those who responded perceived that using the regular process they would have obtained a land title in less than three months. Another twenty eight percent (28%) said that they could get one in three to six (3-6) months.

1.1.8. Benefits and Risks:

- Majority of respondents cited secure ownership or full land use right and the power to transfer these rights as the principal benefits from land titling.
- Many of the respondents said that the biggest risk they expected from having a land title was the possibility of losing the land because of business failure. The other reasons cited were divorce and failure to use the loans well.

1.1.9. Preference in Mortgaging Land

- Ninety four (94%) percent of all respondents preferred to mortgage their lands to the banks. Only four percent (4%) preferred mortgaging their lands to their relatives.
- The most frequent reason that respondents gave for their preference was the safety of their property and the reliability of the banks. The second reason was that banks did not cheat.

1.1.10. Experience in Mortgaging and Selling Land

- A little more than three-fourths (76.3%) of the respondents said that they have not had the experience of selling and mortgaging lands. Only seventeen percent (17%) have had the experience of mortgaging lands.

1.1.11. Land Mortgaged or Sold: Titled or Not

- All the lands mortgaged and sold were titled.

1.1.12. Gender Aspect of Mortgaging

- Of the 56 respondents (one respondent also sold land) who mortgaged land, forty eight percent (48%) were women and fifty two percent (52%) were men.

1.1.13. Mortgaging, Occupation, and Sources of Loans

- The main reason for mortgaging lands was to start a business. Some mortgaged lands to make up for business failure.

- Nearly eighty percent (80%) of the respondents who mortgaged lands borrowed from the bank. Moneylenders were second and friends, third.
- Sixty eight percent (68%) of those mortgaging stated that their occupation was businessman or woman.

1.1.14. Relationship of Income, Access to Banks, Loan Sizes and Variety of Loan Sources

- A strong correlation exists between income levels, access to the banks, and the variety of loan sources. The higher the person's income, the greater the probability of him being able to access loans from the bank with the land offered as collateral. This is due to his bigger income flow and presumably because he is offering well-placed and higher value-land as collateral.
- The higher the income, the bigger the loan size because the borrower is offering better placed and higher value land and because he has a higher income.
- Respondents exceeding a certain income level depend less on other sources of loans like friends and relatives. The wealthier ones tend to depend more on their financial or liquid assets. While also borrowing from the banks, the poorer ones also relied on their social assets – their contacts and network of relationships.

1.1.15. Loan Sizes, by Sources of Loans

- Friends understandably gave the smallest of loans, the smallest was 2 million kip (US\$200) and the largest was 8 million kip (US\$800).
- Loans from moneylenders averaged 95 million kip, with a median of 25 million kip (US\$2500). The smallest loan size was 1 million kip (US\$100) and the largest was 480 million kip or (US\$48,000).
- Loans from the moneylender averaged 95 million kip (US\$9500) with the highest at 480 million kip (US\$48,000) and a median of 25 million kip (US\$2500) while the average loan size for the banks was 132.56 million kip (US\$13,256) with the highest at 1.045 billion kip (US\$104,500) and a median of 37.5 million kip (US\$3750).
- Loans from the banks ranged from 500,000 kip or US\$50 (granted by APB) to 1.045 billion kip or US\$104,500 (granted also by APB). Average size of the loans was 132.56 million kip or (US\$13,256), with a median of 37.5 million kip (US\$3750).
- In the served provinces, a pattern can be observed where business loans are obtained from the bank while loans for medical emergencies are obtained from friends. For other reasons like buying farm inputs, which normally required small loans, the people went to the moneylender.

1.1.16. Profile of those Selling Lands

- Those who sold land had lower annual household incomes than those who mortgaged. Five (5) of the nine (9) respondents who sold land had annual household incomes of

between 5-9 million kip (US\$500 –US\$900). Two (2) had annual household incomes of less than 1 million kip (US\$100); another two (2) had household incomes of between 10-14 million kip a year (US\$1000 to US\$1400).

- The profile was also different. Five (5) of the nine were farmers. Two (2) described themselves as househusbands. One (1) was into business, and another was privately employed.

1.1.17. Persons/institutions to whom the Lands were Sold.

- Of the nine (9) persons who sold land, three (3) sold theirs to relatives; one (1) to friends; and five (5) to other people.

1.1.18. Decision-making over Mortgages

- Eighty five percent (85%) of those who mortgaged said that the decision was done jointly with their spouse. Only two (2) people decided on their own.

1.1.19. Decision-making over Sales

- Five (5) of those that sold land said that he or she made the decision with his or her spouse. One (1) person decided alone.

1.1.20. Registration of Transactions

- Fifty three (53) out of the fifty five (55) respondents who mortgaged their lands registered their transactions. Of the two (2) respondents who did not register their transactions, one mortgaged to a private moneylender, the other to a friend.
- Of the nine (9) persons who sold their lands, only one (1) did not register the transaction.

1.2. RESULTS FROM INTERVIEW WITH BANK OFFICIALS

1.2.1. Increased Trend of Mortgages But Majority Still Backed Up by Land Survey Certificates

Data gathered from selected banks showed an increasing trend in the number of mortgages and the total value of these mortgages but it is difficult to attribute these to the LLTP, as the borrowers offered different assets as collateral. Even where land is the predominant guarantee being offered for loans, those using land titles are still in the minority. To cite the example of the Lane Xang Bank branch in Vientiane Province, the Chief of the Credit Section said that seventy percent (70%) of their mortgages were backed up by land, but of this figure, land titles were offered as proof of land use right in only fourteen percent (14%) of those cases. The rest were guaranteed by land survey certificates.

1.2.2. Processing Time for Loans Remain Unchanged

The expected increase in confidence in the land title has yet to be felt operationally in less stringent loan procedures and faster loan processing.

1.2.3. Loan Amount and the Type of Land, not the kind of Land Use Document Presented, are the Determining Variables

Processing time varied from as short as one week to as long as one month. The average time was two weeks. Processing time varied depending on the loan amount and the kind of land being offered as collateral. Larger sized loans that exceeded the branch's approving authority took longer to process because the decision had to be made in the central or mother office. In the case of Lane Xang Bank in Vientiane Branch, loan applications that had agricultural lands as guarantee took longer to process (one month) than those with commercial and residential land as collateral (less than one month), presumably because of the longer time it took to do on-site inspection, the rural areas being some distance from the branch.

Another reason is that land titling has yet to cover the whole country, and as of writing, is still ongoing in the first six provinces. In the interim, banks continue to accept different land use right documents and treat them equally. If land titles become widespread, it is expected that banks would settle for nothing less than a title as a proof of full use land rights (as one commercial bank is already doing in Vientiane Prefecture) but it alone would not stop them from requesting other proofs such as land tax declarations. Moreover, even with titles, banks said that they would do credit investigation in the same way as they are doing it at present.

Only one bank, a Thai bank, said explicitly that their processing time was shorter for loans backed up by land titles.

1.2.4. Principal Benefit of LLTP: Reliability of the Titles, Ease in Doing Credit Investigation and Registering Mortgages, and Use of Table of Values,

What the banks, even the moneylenders, appreciate with the land titles is the greater reliability that it affords, though they are also concerned about the unscrupulous practice of some borrowers of photocopying the land title and mortgaging the same land to different banks or other sources of loans at the same time.

The rest of the bank key informants said that the land titles had made it easier to do credit investigation. They cited the close coordination between the Land Office and the bank in checking whether the titles were indeed genuine and were not mortgaged to other lenders.

Registration of mortgages was also faster and easier. According to the Chief of the Credit Unit of the BCEL branch in Pakse, Champasack, the LLTP staff assisted bank personnel in investigating and following up transactions recorded at the back of the land titles.

Mortgage approval rates varied across banks in the different provinces from a low of fifty (50%) for a commercial bank in Vientiane Prefecture to a high of ninety percent (90%) by the Agricultural Promotion Bank Branch (APB) in Vientiane Province.

Loan valuation was aided greatly by the Table of Values prepared by the LLTP. Key informants from the banks said that they were using the Table of Values in determining the mortgage value of loans.

1.2.5. No Significant Difference in Mortgage Value Between Titled Lands and Lands Covered by Other Land Use Documents

From the key informant interviews with bank officials and the FGDs, it is evident that titled lands did not enjoy a lower degree of collateralization or higher mortgage value than lands covered by other land use rights documents. Banks look at the location (distance from the roadside, lowland wet paddy field or upland dry paddy field) and the condition of the land (developed or not, with a housing standing on it or not, type of materials used: brick, wooden, or mixture of bricks and wood) as bases for accepting land as collateral and for estimating the size of the loan. In the bank's reckoning, the future value of the land, the rate of increase in its value, and the ease of disposal in the event of default counted for much more than the type of land use document presented.

1.2.6. Banks gave higher mortgage value to more liquid assets.

In the so-called asset market, land (whether titled or not) competes with other valuable assets such as gold, foreign currencies (dollars and bath), and jewelry for acceptance as collateral. In all banks interviewed, land with building had a mortgage value of sixty percent (60%). Vacant land was given fifty percent (50%). Gold and foreign currency used as collateral was valued more, getting eighty to ninety percent (80-90%).

The lower degree of collateralization (as much as ninety percent (90%) according to bank informants) enjoyed by gold, jewelry and foreign currencies exhibited the banks' preference for more liquid assets.

1.2.7. Gender Profile of Borrowers:

More men borrowed from the bank than women. The proportion of female borrowers varied with the different banks, from a low of twenty percent (20%) to a high of fifty percent (50%) of all borrowers.

1.2.8. Purposes of Loans

BCEL (*Banque Pour Le Commerce Exterieur Laos*) Vientiane Prefecture branch has started lending for agriculture areas this year. Borrowers generally used their loans for business, construction, service and agricultural enterprises. Generally, more men were borrowing from the banks than women. Women were into livestock raising, coffee production, handicrafts, and services.

1.2.9. For conjugal lands being mortgaged, banks required the agreement of the spouse.

Banks interviewed said that for conjugal lands being mortgaged, they usually required the consent and signature of the spouse. This serves to mutually protect both the bank and the owners of the land.

1.2.10. Still Too Early to tell how much the LLTP is responsible for the Increasing Sale and Rental Value of Land

It is also difficult to attribute the trend of increasing sale and rental value of land to the land title alone. FGDs participants in the six served provinces point to the improving infrastructure, the increasing number of visitors, rising investments, urbanization and the overall growth of the economy as the more definitive causes. Findings from the urban villages in the two expansion provinces reinforce this observation.

1.2.11. Refusal of banks to Provide Data On Foreclosures

When requested, banks refused to provide data on foreclosures and non-performing loans and levels of delinquency on the grounds of confidentiality.

1.2.12. Defaults may be many but foreclosures are likely to be few.

Anecdotal evidence suggests that while the defaults may be numerous, foreclosures are few. This is because of the tedious process of transferring land use right from an errant borrower to the lender

The process of transferring land use right from the errant borrower to the bank can be tedious. Interviews with bank officials showed that the bank had to pass through three (3) steps before it could take over the property:

- first, notification of the borrower and grace period for repayment of the loan;
- second, negotiation with the *nai ban* in attendance which could lead to a number of things like extension of the repayment period, loan restructuring, or sale of the land; and
- third if no agreement was reached, the submission of the case to the court for decision.

Foreclosure is avoided as much as possible Foreclosures by the bank have not been as many because of the humanitarian policy adopted by the courts enjoining them to give every chance to the borrower to repay the loan.

Data on foreclosures done by moneylenders were not available or easy to obtain. In many cases, the village administration did not know the exact extent of mortgaging of lands and other assets because transactions with moneylenders were not registered with them. Moneylenders usually asked the borrower mortgaging land to sign two documents: a loan or borrower's certificate and a document transferring full use land rights over the land to the lender in the event the borrower defaulted on his loan.

1.2.13.Land is not usually mortgaged to moneylenders.

FGD participants said that people normally did not mortgage land to the moneylender. This was confirmed by an interview with one private moneylender in Champassack. Moneylenders usually preferred gold, foreign currency, jewelry and other assets that are moveable and easy

to dispose with. People borrow money from moneylenders to finance their small business and to obtain cash for a son's or daughter's education, to bail out children or relatives in jail, to cover for funeral expenses and medical treatment.

Processing time of private moneylenders is between twenty (20) to thirty (30) minutes. The borrower usually had ties to the borrower, i.e. a relative or a friend. Moneylenders charged twenty percent (20%) per month.

1.3. INSIGHTS FROM THE HOUSEHOLD SURVEY AND INTERVIEWS FOR PROJECT DESIGN AND IMPLEMENTATION

1.3.1. On their own, many Lao people would not get a title.

The 1-2 million kip figure that the respondents expected to pay for land titling conducted in a sporadic manner was a huge amount considering that the annual household income of nearly half (47%) of all those who responded was between 5-14 million kip (US\$500-1400). Another seventeen percent (17%) had annual household income less than 5 million kip (US\$500). The 1-2 million kip was between seven to forty percent (7%-40%) of the annual household income of nearly half of those that responded. The 1-2 million kip was also between nine to eighteen percent (9-18%) of the average annual household income of the population, which in 1997 stood at US\$400 per capita or 1,894, 000 kip (at the 1997 exchange rate of US\$1=4735 kip). This translated to a household income of 11,364,000 kip (US\$2400) for a family of six.

1.3.2. The project may want to explore raising the titling fee.

The 12,000 kip-titling fee that the LLTP charged is less than one percent (1%) of the 1-2 million kip figure cited by the respondents. The project may want to raise the titling fee to recover part of its cost.

1.3.3. Household survey results support observations from the FGD that businessmen and people with higher income benefited from mortgaging

FGD participants expected that businessmen and wealthier people owning more parcels to be the ones to benefit first from land titling given their greater need for financing, their higher debt capacity, their deeper and more stable asset base and income flow, their higher literacy, and credit history. Businessmen and wealthier people can afford to take more risks and borrow from the bank because they have more assets and savings and know the bank managers and officers.

This observation is supported by the result from the household survey in the six served provinces and two unserved provinces that showed the majority of respondents mortgaging land (62%) listed their occupation as businessmen. Half of those who mortgaged had an average household income of 25 million kip and above (US\$2500)¹ that was more than double the average family income of the population that stood at 11.264million kip (US\$1126 at current exchange rates) in 1997.

¹The figure may even be higher given the natural tendency of respondents to understate their income.

1.3.4. Income correlates strongly with amount borrowed and approved.

Income not only influences access to formal sources but also correlates strongly with the amount of loans given. The household survey in (both the served and unserved provinces) showed that those with higher incomes generally obtained higher amount of loans. Presumably, those with higher incomes owned more valuable land and other properties on the land , and these lands and properties when offered as collateral fetched higher mortgage value. People with lower income tended to borrow more from friends compared to those with higher income.

1.4. Data on Government Revenues

Government land taxes has been registering continuous increases since 1998. Highlighted are the land taxes in the six served provinces covered by the Social Assessment.

**Table 9:
Summary of Land Tax Collection Laos
1998-first eight months of 2002**

Provinces	1998 - 1999		1999 - 2000		2000 - 2001		2001-2002 (8 months)	
	Estimation Plan	Actual	Estimation Plan	Actual	Estimation Plan	Actual	Estimation Plan	Actual
Phongsaly	140.000.000	2.367.300	240.000.000	343.464.427	350.000.000	703.000.000	550.000.000	404.409.138
Luang Namtha	110.000.000	4.882.400	250.000.000	300.880.089	400.000.000	389.397.000	560.000.000	362.233.150
Oudomxay	100.000.000	8.368.742	240.000.000	252.434.495	400.000.000	555.196.000	620.000.000	389.519.134
Bokeo	200.000.000	9.106.100	240.000.000	165.670.830	340.000.000	310.817.000	500.000.000	277.593.692
Luang prabang	209.340.000	5.525.100	400.000.000	634.432.522	1.050.000.000	1.339.195.000	1.650.000.000	1.279.025.875
Houaphanh	75.000.000	3.669.090	130.000.000	222.133.505	300.000.000	389.467.000	680.000.000	256.300.700
Xayaboury	370.000.000	47.447.873	570.000.000	610.264.266	1.100.000.000	1.125.750.000	1.700.000.000	1.055.892.825

Table 9:
Summary of Land Tax Collection Laos
1998-first eight months of 2002
Continuation:

Provinces	1998 - 1999		1999 - 2000		2000 - 2001		2001-2002 (8 months)	
Xiengkhouang	110.000.000	4.890.487	190.000.000	264.631.448	400.000.000	447.382.000	600.000.000	220.676.380
Vientiane Pro.	500.000.000	68.847.781	750.000.000	727.235.387	1.200.000.000	1.911.681.000	2.300.000.000	1.510.303.342
Vientiane Mun.	2.705.660.000	79.268.294	3.300.000.000	2.510.153.575	3.500.000.000	3.878.753.000	4.800.000.000	2.968.275.987
Bolikhamxay	250.000.000	7.860.208	450.000.000	354.362.747	450.000.000	741.242.000	800.000.000	596.309.006
Khammouane	350.000.000	17.704.487	530.000.000	627.342.837	700.000.000	1.732.114.000	1.700.000.000	1.459.561.589
Savannakhet	1.200.000.000	253.977.458	1.900.000.000	1.837.612.575	2.800.000.000	4.230.742.000	4.700.000.000	2.827.125.385
Saravane	310.000.000	24.298.771	570.000.000	395.660.279	700.000.000	881.963.000	1.300.000.000	904.145.648
Champasack	1000.000.000	24.147.823	1.600.000.000	683.799.062	2.240.000.000	1.727.938.000	2.900.000.000	1.810.684.482
Xekong	50.000.000	3.373.530	120.000.000	55.973.679	150.000.000	94.920.000	215.000.000	108.420.972
Attapeu	100.000.000	5.431.627	150.000.000	89.084.761	150.000.000	243.171.000	325.000.000	199.520.002
Xaysomboune	20.000.000	3.223.700	18.000.000	22.528.795	19.000.000	51.953.000	50.000.000	35.243.825

CHAPTER II

SUMMARY OF FGD RESULT AND CASE STUDIES IN SERVED PROVINCES

CHAPTER TWO: SUMMARY OF FGD RESULTS AND CASE STUDIES IN THE SERVED PROVINCES

The following is the summary of FGD Results and Case Studies from the Served Provinces. The results and issues per province are found in the full-blown FGD report.

2.1. INITIAL CONCERNS PRIOR TO LAND TITLING:

According to the participants of the FGD, the following were their concerns and apprehensions at the start of the project.

- Cost of land titling being too expensive for people to afford.
- Time it takes to title lands, that it may be too long.
- Security of Tenure, that the title may just be temporary and that they may lose their lands.
- Loss of Access, as people fronting the roads fence off their land blocking their neighbors in the interior.
- Loss of Land for right of way of various infrastructure projects;
- Boundary disputes that these may persist. Boundary disputes can exist between households and between villages.
- Gender equality, that conjugal lands and lands that woman inherited or had use rights to previous to the marriage, would be titled in the husband's and not the wife's name.

These concerns and fears did not happen.

2.2. CONTINUING CONCERNS.

The following are the continuing concerns in most villages visited:

- Concern over the time it took to issue the title;
- Concern over compensation for lands lost due to right of way.

2.2.1. Still Waiting for Titles.

In many of the villages where the Social Assessment, the villagers are still waiting for the issuance of land titles. Probing the FGD participants' answers showed several probable reasons for this:

- Perceived Delays in Conclusion;
- Lack of Follow-Up. In some provinces, land titles were obtained from the Provincial Land Office. In others, villagers got theirs from the village administration office. Some of those who followed-up their titles got them. Others who had not done so still had no title in their possession.

The waiting has made some people anxious. According to FGD participants, those who have not obtained their titles as yet are beginning to entertain thoughts that their land use rights documents were not in order and that their land use rights were illegal or that someone in the

Land Office was sitting on the evaluation. Some were beginning to feel that they would not get titles at all.

2.2.2. Concern over Right of Way.

As physical infrastructure sought to catch up with rapid economic growth, it was inevitable that persons, especially those living along the road, would lose a portion of their lands to right of way. Many of FGD participants expected this to happen. A number believed that they should be compensated. Some who had lost their lands believed that though they were not compensated monetarily or by similar piece of land, they would benefit in the long-run from improved transport, electricity, and water facilities. Some said that while a portion of their land was stricken from their land use right documents, they still could use these lands till government made use of them.

Others did not mind losing parts of their land without compensation so long as their contribution was recognized and recorded for the benefit of succeeding generations

2.3. COMMON REASONS FOR WANTING AND NOT WANTING TO HAVE LAND TITLES:

The following were the common reasons for wanting to have land titles:

- Need to access capital for the business.
- Desire to settle boundary disputes with neighbors.

The only reason cited for not wanting to have titles was:

- No need to borrow money because they have no business.

Majority of the participants in the FGDs said that they would have their lands titled or obtained more secure land use rights documents even without the project because they need the documents to borrow capital for their business.

They also wanted their lands titled to resolve boundary disputes with their neighbors

A few participants in the FGD said they would not have their lands titled because they had no business, and therefore, no need for loans

2.4. WHAT THEY DID OR WOULD DO WITH THE LAND TITLES:

Common responses said that once they received their titles, they would:

- keep it in a cabinet or a safe place;
- use it to borrow money from the bank.

2.5. SOCIAL IMPACTS:

The following are the social impacts of the LLTP:

- Less disputes:

- Better relations with neighbor;
- Greater security;
- Ease in transferring land to children;
- Greater confidence in entering into transactions;
- More women had their names in the land title;
- Greater understanding of gender equality; and

Potential Impact.

- The likelihood of titles increasing disputes over inheritance because of the irrevocable nature of land transfers.

2.5.1. Less Disputes.

All the villages report a lessening of disputes with the coming of the project. Understandably, some disputes remained such as:

- Disputes over Inheritance
- Disputes over Access to Roads as people fence their newly-titled properties to the detriment of those living in the interior.

Disputes over inheritance are difficult to solve because of the emotions involved. The stakes are higher in the urban areas because of the high and still rising value of land. Inheritance disputes have been there before the project started, and they will continue to emerge in the future.

According to some participants, leaving dispute resolution to village administration and housing unit heads helped a lot. The disputants were motivated to settle their differences; otherwise, their land would not be titled.

2.5.2. Better Relations among Neighbors.

In many villages, resolution of disputes have promoted better relations among neighbors. According to one villager, having gone through the same process helped them to know and understand each other.

2.5.3. Greater Security with the Title.

With the land title, FGD participants said that they felt more secure with their properties. They did not have to worry about their lands being taken away from them or losing portions due to disputes with their neighbors.

2.5.4. Ease in Transferring Land to Children.

With land titles, people said that it was easier to transfer land to the children. One participant said that a disadvantage with land titles is that once a transfer is made, it is impossible to recall. (Transactions are annotated at the back.) A parent cannot change his mind anymore. This can provoke and intensify existing conflicts in the family.

