

ADDIS ABABA UNIVERSITY

SCHOOL OF GRADUATE STUDIES

College of Business and Economics

Department of Public Administration and Development Management

LAND MANAGEMENT POLICY AND ITS IMPLEMENTATION IN ADDIS ABABA CITY GOVERNMENT:-THE CASE OF ARADA AND YEKA SUB CITIES

BY: Tariku Eticha

Submitted To The School Of Graduate Studies College Of Business And Economic Department of Public Administration And Development Management In Partial Fulfillment of the Requirements for the Master's of Art Degree In Public Policy And Development Management.

ADVISOR: Mulugeta Abebe (PhD)

MAY', 2017

Addis Ababa; Ethiopia

ACKNOWLEDGMENTS

The completion of this Master's Degree thesis has involved contribution, support and encouragement of many people. I am indebted to all who encouraged me in the process and gave me the courage when I was really in need. I would like to mention some of these individuals and I do express my gratitude to all of them.

First of all, I would like to express my sincere gratitude to my advisor Mulugeta Abebe (PhD); who took time from his busy schedules for his constructive comments, intellectual stimulation, professional guidance and encouragement throughout the process of undertaking Master's thesis.

I am very grateful to my mother Ruth Kebede for her love, encouragement and help me when I need; thank you so much. I will like to extend my appreciation to Pastor Samuel Kebede (Degu) for his constructive input and supports. I am also highly indebted to the respondents of the survey questionnaire and interview; for their assistance and willingness to give responses.

Finally, I am indeed grateful to the following individuals; Azeb Legesse, Zemen Duche, Kidus Estifanos, Sileshi Gezahegn. I am especially grateful to Zemen Duche, who has helped and supported me while undertaking this Master's thesis; thank you so much my dear brother.

Declaration

Here with I, Tariku Eticha, declare that this thesis is prepared for partial fulfillment of the requirements for the Master of Arts in Public policy and Development Management entitled 'Land Management Policy and Its Implementation in Addis Ababa City Government (The Case of Arada and Yeka Sub-Cities). This thesis is my original work and has not been presented for a degree in any university, and that all sources of material used for the thesis have been duly acknowledged. I have made it independently with the close advice and guidance of my advisor.

Name: Tariku Eticha

Signature: _____

Date: _____

Place: Addis Ababa University, Addis Ababa

Table of Contents

List of Tables-----	i
List of Figures -----	ii
List of Abbreviation -----	iii
Abstract -----	IV
Chapter One	Error! Bookmark not defined.
1.Introduction.....	Error! Bookmark not defined.
1.1 Background of the Study	Error! Bookmark not defined.
1.2 Statement of the Problem.....	Error! Bookmark not defined.
1.3 Research Objective.....	Error! Bookmark not defined.
1.3.1 General objectives:.....	<i>Error! Bookmark not defined.</i>
1.3.2 Specific objectives	<i>Error! Bookmark not defined.</i>
1.4 Research Questions	Error! Bookmark not defined.
1.5 Significance of the Research	Error! Bookmark not defined.
1.6 Limitatio of the Research	5
1.7 Organization/Structure of the Paper.....	Error! Bookmark not defined.
Chapter Two	6
2 Review of Related Literature.....	Error! Bookmark not defined.
2.1 Theoretical Literature.....	Error! Bookmark not defined.
2.2 Land Policy	7
2.2.1 Importance of Urban Land Policy and Control.....	8
2.3 Basic Concepts of Urban Land Management and Governance.....	8
2.3.1 Basic Concepts of Urban Land Management.....	8
2.4. Land Governance.....	10
2.4.3 Land Tenure and Its Importance	11
2.5 Lease of Land.....	14
2.5.1 Leasehold System	14
2.5.2 Freehold	15
2.6 Empirical literature; Country Experience	16
2.6.1 Vietnam — State Management of People’s Land.....	16

2.7 Urban Lease Policy in Ethiopia	17
2.7.1 Policy Instruments and Legal Framework	17
2.7.2 Urban Land Lease Holding Proclamation No. 721/2011	19
2.7.3 Objective of the New Lease Policy	20
2.8 Urban Land Management System in Addis Ababa	21
Chapter Three	25
3. Research Methodlog	25
3.1 Description of the study area	25
3.2 Sampling technique and samoling size	26
3.3 Research design	26
3.4 Data collection tools	27
3.4.1 Questionnaire survey	27
3.4.2 In depth interview	28
3.4.3 Direct observation	28
3.4.4 Allotment of Urban Land	61
3.5 Methodology of data analsis	29
CHAPTER FOUR	31
DATA PRTESENTATION AND DATA ANALYSIS	31
4.1. Presentation of collected data information	33
4. 2. Assessment of land delivery process	34
4.2.1 Lease auction system	35
4.2.2. Negotiation system	37
4.2.3. Allotment of urban land	38
4.3. Land lease price in addis ababa	40
4.4 Land implementation mechanisim and procedure	41
4.4.1 Administrative capacity and organizational set-up	41
4.4.2 Administrative structure	42
4.5. Individual customers response	43
4.5.1 Efficiency and Effectivenessnin land lease management amd allocation process	43
4.5. 1.1 Time taken to get urban land	46
4.5.1.2. Coordination across Land Related Departments	47

