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SMALL FARMER TITLING
TECHNICAL ASSISTANCE PROJECT
HONDURAS

FINAL REPORT

Contract No. AID 522-0173-C-00-4089-00
Project No. 522-0173

December 1989

CLAPP AND MAYNE, INC.

CONSULTANTS TO MANAGEMENT

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M E M O R A N D U M

TO : Mr. James Athanas
Contracting Officer
USAID/Honduras

FROM : Edibaldo Silva López 
Clapp and Mayne, Inc.

SUBJECT : Final Report
Honduras Small Farmer Titling
Technical Assistance Project
Contract #522-0173-C-00-4089-00

In accordance with Clause 17(a) of the General Provisions, we are pleased to submit for your consideration three copies of the Final Report on the subject contract.

Also enclosed is the administrative report concerning expenditures and personnel employed under the contract.

Encls: as cited above

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I. INTRODUCTION

This report complies with the provisions of Article II, Section B of the Contract No. AID 522-0173-C-00-4089-00 and General Provision No. 17, "Reports", and constitutes the final report of the Small Farmer Titling Technical Assistance Project, covering the period of March 19, 1984 to June 28, 1989.

On March 12, 1984 Clapp and Mayne, Inc. and USAID/Honduras signed the Small Farmer Titling Technical Assistance Project Contract (No. AID 522-0173-C-00-4089-00). This contract provided for 48 person/months technical assistance to the National Agrarian Institute (INA) and the Executive Direction of Cadastre (DEC) in the fields of cartography and EDP.

In December 1984, the contract was amended to increase the level of effort by two additional person/months to provide one O&M Specialist to carry out an administrative audit of the Executive Direction of Cadastre.

On July 1986 the contract was extended to provide 26 additional person/months of services in the fields of Cartography and Electronic Data Processing.

On August 28, 1988 the contract was amended to provide 48 additional person/months, adding up the level of effort to 124 person/months for the whole period of March 19, 1984 to June 28, 1989.

The goal of this project was to increase food production employment, and incomes in rural Honduras by expanding the benefits of private property ownership to small farmers settled on government owned lands.

The purpose of the project was to establish a coordinated and functioning system for the titling of rural lands in Honduras. By increasing the administrative capacity of the National Agrarian Institute (INA) to issue up to 50 titles per day, through an interinstitutional approach to the titling process, the project will issue fee simple ("dominio pleno") titles to occupants of national lands in six departments of Honduras and begin in a seventh department within the next seven (7) years, following an established priority order, starting with the Department of Santa Barbara.

On August 30, 1982, the Republic of Honduras (GOH) and the United States of America, acting through the Agency for International Development (USAID), signed the project agreement for this project, setting out the understanding of the previous mentioned parties with respect to the undertakings by the GOH and with respect to the financing of the project by the parties.

To assist the GOH to meet the cost of carrying out the project, USAID, pursuant to the Foreign Assistance Act of 1961, as amended, agreed to grant the GOH, under the terms of said agreement, an initial amount not to exceed one million dollars (\$1,000,000) and to lend the GOH, under the terms of the same agreement, an initial amount not to exceed ten million dollars (\$10,000,000).

The project consisted of three (3) main activities;

1. interinstitutional promotional and publicity campaigns in the target areas;

2. delineation of rural properties and related costs in seven departments; and
3. the improvement and expansion of INA's Department of Land Transfer and Adjudication and its Agrarian Debt Control Office.

Specifically, the technical assistance contract signed by Clapp and Mayne, Inc; was aimed to the delineation of rural properties and mapping activities. This activity was the backbone of the large titling effort, which consisted of the identification of areas by their legal status and the delineation of properties to be titled.

Delineation activity was carried out by the Executive Direction of Cadastre (DEC) through special agreement among INA and DEC.

Working from aerial photography and orthophoto maps, DEC's delineation teams identified existing property boundaries. The delineation, accordingly programmed into DEC's existing computer facility, was processed for producing standardized property maps (scale 1:10,000) of the entire area. These maps, along with individual ground plots and their identification of the owner/occupant and land use information were submitted to INA for issuing property titles.

At the same time that properties were delineated, an investigation into the legal status of the land was completed. Title searches were completed in Tegucigalpa prior to work in the field. The results of such searches were checked and verified at the municipality level by examining the records of the municipal property registers.

Within each municipality, two types of property delineation took place. After the title searches were completed, the outside boundaries of all properties held in "dominio pleno" were identified. By exclusion, all rural land within the municipality that is not titled in "dominio pleno" was the property of the Government. Subsequently, a map of each municipality identifying all lands by their legal status (public or private lands) was produced.