2.5.5. Greater Confidence in Entering into Transactions

The land title gave them confidence to transact business with the banks and potential buyers. In buying and leasing land and lending money with the land offered as guarantee, the title assured them that the persons they were dealing with indeed had full use land rights over the property.

2.5.6. More women had their names in the titles.

As a result of CRS activities conducted by the village administration and by the Lao Women's Union explaining gender equality, more women were said to have their names placed on land titles singly or jointly with their husbands.

2.5.7. Greater understanding of gender equality

CRS activities advised women to assert and involve themselves in the project and not leave land-related matters to their husbands. Having undergone sessions on gender equality, the men who attended the FGD said that they did not resist the changes.

2.6. ECONOMIC IMPACTS

The following are the perceived economic impacts of the LLTP:

- Less time consuming and cheaper than regular government processes for securing other land use rights document'
- Possibility of mortgaging as the principal benefit from land titles;
- Greater access to formal sources of credit.

Observed economic and physical changes in the villages covered by the LLTP were:

- Construction of roads, bridges and flood control facilities;
- Improvement in electric, water, and telephone services;
- Erection of fences;
- Rising land values;

2.6.1. Less Time Consuming and Cheaper

The LLTP resulted in significant savings in time and money on the part of the beneficiaries. With the LLTP, project beneficiaries said that they were spared the time, trouble, the financial expense of shuffling from one government office to another and waiting interminably for a title.. They appreciated the very cheap titling fee of 12,000 kip (US\$1.2). Had the project not been present, people would have paid at least 500,000 kip (US\$50) to acquire a land survey certificate. The project also saved the beneficiaries a yet to be determined sum of money that otherwise would have been used to satisfy rent-seeking behavior.

2.6.2. Greater Possibility of Mortgaging.

In all villages, FGD participants identified the possibility of mortgaging the land as the principal benefit that they could derive from their land titles. They identified those most likely to

mortgage their titles as large businessmen with large capital requirements such as those engaging in the import and export business, construction, tourism, e.g hotels and guesthouses. In Vientiane Prefecture, people identified those who mortgaged land to be rich and owning several parcels of land. Being owners of several parcels, these people could afford to take risk. They could pay their debts by selling other parcels.

Be this as it may, FGD participants were naturally cautious about mortgaging for two reasons:

- the danger of not repaying the loans and losing the land in the process; and
- the lack of information about the banks' process and procedures of getting a loan, different loan products, and the risks associated with borrowing. Many have not had the experience of borrowing from the bank.

FGD participants who knew villagers who have mortgaged their lands said that the borrowers were mostly businessmen who needed capital for their business. More common is obtaining credit from informal sources like friends and relatives.

2.6.3. Perceived Greater Access to Formal Credit Sources.

Almost all villagers preferred mortgaging to the banks because of their stability and legal authority to lend. The risk of being cheated was lesser transacting with the banks than dealing with informal or private moneylenders. Credit from private moneylenders were said to be best suited for small businesses and for women with small financing needs and who could pay them in the short-term, i.e. two months. Some of the advantages from borrowing from private moneylenders was the simplicity of the procedures, the speed of getting the loan, and the relationship between the lender and the borrower, i.e. friends, relatives. Land was not usually mortgaged to private moneylenders.

Some of the participants in the FGD felt that the reason why some people did not mortgage their lands was because of complicated lending procedures and the long processing time for loan applications.

2.6.4. Few were said to have mortgaged lands. Few also lost lands..

Across all FGDs, there were very few examples cited of people mortgaging land and losing it in the process. People did not generally mortgage land but would mortgage moveable or more liquid properties like jewelry, foreign currency. The few who lost their lands did so because of the improper use of the loan, extravagant living, inaccurate estimation of the capacity of the business to repay the loan, and the lack of education to manage the business properly.

2.6.5. New Construction and Improvements in Public Utilities

The areas first covered by the LLTP in these six provinces were urban and peri-urban areas that were undergoing rapid economic growth and significant alterations in its physical features what with the many roads being built or improved, buildings erected, houses improved, and telephone and electrical lines and water pipes being installed. In this milieu, it is difficult to isolate those social and economic impacts that are caused singularly or largely by the project. People in the FGDs pointed to noticeable improvements in the appearance of the village with more houses being built, expanded or repaired, painted and decorated, roads being paved,

and concrete fences replacing those made of wood and less permanent materials. In the same breath, they said that these could be attributed less to the project but more to the increasing number of visitors and investors and more intensified trade and commerce within the village and with other villages.

2.6.6. Erection of Fences

Some FGD participants said that they noticed their neighbors had erected fences once the boundary markers had been set in place. This has denied access to roads for some people living in the interior.

2.6.7 .Rising Land Values.

Land values have been rising in recent years in many of urban villages. In Vientiane Prefecture, the price for vacant land rose by sixty percent (60%) and that of land and building properties by eighty percent (80%) in 2001. (*AusAid/IBRD Lao PDR Land Titling Project Technical Assistance Annual Plan 2001-2002*, p. 20). In the urban villages of the other provinces, land, especially those across the Mekong River near bridges going to Thailand and ports, were also rising. The precise contribution of the LLTP to this trend has yet to be determined. Lands that were increasing in value were, among others, those located in highly commercialized villages, those near major infrastructure projects like roads, those in areas where township projects were targeted, and those straddling the Mekong River, especially near bridges and roads connecting to Thailand and other countries bordering Laos. Some of these were in provinces where the LLTP had just begun. As can be gleaned from the FGDs, optimism about the economy's future, migration and tourism, demand for residential and commercial land to house visitors and outsiders, and accessibility because of improvements in roads and transport are considered to be the major driving forces behind rising land values.

2.7. IMPACT ON ETHNIC GROUPS

Since almost all the villages covered by the LLTP in the served provinces were urban and peri-urban areas, project contact with ethnic groups was not as extensive than would it have been had the project covered the rural villages and upland villages. Members of ethnic groups encountered were the Loven in Champasack, the Hmong in a rural village in Vientiane Prefecture and in Luang Prabang, and Khumu in Vientiane Province. The Loven in the urban and peri-urban areas of Champasack Province were said to be enjoying similar economic standing as the dominant Laolum majority and have generally entered the mainstream of Lao society. Case study 1 highlights problems the project would encounter with ethnic groups. The Khmu in the case are not beneficiaries of the LLTP.

2.7.1. Difficulty of Getting Titles Due to Mobility and Absence of Land Acquisition Documents.

Being mobile, the Khmu in the case below have no proofs of land use rights. It is significant to note that these group of Khmus are willing to pay land taxes and are desirous of getting a title.

2.7.2. Change from Shifting Cultivators to Settled Farmers

The impact of titling would be to reduce the mobility of such ethnic groups and spur them to engage in settled agriculture. This is one of the thrusts of the GOL through its official relocation and focal site development.

Land titling alone is not the only variable driving changes in the lifestyle of ethnic groups. The growing scarcity of land, measures to reduce the rate of deforestation due to slash and burn agriculture, and development projects aimed at delivering services to these groups are creating pressures for them to abandon their nomadic ways.

2.7.3. Removal of Flexibility in Land Allocation among Members of the Group or the Village

Formalizing land tenure and settled agriculture does have its drawbacks the most important of which is the removal of flexibility it affords to villages and ethnic groups in allocating agricultural land among their number. (*Draft Existing Land Tenure and Forest Land Study*, p.11)

2.7.4. Rendering Impossible the Use of Some Consumption Smoothing Strategies

Formalizing land tenure and settled agriculture has the potential of rendering impossible the use of some consumption smoothing strategies. The Khmu in the case had multiple sources of income in both urban and rural, agricultural areas and engaged in them at various times of the year. During the wet season, they returned to their farms. At other times, they were in Phonhong making handicrafts and selling them and work as farm laborers.

Formalizing land tenure either through land titles, and to a lesser extent, Temporary Land Use Certificates (TLUC) ² would compel ethnic farmers to concentrate on their farms or face certain penalties. Article 18 of the Land Law gives land rights to individuals and organizations through a land certificate. The certificate is good for three (3) years. These Temporary Land Use Certificates (TLUC) can be converted to proofs of stronger land use rights provided that it has been used according to the contract and taxes have been paid for three (3) consecutive years. Transfer is not allowed unless the land has been developed and put into production. Otherwise, according to Article 57 of the same law, the TLUC holder loses use rights over the land. Fear of losing land use rights over the whole parcel renders even the more industrious and capable farmers reluctant to cultivate more land.

This makes it difficult to practice a fallow³ system of agriculture.

With limited land, the alternative is to intensify cultivation, increasing the risk of soil depletion. In many cases intensive cultivation all year round is impossible due to the lack of irrigation facilities. The Khmu in the case below farm their fields during the wet season.

²Temporary Land Use Certificate (TLUC) or “Bai Yang Yeurn Tee Din Sua Khao” is prepared by the District Agriculture and Forest Office (DAFO) and issued by the District Administration Office (DAO) for a three year period under the land allocation program. These certificates are issued for agricultural land,, for which there are no land survey certificates. *Draft Existing Land Tenure and Forest Lands Study*, p. 5.

³In a fallow system, agricultural areas are divided into large blocks of land,, some of which are tilled for a set period of time while others remain fallow. After the set time elapses, the farmers shift their activities to the blocks that were deliberately left idle while those portions that they intensively cultivated are left fallow to regain its fertility.

These pressures are not felt under a shifting cultivation system where farmers cultivate an area of land following a criteria consisting of:

- The fertility of the soil;
- The type of crop;
- The available labor;
- The amount of food that is needed to feed the clan or group.
- The expected yield achievable in a bad year, which means clearing more land to make up for unforeseen events like bad weather, infestation.⁴

2.7.5. Weakening the Mutual Support System

The changes in farm practices caused by formalizing land tenure carry the risk of weakening the mutual support system existing in ethnic villages and families. The fallow system and land allocation practices among Khmus and other ethnic groups allow elders and leaders to allot a larger-sized land to poorer families. It allows different families to till more fertile village land on a rotating basis. Titling land to individual households weakens this mutual support system by confining the use of more fertile land to a few, fortunate households. It can introduce conflicts within the village as people quarrel on who would have the title on the more productive areas.

Titling will also change the inheritance practices among ethnic groups, which is inequitable as it is from a gender point of view, fulfills the purpose of keeping land within the clan for use by all members and succeeding generations. Brothers may quarrel and demand an equal share, fragmenting the clan's landholdings. Or to settle inheritance disputes, the household may decide to simply sell and divide the cash proceeds among themselves, cash being of equal quality while land is usually not. Dividing the land and titling it exclusively in the name of a few members of the clan may deprive the others of access, especially in moments of extreme need.

2.7.6. Potential Destruction of Culture

Settlement by compulsion in multi-cultural focal development sites and townships carries the risk of destroying the culture of the ethnic groups and pushing them into destitution. What happened to American Indians in reservations – the destruction of culture, proliferation of vices, addiction, vulnerability to diseases, e.g. diabetes because of a sedentary lifestyle – must be kept in mind when dealing with ethnic groups.

⁴J.D. Von Pischke citing William Alan, *The African Husbandman in Finance at the Frontier: Debt Capacity and the Role of Credit in the Private Economy*, The World Bank (Washington, D.C.: 1991), p. 25-26.

Case study 1 : Far and Away Looking for Land

Messrs. Bounchanh, Bouthanorm, and Bounmy were Khumu refugees during the civil war. Together they represented a group of 11 Khumu households. At the time of the interview, Mr. Bounchanh was forty five (45) years old, married with four (4) children, three (3) boys and one (1) girl. Mr. Bouthanorm was sixty four (64) years old, married, with two children, a son and a daughter. Mr. Bounmy was the youngest of the three at forty (40) years of age. He had three (3) sons and two (2) daughters.

In 1970, amidst heavy fighting, this group of Khmu moved from Xiengkhouang province to a village called Nong Pene, some eight (8) kilometers from the town of Phonhong, Vientiane Province. The village then was heavily forested, and the three men and their families practiced slash and burn agriculture in the area.

In 1979, the family moved again, this time to the village of Nongbua, about three (3) kilometers east of Phonhong. The group transferred because they had grown weary of living in Nong Pene and had no lands left to farm because slash and burn agriculture had been prohibited.

At Nongbua, the group found lush valleys and small rivers and streams. They decided to abandon slash and burn cultivation in favor of settled and permanent agriculture (Na). Messrs. Bounchanh, Bouthanorm, and Bounmy cultivated rice and harvested around eighteen (18) to twenty (20) bags weight around 1.6 tons per year. During the dry season, the three men rented dry paddy on which they invested around 600,000 kip (US\$60) in farm inputs. They harvested nine (9) to ten (10) bags of paddy rice per year equivalent to 800 to 900 kilograms of rice. The rest of the year, the Khmu families rented their labor for cash.

Be this as it may, life was still difficult in Nongbua. The children had difficulty going to school. In 1994, they were bitten by wanderlust and the desire to improve their lives. The Khmu again moved their families, this time to Phonhong town where they occupied a 225 square meter residential lot that was only large enough to build their dwellings.

In Phonhong, the Khmu fed themselves mainly through handicraft making, crafting different sizes and types of baskets from rattan and bamboo. They supplemented their income by hiring out their labor to weed gardens, plant rice, and other farm-related work. During the wet season, the families returned to their own paddies in the valleys of Nong Bua, and in the dry months, they rented other farmer's fields.

The three Khmu men had no land certificate or title. Provincial and district land officials have never visited them to survey their land. Messrs. Bounchanh, Bouthanorm, Bounmy and the rest of the group were wondering if they could stay on their land or move to another place more secure. They were willing to buy state or private land and to pay land taxes as other land owners in Phonhong did.

2.8. IMPACT ON WOMEN

2.8.1. More women had their names on the land titles.

Women can be said to have benefited the most from the LLTP. The project succeeded in getting more women's names placed on the land titles conjugal lands that had been exclusively named under the man were titled jointly in the names of both husband and wife. In some villages, FGD participants said that more lands were under the name of women if joint titles were included in the count. Both men and women said that they welcomed these changes for these protected their lands for transferring to children in the future.

2.8.2. Women felt more secure about their land use rights.

With a legal document, the women said that they felt more secure about their inheritance and confident that their rights would be protected in the event of divorce, death of the spouse, and philandering by the husband. That all transactions were written down, not just orally consummated and left to the mercy of fickle memory and caprice, was an additional source of comfort for the women.

2.8.3. Women felt that they have greater power in decision-making.

Participants in the women's FGD said that they had greater power in decision-making over the use and disposition of land with the LLTP than without it.

2.8.4. Traditional customs are still followed.

According to the participants in the women's FGDs, traditional customs and practices concerning inheritance, the titling of properties, and the division and transfer of conjugal property in cases of divorce and the death of a spouse are still practiced.

Table 10:
Practices related to the inheritance of land, the naming of conjugal lands and women's land after marriage, and division of property in cases of divorce.

Situation	Practices
Inheritance:	<ul style="list-style-type: none"> • Parents' decision. • Equal division among children (the size of the land permitting). • If the land were small, it was sold and the proceeds were divided equally among the children. • Kept in the parents' name to make the children come together • Land in the parents' name was transferred to the one who stayed in the parents' house, usually a daughter (if the land were small). • Land in the parents' name was transferred to the one who take care of the parents, usually a daughter (if the land were small) • Given to the poorer daughter or son. • Given to the youngest son or daughter • The son or daughter who took care of the parents got twice more than the others. • Given to the child the parents loved the most. • If all the siblings were well off, the sisters and brothers decided to whom the parents' properties would go.

Table 11:
Practices related to the inheritance of land, the naming of conjugal lands and women's land after marriage, and division of property in cases of divorce.
(Continuation)

Situation	Practices
Lands that women inherited before marriage	<ul style="list-style-type: none"> • Title placed under the name the husband; • Title remained under the woman's name if the husband stayed with the woman's side • Titled placed under the man's name if the woman transferred to the husband's side. • The wife's land became conjugal property. If the couple developed the land together after marriage, it is titled in both their names. • Woman's land before marriage remained in her name; man's land before marriage remained in his name; lands acquired during the marriage became conjugal property. • Husband and wife discussed and agreed on whose name the land would be titled. • Some lands remained under woman's name; others were placed under husband's name because the husband was the head of the household.

Table 11:
Practices related to the inheritance of land, the naming of conjugal lands and women's land after marriage, and division of property in cases of divorce.
(continuation)

Situation	Practices
In Cases of Divorce, What happened to conjugal land.	<ul style="list-style-type: none"> • Land was sold and divided equally between the estranged husband and wife; • A bigger share (2/3) was given to the spouse that took custody of the children. • The couple brought the case to the village administration, and if the dispute remained unresolved, to the district, and then finally, to the court to decide. • Land was divided into three parts: one third to the husband, another third to the wife, and the remainder to the children. • All of the land went to the wife if the wife took custody of the children. • If the wife or husband remarried, the land went to the children. • The party with the greater guilt got less. • The guilty party had no share in conjugal land.
In Cases of Death	<ul style="list-style-type: none"> • If the husband died, his properties were transferred to the wife. If the wife died later, her lands (including husband's) were transferred to the children. • If the woman remarried, her share went to the children.

2.8.5. Local Women's Participation Weak in Surveying and Adjudication

The participation of local women varied in the different stages of the project and in the different villages.

- Customer Relations Services.

Members of the Local Women's Union (LWU) conducted CRS/GAD activities. Local members of the LWU conducted the special meetings with women. Women participated in disseminating information about the project. There were villages where the LWU were more active than others.

- Surveying and Adjudication.

In some villages, they assisted the team to measure land parcels and instructed villagers to collect boundary markers from the village office. They also instructed the women villagers and housewives to prepare land acquisition documents and personal papers. They also certified the transfer of land use rights through inheritance. The women also interviewed household members as part of the adjudication process.

In the two villages visited by the SA team in Savannakhet, the women said that they did not participate in surveying and adjudication. The project had only one woman in the SAT.

In Watluang village in Champasack, the women did not participate in adjudication. Only one woman came during land titling to inform people about gender equality.

2.8.6. Factors Inhibiting Greater Participation of Women

Generally, many FGD participants felt that their participation in surveying and adjudication work was limited. Men dominated these activities. This was so for a number of reasons:

- Limited Number of Women in the LLTP's workforce;
- Predominantly Male Village Administration;
- Technical Nature of the Surveying and Adjudication;
- Cultural Expectations Regarding the Role of Women

First, there were few women in the LLTP's workforce. In most cases, only one or two women came to the village. Women usually conducted Customer Relations Services.

Second, village administration in all the villages covered by the social assessment was dominated by men. In a number of villages, the only women in the village administration were representatives of the Lao Women's Union. The *nai ban* or village chiefs who were trained by the project to deliver Customer Relations Services (CRS) and facilitate dispute resolution during adjudication, and assist the surveyors were overwhelmingly male.

Third, the technical nature of the project, e.g surveying. understanding the photomap and the appraisal of land acquisition documents could be intimidating even for the better educated

villagers with no background in the law or surveying. Popular and wider participation was more difficult to obtain at this level than others.

And fourth, cultural expectations regarding their place in society and training prompted many women to generally leave community activities to their husbands and concentrate on household matters. Women let their husbands talk to village authorities and project staff who were also unanimously male.

2.8.7. Women of Ethnic Groups

Of special concern are women of ethnic groups. Inheritance practices of Hmong and Khmu favor the son over the daughter.

- Khmu:

In the Draft Existing Land Tenure and Forest Land Study, it is said that the Khmu discuss within the family who among the family members will inherit land. Traditional inheritance practices among Khmu are patrilocal, that is the rights have the right to inherit land because Khmu women are expected to move out of the parental house and move into their husbands' dwelling.

The eldest son in the family bears the responsibility of "holding the house spirit." The different sons receive different shares of the family land, depending presumably on the order of birth. The son is expected to take care of the parents in their old age; the one who does so receive up to two-thirds (2/3) of the land.

Only when the family had no son or that the sons do not wish to take care of the household are women allowed to stay in the parental house when they get married. In this case, the woman inherits the land.

In the Ta'oy sub group of the Khmu in central and northern Laos, it is the first born child, whether male or female, who have rights to manage the family's land.

In transferring land use rights, the family member must first offer the land to other brothers or obtain their approval before consummating the transaction. If the brothers disagreed with the proposed transaction taking place, it should not proceed; transactions done without consultation or approval are penalized by the withdrawal of family support.

- Hmong

In Hmong culture, all land and property in the family is transferred to the youngest son who usually remained in the parental house to take care of parents. The older siblings usually moved out at the house after getting married. The parents give the older brothers and sister animals, moveable household properties, and cash to start a new life.

When the husband dies, his land and property are transferred to the sons to control and manage. The concept of conjugal ownership over properties jointly acquired by husband and wife during their marriage is undeveloped in Hmong culture.

This will pose problems to the LLTP's efforts to put the name of husband and wife jointly in the land title. The widow, though, gets to keep the land and property provided her by her parents.

Moreover land acquisition documents among ethnic groups are most likely in the husband's name.

If the widow remarries, she immediately loses any right to the land and property in the previous marriage. The responsibility of providing for her passes on to another clan.

In a family with no son, the daughter still cannot inherit in the event of the father's death. The property goes to her paternal grandparents. The paternal grandparents have the task of providing for their granddaughters.

Unlike women of other ethnic groups, Hmong women are not allowed to remain in the parental house after marriage. By marriage, the Hmong women become a member of another clan that has a different spirit than the one prevailing in the parent's house. In the Hmong's belief system, two different spirits cannot reside in the same house. As for the children of a first marriage, they become members of the new husband's clan by taking on the name of the clan through a "*hou pli*" ceremony.

Complicating matters is the practice of polygamy in Hmong culture. This poses difficulty in apportioning of property rights among first-born sons of different women.

Disadvantageous as these practices are to women, they are done in order to preserve the clan's property.

The case study 2 shows that beneath the outward conformity of ethnic Hmong women is the desire to have land use rights, inherit property, and obtain a share of what really is conjugal property.

Case Study 2 : THE WIVES SPEAK

Mr. T, 42 years of age, was a Hmong taxi operator and farmer living in Ban L in Xiengnguen district in Luang Prabang Province. He had two wives. He married Ms. C in 1978 when she was still nineteen (19) years of age. Mr. T married his second wife, Ms. D, in 1984 when she was still twenty (20) years of age. Both women were illiterate.

Mr. T decided to marry Ms. D after Ms. C failed to bear any children after six (6) years of marriage. It took some time to convince Ms. C to agree to the second marriage. Mr. T had to ask Ms. C's parents to intercede.

Mr. T met Ms. D in Houay Chithanong, Xiengngueun district. He fell in love and proposed marriage. Ms. D Initially refused because she was not sure if Mr. T indeed loved her and would divorce her. Mr. T asked Ms. D's parents to help him. The parents were also afraid that Mr. T would divorce their daughter. Mr. T finally decided to "steal" Ms. D, and three days later, the wedding was held.

