

**PROGRESS REPORT  
ON**

92620

**THE IMPLEMENTATION OF THE IPRS ACTION PLAN**

**1 July - 30 September, 1994**

The Project Management Unit (PMU-IPRS) for Immovable Property Registration System (IPRS), which implements the Action Plan of the Albanian Government and is funded by international donators USAID, PHARE EU Programme and World Bank, is working to implement the general objectives to create a fluid land market which is socially and environmentally sustainable.

The general objectives of the Action Plan are:

1. To set up a unique, cost effective, and accessible, Immovable Property Registration System in order to record, display, update and protect from the legal point of view the private and public rights to immovable property. The creation of this System will improve the national institutions' ability to organize, display and use the geographical information to sustain the development of the country.
2. To develop the policy options in order to consolidate the immovable property markets as well as to lead these markets to a productive and cost/effective use of the land in suitable zones. New land market institutions will help create property markets for appropriate urban, industrial and tourism development, environment protection and agricultural land preservation.

Since the Action Plan is composed of three phases, the first one is already finished and we are now in the second one: **Development of pilot actions in three districts Lushnje, Kavaje e Tirane and deal with the mapping and surveying problems in twenty districts in order to precede the set up of the Registration System.**

During the 3 monthly period the following activities have been carried out:

**1. Legal Aspect**

1.1 Law No.7843 date 3/07/1994 "On Immovable Property registration" was approved in the Parliament and was signed by President of Republic of Albania, with Decree No.907 date 16/08/1994.

1.2 Work contracts on field mapping and surveying, specialist employment as well as the carrying out of some work on the benefit of the Action Plan are prepared.

1.3 PMU-IPRS Internal Regulation is prepared and approved.

1.4 It has been prepared and approved the Contract with Wisconsin University as representative of USAID for the implementation of the Action Plan.

1.5 We are working on several regulations for the implementation of the "The Immovable Property Registration" law.

1.6 It is prepared the contract at the Programme PHARE EU office in the Ministry of Agriculture and Food for implementation of Action Plan.

1.7 In cooperation with the Department of land Policy and the technical assistance of Wisconsin University, we are working on the legislation concerning "Conversion of in-use titles to leases", "Immovable Property Courts", and other land market legislation.

## **2. Surveying and mapping aspect**

In order to have a better organization of work for the implementation of the Action Plan, the PMU-IPRS and the Ministry of Agriculture agreed that the PMU-IPRS should have its own coordinators in the districts in order to run and control first the field work of the drawing up of Registry Index Maps and to assemble the documentation of ownership for creating the Immovable Property Registration Offices. For this:

2.1 21 coordinators are nominated and run the work.

2.2 Field work is carried out on 32380 has agricultural land out of 68000 has foreseen, and we are working on the drawing up of the index maps. In pilot districts it has been done a greater work of 6450 has out of 24000 has foreseen.

There has not been adequate fulfillment of work during July and August. This happened because of the change of the contract organization. The project has not worked at all in some districts. It has worked too little especially in the pilot district of Kavaja. A greater volume of work is done in the rural zones.

2.3 From various districts of the country map sheets of 550 villages of scale 1:5000 are sent to LRI and MTI to be enlarged at scale 1:2500. Up to now map sheets for 182 villages, where 700 map sheets are included, are finished and work is underway on another 480. In general work is progressing slowly.

2.4 A monitoring and control team from the PMU-IPRS evaluated the work in 10 districts especially pilot ones. Every evaluation visit has produced a report, and we are continuously attending to the correction of mistakes and improvement of the work.

2.5 The aerial photography of 4000 km<sup>2</sup> was done by the Italian Company CGR and will serve for the map drawing and updating of the cadastral maps etc. The quality of photography was controlled by a OSI-England specialist, who submitted a control report on the basis of which was given the acceptance certificate. Waiting for the photogrammetric apparatus, we finished the training of our specialists abroad. They will work on these machineries and gradually will begin to prepare the maps for IPRS.

## **3. Immovable Property Registration Aspect.**

3.1 Property documentation which are at various offices of the state administration are studied. It is studied their legal aspect and their reflection in the documentation that will be kept at the Registration Offices.

3.2 It is completed the Immovable Property Registration register "kartela" and it is prepared its Regulation and which will be approved in Coordinative Working Group.

3.3 The kartelas and mapping have been finished for the Lumth village in Lushnja, and it is carried out the distribution in cadastral zones in the city of Tirana.

3.4 We have cooperated with national and foreign specialists especially with those of Wisconsin University, for various problems.

#### **4.Land policy and Property aspect**

At the beginning of this period our aim was this: all work groups which had presented research studies on the land policy, should foresee in their studies the goals planned by us. For this, in cooperation with the respective specialists of Wisconsin University, we had contacts and discussions with every group until the profiles came to a desired level.

After the presentation of the final profiles, the reviewing was done in cooperation with the Council Group working in this Department. The Council Group evaluated the profiles. They decided on those ones which were ready to present the final projects. They gave orientations necessary to realize the goal of each study. After the presentation of the final projects, contracts in 6 research groups are drafted and signed. Advance financing is provided for 30% of the estimated required budget.

We are presently discussing on the profiles presented by 5 other research groups.

It is prepared Sub-Contract between PMU-IPRS and the Terra Institute/ Wisconsin for the project which will be financed by the World Bank.

In cooperation with the Juridical Department and the specialists of Wisconsin University, it is prepared a Draft on the agricultural land leasing. This work required substantial contacts with specialists and farmers.

Specialists from the University of Wisconsin accomplished the following:

--Professors Bloch and Stier identified needs for development of new forms of participatory management of forest and pasture resources and increased effectiveness in protecting ecologically sensitive areas.