Except for the identification of the outside boundaries of "sitios privados" (private owned lands), the project did not work with lands held in "dominio pleno".

Once public lands were identified, as described above, delineation teams began the identification and delineation of individual farm properties located on public lands. As properties were identified and delineated, a "Ficha catastral" (cadastral card) was completed for each delineated property. In addition to the description of the location and boundaries of the property, this registry card identified the occupant, his claim to ownership, and a detailed description of its land use. The information on the card was subsequently computerized and a cadastral number was assigned.

In the office, DEC calculated the area of each property and prepared a list of the properties with area and land use information.

All these materials produced by DEC were submitted to INA for the titling process.

As the delineation responsibility fell under DEC, as stated out in the Project Agreement, both INA and DEC signed an Interinstitutional Technical Cooperation Agreement for carrying out the Project. This agreement was signed on January 14, 1983 and will expire on August 29, 1989. This Interinstitutional Agreement sets out the understanding of both parties with respect to the undertakings of each institution.

As a result of the Interinstitutional Agreement, both institutions signed Project Agreement No. 1 for financing delineation activities for the Department of Santa Barbara; said agreement was signed on April 27, 1983.

The second agreement for delineating activities in the Department of Comayagua was signed on April 24, 1984. Third Project Agreement for delineation activities in the Department of Copan was signed on January 29, 1985 and the fourth, for the Department of Cortés, was signed on August 23, 1985. The fifth project agreement for delineating the Department of Yoro was signed on October 15, 1986.

Sixth Project Agreement for delineating the Department of El Paraíso was signed on December 15, 1987.

The seventh delineation project was carried out by INA in the Department of La Paz.

II. STATUS OF THE WORK UNDER CONTRACT

A. Consultants Mobilization

The first specialist, the Cartographer/Project Director, Eng. Miguel A. Núñez Delgado, arrived at the project on March 1984; followed by Mr. Ibrahim Medina Martínez, Computer Analyst, who arrived on July 23, 1984. Mr. Jorge Vega, O&M Specialist, arrived on January 28 and departed on March 27, 1985 after completion of his assignment. The Cartographer/Project Director and the Computer Analyst worked since the beginning of the Project until its expiration; June 28, 1989.

B. Activities Carried out by the Cartographer

During the period, 553 meetings were attended to discuss technical and administrative matters dealing with the Project and other DEC's related matters. These meetings were held with AID, INA, and DEC officials and supervisory personnel.

Among others the Cartographer/Project Director carried out the following tasks:

1. Designed and installed a property identification numbering system. After ten (10) years of cadastral work in Honduras DEC had not defined a cadastral property numbering system suitable for cadastral purposes. The system installed coped with this problem.
2. Designed and installed a new property mapping system, including a new map format.

3. Provided technical assistance to DEC's officials and participated in developing project agreement documents for executing five (5) delineation and mapping projects for INA.
4. Developed and installed a new regional office organizational system; designed and installed a new technical approach for delineating activities in the field.
5. Participated in several training courses in quality control standards.
6. Provided technical assistance in the field to delineators and quality control crews for solving special and difficult problems in these areas.
7. Provided day to day technical assistance to DEC's and INA's concerned with the mapping activities, both in the office and the field.
8. Designed and installed a land valuation system for determining land values to be assigned to parcels to be sold to beneficiaries of the project. The system was put in practice in the Projects of Yoro, El Paraíso and La Paz.
9. Conducted several training course for installing the land valuation system.
10. Designed and installed a system for valuating coffee planted farms and trained INA's agronomist in this area.
11. Drafted and edited all office and field procedures manuals for producing cadastral maps.

C. Activities Carried Out by the Computer Analyst

Among the most important activities carried out by the Computer Analyst are the following:

1. Review of the specifications for acquiring a new computer equipment for DEC.
2. Supervision of DEC's computer site preparation.
3. Carried out DEC's computer factory acceptance test (FAT).
4. Supervised on site installation of DEC's new computer.
5. Developed the specifications for acquiring INA's new computer equipment.
6. Carried out factory acceptance test (FAT) for INA's new computer equipment.
7. Designed and supervised INA's computer site preparation.
8. Developed and installed a computerized information system on INA's titling project.
9. Developed and installed a computerized project accounting system at INA.
10. Drafted and edited systems documentation standards manual, including standards for graphic applications.
11. Designed and installed a computerized administrative system at DEC covering the areas of personnel administration, accounting and inventory.