The ceremony took place at the new wife's house with Ms. C, the first wife attended. Ms. C offered money from her conjugal money to the new wife's parents. The wife's parents was paid three (3) khanh of silver and three (3) manh worth 1.65 million kip (US\$165) (1 Khanh=500,000 kip 1 Manh=50,000 kip) as they had requested. Both Mr. T and Ms. C promised to take care of Ms. D. They would live together as a family if Ms. D could bear children. In the Hmong tradition, the man had rights to marry another woman if the wife could not bear a child. If either the first or the second wife behaved badly toward each other, she would be divorced.

Mr. T and his two wives lived in Ph village. They transferred to Ban Li in 1988. By this time, the wife had given birth to five (5) children.

Means of Livelihood

The household lived off Mr. T's income as a taxi owner and driver, making 60,000 kip (US\$6) a day. The wives busied themselves with farming. The household owned about a hectare of paddy that produced two (2) tons of rice annually. It also had a garden where pumpkins, maize, tomatoes, and other vegetables for daily consumption was grown. Anything extra was sold.

The household also had an upland farm measuring around a hectare where the wives practiced shifting cultivation growing rice and job's tears. Rice was grown for subsistence and job's tears for sale. Mr. T's household of eight (8) had enough rice for the year.

Mr. T also had a two-hectare teak plantation.,

When not doing agriculture, the wives did embroidery sending the products to the United States, making US\$300-500.

The household had nine (9) heads of cattle, some pigs, and twenty (20) chickens throughout the year. Every year they sold two-three heads (2-3) of cattle, making around 2-3 million kip (US\$200-300) a year.

Household Management

Mr. T is the undisputed leader of the household. He made all the decisions. His wives just contribute their ideas when the husband consulted them. The wives usually looked for an area to cultivate land; Mr. T would then inspect it and make the final decision. Mr. T kept all the money. For their needs, the wives asked money from the husband who made the decision whether to grant the request or not.

Titling

Both wives wanted to have the properties titled in their names: Mr. T's, Ms. C's, and Ms. D's. The reason they wanted this arrangement was that in case of divorce, the properties would be divided equally among the three of them. Each deserved an equal portion because all three of them worked to acquire those properties. According to Mr. T, the lands would be transferred to their children when he and his two (2) wives reached old age.

2.9. GROUPS THAT STAND TO BENEFIT THE MOST

The SA team identified those who benefited or stand to benefit first and more from the project as:

- 2.9.1. People with businesses;
- 2.9.2. People who know people in the bank are familiar with bank; procedures and have experience in borrowing;
- 2.9.3. People with high income, as shown in the household survey; and
- 2.9.4. People living along major and secondary roads, the value of whose lands are higher and whose properties are preferred by the bank as loan guarantee;

They can be one and the same person.

2.10. GROUPS THAT HAVE NOT BENEFITED (AS YET) FROM THE LLTP

2.10.1. Occupants of State Lands.

A common concern across all six provinces is what would happen to those occupying state lands. Some of these people attended the village meetings but for the absence of a clear government policy on whether they were qualified to obtain land titles, they remained in the dark regarding their status. An example was a group of teachers living in school lands in Vientiane Province. Some of the occupants of state lands were worried that the government might take back the land. Others inquired whether their children could inherit state lands. The FGDs and key informant interviews revealed different types of occupants of state lands

- Those who were allowed by the state to occupy and use state lands, e.g. retired government officials, current government officials;
- Those who were renting the use of state lands from parties whom the state permitted to stay on state lands;
- Those who were occupying state lands with no authority whatsoever from the state.

The people suggested that the assignment of land use rights to state officials be documented.

2.10.2. Those who fled after 1975 and their heirs.

Some participants in the FGDs were returning Lao people who fled after 1975. They inquired whether they could get their lands back.

2.10.3. Permanent residents like Vietnamese, Chinese, Thai and others who have established businesses within Laos and have been using lands for these purposes.

These people were asking if they could obtain titles for the lands they were using. Some were renting houses; other had bought houses. Under Lao law, all lands belonged to the Lao people, and only Lao citizens could have full use land rights over these lands.

2.10.4. A group of Khmu in Phonhong village, Phonhong district, Vientiane Province who had been unable to get a land tax declaration for the last ten (10) years.

This group was featured in the case study 1 “Far Away Looking for Land” .

2.10.5. Other similar situated ethnic groups: Khmu, Hmong, and Lao Kang

Some of these groups have not been reached by the project as yet. Like the Khumus featured in the case, they may not have land acquisition documents because of shifting cultivation.

2.10.6. People living in lands formerly communal in use within the village and across villages.

An example is the lakeshore farmers in Vientiane Province whose story is narrated in case study3

Case Study 3 : CONFLICT OVER THE COMMONS

Nong Phonsy is a lake located east of Ban Phonsy village, District of Phonhong, Vientiane Province. It is half a kilometer from Road 13 North passing through Phonhong town. Nong Phonsy was a large natural lake where lakeshore villages fished. Its waters subsided, and even dried up, during the dry season. When it did, the villagers used it for planting late wet-season rice, transplanting in October and harvesting in February. The land yielded harvests better than irrigated paddy fields in the dry season.

Every sixth month of the year, the villagers of Phonsy Tai, Phongam, and Phonxai traditionally celebrated a festival to feed the spirits of the lake participated in by most of the residents of Phonhong town.

No systematic survey or measurement of the lake has been made. Fifty (50) years ago, it was estimated to measure around 600 hectares. Since its water had dried out and the land used for late wet rice cultivation, the lake area had decreased to around 160 hectares. The lakebed used to be bushy but these had long since been cleared to make way for rice cultivation.

The lake is presently the subject of land use right claims by sixteen (16) households in the three above mentioned villages.

Cultivation of the lake intensified in 1975 when the district armed with bulldozers and tractors mobilized the villagers and students to practice dry seasonal rice cultivation on the lake. Since then village volunteers did farming on the lake as they pleased. More people started farming the area when the water level subsided further after the completion of the water drainage system.

The present dispute originated from the land measurement done in the three villages in 1990 by the agriculture and forestry office in Vientiane Province. Since the land measurement was done for tax purposes, the farmers who claimed land use rights on the lake did not declare the real area of lakebed that they had been using.

In 2000, when the LLTP arrived in the village, a more accurate survey was done. It found that twenty five (25) to thirty (30) households owned paddy lands in the area, with the rest belonging to the residents of the neighboring villages of Phongam and Phonsy Tai.

The three villages were asking province and district authorities to intervene and resolve the conflict among the claimants. The LLTP had asked the three villages to resolve it among themselves but they could not reach a satisfactory solution on how to divide the lakebed.

CHAPTER III

INSTITUTIONAL ANALYSIS IN SERVED PROVINCES

CHAPTER THREE INSTITUTIONAL ANALYSIS: SERVED PROVINCES

This chapter analyzes the institutional environment of the project. It analyzes the effectiveness of processes used in the project. It also analyzes the adequacy and quality of human resources, the timeliness in the delivery of critical inputs, and key problems in project implementation. Data used in the institutional analyses were derived from three sources:

- Technical Assistance Reports done by BHP, Land Equity, and AusAid;
- *Aide Memoire* of World Bank-AusAid Joint Supervision Missions;
- Interviews of PFU Heads and other Project Staff.
- Observations/Comments made by FGD participants: Women, Men, and Village Administration.

The following were the results of the institutional analysis.

3.1 SUMMARY OF INTERVIEWS WITH THE DIFFERENT PFUS

The following were the results of the interviews with the different PFUs.

3.1.1 Lack of Qualified Project Staff and Implications

There was not enough staff working in the project. This lack was due to several reasons:

- Not enough government officials and employees could be mobilized full-time;
- Multi-Tasking of Project Staff
- Long-Term Training for Project Staff; and
- Turnover in the PFU;

There were not enough government officials and employees working for the project full-time. To fill up the gap, the project hired contractual staff. By the end of 2001, seven out of ten LLTP employees were contractuels. (*AusAid/IBRD Lao PDR Land Titling Project Technical Assistance Annual Plan 2001-2002*, p. 23.

In Khammoune, some project staff could not perform as well because they were assigned other jobs and could not devote all their time to the LLTP.

The LLTP in Vientiane Prefecture coped with the problem by hiring contractual employees who had to be fielded almost immediately with little training. The employees had to learn on the job and had to rush the work so that the project would not fall behind schedule. This had negative consequences in the quality of the work done, as the comments of the villagers found below show.

In Khammouane and Luang Prabang, project implementation slowed down because key project employees had to undergo studies for seventy two (72) weeks at the Polytechnique School in Vientiane Prefecture.

Aggravating the problem of quantity was the turnover of project staff in some provinces. For the last two years, Khammouane province has had three different heads of the Land Office and the Project Facilitation Unit (PFU). Many PFUs identified this a problem that needed attention.

Many of the PFUs interviewed that the personnel situation has improved in recent years with less project staff leaving. The project has come up with a new salary structure at the end of 2001 to attract and retain qualified contractual staff, including experienced trainers.

The lack of qualified staff slowed down implementation of the project because of the need to train project staff in the use of equipment, e.g. computer and GPS utility, and in the methods used, e.g. GPS and photo mapping.

3.1.2 Gender Composition in favor of Men

Around seventy percent (70%) of project staff were men and only thirty percent (30%) were women. From the interviews, many of these women were engaged in administrative or office work than in field work.

Table 12:
Proportion of Male and Female in PFU Project Staff
Served Provinces

	Male	Female
Vientiane Prefecture	70%	30%
Vientiane Province	70%	30%
Luang Prabang	71%	29%
Khammouane	80%	20%
Savannakhet	80%	20%
Champasack	81%	19%

While this is an improvement over the less than twenty percent (20%) figure in 1999 as stated the *Final Report for Customer Relations Services and Gender and Development 1999* (p.23), it is still far from the targeted figure of forty percent (40%) recommended in that same report.

Traditional expectations about the role of men and women in work remain strong within the LLTP, indicating the need to intensify internal CRS-GAD within project staff themselves and with senior management. Women had families to take care of, and they are better suited to the regular hours and routine work of the office. The work in the field, with its rigors and risks, are better suited to men.

Not enough women in the field would have implications in the participation of village women, especially in the more rural unserved provinces where many more ethnic groups were found and women were lesser educated than their urban counterparts.

3.1.3. Quality of the Staff

In some several provinces, PFU heads complained that project staff were careless and did not comply with the manual of operations and with instructions.

This suggests the need for better supervision and monitoring of the project staff at the field unit by the PFUs and the monitoring unit. Field coaching may be necessary, especially if the field staff are new.

There is no continuous training for the staff. The nai ban and the project staff need continuous and refresher training. The staff trained on the job

Many PFUs said that quality of the staff still fell below the requirements of the project. In Champasack, project implementation was delayed because of the need to train the staff in the photo mapping. Photomapping was more complicated than ground surveying. The staff did not have the skills to use that method.

The project suffered from the lack of qualified trainers at the PFU level.

The head of the PFU in Luang Prabang suggested that management training be given to the heads of PFU and SAT leaders.

The Deputy Head of the PFU in Khammouane said that the human resource development was a major problem. If this were solved, project performance would improve significantly.

A bright spot is that in Vientiane Prefecture, the PFU is holding monthly meetings to evaluate performance and is conducting refresher courses.

3.1.4 Budget Disbursement and Procurement Process

In some provinces, there were delays in the budget releases at the beginning of project implementation but this has improved. In other provinces, like Luang Prabang, delays were still occurring quite often. This leads to delay in the procurement of equipment To speed up the procurement process, the PFU in Savannakhet Province recommended increasing the signing authority of PFU heads, which at the time of the interview, stood at five (5) million kip (US\$500).

3.1.5. Logistics.

There were varying answers regarding the adequacy of materials. Some PFUs interviewed (Luang Prabang) said that there were enough CRS materials . Others said that CRS materials were not adequate (Champasack,), and the deliveries were delayed (Savannakhet).

The same pattern could be observed with vehicles. The CRS in Luang Prabang had to use the vehicle of the PFU to go to the villages. Lack of vehicles is a problem in peri-urban and urban areas. The PFU in Champasack said that they had a car and a few motorbikes. He felt that these were adequate. The same was said by the head of the PFU in Vientiane Prefecture.

3.1.6. Collaboration between the Project and the Different Institutional and Village Stakeholders

In some provinces, heads or deputy heads of PFU complained of getting lukewarm support from the village administration. Some village administration officials were constrained from actively participating in the project because of the need to earn a living. In some villages, the Lao Women's Union was not as active as in others. (The October 2000 Joint World Bank AusAid supervision mission noted that in initial CRS meetings, not all the heads and deputy heads of the front organizations were not present. This affected the level and quality of their involvement in adjudication work later on.)

The different PFUs said that coordination between the CRS and SAT has been excellent. Coordination with the Lao Women's Union has generally been good.

Coordination between PFUs and the PSUs can stand improvement. The distance of the PFUs from the capital was a problem.

In most provinces, there was good coordination between the LLTP and other government departments. The LLTP has to work with the Urban Development Project (UDP) now because some functions formerly belonging to the Township Planning Department has been transferred to it. Together they should define what areas should be for road, for reservoir, for green zones, parks, and for roads.

Be this as it may, the Deputy Head of the PFU in Vientiane Province suggested that the Project Support Unit (PSU) draft instructions over the use of the CRS budget to solve conflicts on disbursement and expenditure management between the LLTP's CRS Unit and the Lao Women's Union. The two entities shared a common work plan.

The PFU of Champasack that there should be better coordination between the PSU and the Technical Assistance (TA) group. Sometimes there were conflicting instructions emanating from the PSU and TA, for example on photo mapping. The Deputy Head of the PFU in Khammouane said the same. In his case, there were conflicting instructions on the technical audit.

This concern has been flagged in the *Draft Aide Memoire of the World Bank Aus-Aid Eight Supervision Mission in May 2001*. Officials of the LWU claimed that funding was not being made available to them. This resulted in the low utilization of the budget for CRS/GAD activities. On the other hand, PSU officials claimed that work plans were not being submitted by the LWU.

3.1.7. Customer Relations Services

The PFU of Luang Prabang said that they conducted separate meetings for these groups. They also involved village elders and the local Lao Women's Union (LWU) in the evaluation of project activities. In other provinces, there were no meetings held for specific groups; in some villages, only one big village meeting was held.

Many of the key informants said that land transaction registration was the most difficult part to understand. The PFU in Vientiane Prefecture needed more CRS materials on land valuation.

People also asked a lot of questions about boundary marking. According to the Head of the PFU in Vientiane Prefecture, boundary marking by residents was an important indicator of the effectiveness of CRS.

The posters, the video, the leaflets, and the manuals can stand some improvement in terms of making the content more interesting and using more colors. So with the forms, according to the Deputy Head of the PFU in Vientiane Province. The project may have to use longer paper (A4 or A6).

Participation of women varied, with Luang Prabang saying that more women were attending meetings than men. Champasack said women were also participating more and more. In Savannakhet, women were not that active. The performance of CRS and LWU varied across provinces. The PFU of Savannakhet was not satisfied with the work done by the LWU and the CRS people. The Deputy Head of the PFU in Khammouane said something similar. CRS and the LWU had not been able to evaluate the people's understanding of the project and of gender issues after their activities.

3.1.8. Surveying and Adjudication

In Khammouane Province where the different methods of adjudication are being used, the Deputy Head of the PFU recommended the shift to mini-adjudication. Sporadic adjudication was difficult to implement because it involved too many steps like the request for documents. The ninety-day period for notification was too long.

He also said that instructions and methodologies coming from the PSU and the TA were sometimes not appropriate to local conditions, for example the use of GPS. The deputy head of the PFU in Vientiane Province had a similar comment. He said that the project should examine the use of photo maps because one land parcel was divided among two pieces of photo maps. The scale of the photo map of 1:4000 was also not appropriate for very small land parcels. The ground survey is better.

The Head of the PFU in Vientiane Prefecture said that the LLTP, the TA, and the National Geographical Department (NGD) should come together and discuss the advantages and disadvantages of the photomap and the ground survey.

On the field, adjudication teams in several PFUs ran into problems with absentee owners. They were difficult to contact.

According to one interviewee, some villagers had difficulty determining where to place their boundary markers. So they did put them and waited for SAT to arrive, delaying project implementation.

According to the PFU of Champasack, women were effective in dispute resolution.

3.1.10 Conclusion Process

The deputy head of the PFU in one served province said that the conclusion process had an inordinate number of steps and processes and therefore, took longer than it should. In Luang Prabang, the conclusion process was being slowed down by:

- unclear land ownership;

- incomplete documentation;
- joint names on the land titles;
- absentee land owners; and
- unclear land acquisition history

The PFU of Luang Prabang had suggested policies and guidelines to the PSU regarding these cases.

3.1.11. Issues requiring Policy Interventions from Central Level.

In two provinces, state land ownership was a major issue. At the time of the interview, instructions from the PSU and the central levels were not clear on this issue. The PFUs were still awaiting regulations and instructions from the Department of State Asset (DSA) regarding state land users.

There was also need to determine precisely the boundaries of areas reserved for government purposes.

In some areas where large numbers of Vietnamese and Chinese immigrants had settled and who have established businesses, policies were needed to clarify if migrants could have full use land rights.

The PFU of Luang Prabang was also awaiting instructions from the PSU on how the cases pending in the Conclusion Committee would be resolved.

3.1.12. Project Design and Operations in the Rural Areas and Unserved Provinces

The SA team solicited the views of members of the PFU on expansion into the rural areas and in the unserved areas. These were their views:

- Appropriate Technology for the Rural Areas

In the served areas, project implementation initially slowed down as project staff grappled with the use of new equipment like computers and software and new technology such as photo mapping. Photo mapping yielded more accurate results than ground surveying. However, photo mapping might not be as easy for rural villagers in the unserved provinces to understand unlike ground surveying, a method with which they had some familiarity because of Land Allocation (LA) done by provincial agriculture and forestry officials. Lack of knowledge and confidence can hamper participation

The PFU head of Vientiane Municipality suggested that the Technical Assistance (TA), the Project Support Unit (PSU), and the National Geographic Department (NGD) meet and discuss what method is more appropriate in the rural areas.

If photo mapping were used in the rural areas, the scale might not be as small as that used in the urban areas, which had more and smaller sized parcels. The head of the PFU of Vientiane Municipality suggested the following scale:

- Urban: 1/1000;

- Peri-urban: 1/2000; and
- Rural: 1/4000

The margin for error could be reasonably higher. In the urban areas, the loss of one square meter is costly for the person with full use land rights.

- Availability of Electricity and the Technology Used

The above assumes that supply of electricity is continuous twenty-four (24) hours a day. In far-flung villages, there might not be any electricity at all. The FGD showed that district towns in the unserved provinces had electricity only for a number of hours every day, and the schedule and length of service varied at different seasons of the year. The use of GPS equipment may not be possible in the absence of electricity. One PFU head suggested using total station instead.

- Pace of Project Implementation in the Rural Areas.

Given the insufficiency in number and in the training of staff, the introduction of more sophisticated equipment and technology in the rural areas is likely to slow down project start-up. According to one interviewee, the Project Management Office (PMO) can choose to reassign those who are well-versed in the technology from the served to the unserved provinces. He retorted that this was not likely to happen because project implementation would slow down in the six served provinces.

As an alternative, PFU heads suggested that accomplishment targets be different in the rural areas, given the different conditions such as the size of the parcels, the weather, the accessibility of villages, the lack of transportation, the huge distances, and the availability of electricity. The deputy head of the PFU in Champlasack suggested the following daily targets for different villages:

- Urban: 3-3.5 parcels a day
- Peri-Urban: 2-2.5 parcels a day
- Rural: 1.5-2 parcels a day

3.2. COMMENTS BY PEOPLE ON PROJECT PROCESSES:

3.2.1. Variances in the Length of the Training/Orientation for Village Administration

Noticeable is the variances in the length of the training for village administration official prior to the implementation of the project in their villages. If the response of the village administration official are to be believed. Some village administration said that they underwent an orientation for fifteen days; others said five days. A possible explanation is that the FGD participants may have been referring to different things. There might be separate orientation held in addition to the training. If this were the case, this was not cost-efficient for the project.

3.2.2. Customer Relations Services (CRS).

In general, CRS accomplished its objectives of communicating the goals of the project based on the results of the FGD and the household survey. The people understood the importance of

the land title, its uses, and the results if the loans obtained through that title were not used properly. The importance of gender equality was also understood.

Means of disseminating information that were cited to be most helpful were the posters, the lectures, slide shows, ads in the radios and television.

Even so, there are points for improvement. In some villages, village administration held meetings for different groups, including ethnic groups. In Xieng-Nguyen district in Luang Prabang, eight (8) of the thirteen (13) villages had populations of Lao Kang and Hmong. The Lao Kang could understand the official language, but the Hmong could not. The *nai ban* or the village chief served as translator.

In almost cases, the village administration did the CRS with the Lao Women's Union though in one village in Vientiane Prefecture (Thapalanxay), the village administration said that the project staff did most of the CRS work.

In one village in Vientiane Prefecture, people felt that CRS activities was rushed. They felt that more time should be given to information dissemination.

This requires better monitoring and supervision of village administration and project staff doing CRS. As the *Aide Memoire of the World Bank AusAid Supervision Mission of October 2000* pointed out, better informed and better prepared villagers proceeded more smoothly and efficiently through adjudication, and the SATs had higher productivity.

People said that the processes that they had most difficulty understanding were surveying and adjudication. This is in due in part to the technical nature of the subject. CRS can improve its explanation of surveying and adjudication without getting too technical.

The *Aide Memoire of the World Bank AusAid Seventh Supervision Mission* recommends that the PMO drive home that the duty of providing reliable information is not just the responsibility of CRS people but of all project staff, including SAT heads and members. This is important for institutionalizing CRS.

The project's technical people may need better training on communicating highly technical terms and processes in layman's terms. In as much as the household survey showed that many of the respondents are in primary and lower secondary levels, the CRS modules may have to aim for this level. The need for continuous improvement of the CRS approach and strategy to address the literacy level of the target beneficiaries has been flagged in the *Draft Aide Memoire of the World Bank and AusAid Eight Supervision Mission in May 2001*.

Another subject that the villagers found difficult to understand was the formula for registering land transactions, computing transaction registration fees and computing land taxes.

The initial CRS has whetted the appetite of people to know more about the banks' loan products, lending procedures and requirements.

Many of their recommendations are "second-level" information needs. After getting their lands titled, people naturally want to know how to accomplish mortgages and other land-related transactions. The project can address this need by doing post-adjudication CRS.

3.2.3. Surveying and Adjudication.

Participants in the FGD in Thaphalanxay and Dongphalantong villages in Vientiane Prefecture complained that surveying was marked by:

- Inconsistency in the measures. Surveyors performed several measurements resulting in different results.
- Inconsistency of instruction among the different staff. People in one village in Vientiane Prefecture found the surveying confusing because the staff gave different instructions.