--Professors Matthews and Sieker, working with Stefan Spielman, initiated a real estate law task force to assemble copies of critical laws impacting real estate and land development. They also did a preliminary study of real estate markets in Tirana.

--Professors Lastarria-Cornhiel and Castillo began to develop a project impact evaluation plan. They also continued earlier work on the development of intra-household property rights policy recommendations.

--D. Stanfield continued his work as Advisor to the PMU-IPRS.

### **5. Logistical aspect**

5.1 Proper conditions were created for the aerial photography contract to be carried out.

5.2 It is prepared the documentation for the technical assistance and the organization of the tender for surveying and mapping technical assistance provided by EU. They were submitted in PMU/PHARE to be sent to the foreseen addresses according to the approved Short List.

Technical specifications for electronic equipment are prepared according to the requests of PMU/PHARE. We are late in this aspect too, due in large part to evolving EU/PHARE rules.

5.3 Registration Offices in Lushnja and Tirana are rehabilitated and we are working on the office in Kavaja.

Rehabilitated too, are the environments of the Topography Sector of the Land Research Institute. We have nearly completed the improvement of the environment where photogrammetric apparatus will be placed in MTI.

### **6. Financial aspect**

During the 3 monthly period July - September, PMU-IPRS has worked on the funds of the EU and Wisconsin University deposited in bank accounts in ECU and US\$. All the expenses within Albania are paid in lek according to the exchange and transfer from the foreign currency accounts of the donors into the respective accounts in Lek of PMU-IPRS.

For this period we have spent the fund of 50.000 ECU transferred by the bank account of PICU PHARE PROGRAMME in the bank account of PMU-IPRS on 20/07/1994.

As far as the expenses done from this fund, PMU-IPRS has realized during this 3 monthly period a total amount of 5.072.639 lek or 49.441 ECU. They follow more detailed:

	LEK	ECU
Contracts of surveying and update of maps. This expense item comprises 74% of the total expenses.	3.750.968	36.560
Contract of topography sector for the work of field enlargement.	311.150	3.033
Salary and diems expenses of the district coordinators	420.700	4.100
Expenses for social security	168.819	1.645
Expenses for vehicle rental	331.500	3.230

Other expenses (expenses for photocopy and other misc.)	89.502	873
<b>TOTAL</b>	<b>5.072.639</b>	<b>49.441</b>

With the transfer of date 29/07/1994 of 220.480 US\$ of Wisconsin University, the expenses for the period July - September 1994 were incurred for the total of 1.693.670 lek or 19.703 US\$ detailed as follows:

	Lek	US\$
Expenses of the staff for salaries and social security.	428.886	4.990
Expenses for the rent, fuel, and vehicle protection.	118.680	1.380
Expenses for the contracts of the land policy development.	299.400	3.485
Expenses for the repairing of the offices in districts	286.689	3.335
Expenses for translations and interpretation for foreign specialists	74.600	868
Expenses for surveying equipments	49.400	574
Expenses for the object protection	32.000	372
Expenses for office equipment and supplies	60.554	704
Training expenses	343.461	3.995
<b>TOTAL</b>	<b>1.643.670</b>	<b>19.703</b>

In the process of approving the expenses we have taken into consideration the restrictions defined for each budget item as approved by the donors in cooperation with the Project Management Unit.

The above expenses are operational ones realized directly by PMU-IPRS without including here the contracts signed between PICU PHARE PROGRAMME and Wisconsin University on behalf of Project Management Unit, for foreign technical assistance and equipment.

An analysis was done by the U.S. Governmental Defence Contract Audit Agency of the PMU-IPRS's accounting system, internal controls, management and organizational structure and compliance with the U.S. Government's guidelines for "Cost Principles for Nonprofit Organizations. The result of that audit was that "the PMU's management and organizational structure facilitates financial and administrative control, adequately segregates duties and includes varying levels of authorization for expenditures....The PMU's policies , procedures

and internal controls for the preparation and payment of payrolls are adequate." Two internal control deficiencies were identified, a) lack of written policies and procedures regarding time reporting, and b) lack of procedures for screening accounts for unallowable costs. To correct these deficiencies, 1) a procedure for controlling work time reporting has subsequently been designed for inclusion in the Management Information System, and 2) a week long training course for all PMU-IPRS Department Heads and the Financial Office staff concerning unallowable costs was given in September, 1994 by a specialist from the University of Wisconsin (Department Heads and the Chief Financial Officer are responsible for screening out unallowable costs).

Regarding the above information, during its activity PMU-IPRS has experienced some difficulties:

--Land distribution by the respective commissions is accompanied by several mistakes. As the result of this, work groups in the field do not fulfill planned tasks and waste much time to solve out their problems.

--The technical level of the specialists in the districts sometimes does not meet the requests of the Project and the respective Regulation.

--We lack adequate offices for the coordinators and the registry creation teams in the districts.

--The terms of reference for the technical assistance of EU on Surveying and mapping are prepared very late.

--The time of the delivery of the equipments and apparatus by the contractors with the EU and USAID funds is delayed because of delay in the approval of equipment purchases by the donor agencies, late payments, and other reasons.

--Arrangements for providing the aerial photography by the GOA to the PMU-IPRS have not been made at the appropriate scales for field survey teams.

--The existing mapping of urban areas has not been made available to the PMU by former agencies of the GOA.

--The Government has not named the Chief Registrar nor Vice Registrars.

--The Government has not finally decided on providing a building for the IPRS staff, nor adequate space for the second Registry Office in Tirana, nor adequate space for Registry Offices in the Districts other than the Pilot ones. However, a directive has been sent out by the Council of Ministers to all District Chairmen to provide such space.

--The National Assembly approved the Civil Code in August, which contains some contradictions with the Registration Act, particularly concerning the administration of the IPRS.

General Manager

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