D. Status of the Project

1. Department of Santa Barbara

Delineation activities began in Santa Barbara on May 10, 1983 and finished on September 7, 1984; eight months behind schedule. Total actual cost of this project amounted to Lps. 1,445,377.90.

The following table depicts most relevant statistical data of this project:

Total Project Cost	.....	Lps. 1,445,377.90	
Project Area	.....	351,818.58	Has.
Govt. Owned Lands	.....	181,499.80	Has.
Private Owned Lands	.....	170,318.78	Has.
% of Govt. Owned Lands	.....	51.6	%
% of Private Lands	.....	48.4	%
Parcels in Govt. Lands	.....	21,373	
Delineated Orthophotos	.....	134	
Ave. Parcels/Orthophoto	.....	160	
Ave. Property Size	.....	8.49	Has.
Parcels Subject to Titling	.....	19,841	
% Parcels Subject to Titling	.....	92.8	%
Ave. Cost/Delineated Parcel	.....	Lps. 67.63	
Cost/Parcel Subject to Titling	.....	Lps. 72.88	

2. Department of Comayagua

Project Agreement No. 2 was signed on April 24, 1984 and expired on December 31, 1985. Actual field work began on April 17, 1984 and the project was finished on May 1986; five (5) months behind schedule.

Delay in finishing the project was due to the fact that INA rejected some 900 parcels because they were poorly delineated.

The following table depicts the most relevant statistical data of this project.

Total Project Cost	.....	Lps. 2,215,494.37	
Project Area	.....	542,397.87	Has.
Govt. Owned Lands	.....	301,961.65	Has.
Private Owned Lands	.....	240,436.22	Has.
% of Govt. Owned Lands	.....	56	%
% of Private Lands	.....	44	%
Parcels in Govt. Lands	.....	32,566	
Delineated Orthophotos	.....	210	
Ave. Parcels/Orthophoto	.....	155	
Ave. Property Size	.....	9.27	Has.
Parcels Subject to Titling	.....	30,873	
% Parcels Subject to Titling	.....	94.8	%
Ave. Cost/Delineated Parcel	.....	Lps. 66.03	
Cost/Parcel Subject to Titling	.....	Lps. 69.65	

3. Department of Copan

Project Agreement No. 3 was signed on January 29, 1985 and expired on December 31, 1986. Actual field delineation began on February 4, 1985 and finished on November 1986; one month ahead schedule. The project progressed smoothly as scheduled because a new field methodology was implemented as well as the reorganization of both field and office activities.

The following table depicts most relevant statistical data of this project:

Total Project Cost	.....	Lps. 1,800,817.13	
Project Area	.....	324,050.68	Has.
Govt. Owned Lands	.....	157,543.60	Has.
Private Owned Lands	.....	166,507.08	Has.
% of Govt. Owned Lands	.....	48.6	%
% of Private Owned Lands	.....	51.4	%
Parcels in Govt. Lands	.....	23,311	
Delineated Orthophotomaps	.....	135	
Ave. Parcels/Orthophoto	.....	173	
Ave. Property Size	.....	6.76	Has.
Parcels Subject to Titling	.....	22,264	
% Parcels Subject to Titling	.....	95.5	%
Cost/Delineated Parcel	.....	Lps. 77.25	
Cost/Parcel Subject to Titling	.....	Lps. 80.89	

4. Department of Cortes

Project Agreement No. 4 was signed on August 23, 1985 and expired on December 31, 1986. Actual field delineation began on February 4, 1985 and finished on November 1986; one month ahead schedule.

The table on the following page depicts most relevant statistical data of this project:

Total Project Cost	.....	Lps. 1,800,817.13	
Project Area	.....	324,050.68	Has.
Govt. Owned Lands	.....	157,543.60	Has.
Private Owned Lands	.....	166,507.08	Has.
% of Govt. Owned Lands	.....	48.6	%
% of Private Owned Lands	.....	51.4	%
Parcels in Govt. Lands	.....	23,311	
Delineated Orthophotomaps	.....	135	
Ave. Parcels/Orthophoto	.....	173	
Ave. Property Size	.....	6.76	Has.
Parcels Subject to Titling	.....	22,264	
% Parcels Subject to Titling	.....	95.5	%
Cost/Delineated Parcel	.....	Lps. 77.25	
Cost/Parcel Subject to Titling	.....	Lps. 80.89	

5. Department of Yoro

Project Agreement No. 5 was signed on October 15, 1986 and expired on October 31, 1988. Actual field delineation began on November 16, 1986 and finished on May 15, 1989. The statistical data of this project are included in the following table:

Total Project Cost	.....	Lps. 4,635,360.35	
Project Area	.....	781,531.63	Has.
Govt. Owned Lands	.....	457,867.13	Has.
Private Owned Lands	.....	323,664.50	Has.
% of Govt. Owned Lands	.....	58.6	%
% of Private Owned Lands	.....	41.4	%
Parcels in Govt. Lands	.....	25,368	
Delineated Orthophotosmaps	.....	324	
Ave. Parcels/Orthophoto	.....	78	
Ave. Property Size	.....	18.05	Has.
Parcels Subject to Titling	.....	22,965	

% Parcels Subject to Titling	.....	90.5 %
Cost/Delineated Parcel	.....	Lps. 182.72
Cost/Parcel Subject to Titling	.....	Lps. 201.84

6. Department of El Paraiso

Project Agreement No. 6 was signed on December 15, 1987 and will expire on July 15, 1989. Total budgeted cost of this project amounted to Lps. 3,003,509.15. It is expected that 348,522 Has. of government owned lands will be delineated. Actual field delineation work began on January 1988.

7. Department of La Paz

Delineation activities were carried out in the field by INA, data processing, and maps production were done at DEC by computerized means. This project began early in 1984 and finished on late 1988.

Statistical data of this project are included in the following table:

Total Project Cost	.....	Not available
Project Area	.....	248,055.70 Has.
Govt. Owned Lands	.....	162,597.08 Has.
Private Owned Lands	.....	85,458.62 Has.
% of Govt. Owned Lands	.....	65.6 %
% of Private Owned Lands	.....	34.4 %
Parcels in Govt. Lands	.....	20,851
Delineated Orthophotomaps	.....	101
Ave. Parcels/Orthophoto	.....	206
Ave. Property Size	.....	7.08 Has.
Parcels Subject to Titling	.....	19,808
Cost/Delineated Parcel	.....	Not available
Cost/Parcel Subject to Titling	.....	Not available

8. Recapitulation

For the delineation and mapping component of the project DEC has already completed the mapping of six (6) departments (Santa Barbara,

Comayagua, Copan, Cortes, Yoro and La Paz) and continues working on the seventh department (El Paraiso) which will be finished on July 1989.

Considering all these six completed projects, the table on the following page recapitulates the most relevant statistical data of these projects.

Statistical Data of the Combined Mapping Projects of
Santa Barbara, Comayagua, Copan, Cortes, Yoro and La Paz
June 28, 1989

Total Project Cost	.....	Lps.11,897,866.88	<u>1/</u>
Project Area	.....	2,571,905.14	Has.
Govt. Owned Lands	.....	1,419,012.86	Has.
Private Owned Lands	.....	1,152,892.28	
% of Govt. Owned Lands	.....	55.2	%
% of Private Owned Lands	.....	44.8	%
Parcels in Govt. Lands	.....	146,780	
Delineated Orthophotomaps	.....	1,039	
Ave. Parcels/Orthophoto	.....	141	
Ave. Property Size	.....	9.67	Has.
Parcels Subject to Titling	.....	138,015	
% Parcels Subject to Titling	.....	9.40	%
Cost/Delineated Parcel	.....	Lps. 94.0	<u>1/</u>
Cost/Parcel Subject to Titling	.....	Lps.100.65	<u>1/</u>

Source: Dirección Ejecutiva del Catastro
Computer Center

1/ Data on Project of La Paz are not included; data not available all other data are included.

E. Project Objective and Goal

The principal objective of the Project was to establish a sound working mechanism for the registration and granting of fee simple titles that reflect national and municipal lands, and that are occupied and worked by small farmers.

Also, the project contemplated the accomplishment of the task by demonstrating the viability of a combined interinstitutional effort that focuses on the land titling process.

At the end of the period DEC had mapped 76% of the total area of the project. INA has issued 41,514 land titles; 59% of the goal of the project.

It is important to print out that at the Project's conception date, developers had no reliable data on government owned lands and made an optimistic guess.

Experience in this project has demonstrated that both main objectives of the project had been attained.

III. THE TITLING PROCESS

Although the titling process did not form part of this contract, we are including a brief summary of the progress made in this area.

The titling effort was INA's responsibility after the cadastral work was finished by DEC in each department. As of April 1989, a total of 41,514 parcels were titled, encompassing 235,778.17 Has. in the seven (7) departments of the Project. Total amount of land value of these parcels was Lps. 20,843,664.12 (US\$10,421,832.06).