Wide variation in the quality of the survey work being performed has been flagged in the *AusAid/IBRD Lao PDR Land Titling Project Annual Plan 2001-2002*. This can be due to the lack of training of project staff and the rush to finish the work, as noted by the same villagers. The PMO also needs to more closely monitor and supervise its SATs. It must emphasize that “things have to be done right the first time.”

There were also problems in determining boundaries as some were unmarked. It did not help that there was weak coordination between the village administration and the residents.

The people also commented that the project provide boundary markers of different lengths: longer boundary markers for low-lying, eroded areas, and flood prone areas and the standard length for all others. Some suggested that the boundary markers be painted.

The villagers recommended the use of more appropriate surveying techniques to avoid repetitions and to achieve accuracy.

Dispute resolution in almost all villages studied were left by the project to the village administration and housing unit chief to solve. The project provided guidelines for their solution. Disputes Most Difficult to Solve were:

- Disputes over Common Access. Some fenced off their property denying their neighbors in the interior access to the road. In some cases, it was difficult to get neighbors to contribute to the widening of village roads.
- Disputes Related to Inheritance.
- Boundary Disputes. Some of the boundary disputes could be complicated because the owner of the neighboring land lived in another village.

Participants said that they were motivated to settle these disputes because if they did not, their lands would not be titled.

Expectedly, residents encountered problems in gathering land acquisition documents. In Xangkhou, a peri-urban village in Vientiane Prefecture, the residents had no documents because sales were done orally, and they had difficulty tracing the transactions because the same piece of land had been transferred to several persons over the years. Land transferred as inheritance was not properly documented. Some people had their land acquisition signed by friends when the project arrived. In some villages, the documents were not clear.

To save time in the preparation of land acquisition documents, the villagers recommended that the last document be the only one considered.

Residents of Dongphalantong complained that members of the SAT team were rushing their work and did not spend too much time in the village. This resulted in glaring omissions in the adjudication paper:

- Absence of signatures;
- Omission area of the land in the paper.

As a result, the villagers were not certain if their land- its area and boundaries -- has been certified or not.

LLTP staff in two villages in Vientiane Prefecture were perceived by the villagers to be rushing their work and careless. The staff left the village without even signing the adjudication paper and without indicating the area of the land in the paper. As a result, the villagers were not certain if the area of their land have been certified or not.

In one village in Vientiane Prefecture, they said that adjudication proceeded by household and did not involve neighbors and the village administration.

In one village in Khammouane, people complained that at times the wife's name was not mentioned in the land title; the land was conjugal property.

Villagers recommended that the SAT get the wife to sign the survey and adjudication paper.

In many villages, the people expressed the desire to participate more in surveying and adjudication work. At the same time, they were aware of their limitations in this area. A common recommendation is to bring in legal specialists to be part of the SAT to help in dispute resolution.

Another common recommendation is for township planning officials to be part of the SAT, presumably to address issues concerning right of way and access roads affecting the village. People in villages in Vientiane Prefecture are concerned that in case of fire, the fire trucks would not be able to pass through unless people agree to give up part of their land for widening the access road.

3.2.4. Decorum of Project Staff and Quality of Work

In one village in Vientiane Prefecture, the people complained that the project staff lost the copies of land acquisition documents they submitted.

Common in many villages is the recommendation by the villagers to assign more skillful and capable project staff in the field.

In another village in Vientiane, participants in the women's FGD said that the project staff tended to favor the richer residents.

3.2.5. Distribution of Titles:

Titles were not distributed uniformly. Some villagers got theirs from the village office; others did so from the Provincial Land Offices (PLO). Many more were still waiting. They wanted the LLTP to inform them why they have not received their titles. People were beginning to feel anxious and were thinking they had problems with their documents. Some were fearful that they would not be given a title at all.

They recommended that the LLTP announce a time frame for issuing the titles and stick to that schedule.

To hasten processing, some villagers suggested that the LLTP should required only the signature of the Provincial Land Office in the title.

3.2.6. Improvements in the Title

The villagers also suggested improvements in the land title such as:

- Attach seals and stamps similar to those used in passports;
- The land title should indicate the distance from one corner of the lot to the other.
- Indicate on the land title who the owner of the next lot is.
- Signatures in the land title should be indelible and not easily erased.
- Use paper similar to the used in paper money to avoid duplication and tampering.
- The land title should contain the category of the land, if it is commercial, agricultural, residential, or industrial.

3.2.7. Records Management

They also had something to say about the way the titles are kept.

- The project should improve its filing system.
- The pages of the registration book should be reduced from 150 to 50 pages to speed up rechecking of titles.

3.3. SUMMARY OF DISCUSSIONS WITH TOWNSHIP PLANNING OFFICIALS

3.3.1. Involvement in the LLTP

Township Planning officials were usually invited to attend a seminar or discussion with the Department of Land Management and the LLTP Coordination between the project and the Township Planning Office was needed so that the project would be aware of lands that were reserved for certain purposes such as: reservoir, green zones, drainage, parks, and roads. In the past (mid 1990s) because there was lack of coordination between the Department of Land and the Township Planning offices, certain areas like those reserved for government purposes in Vientiane Prefecture were covered by land survey certificates. If the government would like to get back these lands, the people might ask for compensation. Coordination was generally good. However, Mr. Phomsavat, the Chief of the Urban Development Project (UDP)

of Khanthaboury Project in Savannakhet Province said that there should be closer coordination between the UDP and the LLTP. The UDP had taken over the issuance of building permits from the Township Planning Office in Vientiane Prefecture, Vientiane Province, Khammouane, Savannakhet, and Champasack.

3.3.2. Right of Way Problems

In Vientiane Province, the Township Planning officials and the LLTP have forged an agreement regarding the boundaries of the land parcel. If the building were constructed before the Township Planning Acknowledgement, the existing boundaries would be retained even though they overlapped with the right of way (ROW). However, new constructions would follow the regulations of the Township Planning Office.

The Governor of Vientiane Province was said to have made an agreement with those residents whose structures were on the road ROW. Their structures would not be dismantled there but once the government needed the land, they would have to move back and would not be paid any compensation. No compensation would be given to structures built on the ROW after Township Planning Acknowledgement.

In Luang Prabang district, right of way was not a problem since the district has been declared a World Heritage Site. The historical buildings would be maintained as usual. Only renovations were allowed. For these reasons, coordination was tight between the different government departments in the province. New buildings and the expansion of the roads would be done in the peri-urban areas.

In Champasack, the Project Manager of the Township Planning said that there were *initial* problems between LLTP practices and the township plans in Savannakhet. The township plans measured from the middle of the road to the ROW. The LLTP placed the boundary marker after the drainage. If the township plans were to be followed, the boundary markers would be placed inside the building, as what happened in Savannakhet province. This has since been settled, with the markers placed according to the boundaries of the structure.

The township plans also required the LLTP to stop issuing land titles to those people who, after deducting the right of way for various infrastructure projects, have only 4 meter x 10 meter of land or less left. These people should be compensated with a bigger parcel in the peri-urban areas because the township planning office would not issue permits to them. He also suggested that those who lost lands measuring 1000 square meters should be compensated with land in the peri-urban area but people were unwilling to move because of the better road and the rise in land values that they would enjoy.

3.3.3. Compensation and Mode of Compensation for Right of Way

Responses to the question on compensation varied across interviewees. One township official said that the people affected by infrastructure right of way would be compensated either in land or in cash. Compensation would be based on a rate determined by the Township Planning Office. The Table of Values developed by the LLTP would not be used because it was based on market value and was too high. The government did not have enough budget to compensate people. In Vientiane Province, the Table of Values was still being prepared. For lack of budget, the Chief of the Housing and Urban Planning Office of Khammouane Province said that people would be encouraged and mobilized to part with their lands because any way the construction of new roads and the rehabilitation of old ones would bring benefit to the land

users. According to the UDP Chief of Savannakhet Province, government might compensate those project affected persons (PAP) who really needed help.

3.3.4. Easier and Faster to Obtain a Building Permit with a Land Title

All of the officials concurred that with the land title, the process of securing a building permit would be shorter and easier. The land title made the job of the township planning office easier. According to the Mr. Xong Lao, the head of the Township Planning Department of Vientiane Prefecture, only a maximum of five (5%) of applications did not get approved. Reasons for rejecting the application were: the proposed site was allotted for government purposes; the building would be constructed on the right of way, and the building style was ill-suited to the land use. His counterpart in Khammouane directly attributed the increase in building permits to the land titling project.

In Vientiane Province, the Chief of the Urban Planning and Housing department qualified that the increasing number of building permit applications was for construction projects in the business areas. In residential areas, the number of building permits have not been so numerous because of the complicated application process, the time needed for an application to be approved, and the cost of getting the building design approved. The design had to be approved by a registered company, and the company usually charged two percent (2%) of building cost. He said that in the future, the number would rise as the Township Planning Office had an agreement with the water and electric utilities that no application for these services would be approved unless the applicant had a building permit.

In the future, the township planning office in Vientiane Province would only consider applications backed up by land titles.

The Deputy Head of the Township Planning Office of Luang Prabang concurred that the process of application was indeed too complicated and long. The process normally took six (6) months and the building permit had to go through seven (7) offices, among others, the Township Planning Office, the Land Office the Urban Development Project, the Agriculture and Forestry office, and (in Luang Prabang), the World Heritage Project. Including the various committees, thirteen (13) signatures were required before a building permit could be issued.

All of the respondents concurred that the LLTP has made it easier to install water and electricity. Roads were also constructed, and they were becoming better.

CHAPTER IV

SUMMARY OF THE HOUSEHOLD SURVEY RESULTS AND INTERVIEWS WITH BANK OFFICIALS IN THE UNSERVED PROVINCES

**CHAPTER FOUR:
SUMMARY OF THE HOUSEHOLD SURVEY RESULTS AND INTERVIEWS WITH BANK
OFFICIALS IN THE UNSERVED PROVINCES**

4.1. SUMMARY OF THE HOUSEHOLD SURVEY RESULTS

The following were the results of the household survey in the two (2) unserved provinces of the LLTP. More detailed tables are found in the *Household Survey Report*.

4.1.1. Gender, Ethnic Profile, Age, and Family Status

1. For the unserved provinces, the SA team interviewed one hundred forty one (141) respondents. Fifty three percent (53%) of all respondents were men; forty seven (47%) were women. All were Laolum.
2. Seventy percent (70%) of all respondents were between the age of 31 to 50 years. Twenty one percent (21%) were fifty one (51) years old and above.
3. Almost all of the one hundred forty one (141) respondents were married. Nearly four percent (4%) were divorced, all of them women.

4.1.2. Educational Attainment, Occupation, and Income

4. Forty five percent (45%) of all respondents finished primary schooling. Another twenty eight percent (28%) finished lower secondary schooling. Only four percent (4%) had schooling beyond higher secondary.
5. Forty seven percent (47%) identified their occupation as farming. Another twenty two percent (22%) said that they were engaged in business.
6. More than half of the respondents (52.5%) had annual incomes not exceeding nine (9) million kip (US\$900). About one fourth (24.1%) had incomes between ten (10) million and fourteen million kip (US\$1000-1400).

4.1.3. Headship of Households and Number of Members

7. Sixty percent (60%) of the respondents said that they belonged to a household headed by a man; forty percent (40%) said that they belonged to a household headed by a woman.
8. The average number of members per household was six (6).

4.1.4. Total Number of Parcels Owned, Average Landholding, and Distribution of Parcels Across Households

9. One hundred forty one (141) respondents in the two unserved provinces cumulatively owned four hundred thirty three (433) parcels of land, for an average of (3) parcels owned per household.

10. Two thirds of households (66%) owned between two to four (2-4) parcels of land. Only twenty percent (20 %) owned only one (1) parcel. One (1) respondent in Luang Namtha said that his household owned between eight to ten (8-10) parcels of land. One respondent in Oudomxay said that his household owned more than ten (10) parcels of land.

4.1.5. Parcels Covered by Land Use Certificates

11. All of these parcels had been covered by land use certificates in one form or the other.

4.1.6. Names in the Land Use Certificates

12. Of the one hundred fifty eight (158) parcels whose ownership could be determined, only fifteen percent (15%) of land use certificates were in women's names. Approximately fifty seven percent (57%) were in men's name. Around twenty eight percent (28%) were in the name of both husband and wife, and one percent (1%) was in the name of parents, children, and siblings.

**Table 13:
Names on the Land Title
Unserviced Provinces**

	Number	Percentage
Man's Name	88	55.7%
Woman's Name	24	15.2%
Joint	44	27.8%
Others	2	1.3%
Total	158	100%

4.1.7 Need for Land Titling

13. There was great demand for land titles in the two unserved provinces. Eighty seven (87%) said that they would like to have land titles.

14. The principal reason why people wanted to have their lands titled was the ease in mortgaging and selling titled land.

4.1.8. Expected Length of Time in Getting a Title and Titling Fee

15. Half of the respondents expected to get their titles between three-six (3-6) months. Another forty eight percent (48%) expected to get their titles in less than three (3) months.

16. An overwhelming majority expected to pay titling fees of less than one (1) million kip.

4.1.9. Benefits and Risks

17. When asked, seventy percent (70%) of respondents knew the benefits from land titling.

18. Sixty six percent (66%) knew the risks associated with having land titles.
19. Majority of respondents cited the power to transfer land use rights as the primary benefit they could get from land titling. Another frequently cited reason was secure ownership or full land use rights.
20. Many of the respondents said that the biggest risk they expected from having a land title was the possibility that they would lose the land if the loan were not used well. Other risks cited were business failures and divorce.

4.1.10. Preference in Mortgaging Land

21. Most respondents wanted to mortgage their lands to the bank than to other sources of loans.
22. Most respondents preferred the banks because their property was safe and the banks were reliable.

4.1.11 Experience in Mortgaging and in Selling Land

23. Majority of the respondents (72%) had neither any experience in mortgaging nor in selling land. Only about one fourth (24%) of the total number of respondents had experience in mortgaging lands. Starting a business was the principal reason why people mortgage lands.

4.1.12. Gender Profile of those who Mortgaged and Sold Lands

24. Nearly the same proportion of men (48%) mortgaged land as women(52%). More men (75%) sold lands.
25. Majority of those who mortgaged borrowed money from the banks.
26. Almost all who mortgaged offered residential land as collateral.
27. Half of those that mortgaged lands were women.

4.1.13. Purpose of Loans

28. Seventy six percent (76%) of those that mortgaged and sold said that they did so to start a business.

4.1.14. Loan Sizes

29. All those that mortgaged their land borrowed from the banks. The average size of the loan was 16,687,878.79 kip, with 200 million kip being the highest and 2 million kip being the lowest. The median was 7 million kip. Two thirds (66%) of those who mortgaged borrowed from the Agricultural Promotion Bank.

4.1.15. Relationship of Income, Occupation, Number of Parcels Owned, and Sizes of Loans

30. Those with annual income more than 25 million (US\$2500) got the larger-sized loans. One had a loan worth 200 million kip. Those with income less than 25 million kip (US\$2500) had no loan less than 11 million kip (US\$ 1100). Fifty eight percent (58%) of all those who mortgaged had loans less than 10 million kip (US\$1000).
31. Fifty eight (58%) of those who mortgaged owned between two to four (2-4) parcels of land.
32. Those who listed their occupation as businessmen got the bigger-sized loans. Ninety three (93%) of all businessmen who mortgaged lands got loans 11 million kip (US\$1100) and above.

4.1.16. Profile of those Selling Land

33. Of the four (4) respondents who sold land, one (1) was illiterate; two (2) finished primary school; and one (1) finished lower secondary school.
34. Of the four (4) respondents who sold land, two (2) had annual household incomes of less than <1 million kip (US\$100) and another two (2) had annual household incomes of between 5-9 million kip (US\$500-900).
35. Of the four (4) respondents who sold land, two (2) were government employees, one (1) was a businessperson, and one (1) was a farmer.
36. Of the four (4) respondents who sold land, two (2) owned between two to four (2-4) parcels, one (1) owned between five to seven (5-7) parcels; and one owned between eight to ten (8-10) parcels.

4.1.17. Decision-making over Mortgages

37. All of those who mortgaged land said that the decision to borrow was done jointly with their spouse.

4.1.18. Decision-making over Sales

38. All of those who sold land said that the decision to borrow was done jointly with their spouse.

4.1.19 Registration of Land Transactions

39. Except for four (4) mortgages, all transactions were registered. All four (4) were mortgaged with the bank.
40. Of the four (4) respondents that sold land, only one (1) was not registered. The land was sold to a relative.

4.2. Summary of Interviews with Bank Officers in the Unserved Provinces

4.2.1. More Mortgages

According to one bank official, more people would mortgage with the banks. At present, many people were disappointed outright because they had incomplete proofs of land use rights. The coming of the project was opportune because land values, especially in the commercial district, was rising. Many would like to sell or rent their lands.

4.2.2. Titles will facilitate credit investigation.

Land titles would also facilitate credit investigation. At the moment, banks had problems in investigating the ownership of lands offered for mortgage. This delayed the approval of loans.

4.2.3. Discouraging Mortgages: Inordinately High Mortgage Registration Fee

One bank official said that aside from the land title, the government has to look into the fee charged for mortgage registration. The fee charged in Luang Namtha was six percent (6%) of the loan amount. This was too high. In other provinces, the fee was only one percent (1%) of the loan amount.

CHAPTER V

SUMMARY OF FINDING FROM THE FOCUSED GROUP DISCUSSION IN THE UNSERVED PROVINCES

CHAPTER FIVE: SUMMARY OF FINDINGS FROM THE FOCUSED GROUP DISCUSSION IN THE UNSERVED PROVINCES

5.1. ASPIRATIONS AND CONCERNS OF VILLAGERS.

5.1.2. Knowledge of the LLTP.

While not all of the FGD participants have heard of the Land Titling Project, In most of the villages covered by the SA, residents have had experience on parts of a land titling process like surveying carried out by the District Agriculture and Forestry Office as part of the government's Land Allocation efforts in the rural areas. They had a general awareness of what titling would entail and the benefits and risks involved.

5.1.3. Village Concerns:

Similar to those in the served provinces, the villagers were concerned about. The concerns directly related to the project were:

- the cost of land titling;
- the participatory character of the process, especially accuracy of surveying and the fairness of adjudication;
- the quality of project staff that would be assigned to their villages;
- the participation of women in the land titling process and their right to inherit land and to have their names included in the titles for conjugal land;
- concerns over common or village access to roads:
- right of way for public infrastructure projects and compensation for project affected persons;
- the coordination between different government offices, especially the LLTP, Township Planning, and the Water and Sewerage sectors;
- not getting a title because of gaps in documentation and existing boundary disputes;
- concern over encroachment into common village lands and buffer zones;
- disputes over inheritance; and

5.1.3.1. Apprehensions about the Amount of the Titling Fee.

Be that as it may, several villages in the unserved provinces were worried that the titling fee would be beyond their means to pay. Lowly- paid government staff might not be able to afford the titling fee.

5.1.3.2. Concern over the Fairness of Adjudication and the Accuracy of the Survey.

In Xiengchai village in Luang Namtha, a previous attempt by the Township Planning Office to undertake land measurement and the marking of boundaries caused conflicts among neighbors because of the different measurements that resulted. People in a number of villages said that they were concerned whether the surveyors would be competent in doing their work and if the adjudicators would be fair. They hoped that already existing boundary disputes

between neighbors would be solved. In agricultural villages, the project would most likely encounter many conflicts over boundaries as natural markers or signposts like water canals, trees have over time been eroded, destroyed, or removed.

5.1.3.3. Concern over the Quality and Competence of Project Staff.

A common thread running in almost all FGDs was the concern over the competence of the project staff that would be assigned to their villages. The concern arise from problems such as inaccurate boundaries caused by previous attempts at land measurement by district land and township planning officials mainly for taxation purposes.

5.1.3.4. Concern over the Participation of and Land Use Rights of Women.

The women were particularly concerned whether their rights to conjugal land and to properties inherited from the parents would be recognized by the LLTP. They also wanted to participate actively in different project activities.

5.1.3.5. Worries over Not Getting a Title Because of Disputes and Gaps in Documentation

Many villagers feared that land titles would not be issued to them because of inability to produce enough proofs of land use rights. Some had not been paying their land taxes. Some feared that they would not be given titles because of ongoing disputes over its ownership, e..g if the land were inherited and family members could not agree on the division and boundary disputes.

5.1.3.6. Concerns over Common Access to Roads

People living in the interior of villages were concerned about being fenced off by their neighbors and deprived of access to major and secondary roads as a result of land titling.

5.1.3.7. Concerns over Right of Way

Residents of Homxay, Hun district, in Oudomxay Province, are concerned that the coming of the land titling project would trigger another round of movement and loss of lands due to road right of way. In the past, township planning officials had asked the villagers to move twice, the first time five (5) meters from the road and the second time, ten (10) meters from the edge of the road. They were afraid that the township planning office would take the land titling project as an occasion to ask the villagers to move farther back.

Residents in Oudomsin Village, Namtha district, in Luang Namtha were worried that their lands would not be titled if they could not agree among themselves on how large the land each would contribute to the right of way. Some villagers refused to contribute any portion of their land for the right of way.

5.1.3.8 Concerns over Compensation

Villagers had mixed views whether those who lost portion of their lands due to right of way for power, water, telephone, and flood control infrastructure. On the one hand, there were villagers who felt that they need not be compensated for the loss of part of their land and other properties because these facilities would in the end benefit them in the form of improved

services and higher value for their land. On the other hand, some villagers believed that they deserved to be compensated, and that the amount of compensation should be proportionate to their loss and not given out equally.

5.1.3.9 Concerns over the Diminution of Village Lands and Encroachment into Buffer Zones

In two villages, residents expressed concern over the actual and potential loss of village and communal lands and buffer zones due to creeping encroachment by farmers tilling the surrounding lands and by the entry of development projects (infrastructure and agricultural projects) that assigned village lands to private contractors.

5.1.3.10 Concerns over Disputes over Inheritance

Several participants feared that their lands would not be titled unless disputes over inherited land were solved.

Other concerns had to do with:

- bank lending procedures;
- with projects to increase the productivity of agricultural lands and to improve the standard of living like:
 - irrigation;
 - provision of technical assistance; and
 - the improvement of roads, sewerage, water, and power systems.

5.1. 4. Reasons for Wanting to Have/Not Wanting to Have a Title

The reasons frequently given for wanting to have titles were:

- Avoidance/lessening of land disputes as land boundaries would be defined more accurately;
- Greater security because with a title, the land could not be taken away by other parties;
- Opportunity to do mortgaging with the banks and greater eases in doing so because of the greater confidence generated by the possession of land titles.
- Fuller utilization of the land. because of greater security and access to larger and cheaper sources of capital, they could fully utilize the land, start new businesses, send children to school, pay debts, and finance medical expenses.
- Increase in rents. because of greater security, the landowners were expected to increase the rents they charge for the use of the land.
- Ease in dividing a land for inheritance to children and in cases of divorce because of the distinction between and separate titling of conjugal and pre-nuptial properties of the spouses.

Hardly anyone said that he did not want a title. A handful said that land titles were good if a person had a business and had to borrow from the bank.

5.1. 5. Expected Benefits

The villagers, especially those in urban villages, expected land titling to lead to economic growth as shown by:

- more outsiders, especially tourists coming into the area;
- conversion of agricultural land to residential and commercial uses,
- increase in rental rates;
- more banks coming into the area and lending money and providing competition to informal moneylenders;
- increase in the sale and mortgage values of land;
- more businesses opening;
- increased competition among these businesses;
- more investments in farms;
- increased productivity of farms as more machinery and better technology are introduced;
- higher wages; and
- improved land tax collection because of more accurate measurement of land sizes and the number of parcels actually owned by a person.

5.2. TYPE OF DISPUTES AND DISPUTE RESOLUTION MECHANISMS IN THE UNSERVED PROVINCES

Most commonly cited land-related disputes in the unserved provinces were:

5.2.1 .Inheritance.

Family and clan members did not agree how the property would be divided or who among the siblings should get the parents' land. Disputes occurred between siblings, one or a few of whom were residents of the village and others who lived outside the village.

5.2.2. Boundary Disputes.

Between and among neighbors, there were disputes over boundaries. The boundary disputes resulted from the disappearance over time of "natural" markers such as trees and canals, disputed and allegedly inaccurate measurements done by the district land office in the past for tax purposes, creeping encroachment into village lands, buffer zones, and neighboring lands. Similarly, villages are in dispute with other villages over the proper boundaries. These disputes were brought to the district authorities.

In the villages visited in Luang Namtha and Oudomxay, dispute resolution normally started within the household or clan. Conflicts over inheritance are initially kept "within the family or clan" and only later, when the differences proved intractable, do the disputants raise the conflict to the housing unit heads. If the housing unit heads could not resolve the conflicts, the dispute was brought to the attention of village heads, elders, or the front organizations such as the women's union. If the conflict remained unresolved at this level, the matter was finally brought to court.

5.3. ECONOMIC CHANGES

5.3.1. Land Values Rising.

In majority of the villages covered by the social assessment in the unserved provinces, participants observed that land values have been steadily rising in the last four to five years. They attributed this to the growth in the economy evidenced by the coming of outsiders setting up businesses and buying land in the villages.

5.3.2. People expect rising land values to cause conversion of agricultural and forest lands.

FGD participants expected that conversion of land use to happen, from less financially and economically rewarding uses to more beneficial ones. This is perceived to be both a benefit and a peril. The danger is encroachment into village communal forest lands and converting them to “private” uses that would only benefit a few.

5.3.3. Presence of banks encourage mortgaging.

The presence of banks encouraged more people to mortgage their lands to finance a business, purchase agricultural inputs, and pay off debts. Mortgaging became a better alternative to selling or borrowing from informal moneylenders because of the lower interest rates. With access to capital, the people in peri-urban areas were more inclined to stay permanently in the area rather than sell their land and move elsewhere.

5.3.4. People were generally aware that mortgaging entailed risks.

FGD participants knew that if bank loans were not used properly, their lands could be seized by the bank. Family conflicts were bound to arise if people entered into debt without consultation with other family members.

5.4. RESULTS OF THE WOMENS' FGD

5.4.1. Customary Practices in the Transfer of Land Use Rights Remain Strong.

Customs still play an important role in transferring the land as inheritance. Results from the women's FGD showed that long-standing customs continued to wield considerable influence in how land was divided and/or transferred by inheritance, marriage, and divorce. These customs were similar to those practiced in the served provinces.

5.4.2. More Titles in the Name of Women and Greater Participation in Household Decision-Making.

In all of the villages, participants in the women FGD concurred that women, especially of the dominant Laolum majority, have a greater role and participation in decision-making regarding the mortgaging and selling land. Some of the participants attribute this to better education of present-day women as compared with their mothers and grandmothers and to women's greater access to information coming from outside their villages. According to them, more parcels of land are in the name of women compared with four to five years ago.

5.4.3. Women's Involvement in Community Development Activities Lagging Behind Men.

While the role of women in the household has expanded, their participation in community development activities has lagged behind that of men, according to representatives of the Lao Women's Union. Men still outnumber women in the village administration, and often their only avenue of participating in community's activities is through the LWU. Many are not active at all in the LWU.

5.5. ETHNIC GROUPS:

FGD participants in the unserved provinces mention several ethnic groups and described their practices in transferring Land.

In Luang Namtha, FGD participants said that there were Taidam, Yuan and Khumu, and Ikor (also called Akha in Thailand) in the province. In Ikor culture, the men inherited the properties and land. The women could not inherit land.

The Yuan and Taidam were similar to the ethnic Lao majority. They did not marry more than one wife.

In Oudomxay, there were Hmong, Taidam, Yuan, Khumu, and Ikor.

The case below entitled "Legacy" shows the inheritance practices of the Hmong

Case Study 4 : LEGACY

Mr. X, 42 years of age, was a Hmong farmer and market merchant in Ban P, Xai District, Oudomxay Province. Mr. X had two wives. He married Ms.A, the first wife, in 1979. In 1997, he married his second wife, Ms. B.

At the time of the interview, Ms. A was thirty six years (36) old. She was Hmong and a native of Oudmoxay. She was illiterate. Mr. X had five (5) children with Ms. A, four (4) boys and one (1) girl.

The second wife, Ms. B, was also Hmong but grew up in Vientiane Province. She was twenty three (23) years old could read or write. Mr. X had two children with Ms. B, a girl and a boy.

Mr. X graduated from primary school.

His first wife did not approve of his getting a second wife. But because Mr. X loved Ms. B so much, he persisted and got his first wife's parents to agree to the union. But before he married Ms. B, Mr. X made an agreement with her not to quarrel with Ms. A. If she did, she would be fined one (1) million kip. Ms. B agreed to the proposal, and Mr. X arranged the wedding, paying four (4) Khanh of silver (worth 2 million kip or US\$200) to the family of Ms. B.

Managing the Income of the Household

Mr. X did the managing of the household's income. If they had 5000 kip (US\$0.50) for example, 500 kip would go to each wife, 1000 kip would go to Mr.X, and 3000 kip would be for the household.

Household Assets

Mr.X owned a one-hectare paddy field which yielded three to four (3-4) tons of rice annually. Mr. X generally did the farming by himself. At times, he hired laborers to do part of the transplanting at 30,000 kip (US\$3) per day per person.

Mr. X had five (5) buffaloes, a number of pigs, six (6) cows, and two (2) calves. Each year, he sold four to five (4-5)heads of cattle making around 2 million kip (US\$200), three to four (3-4) heads of buffaloes earning around 3-4 million kip (US\$300-400). Rice was not sold but consumed by the household.

Mr. X also had a fruit garden measuring a little more than one (1) hectare. There he grew mangoes, oranges, and other fruits.

Mr. X had a house built in 1997 on his residential land measuring 30 m x 50 m 30 m. The land was located along the road. The house was built at the cost of 100 million kip (US\$10,000)

All of these lands and properties, Mr. X acquired with his first wife, Ms. A.

Transferring Property

When asked, how he would propose to divide his properties among the members of his household, Mr. X replied that all the lands would be titled in the name of his eldest son. He

believed that his eldest son should distribute the properties among his siblings as he pleased. Mr. X would not transfer the lands to his two wives because of the possibility of divorce.

5.6. RISKS TO ETHNIC GROUPS

As already mentioned in the discussion of ethnic groups in the served provinces, formalizing land tenure through land titling and settled agriculture have their risks, the most important of which is the removal of flexibility it affords to villages and ethnic groups in allocating agricultural land among their number. (*Draft Existing Land Tenure and Forest Land Study*, p.11) It also renders the use of certain consumption smoothing strategies associated with shifting cultivation and weaken mutual support systems, and has the potential of destroying the culture of ethnic groups.

The *Draft Existing Land Tenure and Forest Study* in p. 31-33 further identifies economic, cultural, and social risks:

5.6.1. Economic Risks:

- Less sufficiency and at the extreme, landlessness due to selling of land. ethnic groups may be enticed by the high property value;
- Concentration of land among the affluent leaving poorer people landless;
- Loss of land due to inability to use loans well. access to formal sources of credit may entice ethnic groups to borrow, without understanding the implications and the ability to use the loan well;
- Reduced family income because of the reduced amount of land put under the plow to avoid penalties imposed by the land law (article 57)
- Creation of class of landless rural workers and renters who are unable to purchase land because of high prices; and
- Loss of revenues for the government as people avoid paying transaction fees because they are perceived to be too high.

5.6.2. Cultural Risks:

- No more land for children to inherit, as parents sell the land to take advantage of high prices;
- Increase in land-related conflicts within the family because of rising value of land. This can erode harmony within clans and families;
- Changes in the way land is transferred to the next generation. Land would be divided equally among children. The resulting smaller pieces may lead to decline in productivity, and encourage the next generation to sell, rather than use it for agriculture;
- Loss of flexibility in managing land;

- Weakening of the mutual support system related to the way ethnic groups allocate land among poorer members of the village; and
- Loss of culture due to selling of land and subsequent migration into rural and urban towns;

5.6.3. Social Risks:

- Conflicts with other villages as result of migration or resettlement by compulsion;
- Widening of the gap between rich and poor;
- Women may lose rights to land if they are not aware of their rights;
- Social problems, e.g. various kinds of addiction, vices, prostitution affecting ethnic groups in their new settlements; and
- Reduced opportunities for rural family to buy land because of high prices.

5.7. POSITIVE IMPACTS OF THE LAO PDR LAND TITLING PROJECT

5.7.1. Direct Impacts.

5.7.1.1 Less Disputes due to Greater Security.

With land titling, participants in the FGDs and respondents of household survey expected that disputes regarding land use rights and boundaries would decrease. They viewed the land title as a definitive document that would give them full land use rights and a guarantee that their lands would not simply be taken away by other people or by the state without proper process and compensation.

5.7.1.2. Greater security would lead to fuller utilization of the land and increase in employment.

The security provided by a land title and the settlement of disputes would encourage more people to optimize use of agricultural land and offer a larger area for lease, thereby increasing employment in agriculture.

5.7.1.3. Higher mortgage, selling, and lease value of land due to improvement, optimization of existing uses, and conversion into more financially and economically rewarding uses.

The social assessment showed that the *main* driver of rising land values in the unserved provinces is greater business investment and economic activity and not land titles, it is expected that the greater security afforded by the possession of a land title would contribute to a further increase in mortgage, lease, and sale values of the land in the future. This would happen in a roundabout way as greater security translates to greater access to larger and cheaper sources of credit, which invested would lead to improvements in land, optimization of existing land uses, or conversion into more financially and economically rewarding uses. This was already happening in several villages as those with land use rights convert portion of their farmlands into fish ponds and residential areas. The improvements, higher productivity, and larger stream of benefits would allow landowners to charge higher rental rates, negotiate for bigger loans, and sell the land at higher prices. It would encourage people to start new businesses.

5.7.1.4. Greater Revenues for Government.

The development of a robust land economy or market would create greater revenues for the government coming from fees from land-related transactions and land taxes as assessed rates are adjusted to more accurately reflect rising market values.

5.7.2. Indirect Impacts

5.7.2.1. Better electricity, water services, and infrastructure

Greater economic activity was expected to create a greater demand for better utility services and push government to improve physical infrastructure such as roads, bridges, and flood control facilities.

5.7.2.2. More off-farm businesses would tip agricultural sharing arrangements in favor of the Land owner.

The villagers believed that more opportunities in the non-farm or agricultural sector would cause farming sharing arrangements in favor of the land owner. Existing share arrangements have the party possessing land use rights to the land getting one third (1/3) of the harvest, and the contractor getting two thirds (2/3). The contractor spent for everything: seeds, labor for transplanting, harrowing, harvesting, milling and transportation cost, etc. The land owner was expected to demand a larger share to cover his opportunity cost for maintaining the current use of the land in the midst of other, perhaps more profitable uses and to pay expected increases in land taxes.

A diminished share would force agricultural contractors to improve their productivity by investing in better seeds and labor-saving farm machinery.

5.8 Groups that stand to benefit from these positive effects.

The social assessment identified those groups that would stand to benefit from the direct and indirect impacts of the project. These were:

- 5.8.1. Villagers whose lands and houses were located along major and secondary roads as banks preferred to lend to these people. Their businesses stood a better chance of flourishing than those in the interior because of the expected increase in traffic and commerce along the roads.
- 5.8.2. Farmers cultivating wet, well-watered or irrigated, paddy fields. Banks normally did not approve loans to farmers cultivating dry, upland farms dependent on the rain for irrigation.
- 5.8.3. Households owning several parcels of land. With a wider asset base, these households could mortgage one or two pieces and take advantage of emerging economic opportunities. Loss, if that indeed happened, would not severely affect the family's economic standing and consumption patterns.

5.9. NEGATIVE IMPACTS OF THE LAO PDR LAND TITLING PROJECT

5.9.1. Direct Impacts

5.9.1.1. Potential Loss of Land Use Rights.

From the FGD results in the unserved provinces, the LLTP could cause the loss of land use rights, and even landlessness and/or homelessness of the following groups:

- People who fled the country after 1975 and have returned claiming back their land.
- Descendants of earlier users of land who were seeking a return of their parents' land now being tilled by someone else as a result of the defunct cooperative farming program of the government.
- People presently occupying the land of those who fled the country after 1975;

- People presently occupying and tilling the land by virtue of the defunct cooperative farming scheme of the government.
- Persons Occupying State Lands who have been temporarily allowed to stay there by state authorities but are now being asked to leave. Examples are teachers in Xiengnuen village, Xing District, in Luang Namtha province, who have built houses made of permanent materials on school lands with the permission of district education authorities but are now being asked to vacate the premises.
- Women belonging to ethnic groups like the Ikor who by custom, do not have rights to land. Conjugal land is normally titled in the name of the man.

5.9.1.2. Tensions within the Community.

If the above issues were not settled properly, it could create tensions within the community. Referring to the case of the teachers who refused to vacate school premises. FGD participants said that it would be unfair for those who acquired their lands legitimately and who had faithfully paid land taxes, if these teachers were granted full use land rights by the state. Another point of tension in some villages was the prospect of those who fled the country after 1975 getting back their lands, displacing in the process, locals who occupied and improved the lands in the meantime.

5.9.2 Indirect Impacts.

5.9.2.1. Increased Incidence of Encroachment into Forest and Communal Lands and Privatization of their use

Rising land values could increase the incidence of encroachment into forest and communal village lands and the privatization of their use for the benefit of a few.

5.9.2.2. Indiscriminate conversion of agriculture land into other uses

Low agricultural productivity (and poor farm incomes) because of the absence of critical agricultural infrastructure, e.g irrigation plus the rising value of residential, commercial, and industrial land would encourage those in high economic growth and fast urbanizing areas to convert agricultural land to residential, commercial, and industrial uses. In many ways, these constitute a benefit to both title holder, the local economy, and government revenue collection agencies. The prospect of higher returns encourages businessmen to invest, creating employment and producing goods and services demanded by people, increasing incomes of both investor and worker, which in turn creates more demand, spurring more investment, more employment, more goods and services, and in the end, a higher standard of living, and not to forget, more revenues for the government. However, there is danger that in the process fertile land and land where large agriculturally-related investments have been poured in like irrigation, post-harvest and transport facilities, would be converted indiscriminately or left idle in the expectation of larger returns or anticipated residential, commercial, and industrial development in the vicinity.

To the possibility of indiscriminate conversion of productive farm land into residential and other uses, the villagers suggested the construction of irrigation facilities to increase the yields of agricultural areas and encourage more investment from farmers.

5.9.2.3. Loss of Employment for those in the agricultural sector who depend heavily on selling their labor.

FGD participants said that the conversion of agricultural land into other uses could lead to the loss of employment or underemployed on those that depended heavily on agricultural labor as a source of income. Unless enough jobs are generated in urban centers and those displaced are prepared properly through skills training and informal education, conversion could lead to the creation of a new urban underclass, consisting of unemployed migrants from the rural areas. The adoption of labor-saving agricultural technology could also trigger such phenomenon.

5.9.2.4. Possibility of increased loan defaults

More banks setting up branches in the area, the greater confidence attached to the land title, and more business opportunities would create a larger demand for credit, which would increase the likelihood of loan defaults.

To the possibility of increased loan defaults, the villagers suggested that the government provide the necessary personnel like agricultural technicians to advise the villagers on the best use of the loans and the appropriate technology to adopt so that their productivity and ultimately profits would increase. Government must also put in place the needed infrastructure such as irrigation, water, and flood control facilities to enhance the returns of people's farm and off farm businesses.

5.9.2.5. Right of way problems.

Increased economic activity and the influx of outsiders would strain the towns' existing infrastructure, necessitating among others the construction of new roads, the expansion of the water supply system, and the improvement of electric services. Improvements in public utilities and expansion of roads were expected to cause new problems such as right of way (ROW) problems, affecting those living near existing thoroughfares and those whose properties stood on planned routes. People feared that they would lose land and not get any compensation in return because houses and other buildings standing on the affected land were erected without building permits from the Township Planning Office.

5.9.2.6. Increased drug-related crimes, business related disputes.

While they have their benefits, the influx of outsiders, the greater mobility of people, and economic growth are feared to cause other social problems such as drug addiction, rise in drug-related crimes, and increased number of business-related disputes, for example, mortgaging the same piece of land to different persons. Outsiders had been frequenting the villages to engage in the illegal opium trade with ethnic groups or to indulge their addiction.

CHAPTER VI

INSTITUTIONAL ANALYSIS IN UNSERVED PROVINCES

**CHAPTER SIX:
INSTITUTIONAL ANALYSIS: UNSERVED PROVINCES**

6.1.CAPACITIES OF AND RESOURCES AVAILABLE TO KEY INSTITUTIONAL STAKEHOLDERS

6.1.1. Land Office in Luang Namtha

6.1.1.1 Quantity of Staff.

If the project were implemented today, the Head of the Provincial Land Office (PLO) said that his office would have to increase their complement by fifty percent (50%). There were six (6) people in the provincial land office and a total of eighteen (18) employees in the district offices of Namtha (7 persons) Sing (2 persons), Long (4 persons), Viengphoukha (2 persons), and Nalae (3 persons). All twenty four (24) people plus the additional twelve (12) people would have to work full-time with land titling office.

Of the six (6) people working in the Provincial Land Office, only one (1) was female.

Some of the project staff were ethnic minorities who could speak the languages of the different ethnic groups.

There was only one person in a position. He had no assistants or alternates.

6.1.1.2. Capabilities.

The head of the PLO admitted that staff capabilities were limited. No one among them was trained in doing ground survey, let alone photo mapping. For resolving disputes, they relied on local knowledge and personal experience. None had intensive training in conflict resolution. He rated staff knowledge of ethnic groups as basic.

One thing going for the staff was their familiarity with the LLTP, having implemented a pilot in two villages in the province. The pilot had between 1997-2001 issued two hundred eighty three (283) permanent land titles and one hundred seventy two (172) temporary land titles.

6.1.1.3. Logistics.

The Provincial and District Land Offices in Luang Namtha had no equipment to do ground surveys and photo mapping. None of them knew how to use the equipment utilized in these methods.

The Land Office had a few motorbikes, which the PLO Head described to be unsuitable for use in the rural areas.

There was only one (1) computer used by the Division of Finance for printing letters and reports. No one among the staff had formal training in the use of the computer. Most learned by observation and hands-on.

The Land Office had only one telephone line. It was easy to communicate with the Central Office but difficult to communicate with the rural villages

6.1.1.4. Information System.

The Land Office had up-to-date information on the number of villages (urban and around the district), the number of parcels in the different districts, and land tax collections.

Unfortunately, it had no up to date data on land-related transactions. Land-related transactions were kept in the *In-Out Document Registration Book*. Transaction data were not stored in computers.

6.1.1.5. Disputes.

Some disputes over land had remained unresolved for over five (5) years. A few had reached the provincial governor's office. In solving disputes, the Land Office staff referred to the Land Law and Decree 52/PM.

6.1.2. Agriculture and Forestry Office in Luang Namtha

6.1.2.1. Quantity.

The Agriculture and Forestry (AF) Office had sixty nine (69) people working in the province. They were divided into twelve (12) teams: four (4) units doing administrative work and eight (8) teams assigned in the field.

Two (2) women were working in the technical staff and the others were assigned in administration.

One (1) employee of the office was a highlander belonging to the Hmong ethnic group. He could speak the Hmong language and was familiar with the traditions and practices of his people.

6.1.2.2. Capabilities.

Some of the AF staff graduated from vocational schools. A number of them graduated from University in the field of agriculture and forestry. Every year, the office received scholarships to take short and long term training courses in Japan, Malaysia, Thailand, and China.

One (1) AF employee underwent training in the use of the Global Positioning System (GPS) utility in Vientiane.

The AF office has had training on Customer Relations Services organized by FIAT. The training was for the implementation of irrigation projects.

None of the staff had undergone formal training in conflict resolution, and they relied on their experience to resolve disputes.

Some of the AF technical staff had worked with the LLTP pilot in the province as surveyors.

6.1.2.3. Logistics.

The AF office had no equipment to conduct ground survey. It did not have people who were skilled in operating these equipment

It did have computers, and people who had a full computer course in the school.

The office also had a facsimile machine, and at the time of the interview, the AF Provincial Head was expecting the installation of electronic mail facilities.

6.1.2.4. Information System.

The office did not keep records on Temporary Land Use Certificates and Land Survey Certificates. This was said to be the responsibility of the Land Office.

6.1.2.5. Dispute Resolution.

Disputes were resolved following the Land Law (Regulation on Agriculture) and the AF Office procedure following the Land Law.

6.1.3. Land Office in Oudomxay

6.1.3.1. Quantity of Staff.

There were nine (9) people in the Provincial Land Office, five (5) of whom were contractual personnel. It had a total of twenty six (26) employees in the district offices of Xay (5 persons), Houn (4 persons), Beng (3 persons), Nam (5 persons), La (3 persons), Pakbeng (2 persons), and Nga (4 persons).

If the project were implemented today, the PLO Head said that he would need more technical staff such as surveyors and legal specialists.

Of the nine (9) people working in the Provincial Land Office, only one (1) was female.

Twenty percent (20%) of the Land Office staff came from ethnic minorities who could speak the languages of the different ethnic groups.

The head and the deputy head of the Land Office came from ethnic groups. The head was Hmong and his deputy Lao Theung. Thus, they were familiar with the culture of the different ethnic groups.