The following table shows a breakdown of parcels titled, area of parcels and land values in each department.

PARCELS TITLED
April 1989
(By Departments)

<u>Department</u>	<u>Parcels Titled</u>	<u>Area Has.</u>	<u>Land Use (Lps.)</u>
Santa Barbara	15,967	88,798.51	6,228,905.58
Comayagua	8,335	36,850.05	3,450,515.14
Copán	12,943	71,371.64	5,078,089.89
Cortés	2,452	21,688.74	4,309,299.89
La Paz	124	962.54	50,682.70
Yoro	1,692	16,105.99	1,726,128.92
El Paraíso	<u>1</u>	<u>0.70</u>	<u>42.00</u>
TOTAL	41,514	235,778.17	20,843,664.12

Source: INA's Computer Center

IV. PROBLEMS ENCOUNTERED

During the period, the project faced some serious administrative problems; some were solved but others are still adversely affecting the progress of the project. Among the administrative problems are:

1. Teleprocessing tests has not been started because a new updated version of DEC's computer operating system has to be installed. Acquisition process of the software was started on October 1988 but in February 1989 purchase order was cancelled by the SFTP's Coordinator because available loan funds must be put aside for financing the project extension.
2. The company which was awarded the purchase of a software package for operating the RIGS plotter sent the software on magnetic tape instead of diskettes; this was notified to the supplier but the problem is still unsolved.
3. Once more DEC's computer center department lost key personnel due to low salaries paid. This situation has been repeated during the last two years. Although recommendations have been made on this subject no action has been taken for solving the large turnover in this department.
4. Hook-up of INA's and DEC's computers have not been made so far due to lack of telephone lines at DEC. DEC loaned two of its available telephone lines for tests purposes but these were not made because the new up dated version of DEC's computer operating system has not been purchased due to lack of funds.

5. DEC's vehicle fleet has been practically worn out during project's life and there are no available funds reviewing said fleet.
6. Liquidation of projects funds has not been made because DEC's accounting systems has proven to be very deficient. Only one project has been liquidated (Santa Barbara) and the others, at the end of this period, are still pending.

V. CONCLUSIONS

The core of this contract had two main objectives; these were:

(1) to provide technical assistance to DEC and INA in the art of producing maps and related data for titling purposes; and (2) to provide technical assistance to INA and DEC in the art of data processing for titling purposes. In these two areas an effective technical assistance was given to both institutions by the Cartographer/Project Director and the Computer Analyst.

At the contract's expiration date all the tasks set forth in the contract for the Cartographer was successfully accomplished and those of the Computer Analyst were also accomplished, except task No. 3. Failure to accomplish this task was due to the fact that DEC had no available funds for upgrading its computer operating system.

Both INA's and DEC's technical personnel were fully trained and are capable of managing by themselves the production of maps and related data processing.

PART II
ADMINISTRATIVE REPORT

CLAPP AND MAYNE, INC.
HONDURAS SMALL FARMERS TITLING PROJECT
AID/522-0173-C-00-4089-00
ADMINISTRATIVE REPORT-FINAL

The Honduras Small Farmers Titling Project was active from March 19, 1984 through June 28, 1989.

A total of 124 person months of technical services were provided during the contract period. The long term personnel assigned to the project completed their assignments under the project on June 28, 1989.

The following staff worked in the project:

1. Miguel Nunez - Cartographer/Project Director
2. Ibrahim Medina - Computer Analyst
3. Jorge Vega - O&M Specialist
4. Edibaldo Silva-Lopez - Principal

An amendment to the contract to provide additional funding to cover costs thru completion date has been approved and is being processed.

Attached is the summary of costs incurred and billed thru contract completion date.

CLAPP AND MAYNE, INC.
HONDURAS SMALL FARMERS TITLING PROJECT
CONTRACT AID/522-0173-C-00-4089-00

BUDGET CATEGORY	BUDGET AMOUNT	TOTAL EXPENDITURES
Salaries and Wages	\$374,878.00	\$382,752.83
Fringe Benefits & DBA	84,298.00	84,736.28
Overhead	322,763.00	330,502.70
Travel/Transp.	53,719.00	36,235.47
Allowances	214,717.00	213,495.13
Other Direct Costs	6,086.00	5,643.92
Total Estimated Costs	\$1,056,461.00	\$1,053,366.33
Fixed Fee	78,998.00	78,998.00
TOTAL *	\$1,135,459.00	\$1,132,364.33

* Budget amendment No. 7
dated 3/18/89