6.1.3.2. Capabilities.

The head of the PLO admitted that staff capabilities were limited. No one among them was trained in doing ground survey, let alone photo mapping and use of the GPS. For resolving disputes, they relied on local knowledge and personal experience. None had intensive training in conflict resolution.

One thing going for the staff was their familiarity with the LLTP, having implemented a pilot in the province. Some of the Land Office staff were involved in the CRS campaign for the LLTP pilot. Thus, almost eighty percent (80%) of the staff was familiar with land laws, policies, and decrees of the government.

6.1.3.3. Logistics.

The Provincial and District Land Offices in Oudomxay had no equipment to do ground surveys and photo mapping. None of them knew how to use such equipment. The PLO Head said that they would need training in the use of these equipment.

The Land Office had three (3) motorbikes, which the PLO Head described to be unsuitable for use in the rural areas.

There was only one (1) computer used by the Division of Finance for storing important data like land taxes. No one among the staff had formal training in the use of the computer. Most learned hands-on and from their peers.

The Land Office had only one telephone line. It was easy to communicate with the Central Office but it was difficult to reach rural villages

6.1.3.4. Information System.

The Land Office had up-to-date information on the number of parcels in the different districts, their uses, and land tax collections.

Unfortunately, it had no updated data on land-related transactions. Land-related transactions were kept in the *In-Out Document Registration Book*. Transaction data were not stored in computers.

6.1.3.5. Disputes.

In solving disputes, the Land Office staff referred to Article 79 of the Land Law.

6.1.4. Agriculture and Forestry Office in Oudomxay

6.1.4.1. Quantity.

The Agriculture and Forestry (AF) Office had seventy six (76) people working in the province. They were divided into at least five (5) unites.

The AF had a few women but most of them were working in administration. Less than ten percent (10%) were working in the field.

6.1.4.2. Capabilities.

The AF Head informed that half of his staff had medium-diploma, forty percent (40%) had high diploma, and ten percent (10%) had a masters' degree. Every year, the office received scholarships to take short and long term training courses in different countries.

One (1) AF employee underwent training in the use of the Global Positioning System (GPS) utility in Vientiane.

The AF office has had training on Customer Relations Services (CRS). The training was for the implementation of irrigation projects.

None of the staff had undergone formal training in conflict resolution, and they relied on their experience to resolve disputes.

Some of the AF technical staff had worked with the LLTP pilot in the province as surveyors.

6.1.4.3. Logistics.

The AF office had no equipment to conduct ground survey. It did not have people who were skilled in operating these equipment

It did have computers for every unit, and people formally trained in their use.

The office also had a facsimile machine, and at the time of the interview, the AF Provincial Head was expecting the installation of electronic mail facilities.

6.1.4.4. Information System.

The office did not keep records on Temporary Land Use Certificates and Land Survey Certificates. This was said to be the responsibility of the Land Office.

6.1.4.5. Dispute Resolution.

Disputes were resolved following the Land Law. The AF had a major problem when its irrigation project passed near a cemetery of ethnic groups but this was solved.

6.2. Summary of Discussion with Township Planning Offices

6.2.1. Less Right of Way Issues

A township planning official interviewed thought that the LLTP would not encounter the same ROW problems as in the served areas because the ROW had been identified and setup in the peri-urban areas. There would not be a problem because there were less buildings in the peri-urban and rural areas than in the urban areas. According to another official, the experience and the lessons learned from the implementation of the LLTP in the six served provinces would be of enormous help once the LLTP was implemented in Oudomxay.

6.2.2. Speed up the Process of getting Building Permits

Similar to those in the served provinces, the land title was expected to speed up the process of issuing building permits. In Luang Namtha, the Township Planning Office averaged only eleven (11) permits issued in the last seven (7) years from 1995-2001. In the first six (6) months of 2002, there were six building permits issued.

In Oudomxay, there has been a rising trend in the number of building permits issued from twenty four (24) in 1998 to thirty eight (38) in 2001. In the first seven (7) months of 2002, forty seven (47) permits have been issued. This notwithstanding, the head of the township planning said about seventy percent (70%) of those constructing did not obtain building permits.

CHAPTER VII

IMPLICATION TO PROJECT DESIGN AND RECOMMENDATIONS

CHAPTER SEVEN: IMPLICATIONS TO PROJECT DESIGN AND RECOMMENDATIONS

This chapter draws out the implications of the SA findings to the design of LLTP Phase II and recommends measures to ensure more people will benefit from the project, prevent risks from happening or mitigate negative effects. The impacts are presented as issues, and recommendations to address them follow. Features of project design that led to the positive impacts are also discussed. It also discusses peculiar challenges that the LLTP faces in the unserved provinces and in the rural areas. At the end, it discusses the merits and demerits of expanding into rural areas and proposes two set of criteria for expansion.

7.1 FEATURES IN THE PRESENT PROJECT DESIGN THAT LED TO POSITIVE IMPACTS

As mentioned in the FGD and the institutional analysis, the features of project design that caused the achievement of positive impacts are:

7.1.1. Customer Relations Services

7.1.1.1. Use of posters, slideshows, radio and television ads, and lectures;

The finding on posters substantiate earlier findings about the helpfulness of posters in obtaining information about the project (*Final Report for Customer Relations Services and Gender Development Technical Assistance Report No. E40, p. 22.*)

7.1.1.2. Meetings and leaflets helped people understand the benefits and risks of having a title;

Judging from the results of the household survey, people had a better understanding of the benefits and risks in having a land title. A common recommendation in the FGD is for the banks to conduct their own CRS regarding their lending operations.

Though they had difficulty understanding the computation of land taxes, the Table of Values, and computing the transaction registration fees, people are becoming curious about these, which bodes well for the second objective of the LLTP to mobilize local sources of revenue.

7.1.1.3. Deployment of women to conduct CRS-GAD activities, and to some extent, surveying and adjudication.

The deployment of members of the LWU allowed women to participate in the different parts of the project. Female villagers found easier to talk to women staff. Women were said to be better communicators. According to one head of a PFU, women were very effective in mediating disputes.

7.1.1.4. Special meetings for women

Separate and special meetings for women allowed women the opportunity to express themselves freely. These meetings made them understand their rights over the land and the importance of having land inherited from their parents placed under their names. Women understood about conjugal property and the importance of placing their names in the title alongside their husband's.

7.1.2. Surveying and Adjudication

7.1.2.1 Systematic adjudication

The adoption of systematic adjudication made the land titling process uniform, faster, and cheaper. Everyone went through the same process. Many boundary disputes were resolved as a result. The possibility of rent seeking was also minimized. Villagers in Khammouane who underwent sporadic adjudication wanted to shift to mini-systematic. The PFU of the province concurred saying that the latter was faster and easier.

7.1.2.2. SATs left dispute resolution to the village administration.

No titling if disputes remained unresolved. This prompted disputants to talk to each other and find an acceptable solution. SATs generally left dispute resolution to the village administration.

7.1.2.3. Participatory process

While much can still be improved, the participatory process used in land titling was much appreciated by people. The participatory nature and the information given dispelled initial fears.

7.1.2.4. Low cost of the titling fee

The low cost of the titling fee also enticed people to cooperate. As the household survey showed, many people could not afford to have their titles if their estimate were correct that it would have cost between 1-2 million kip (US\$100-200) to have their lands titled on their own. Even the independent estimate of 500,000 kip (US\$50) is still unaffordable given the average annual household income in the country.

7.1.3. Valuation

The Table of Values was much appreciated by the banks for it made the process of land and property appraisal much easier. The computation of mortgage value for the land would be much more consistent and less subject to subjective criteria.

The Table of Values plus the land registration system helped the government increase its revenues as shown in the first chapter of this report.

7.2. CONTINUING CONCERNS

ISSUE: (Served Provinces): Anxiety felt by people over the perceived delay in the issuance of land titles

ISSUE: (Served and Unserved Provinces): Expectation to receive their titles within six months

From the results of the household survey in the served and unserved provinces, people expected to obtain their land titles within six (6) months after the LLTP starts in their village. The maximum was one (1) year. The FGD showed that in some villages (a number are in Vientiane Prefecture) many have been waiting for the issuance of their titles far longer than this span of time.

General Recommendation 1: Speed Up Conclusion

Six months to one year is the people's expectation but the project need not conform to this, if it were unrealistic. Just the same it is important to determine where the bottlenecks in the entire titling process are and address the problems.

In an interview with one deputy head of PFU, he said that the conclusion process had an inordinate number of steps and processes and therefore, took longer than it should. In Luang Prabang, the conclusion process was being slowed down by:

- unclear land ownership;
- incomplete documentation;
- joint names on the land use rights documents
- absentee land owners; and
- unclear land acquisition history

The PFU of Luang Prabang had suggested policies and guidelines to the PSU regarding these cases.

In the *Draft Aide Memoire of the Joint World Bank-AusAid Supervision Mission in May 2001*, Conclusion was identified as a bottleneck with a backlog of 12,000 (This increased to 16,000 by October 2001) The identified cause was the lack of incentive for the Provincial Conclusion Committees to process the titles as quickly as they could. The *Aide Memoire* recommended the formulation of an incentive structure which would have been implemented last December 2001.

Nevertheless, it should be noted that the issues bogging down the conclusion process, as mentioned by the PFU in Luang Prabang, are issues that should have been clarified, and more or less, settled at the field level by the SAT. Unclear land acquisition history, unclear land ownership, joint names of on the land use rights documents should have been cleared and clarified during the adjudication itself.

Recommendation 1-2: Distinguish and define issues that should be settled on the field and issues that need the conclusion committee's attention

A listing of issues that should be a matter for the Conclusion Committee's attention needs to be crafted. This needs to be defined and distinguished from those problems that the SAT teams should handle.

Recommendation 1- 3: Continuing Updates for SAT teams

The recommendation across villages to include a legal specialist hint at a lack of confidence in the knowledge of the SAT teams on Lao laws and policies. Since legal specialists may be in short supply, the project's training unit should instead provide regular updates to the different

teams on the latest policies of GOL. More knowledgeable SAT teams can apply immediate solutions to problems without having to consult a legal specialist, or worse, leaving the issue unsettled for the Conclusion Committee to decide.

Following the recommendation in the *Aide Memoire of the October 2000 World Bank/AusAid Seventh Supervision Mission* that the delivery of CRS be “institutionalized,” i.e. providing reliable information is not just the job of the CRS Unit Officer but a continual cycle for all field staff, SAT team members need updates so that they can disseminate the needed information when required.

Recommendation 1-4: Classification of titles according to the severity of problems

To hasten the distribution of the title, people in the village suggested that the project could classify use rights claims or the land acquisition documents into different classes according to the gravity of the problems encountered:

- Class A: for no problems;
- Class B: minor problems;
- Class C: major problems.

An example of a class B problem was minor gaps in land acquisition documentation. Class C problems would be unsettled, conflicting claims over the same parcel of property.

The village administration officials with the project staff and the parties in dispute ought to work together in solving common problems during the conclusion stage.

Recommendation 1-5: Adopt positive silence approaches

A possibility for hastening the conclusion process is to adopt (with certain modifications) a “positive silence” approach that other countries have used in the issuance of driver’s license, birth certificates, car registration, and other similar documents. Under this scheme, a bureaucrat is given a set period within which to act upon an application. Any infirmities on and objections to the application must be identified or raised and corrected or resolved within this time. Silence means approval. By the same token, once the deadline has passed, the application is also considered approved. The aim of positive silence is to minimize slowdowns that offer plenty of opportunities for people to engage in intermediation and rent-seeking.

Positive silence works best on issues involving only the land use right holder and the government, e.g. problems with land acquisition document. It may not be applicable to settling conflicting claims between two parties. The project also has to guard against the problem encountered in Thaphalanxay, Vientiane Prefecture where Village administration wanted to cancel the existing land titles after having been issued because the two parties involved could not agree regarding ownership.

General Recommendation 2: Realistic Project Scheduling to Promote Efficiency

Recommendation 2-1: Craft different time frames for urban and rural areas

Identifying the bottlenecks and the measures will allow the LLTP’s Project Management Office to craft a realistic time frame for the issuance of land titles and measure the project’s

performance against it. While speeding up the project, the time frame should also realistic enough to avoid the other extreme of project staff unduly rushing their work and becoming careless in the first place.

The time frame for the urban and peri-urban areas will be different than that in the rural areas. One PFU official said that he expected land titling to be slower in the rural areas because of the larger size of lands there. This has implications for:

- the productivity of project teams;
- performance targets for the SATs;

Accessibility (presence and absence of roads and the quality of roads), the topography, logistics (budget, vehicles and equipment available to the team), services available in the area (communications and electricity) the weather, and the cycle of people’s work and leisure are important considerations for project scheduling.

Results from the household survey in both served and unserved provinces showed that more people are into farming in the unserved provinces than in the served provinces. In the served provinces, more respondents are into business.

**Table 14:
Comparison of Occupation in the Served and Unserved Provinces**

	Served	Unserved
Farming	10.1%	46.8%
Businessmen	37.5%	22%
Government	19.2%	5%
Private Employment	7.6%	5%
Housewife	15.5%	15.6%

In the project’s expansion into the rural areas of both the served and the unserved provinces, the scheduling of project activities must taken into account the crop cycle and the different milestones of the farming season. The year is divided differently in the farms. Some areas may be hard to reach once the rainy season begins. The dry season from January to early May is the time when project staff should be busiest and where field work should be done most intensively and extensively. The intervening period when the farmers are waiting for the crops to grow is also another time when their workload is not too heavy. However, this also coincides with the rainiest period of the year. Accessibility is the problem, and it is generally difficult to work under the driving rain. Project scheduling may have to be done in terms of dry seasons and wet seasons, as it is normally done in road construction.

Recommendation 2-2. Adoption of more efficient technologies

The technology used for surveying and mapping has a significant effect on the speed of the titling process. The LLTP is also piloting the use of Global Positioning System (GPS) and other survey technologies in several areas. Results from the pilot would be the basis for the adoption. Without recommending one method over the other, there are several points that need to be addressed in the choice of technologies.

Level of Accuracy

Given the size and value of lands in the rural areas, the level of accuracy demanded of the survey in the rural area may not be as high as that demanded in the urban and peri-urban areas. The scale of the map is also different. This impinges in the choice of survey methods, e.g. orthophotomapping vis-à-vis ground survey.

Time

In turn the level of accuracy required has implications on the speed by which titling shall proceed. Some methods churn out results faster than others.

Cost

Evaluation of technologies must also take into account the cost, e.g. total station vis-à-vis Global Positioning System. Photo mapping can be expensive.

The applicability of the technology or its instruments.

In the rural areas, electricity is not available twenty-four (24) hours a day; in some areas, they might not be any electricity at all. The use of the GPS utility may not be possible unless battery packs are provided.

As the institutional analysis showed, photo mapping may not be appropriate in the peri-urban and rural areas because of the size of the land. The scale used in photomaps cannot capture very small parcels.

Capability of people.

The presence and absence or the sufficiency or inadequacy of the people who can apply the technology is crucial for hastening the process of land titling and ensuring the accuracy of surveying. As mentioned above, the training of members of the PFU in computer, photo mapping, and GPS slowed down project implementation in Vientiane. Even old hands need time to familiarize themselves with new technologies and equipment.

The institutional analysis of the Provincial Land Offices in Luang Namtha and Oudomxay showed no capabilities in ground survey and photomapping. There were Agriculture and Forestry people in the two provinces who were trained in the GPS and in Customer Relations Services.

These people can be seconded to the LLTP once land titling intensifies in the two provinces.

Participation and social acceptability.

Most important for this social assessment is the level of participation that the technology can generate. Participants in the FGDs in the served provinces expressed a common desire to be involved more in the surveying and adjudication stage. This stage is also the most difficult for villagers to understand because of its technical nature. Technologies may differ in the participation it engenders, e.g. ground survey vs. photo mapping. The choice of the technology to use must taken into account the level of participation it generates and the social

acceptability of its outputs, e.g graphical representation of the lot at the back of the title vis-à-vis a more detailed map complete with descriptions.

Consistently across all served provinces, FGD participants asked that the distance between the corners of the lot be included in the graphical representation at the back of the title.

General Recommendation 3: Address problems related to absentee landowners, land acquisition documents, and boundary markers.

Recommendation 3-1. Expansion of the initial meeting with the *nai ban* into a scoping or rapid assessment prior to the first village meeting

Another way of speeding up the titling process is to expand the initial meeting with the village administration into a scoping or rapid assessment as suggested above. This would identify disputes and land-related problems in the village

From the institutional analysis, the people were said to be waiting for the SAT to arrive before putting their boundary markers. In many cases, there were disputes over boundaries that the villagers were waiting from the SAT to resolve. A rapid scoping and assessment should identify these boundary disputes, and once identified, the village administration should get to work on them immediately.

The scoping should also identify who are absentee landowners, occupants of state lands, and “informal settlers.” In this way, absentee landowners can be located and contacted before the project starts in the village. As this is a common problem facing many villages and a cause for a delay in the conclusion process, it is important to secure their presence early on.

Recommendation 3-2: Better CRS on boundary markers

The institutional analysis showed that the project was delayed only when the SAT arrive did people started placing their boundary markers. One reason was that people were not clear on how to place the boundary markers. Confusion – or lack of clarity- can be addressed by better CRS on the subject of boundary markers. Actual demonstration in the field is the best way to communicate this.

Recommendation 2-4. Dispute resolution training for village administration, housing unit heads, and respected villagers

Another reason why the residents failed to place boundary markers was because of existing disputes. The village authority is supposed to resolve these disputes. Besides not knowing the existence of these disputes in the first place, another reason is lack of confidence and competence to resolve them. It is recommended that village administration should be trained in dispute resolutions to provide them the knowledge, skills, and confidence to tackle land disputes. Inputs on the GOL’s latest guidelines would also help.

Recommendation 2-5. Use the ocular inspection and the intervening period before the SAT commences operation to encourage villagers to gather and prepare their land acquisition documents.

The ocular inspection and the intervening period before the SAT commences operation should be used by the village administration to encourage the villagers to gather and prepare their land acquisition documents. Land transfers made orally should be formalized with written documentation. Old and tattered documents should be replaced and updated. In this way, long delays would be avoided.

General Recommendation 4: Post-Adjudication CRS

Anxiety is bound to arise when no further information is given after field activities cease at the village and the process shifts to the provincial land offices. If delays are inevitable, frequent updates can help minimize the uncertainty and the fears and suspicion it generates.

Therefore, Customer Relations Services (CRS) should not stop after surveying and adjudication but should continue on even after in the form of providing up-dates on the processing of the actual title and where and when they could get these titles, if they do become available. In the event of delays, the Land Office and the village administration ought to provide updates that would help dispel the anxiety.

Those responsible for CRS should also explain that in the interim while the titles are being processed, they can perform land transactions using the certification issued by the project staff acknowledging receipt of the villager's land acquisition and use rights document and stating that the land has been surveyed. The banks and other agencies should be properly informed about the standing and validity of these documents.

During the intervening period after surveying and adjudication and before issuance of the actual titles, the village administration and CRS staff could also conduct information and education campaigns explaining to the villagers the Table of Values and the process of registering transactions, the computation of the land tax, and bank lending procedures, products, and requirements. In some villages in the served provinces, people had the notion that the transaction registration fee was high. If this perception remained, it could discourage transactions and hamper government's efforts to reduce informal land transactions.

The CRS could invite banks to explain their products and services, lending procedures and requirements, as requested by the villagers.

ISSUE: Addressing remaining disputes over common access and concern over right of way

General Recommendation 1: Minimize common access and right of way issues

Recommendation 1-1: Expansion of the initial meeting with the village administration into a scoping or rapid assessment

The Adjudication Team Leader holds an initial meeting with the village administration before the first village meeting. The meeting introduces the project and gathers basic information about the village like population, number of ethnic groups. It is recommended that this initial

meeting be expanded and extended to become a scoping and rapid assessment to identify common access and right of way problems early on. Ocular inspection of the village can identify where community access problems are bound to occur. It can determine whether village roads require widening to accommodate ambulances and firetrucks. Problematic parts of the village can be identified in the village map.

As much as possible, the ocular inspection ought to include representatives of the township planning and the department in charge of roads, communication, and public utilities.

The scoping or rapid assessment can identify also those people who are living in state lands, so-called informal settlers, ethnic groups. Parcels belonging to “absentee land use rights holders” or people residing outside the village can also be pointed out, and the whereabouts of the land use right holders ascertained. This information is useful as it would assure the absentee’s presence during the village meetings and during adjudication where his or her signature is needed. In this way, problems regarding absentee owners need not be elevated to the Conclusion Committee, thereby hastening the issuance of titles. The scoping can also identify female-headed households

This rapid assessment or inventory has the twofold advantage of:

- identifying sources of conflicts and problems prior to intensive land titling operations:
- fine tuning standard Customer Relations Services and adopting it to the situation and problems of the area.

Recommendation 1-2: Emphasize that CRS is also a participatory process of village problem solving

CRS should be viewed not only as means of information dissemination and mobilization of people to support the project but also as a process of unearthing existing and potential problems in the village and analyzing these to facilitate the discovery of a solution. This is the reason why a single village meeting will not suffice and why CRS also needs to be tailored to the specific needs of different segments in the village. Problems can not be discussed thoroughly in one meeting, and there may be unique issues facing different household units and stakeholders in the village, especially women and ethnic groups.

A suggested process is:

- Issue or Problem Identification in the Village (household unit)
- Clustering/Classification of the Issues
- Separating LLTP-related from non-LLTP related Issues
- Issue Analysis and Drafting of an Issue Tree
- Brainstorming of Possible Solutions

Parts of the process can begin with the initial meeting between the village administration and the LLTP.

Recommendation 1-3: Tighter coordination between lltp, township planning officials, and village administration

The rationale behind the common suggestion to include Township Planning officials is precisely to address common access problems, contribution to the widening of village access roads, and concern over right of way.

Recommendation 1-4: Build capacity of village administration, housing unit heads, local lwu officers and members, and respected villagers in dispute resolution

The suggestion to have a legal specialist as part of the SAT teams hints at the need to build the capacity of village administration and respected villagers in dispute resolution. Village administration and villagers felt that with the presence of legal specialists disputes could be solved readily and correctly. The only comparative advantage that a legal specialist has is knowledge of the latest land-related policies and laws, something that can be addressed by providing regular update on land-related policies and laws to village administration. Specialist or no specialist, village administration will have to handle the disputes themselves. And they would be continue to do so even after the project has ended. If the disputes are not land-related, they would be marital disputes, non-payment of debts, fraud, etc. Capacity building in this area is needed to build confidence.

General Recommendation 2: If loss is inevitable, institute safeguards and compensate.

Recommendation 2-1: Monitor and document to prevent an excessive area of land taken from a few households

In deciding how much a household should contribute to expanding village roads, care must be taken as noted in the *Aide Memoire of the October 2000 World Bank/AusAid Seventh Supervision Mission* that “a family is not penalized by having excessive area of land taken and that appropriate compensation by village authorities are provided.” Pressure can be exerted by the big group or more powerful, wealthier persons to reduce their land contribution and transfer it to someone else. LLTP staff and township planning staff should serve as observers in the meeting to ensure the fairness of the process and the results. The process and the results should also be documented. If compensation has agreed upon, check periodically if the parties are complying with the agreement.

Recommendation 2-2. Draft guidelines for compensation

While village mobilization worked in many instances and people freely parted with a portion of a land, it may not be possible to do it repeatedly in the future given the rapid rise in the value of land.

Initial problems that the project had in Vientiane Province with placement of boundary markers inside buildings and houses has been solved when the LLTP staff removed the markers and followed the existing pattern of settlement.

A few guidelines need to be drafted to avoid this from happening in the urban areas of the unserved provinces and the still to be covered urban villages of the served provinces:

How to Title

- Be aware of the township plans. Better *on the ground, field-level* coordination between the LLTP and township planning office. Concerned officials should explain township plans, ROW issues and compensation scheme clearly to the villagers
- In long-settled, large settlements (usually in urban areas), it is recommended that titling follow the pattern of settlements. Buildings should be titled “as is, where is”
- In peri-urban areas, less densely populated areas or new township developments, titling should follow road right of way defined in finalized township plans.

Taxation

- Those that lose portions of their land to ROW should be taxed according to the new and not the previous land area.

Compensation

- Those who lost land due ROW should be compensated. Compensation should match the person’s loss and not handed out equally.
- Recognize the contribution of people to access roads for posterity

Resettlement

- Resettlement should be a last resort.
- Develop criteria when a household would have to be resettled or not
- Criteria could include the *size of the affected land, magnitude of loss*, i.e. if loss is only 10%, compensate monetarily, if 50% of land or more, resettle with land of equal quality and same access to basic social services and economic opportunities.
- Compensate with land in the peri-urban areas those who after deducting ROW have only 4 meter x 10 meter of land or less left. (Suggested by Township Planning)
- Compensate with land in the peri-urban areas those who lost lands measuring 1000 square meters. (Suggested by Township planning).

7.3. MEASURES TO ENHANCE PROJECT BENEFITS

ISSUE: Translating greater confidence provided by the title into greater access to formal sources of credit

General Recommendation 1: Strategies to protect the integrity of the land title

Access to formal sources of credit through the mortgage of land rests on the integrity of the land title and the land titling process. According to key informants working in the bank, there have been instances where a borrower succeeded in mortgaging the same land to different banking institutions. The borrower had his title photocopied a number of times.

FGD participants have been suggesting that to easily spot “fake” or “photocopies” of titles, a seal or stamp like that used in passports should be included in the document.

Improvement in the paper can also prevent photocopying. It is recommended that the LLTP use paper similar to that used in paper money.

To protect the land register against disasters like fire, the Land Office can consider (if the budget is available) keeping microfilm and electronic copies in addition to the usual paper copies.

General Recommendation 2: Strategies to transform security and confidence into social and economic value

The majority of FGD participants cited the increased security of tenure and confidence in entering into transactions as the first and direct benefit of having titles. People in the unserved provinces also anticipate the same benefits once the LLTP covers them. As they are, these benefits are largely psychological unless the LLTP or complementary projects and programs seek to translate security and confidence into economic and social value for the beneficiaries. A number of these measures have been suggested by the FGD participants from provinces both served and unserved by the project.

These strategies are:

Recommendation 2-1: Increasing the Credit-Worthiness and general economic standing of titling recipients, thereby making them more attractive clients to banks;

A first set of strategies consists in improving the credit-worthiness and the general economic standing of land titling recipients. These are:

- Investments in infrastructure like roads and bridges and in utilities like telephone, water, and electricity. These investments increase the attractiveness of the villages and their immediate vicinity to tourism, trade, commerce, and investment. More visitors and investments lead to increased business activity, and demand for residential and commercial land, thereby increasing land values and obtaining for the lands better mortgage value from the formal financial institutions.
- Productivity-enhancing investments consisting of irrigation, farm inputs, improved agricultural technology, and provision of technical advice would make

agricultural lending more attractive. According to FGD participants, banks lent only to those whose houses or lands were by the roadside and did not lend to those in the uplands or tending rain-fed farms.

Confidence such as that generated by possession of a land title motivates people to become less risk averse and to exploit perceived opportunities. Greater risk-taking is not negative, as risk within certain bounds generates value like greater profits, more employment, and heightened business activity.

Recommendation 2-2: Encouraging risk-taking by land title recipients by removing barriers such as lack of information, complicated procedures and by developing more responsive loan products.

The second set of strategies encourage greater but more intelligent risk taking by land title recipients and allows formal financial institutions to extend the frontier of formal finance so to speak. Many of these strategies have been mentioned by the FGD participants.

- Information campaign to be conducted by the banks regarding their loan products, lending procedures, requirements, and terms and conditions. After CRS has educated people about the benefits of the project, the obvious next step is to inform people how they can avail of these benefits.
- Simplification of Bank Lending Procedures. While outside the purview of the LLTP, complicated bank lending procedures and lengthy processing are mentioned as factors discouraging many borrowers. The complex procedures and lengthy processing time relative to informal money lenders are undoubtedly efforts to minimize lending risks.
- Development of More Responsive Loan Products. Measures to Enhance Direct and Indirect Positive Impacts. To enhance people's access to capital (and to decrease the possibility of loan defaults), the villagers suggested that banks introduce financial products and service that were more attuned to the needs of the people, e.g. loans with longer repayment periods. Longer repayment periods are justified because of their capacity to pay and because they are mortgaging a long-term asset whose value does not diminish but increases over time.

Recommendation 2-3: Fostering more developmental and equitable lending methodologies and introducing social financing and protection schemes

A third set of strategies is more far-reaching and entails appropriate interventions in the "frontier of finance" and expanding it.

A land title alone is not sufficient for its holder to gain access to formal and institutional sources of credit. There are barriers to entry that are unrelated to the possession of a land title: the level of literacy required to read and prepare required documents, the high transaction costs, e.g transport, follow-ups, preparation of documents) compared to other sources like private moneylenders, the preference of banks for certain types of collateral (more liquid assets) and for land located in certain places (like wet paddy fields), and the limitations of loan usage.

Land titles as a “key that opens the door to the treasure chest of formal credit” is not also widely used by many people, especially in the rural areas. The absence or lack of presence of banks is one reason. But even if they were present, small people have financial requirements whose urgency and size do not justify going through the bank’s lending processes or mortgaging their land. Rural villagers partially met these requirements by borrowing from a relative, a neighbor, or friend, from rotating savings and credit associations (*houay*), microfinance projects, or in desperate cases, from a private moneylender (*phou poi ngeun koo*). For small amounts, people should not be mortgaging land.

At the same time, they should not be limited to traditional sources like kin, neighbors, friends, and in extreme cases, the private moneylender. Their choices need to be widened, because credit from friends and kin is usually smaller than needed, and while it does not often carry interest, it has to be repaid immediately. Borrowing from kin and friend also creates obligations to reciprocate in the creditor’s time of need, obligations which can also be financially troublesome. The private moneylender may be accessible and quick, but the interest is more expensive than formal sources, and the term is short (three months to a maximum of one year).

Demand is present, and a middle ground exists, the so-called “frontier of finance.” In the absence of formal financial institutions, this need is satisfied by selling land, as the SA team found in the unserved provinces. This is not an efficient strategy because most likely, the land would be purchased at lower than the market value because of the stronger bargaining power of the more liquid buyer compared to the cash-strapped seller. It is not sustainable because land sold is hard to purchase back. Lastly it is inequitable as it creates a class of landless people and concentrates land in the hands of the wealthy few.

How to intervene in the frontier? It would entail a different lending methodology than the one that banks are typically used to, a departure from their asset-based methodology to a character and cash-flow based lending methodology. Character-based and cash-flow based lending methodologies are the hallmarks of small savings and lending groups at the housing unit/ neighborhood and village level popular in many developing countries and even in Laos. These groups have done a good job in reaching out to small borrowers, accurately estimating their debt capacity, and matching this capacity with the appropriate loan size and terms. The SA team found several of such groups in the unserved provinces. In the village of Bor in Oudomxay province, the Agricultural Promotion Bank (APB) has a micro finance or village-banking project with women. One of the FGD participants in an unserved province was a member of a *Houay* or rotating credit and savings associations (ROSCA).

The government can provide the environment for such groups to operate and flourish. It can encourage the replication of successful models like ASA and Grameen in Bangladesh, Bank Sewa and other banks servicing women in India, and Bank Rakyat in Indonesia.

The advantage of these models is that they generally target women, harnessing their productive activities and promoting gender equity.

Cash flow and character-based lending are also more developmental and equitable than asset-based lending, which tends to favor those with more assets and high income. (The household survey that bank borrowers are those with already high incomes. They also get bigger-sized loans.) It also has an urban-bias and widens the divide between the urban and rural areas of the country and between more developed and less developed provinces. Given the large gap between the value of urban, peri-urban lands and agricultural land and the

rapid rate by which the former are increasing in value, urban dwellers would get bigger loans than rural folk, This creates a vicious cycle where still more money is infused into developed areas already awash with cash and credit-scarce areas get even less. In certain cases, reverse transfers happen when savings generated in the rural areas are lent out to urban dwellers.

Paradoxically, the benefits of LLTP would be more enduring and widespread if people can access reasonably-priced loans without having to mortgage their land.

The other area for intervention is the use of land as an insurance substitute. People mortgage and sell land in case of medical emergencies as described in one case written by the SA team. (The case is entitled "In Illness and Health" and is found in the *Household Survey Report*.) It is also mortgaged to get a child through higher education and to meet social obligations such as weddings.

The case can be made that land should be used sparingly even for educational purposes. Without demeaning the importance of education, the disadvantage of risking land for the purpose of sending a son or daughter to school is the mismatch between the loan's repayment period, which is normally short to medium term, and the longer payback period of educational investments. To bridge the gap, it is worthwhile to explore the viability of introducing educational plans that are affordable by many Lao people. Given the large benefits of education to society as a whole, the GOL also has to chip in.

To cope with unexpected, medical emergencies, it is important to introduce social health insurance schemes and aim for universal coverage of the Lao people.

ISSUE: Enhancing participation of women in project activities (specially surveying and adjudication)

ISSUE: Inadequate number of women employed as project staff; many in administrative jobs

General Recommendation 1: Increasing the number of women among LLTP staff

Recommendation 1-1: Aiming for forty percent (40%)

As a first step to encourage village women to participate in project activities, the project ought to hire and assign more women in field operations, especially in the systematic adjudication team (SAT). Consistently across the FGDs in both served and unserved provinces, participants said that village women would more comfortable talking to women staff.

Project management should aim of having females comprising forty percent (40%) of seconded or directly employed into the DoL and project positions, as recommended in the *Final Report for Customer Relations Services and Gender Development (Technical Assistance Report No. E40 p. 24)*.

Recommendation 1-2: Half of the Forty Percent (40%) in Field Operations

Half of that should be in field operations, especially as adjudicators.

A 1999 study done by the Lao Women's Union (LWU) showed that the rate of women's illiteracy in Lao PDR has risen from sixty six percent (66%) in the early 1980s to more than seventy nine percent (79%) in 1999. Many illiterate women are in the rural areas.

The household survey conducted by the SA team confirmed this.

In the served provinces, men were better educated than women, fifty five percent (55%) of the men have educations from *lower secondary upwards*. In contrast, majority of the women (74%) had educational attainments from *the lower secondary downwards*, with ninety one percent (91%) of all those who described themselves as illiterate being women.

More women are needed in the field to help female rural villagers to fill up and sign the necessary forms, especially the land rights declaration form, (*Final Report for Customer Relations Services and Gender Development Technical Assistance Report No. E40, p. 12*).

Women were said to be better mediators, communications, and more meticulous with details and measures than men.

Recommendation 1-3. Encourage more women to study surveying and adjudication.

To accomplish this, more women should be trained in what has been traditionally male profession, surveying.

More women should be encouraged to take up surveying in the Polytechnic School for a High Diploma on Surveying. Affirmative action policies that reserve a proportion of scholarships for this course for women should be put in place.

Recommendation 1-4: Strengthen internal GAD/CRS

Traditional notions that the woman's place in the home remains strong in Lao society and in the workplace. Even if women are working, the thinking is that they should be performing secretarial and other administrative rather than technical, field work. The rigors and perils of traveling long distances and the irregular working hours of field work are supposedly not appropriate for women. They should stay in eight-to-five jobs so that they will not neglect their families. Therefore, there is a need to strengthen CRS-GAD within the project organization itself.

General Recommendation 2: Work for greater participation of village women

Recommendation 2-1: Separate meetings and more intensive crs for women

To enhance the participation of women in the LLTP, it is necessary to have separate meetings with women at the village and sub-village levels. The CRS would be more intensive and should be more creative given that women were generally less educated than men

Recommendation 2-2: Ensure that woman signs the adjudication paper for conjugal property

In some villages, the SAT omitted getting the signatures of the wives for the adjudication paper covering conjugal land. Careful monitoring and auditing of the forms should be done to prevent this from happening.

7-4: PROJECT AFFECTED PERSONS/PERSONS UNABLE TO BENEFIT (AS YET) FROM THE LLTP/PEOPLE AT RISK IN THE UNSERVED AREAS

As there are groups common to both served and unserved areas who did not benefit as yet from the LLTP or who stand at risk of being negatively affected, the recommendations for both served and unserved provinces will be lumped together. Separate treatment is given to groups that are unique for either group of provinces.

ISSUE: Status of claimants and occupants of land allocated for cooperative farming or left behind as a result of flight and migration

Another group of project affected persons consist of the disputing parties over land that were:

- Left by those who fled the country after 1975.
- Left by those who were assigned elsewhere in the country, e.g. soldiers or who migrated elsewhere in the country after travel and residential restrictions were relaxed in 1992;
- Included in the government's cooperative scheme, the present user of which is not the same as the former user.

General Recommendation 1: Finalize, get approval and implement draft policies governing lao people who fled after 1975

Clarifying the status of people in these lands will require policy pronouncements from the GOL. *In Draft Aide Memoire of the Joint World Bank-AusAid Supervision Mission in May 2001*, a Draft Decree on the inheritance rights of the Lao people who fled the country had been finished and at that time was awaiting passage. This would clarify the status of those occupying the lands of those who fled.

General Recommendation 2: Craft policies to address the problems of those affected by the cooperative scheme and those who migrated

Policies would also be needed to address the problems of those affected by the cooperative scheme and those who migrated after 1992,

To avoid landlessness, some safeguards have to be put in place;

Recommendation 2-1: Conduct re-allocation of land in affected villages prior to titling.

Recommendation 2-2: Efforts to be undertaken by the government to broker negotiations between the claimant and the occupant. Government can tap the services of legal specialists in the Ministry of Justice to serve as mediators.

Recommendation 2-3: Drafting of guidelines on how to compensate for improvements made on the land. Compensation can be in cash or land. The occupant and claimant could be persuaded to divide the land between them.

Recommendation 2-4: An offering of land use rights on state lands for those who will be unavoidably displaced.

Recommendation 2-5: Immediate return of land included in the cooperative to their former users. As much as possible, the original land in its original size should be returned to the former user. If not, an offer of similar land (almost the same productivity, soil type, and attributes, e.g irrigated) within the village or the nearby village should be made.

General Recommendation 3: Customer Relations Services to explain these policies

CRS would be important in explaining these policies to those affected and to project personnel who would encounter such cases. Members of the SAT and the village administration should be regularly updated on important GOL policies by the Training Unit.

Inclusion of a legal specialist in the SAT ought to be examined to help explain these policies. Updates should be provided to the SAT teams and to village administration officials, as recommended above.

ISSUE: Resolving Conflicts among Villages and People using Lands formerly for Common use.

With land allocation and later on land titling, conflicts are coming out into the open involving the use of communal land within villages and among villages. There is great pressure to privatize their use or limit their use to one village.

Recommendation 1: Resolve boundary disputes between villages first

Determining use rights and crafting the appropriate instrument cannot be resolved unless boundary conflicts between villages are resolved first.

Recommendation 2: Explore options to grant villages land use rights over village land as an intermediate step while examining the option of giving stronger land use rights to the users.

The prudent approach may be to assign land use rights to villages in the meantime while the option of giving stronger land use rights is being studied.

Recommendation 3: Explore the option of long-term leases to users

The GOL may contemplate giving long-term leases rather than titles to users. Temporary Land Use Certificates (TLUC) may not be the appropriate instrument because of its short lifespan (only 3 years). The land may require development and cultivation for more than that period to yield returns to the users.

ISSUE: Ensuring that benefits reach ethnic groups like the Ikor, Khmu, with special attention to their women.

ISSUE: Minimizing economic, social, and cultural risks to ethnic groups

The expansion into rural areas is especially sensitive because of the presence of ethnic groups in the area. The variety of agricultural production system, the degrees of dependence on the natural resource base, and the differing relationships to the environment make it a highly complex—albeit—challenging arena for the LLTP.

At the heart of the challenge is the different notion of property rights prevailing in the Hmong, Khmu, Ikor culture from the underlying logic or philosophy of the LLTP of clear, individual land use rights that are well-documented, gender-fair, easily transferable. The notion of marriage and family life, the management and disposition of properties, and gender relations are also different. These, of course, are not static but evolving as a result of exposure to other cultures.

Among ethnic women, the Hmong women appear to be more vulnerable because of Hmong marriage and inheritance practices and because of polygamy.

General Recommendation 1: Institute cultural sensitivity within the project organization.

Recommendation 1-1: LLTP needs to recognize differences among and within ethnic groups, identifying the more vulnerable groups and sub-groups.

Project management and staff need to be aware of the varying degrees of vulnerability and the ability and speed by which different ethnic groups can benefit from the LLTP. From the literature review, it appears the Akha are more vulnerable than the others.

Large number of ethnic groups like the Loven have joined the mainstream and have imbibed practices of the majority Lao population. Hmong in the rural village of Napork that the SA team encountered have external sources of income like remittances from relatives in the United States. Hmongs in peri-urban areas in the served provinces may be more adaptable than do Hmongs in the rural areas. The Hmong as a whole may be more adaptable in their farming practices than other ethnic groups, as the *Draft Existing Land Tenure and Forest Lands Study* (p. 19) imply.

Recommendation 1-2: Hiring and fielding of staff who belong to ethnic minorities and who are knowledgeable of the language and culture of these minorities

The project needs to hire more women field staff who belong to ethnic minorities or who are knowledgeable of the language and culture of these ethnic minorities. The institutional analysis for the unserved provinces have identified people in the MAF and the provincial land offices who are members of ethnic groups.

Recommendation 1-3: Cultural sensitivity sessions, immersion in ethnic groups' villages, and basic language courses

Besides gender sensitivity sessions and seminars on Gender and Development, it is recommended that project staff undergo cultural sensitivity sessions and short courses on the culture of these ethnic groups. Practices like polygamy can seem odd, and often a subject of

jokes and laughter, among those who do not practice the same. The thrust of the cultural sensitivity session is to instill an appreciation for the underlying logic behind those kinds of practices and the reasons for their persistence.

For instance outwardly gender-biased inheritance practices followed by the Hmong and Khmu are meant to keep the land within the clan.

Tips on how to deal with different ethnic groups in different situations should be part of the session to facilitate the entry of project staff into the village.

An actual immersion in a Hmong or Khmu village may help instill such cultural sensitivity and appreciation and the proper approaches to another culture.

In the absence or lack of staff members who are members of the ethnic group themselves, the project may consider undertaking basic language training for their field personnel like the Adjudication Team Leader and those conducting CRS.

Recommendation 1-4. More intense monitoring, analysis and feedbacking

Needless to say, those teams dealing with ethnic groups should be monitored more closely by project management. The activities have to be continually evaluated so that lessons are learned and repetition of mistakes are avoided in the future.

General Recommendation 2: Use more intensive participatory strategies because of the risks involved.

Recommendation 2-1: Tapping village elders and respected members of the community

The LLTP in the urban and peri-urban villages of the served provinces relied largely on the village administration. This is understandable given the relative proximity of urban and peri-urban areas to the center of authority. In the rural areas, with large distances to be covered, village elders, leaders or ethnic groups, and respected members of the community would have to be tapped as part of CRS and the SAT.

Because of distances and the scarcity of transportation, smaller meetings at the household unit level would be better at communicating project information.

Ethnic or traditional leaders may be more credible within their group than formal village authorities.

Recommendation 2-2: In cases of relocation, allow the community to choose the place.

In the face of the cultural, social and economic risks identified in the previous chapters, a less prescriptive approach and more participative approach may need to be taken by the LLTP.

This is necessary because of the finding in the *Draft Existing Land Tenure and Forest Lands Study* that even Land Allocation (LA) done by the Ministry of Agriculture and Forestry (MAF) that grants weaker instruments of land use rights are only reluctantly accepted by the Hmong (p.20). They are concerned with the loss of flexibility in the management of land. Land titling may not be even acceptable.

Using participatory approach rather than more prescriptive approaches can foster acceptability of certain actions. As cited in *Draft Existing Land Tenure and Forest Lands Study* (p.10), Khmus in the villages covered were open to relocation to address problems of land shortage and deforestation so long as they can choose the place. They proposed that they could acquire suitable and relocate to other districts and provinces subject to consultation and approval of provincial authorities and the receiving villages.

Voluntary relocation of shifting cultivators and upland dwellers appear to be more socially acceptable and viable option than resettlement by compulsion.

General Recommendation 3: Provide safety nets

Recommendation 3-1. Implement support services to make up for loss of community mutual support systems

As titling removes flexibility and renders inutile some consumption smoothing strategies, ethnic groups need to be aided in the transition by support services consisting of technical advice, seeds, farm inputs, and facilities like irrigation.

Skills training to enable them to engage in profitable off-farm activities and advice on raising livestock and poultry are needed if they are to cope with being homesteaders rather than shifting cultivators.

ISSUE: Reaching out and addressing the peculiar situation of ethnic women.

It goes without saying that the strategies for communicating gender equity to ethnic women would be different from those used with the majority, lowland Laolum women. Besides the language barrier, CRS will have to account for the difference in literacy levels and their exposure. Traditional gender roles and cultural expectations are more entrenched, and women are expected to be more subservient at least outwardly.

Hmong women whose husbands have wives other than they may prove to be the most vulnerable. Inquiries and discussion into use rights property may be construed by the man as troublemaking. Penalty for troublemaking is divorce as mentioned in the case study 1, "The Wives Speak." It also can be a trigger for conflicts between the wives. The action may be interpreted as attempts at poisoning the mind of the husband and gaining undue advantage for the woman's children.

Recommendation 1: House Visitation Prior to Special Meetings with Women

There is first matter of getting ethnic women to the meeting. According to the *Final Report for Customer Relations Services and Gender Development (Technical Assistance Report No. E40* (p.13), many ethnic women sent their husbands to the public meeting instead of attending themselves. Traditionally, community activities were the affairs of the men.

House visits may have to be done by LWU and project staff to inform them of the project and coax them to attend the special meetings for women.

Recommendation 2: Tap male elders and village elders as CRS/GAD speakers for meetings with men.

If the case of Mr. T, the Hmong in the case 1, is any indication, the men, especially the older ones, would be tough to crack. If women were to speak, the men might not attend. It would be best that a male elder and village leader give the GAD sessions to the men.

Recommendation 3: Use inductive, indirect approaches to delivering gender and development (GAD) sessions to men and women of different ethnic groups

The approach to women may have to be indirect and experiential. The case study method and the problem posing approach would be better than outright, straight lecture followed by a question and answer, open forum. Inviting women beneficiaries to give their testimony is another good approach.

This need not be done in just one sitting but can span several sessions. The first session may be exploratory to unearth gender-related issues in the village and the attitudes of both men and women. This will serve as the basis for fine tuning the CRS/GAD communication strategy and for the agenda/topics of subsequent meetings.

Recommendation 4: Careful Monitoring of CRS/GAD activities

It cannot be overemphasized that the CRS/GAD activities among ethnic groups require careful monitoring, more careful than the usual monitoring done. Results of the monitoring must also be evaluated carefully and quickly.

With entrenched attitudes, it is important to take it slow and monitor the discussion to detect if any changes are happening. Experience has shown that people tend to become progressively less recalcitrant and softer on their positions the more discussions are held in a non-threatening and open manner. It is most likely that many people are not aware of the underlying assumptions behind their cultural beliefs and practices, and that the meetings may be the occasion to bring them into light.

7.5 ADJUSTING PROJECT PROCESSES

The recommendations found here are the SA team's own recommendations. For the villagers' and the project staff's own recommendations, please refer to Chapter Three: Institutional Analysis.

ISSUE: Variations in CRS performance.

From the participations, variances were noted in the conduct of the initial village meetings, with some villages having one while others holding several. In some villages, CRS held specific meetings for women and ethnic groups while in others no specific meetings for these groups were done.

Responses in the village administration FGD to questions about the orientation provided them varied, with some saying fifteen (15) days and other saying only five (5) days.

Recommendation 1: Have several meetings at different levels, with different groups

The Social Assessment reiterates the recommendation in the *Aide Memoire of the October 2000 World Bank/AusAid Seventh Supervision Mission* to hold village meetings "at different levels with different audiences."

Without specifying the number, a rule of thumb is to have one general village meeting to introduce the project and to have several smaller meetings at the housing unit level and special meetings for women and for each of the ethnic groups, if ethnic groups constitute a large proportion of the population and are a distinct group.

The decision on the number of meetings and of the need for further meetings will depend on the rapid assessment or scoping and the surfacing of issues/problems as described above.

Again as recommended in the same *Aide Memoire*, the meetings should be held at the village itself, at different sites that are most accessible to people.

Recommendation 2: Hold meetings at the village itself at a time most suitable to the villagers.

To get maximum attendance, the meetings should be held at the village itself. The time must be convenient for the villagers. This may be early in the evening in the urban villages and late in the afternoon in the peri-urban and rural villages. Weekends or Fridays may be the best. In rural and peri-urban areas prone to flooding, this should be done during the dry season.

Recommendation 3: Careful monitoring of the meetings and other CRS activities and quick submission, evaluation and feedback.

The LLTP requires the Adjudication Team Leader to fill up a form containing basic information about the village and the issues raised during the initial meeting with the village administration and the first village meeting. Project management, especially the Monitoring Unit, should ensure that the forms are submitted to the Monitoring Unit and the Monitoring Unit evaluates them and provides feedback immediately.

Recommendation 4: Uniform initial training and continuous, just-in-time, on the job training and refresher courses, especially CRS/GAD

Implementing the above recommendations require better training for village administration. A particular problem is getting the village administration to attend the fifteen days of training (includes the weekend). The internal training unit should inquire into statements made by some village administration officials that they received only five (5) days of training. The length, contents, and process of the training must be uniform throughout the different provinces.

Continuous and just-in-time, on-the-job training and updates need to be provided to village administration and project field staff.

As recommended in the *Aide Memoire of the October 2000 World Bank/AusAid Seventh Supervision Mission*, the trainings need to be less input-oriented but more situation/case

oriented, practice oriented dealing with actual projects. Refresher courses are needed because of the lag time between training and actual implementation, participants forget.

Recommendation 5: Explore the use of good village administration officials as trainers

The training demands strains the capacity and finances of the project.

A strategy would be to get good village administration officials and good staff of the Lao Women’s Union (LWU) in the served areas to assist in the training or become trainers/field demonstrators themselves – a concept similar to the farmer-to-farmer extension system being practiced in agricultural areas throughout the world. Having gone through the land titling process itself and having been trained for at least fifteen (15) days, village administration officials represent a talent pool that the project can tap. The best ones would require refresher courses and trainer’s training.

One drawback to this plan is that village administration officials besides village work, have their own livelihood and jobs to attend to.

ISSUE: Lesser educated people in the unserved provinces

The household survey showed respondents in the two unserved provinces to be lesser educated than their counterparts in the served provinces. Nearly half the respondents reached only the primary level. There is also a smaller proportion of people who reached the vocational and university and higher secondary levels.

**Table 15:
Comparison of Educational Attainment
in the Served and Unserved Provinces**

	Served	Unserved
Primary	31.2%	44.7%
Lower Secondary	30.9%	27.7%
Higher Secondary	14.5%	5.0%
Vocational&University	14.2%	4.2%

Recommendation 1: Use more visual aids, demonstrations, “refresher” meetings.

More intensive use of multi-media and multi-sensory learning methods and materials are needed. People learn better when more senses are involved. According to the *Final Report for Customer Relations Services and Gender and Development 1999*, the preferred communication techniques among the respondents in its customer survey were visual in nature. They also wanted to see the actual title and the boundary markers. The *Aide Memoire of the October 2000 World Bank/AusAid Seventh Supervision Mission* also recommends the use of more visual aids (posters, flip-charts, brochures) and the use of practice sessions in boundary marking.

The presentation must be substantial but shorter. The people’s attention span may be shorter. The language, concepts, and examples used must be appropriate for the primary and lower secondary levels, the educational attainment of majority of the respondents.

A one-time village meeting does not suit this purpose. Even after sub-village level and specific meetings are held, intermittent meetings may be needed to remind and provide updates to people. Village administration officials should be encouraged to refresh people about the project objectives and processes during regular village meetings and in more project-specific meetings.

ISSUE: De-mystifying surveying and adjudication:

Surveying and adjudication is the most difficult part to understand. This is compounded by the admittedly lack of qualifications of project staff.

General Recommendation 1: Human resource development for surveyors

Recommendation 1: Train more surveyors in the In-Country Course

Recommendation 2: Encourage more young people to take up the High Diploma Course on Surveying at the Polytechnique

Recommendation 3: Better Supervision and Monitoring by SAT team leader.

Recommendation 4: SAT members also deliver Customer Relations Services.

As mentioned in the *Aide Memoire of the Seventh World Bank Supervision Mission in October 2000*, the LLTP has to emphasize that the SAT member also deliver Customer Relations services. They have to communicate with people and involve them.

Training to communicate technical content in language and terms understandable to people may have to be done. The point is not to turn villagers into surveyors but to provide them with the basics needed for their meaningful participation in and cooperation with the project. The modules must be understandable for those who reached the primary and secondary levels, the educational attainment of most of the household survey respondents. Part of the module should be how to explain to people why many measurements are necessary to reach a more accurate measure.

7.6. EXPANDING INTO THE RURAL AREAS: ISSUES FOR PROJECT DESIGN DELIVERY

7.6.1. Factors in the rural area affecting project design and delivery

- There are several factors that have to bear in mind in the proposed expansion of the project in the rural areas:
- The different social economic situation. There are poorer people in the rural areas.
- Obviously a lot more people are into farming in the rural areas.
- From this follows that more people depend on the land for living. They are also more dependent on it as an asset and factor of production than are urban dwellers.
- The rhythm of life follows closely the weather and the planting cycle of dry and wet seasons.

- The weather is more extreme, and protective measures are less sophisticated.
- The resource base is also more fragile, easily destroyed but not as readily rehabilitated.
- There are a lot more ethnic people in the rural area both in number and variety. There are different types of relationship to the land.
- It follows that there are different practices related to the transfer, ownership and use of the land. Certain concepts taken for granted in the urban villages have no equivalent with some ethnic groups, e. g. conjugal property.
- The size of the land and number of parcels are different. There are less parcels but they are bigger, and distances are greater between them.
- The parcels are less accessible. The roads are rough, or they may not be any road at all. The roads may be impassable during the rainy season.
- Because of their inaccessibility and remoteness, the people are less integrated in the mainstream of political, social, and economic life.
- As the household survey and literature showed, people are less well educated in the rural areas.
- They don't enjoy the same level and quality of services like electricity, water communication, information and entertainment, as others.
- Traditional ways of life and gender roles and relations are more entrenched in the rural areas.
- State presence and capacity are not as strong.
- The rural areas face issues like the opium trade, unexploded ordinance, and deforestation.

In general, people in the rural areas are more vulnerable to changes like the LLTP. There are also conflicts generated by the defunct cooperative scheme, between ethnic groups.

7.6.2. Implications for Project Design and Delivery:

The implications for project design and delivery are placed on a matrix found on the next page:

**Table16:
Challenges for LLTP in the Rural Areas and Considerations for the Design of Phase II:**

	CRS	SAT	Project in General
	Challenges	Challenges	Challenges
Poorer People in the Rural Areas	Explain the link between titling and poverty reduction.	Titling fee: possibility of increasing it?	One of the project objectives may have to be poverty reduction
Less Well Educated	Adjust the content, language and presentation to the education level. Use demonstrations, concrete examples.	Photomap: Is it more understandable? Ground survey: Are people more familiar with it? Is it more participatory? More challenging to explain what is being done in surveying. Assign people who will help people read what is in the form, write on it and sign it. Improve the forms. Use of pictorial language on the forms.	Better training for people. Communicating skills. Presentation skills.
More People into Farming	Adjust the metaphors and examples used in CRS to the experience of farmers.	Be aware of paddy buffer zones, buffer zones between village and forest land, and village land used for farming, grazing, and village forest, Boundaries may not be clearly marked. Natural landmarks may have disappeared eroded.	Link up with the Ministry of Agriculture and Forestry Tap their field people.
Greater Dependence on the Land	Explain risks of mortgaging and of losing the land. Explain risks of impulsive selling.		Link up with rural development projects especially farm infrastructure and agricultural development.

**Table 16:
Challenges for LLTP in the Rural Areas and Considerations for the Design of Phase II:**

	CRS	SAT	Project in General
	Challenges	Challenges	Challenges
Rhythm follows the weather and the planting cycle	Schedule of activities: more in the dry season and in-between planting and harvest when farm labor is presumably lightest	Timing of surveying and adjudication in the dry season Bulk of the work during the dry season. Doing the survey and adjudication in the field, women may not be able to participate if they have to stay in the house.	Different time frame Different targets for SAT
Weather more extreme	Not possible to work during the rainy and cold season affecting productivity	Protection for equipment from the rain. Boundary markers longer, more visible despite erosion	Hire hard working people. Offer better pay because of the hardships to attract qualified people. Qualified people prefer working in the urban areas.

**Table16:
Challenges for LLTP in the Rural Areas and Considerations for the Design of Phase II:**

	CRS Challenges	SAT Challenges	Project in General Challenges
More Ethnic Groups	<p>Be culturally sensitivity Immersion to prepare people to work with ethnic groups. Members of ethnic groups to do CRS work. Tap village elders and ethnic group leaders.</p> <p>Suspicion of the project</p>	<p>Absence of land acquisition documents</p> <p>Linguistic differences.</p> <p>Suspicion of SAT</p> <p>Use indigenous dispute resolution strategies</p>	<p>Saturate urban and peri-urban areas in the unserved provinces before going into the rural areas</p> <p>Wait for the evaluation of the results of the rural pilot and the impact evaluation of land allocation (LA)</p> <p>For upland areas and rural areas consider improving Land Allocation and finishing it. Land titling can be done in the future.</p> <p>Consider the criteria for expansion: two by the SA, one by the <i>Existing Land Tenure and Forest Lands Study</i> Introduce safety nets for shifting cultivators</p>
Different practices related to ownership, transfer, and use of the land. Certain concepts like conjugal property has no equivalent in the language.	<p>More challenging to explain gender equity in property rights.</p> <p>Sensitivity to the situation of women, younger brothers because of practices. Conflicts may be provoked within families.</p>	<p>Adjudication may have to be more exhaustive and tracing the history of the land and its acquisition.</p> <p>Women must be extensively interviewed because the land may be conjugal or inherited but the document is in the name of the husband.</p>	

**Table 16:
Challenges for LLTP in the Rural Areas and Considerations for the Design of Phase II:**

	CRS	SAT	Project in General
	Challenges	Challenges	Challenges
Bigger area, less number of parcels		Photomap may not be appropriate. One parcel will be in two pieces or scale has to be adapted. Surveying more expensive and time consuming. Scale of the map different Methodologies that work in the urban areas may not work in rural areas.	Different productivity target for SAT Better led teams. Better SAT leaders because of longer time needed to stay in the field. Many of the decisions would have to be done in the field Better training.
Lesser Value of Land		Surveying may need lesser level of accuracy than in urban areas.	Less revenues for government. Examine cost-benefit of land titling.
Less Accessible or even Inaccessible	Difficulty May have to stay in the area for prolonged periods of time	Difficulty traveling and bringing equipment	Provisions for other communication equipment, e.g radio, cellular phones Sturdier vehicles
Larger Distances	Difficult to conduct CRS	Different scale for maps Difficulty carrying around equipment Appropriate technologies.	Staff may have to stay in the area for extended period of time. The PMO may have to budget for bigger daily subsistence allowance. Hazard pay, life and health insurance for staff in areas with UXO or unexploded ordinance. Sturdier vehicles for the rugged terrain

**Table 16:
Challenges for LLTP in the Rural Areas and Considerations for the Design of Phase II:**

	CRS	SAT	Project in General
	Challenges	Challenges	Challenges
Time when electricity is available limited. Water may be limited. Communication limited	TV ads may not be seen. Radio ads may be better.	GPS utility may not work unless battery packs provided	Bigger budget.
More traditional gender roles and relations	More women in CRS More intense CRS to reach out to women and communicate gender equity. Greater sensitivity to problems of women, dependence of women on men. Careful not to provoke conflict.	More women in SAT to inspire ethnic women to talk.	Development of new approaches strategies dealing with more entrenched practices.
Lesser presence of the state and lower capacity			Better coordination Hire more contractual Greater incentive for urban people to work in rural areas.

**Table 16:
Challenges for LLTP in the Rural Areas and Considerations for the Design of Phase II:**

	CRS Challenges	SAT Challenges	Project in General Challenges
<p>Those affected by the defunct cooperative movement</p> <p>Those who fled after 1975 and those who used their land</p> <p>Those who left their lands and migrated internally and those who used it.</p>	<p>Conduct CRS on these policies.</p>		<p>One of the project objectives have to be security of land tenure.</p> <p>Finalize, get approval, and implement decrees governing occupants of state lands, leasing of state lands and building, land use rights of Lao people who fled after 1975.</p>

ISSUE: Expansion Areas and Criteria for Choosing Areas.

As requested by the Project Management Office (PMO) of the LLTP, the Social Assessment Team proposes a set of criteria to guide the selection of expansion villages or areas: one is more general and the other specific for rural areas. The criteria was presented in a workshop with the PMO and other government offices involved in the project last October 12, 2002.

Recommendation 1: General Criteria.

- Areas experiencing high economic growth, population growth, and rapid conversion of land use from agricultural to residential and commercial;
- Areas where land is rapidly increasing in value;
- Areas where many land transactions are taking place;
- Areas where good township or land use planning has been done or is being done;
- Areas targeted by the government for township development or focal site development;
- Areas that are “strategically located” like border crossing points, trading centers, transit areas, and site for strategic infrastructure like river ports and airports

Recommendation 2: Rural Areas:

- Areas where agricultural land use planning has been done, meaning the areas where farm-to-market roads, irrigation canals, post-harvest facilities will be built.
- Rural areas where critical agricultural infrastructure have been built or substantially completed;
- Rural areas with a large number of primary and secondary roads crossing it;
- Rural areas that have undergone previous measurement by the Ministry of Agriculture and Forestry;
- Rural areas that are extensively serviced by formal financial institutions as indicated by the number of banks operating or have services in the area, loan sizes, and number of mortgages.

Both sets of criteria target those areas where:

- a substantial land market already exists;
- land disputes are likely to occur in the near future;
- government can generate the largest revenues; and

- project implementation can proceed more easily, i.e. no problem with accessibility.

These two sets of criteria share similarities with the criteria presented in the *Existing Land Tenure and Forest Study*.

**Table 16:
Criteria for Selecting Project Areas
*Existing Land Tenure and Forest Study***

Criteria	Method to Quantify Criteria
Minimum forest area	Ratio of forest area to total area
High population growth	Population growth between 1985 and 1993 as provided by the National Statistics Center
High number of establishments employing more than 10 persons	Establishment size as provided by the National Statistics Centre
High rate of payment of land tax	Ratio of land tax per head of population (land tax returns as supplied by the DoL.
Large areas of agricultural land	Productive agricultural land as provided by the National Statistics Center
Amount of registration fees paid.	Value of Fees as provided by DOL

Recommendation 3: Saturation of urban and peri-urban areas before proceeding to the rural areas.

The social assessment advises caution in the expansion into rural areas, especially in areas where substantial numbers of ethnic minorities live.

If one goes by the objectives of the LLTP, land titling is not as urgently needed in the rural areas as in the urban and peri-urban areas. The objectives of the project are:

- to foster the development of efficient land markets; and
- to facilitate local resource mobilization by increasing local and central government tax collection

The development of efficient land markets⁵ is most urgent in areas that are experiencing rapid population growth and heightened economic activity. In Laos, these are mostly the urban areas and peri-urban areas, and the districts and villages along the border with other countries like Thailand, China, and Vietnam. In these districts and villages, the lack of easily verifiable and stable rights to and clear information on land has large

⁵ Efficient land markets are theoretically understood to mean as those where costs and hazards involved in the transfer or assignment of the rights over land are reduced to a minimum because of a secure and stable property rights regime, an accurate, reliable, easily accessible land registration and transaction information system, unambiguous laws and policies governing land ownership, transfer, and use, and reasonably strong state capacity to regulate and enforce these laws and policies.

opportunity and social costs. Some of these are lost business investments, foregone land taxes, transaction registration fees, and rental taxes, and disputes that erode neighborhood cooperation and harmony and that exact their own costs in terms of lost human hours and money consumed in conflict resolution.

That same level of urgency *does not exist as yet* in predominantly rural areas, the larger proportion of which have yet to be integrated into a more market-led economy to which the Lao PDR has been moving towards since 1986 after many years of central planning. *There is little doubt or question that such integration is desirable and should take place, but the pace, sequence, manner, level, and the process of integration are still open to argument.* The transition from a planned to a market economy, especially in the rural areas, cannot be done overnight.

Moreover, the development of the country's rural areas is hampered by problems other -- and perhaps more serious -- than a secure and stable property rights regime like, to name only a few, poor access to modern know-how, lack of extension workers, irrigation facilities, post-harvest and marketing facilities, farm to market roads, financing, and the absence or weakness of risk protection measures such as crop insurance. These diminish the attractiveness of agricultural investments and the value of agricultural land.

Another reason is the delicate nature of the resources found in the rural areas and the irreversibility of their conversion to other uses. While it is easy to convert agricultural land to industrial, residential and commercial uses, it is not as easy to return residential, commercial, and especially industrial land to agricultural use. Forest lands also need to be protected, especially watersheds

From a socio-cultural point of view, land has a different value in the rural areas than in urban and peri-urban areas. Access to land can be a matter of life and death of groups of people. Both production and consumption activities of rural household are inextricably tied to the land. Land defines people's relationships, e.g. labor sharing arrangements, ritual obligations, and even circumscribe individual and collective identity. As the *Existing Land Tenure and Forest Study* aptly describes, land titling can "damage or erode workable traditional farming systems and flexible land allocation systems that villagers have evolved." (p.59). It also poses cultural risks for ethnic groups, which are discussed in greater detail below.

For the above reasons, the Social Assessment recommends the saturation of the urban and peri-urban areas in the unserved provinces first before proceeding to the rural areas.

Recommendation 4: Approaches and Procedures must be laid down first before the Expansion into Rural Areas

The manner of proceeding and the various approaches and procedures to be used in the rural areas must be clearly laid down and tested. Expansion into the rural area must take into account the results of the rural pilot, of the pilot of surveying equipment and approaches, and of an impact study being conducted on the land allocation (LA) activities done by the Ministry of Agriculture and Forestry (MAF) in the rural areas. The impact study will show the relative merits of continuing with land allocation vis-à-vis proceeding to land titling.

7.7 OBJECTIVES OF LLTP PHASE TWO

Recommendation 1: Inclusion of Poverty Reduction as an Objective of the Project

As the project expands in the served provinces and starts in unserved provinces, more and more it will encounter poorer people. Efficiency and local resource generation and mobilization are important objectives in urban and peri-urban areas but it may not be as important in the poorer provinces and villages where poverty reduction is the overriding concern.

The potentials of land titling as a means of reducing poverty may have to be highlighted in the design and objectives of LLTP Phase II.

Land as an “efficient source of employment” and as “an insurance substitute” e.g. protection against malnutrition (Derninger and Binswager, *The Evolution of the World Bank’s Land Policy*, July 1998) would have to be emphasized among poorer groups.

Customer Relations Services (CRS) would have to emphasize equity alongside efficiency and establish links between land titling and poverty reduction.

Similarly, it is worthwhile for GOL to start identifying linkages between the LLTP and present and future policies and projects aimed at poverty reduction, the development of an efficient *and* equitable financial sector, social protection, and rural infrastructure.

Recommendation 2: Inclusion of Land Tenure Security as an Objective of the Project

Given the many issues regarding security of tenure surfaced in the Social Assessment, e.g. occupants of lands by aliens/permanent residents, those who fled, users of communal land, ethnic groups, Phase II should include as its objective: Ensuring the land tenure security of people.

It must be understood that land tenure security goes beyond land titles and includes other instruments and mechanisms that guarantee that. It also includes measures to ensure that those who received their titles do not lose it carelessly. The project may have to explore the use of these instruments alongside efforts to title lands in the urban and peri-urban areas.

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