4.5.1.3 Means for achieving staff efficiency	49
4.5.2 Transparency in land management and allocation process.....	49
4.5.2.1 Availability of standards, guidelines and accessibility to legal document and lease information.....	50
4.5.2.2 Clarity and awareness on land lease management and land allocation procedure.....	52
4.5.2.3 Participation in planning of the land related issues in the city.....	53
4.5.3 Equity principle in urban land management and land allocation process.....	55
4.5.3.1 Access to urban land by the majority	55
4.5.3.2 Fairness in land allocation and land management.....	57
4.6 Satisfaction level of individual customers on the implementation of land lease policy.....	58
4.7 Determinants of land lease implementation.....	61
4.8 Implementation and enforcement of lease agreements.....	62
4.9 The extent of successfulness in implementing the land lease policy.....	62
Chapter Five	63
5.1 Summary and Conclusion of the findings	63
5.2 Recommendation.....	65
References
APPENDIX	
A	
B	

List of table.....	Page
1. The duration of lease holding by purpose and level of urban center.....	19
2. Duration of lease holding in Addis Ababa by purpose and level urban center.....	21
3. Names of sub cities and number of weredas in their respective sub cities.....	23
4. Determinant of land lease assessment indicators.....	29
5. Sub cities with their respective population and locations	32
6. Individual customers and city and sub cities actors.....	33
7. Floor price of urban land in Addis Ababa by are and grade birr/m2.....	35
8. Land transferred through auction system in 2015.....	36
9. Land transferred through negotiation system in 2015 by sub cities and purpose.....	37
10. Land acquisition by type and purpose in birr/m2.....	38
11. Grace period and procedures for payment for different activities.....	38
12. Summary statistics of plots of land delivery by sub city (for the year 2014 and 2015).....	39
13. Institution of land management at the city and sub cities level.....	42
13. Performance of LDMB, only for the 2015.....	43
14. Allocation type by actual average elapsed time to get urban land lease.....	45
15. Comparison of standard posses' time with average actual elapsed time to get urban land	45
16. Summary of determinants of land lease implementation outcome.....	59

List of figures

Figure.....	page
Figure 1 yeka and arada map.....	33
Figure 2 customers response on coordination.....	47
Figure 3 individual customers satisfaction assessments across sectors.....	58

APPENDIX

Questionnaire

A

B

List of Abbreviation

AAC	Addis Ababa City
AACA	Addis Ababa City Administration
AACUPII Institute	Addis Ababa City Urban Planning and Information
YCUPIB	Yeka Sub City Urban Planning and Information Bureau
ACUPIB	Arada Sub City Urban Planning and Information Bureau
AU	African Union
CSA	Central Statics Agency
EU	European Union
FAO	Food and agricultural Organization
FDRE	Federal Democratic Republic of Ethiopia
Ha	Hectare
IAA	International Aid Agency
LDMB	Land Development and Management Bureau
LM	Land management System
PRO	Proclamation
UN	United Nations
UN/ESCAP	United Nations Economic and Social Commission for Asian and Pacific
UNCHS	United Nations Center for Human Settlements
UNDP	United Nations Development Program

Abstract

Land markets contribute directly to economic growth through capital formation. In this regard, land developers have a crucial role to play, in that they develop sites generating higher values, making it possible for urban land markets to contribute significantly to capital formation direction. The most important function of land markets in economic growth is moving land from the inefficient user to the more efficient one. The past two decades of public ownership of land and centralization of some of the land related activities have proved the public sector's inefficiency, sluggishness and bureaucratic land allocation that didn't cope with the fast growing demand of the population, only contributing to land price escalation and corruption in the city and in the studied area.

This study establishes that, the practices of access to information about land lease and land allocation was not equally accessible to all. Limited publications or announcement, long and many steps in land allocation processes were time consuming and non uniformity in managing land evidenced this. However, land allocations was mentioned by the majority of an individual or by the city residents as non transparent, improper investor selection were nonexistent; in turn most allocated plots in serviced land are not developed, rather fenced for a long period even after the expiration of grace period.

Many measures have been taken to tackle urban problems in our city. One of which is regarding the land policy that is very delicate, the most important and political sensitive area, which the national government has directly involved in it. Addis Ababa is presently a head of many others Ethiopian cities to adopt land lease regulation as well as land and housing management practices.

The City Government Addis Ababa intends to promote the formal sector medium and large scale businesses by instituting among other, an efficient and sustainable land management system that would ease the access to land. Not with standing system that would ease the access to land. Notwithstanding the efforts being made by the municipality to improve service delivery, there appears to be a need to introduce more transparent and accountable working procedures that pertain to land management related services. The sluggishness and wide spread incidence of corrupt practices in urban land management has to be seen in lights of the rule of laws. Lack of qualified man power and the motivation and ethical profile of the organizational staffs were bad, for some officials it was extremely lower; which lead to poor performance.

Chapter One

Introduction

1.1 Background of the Study

The growth of urban population enforces the urban governments devoted in providing satisfactory services and effective urban management institutions that will come across with their needs. The transition of many former socialist countries from a command to a market oriented economy has brought radical economic and political transformation, is the issue of urban land. Land is a key natural resource that requires proper consideration in urban development. The issue of land everywhere in the world is economically, politically and socially the most sensitive and significant aspects of human beings. The proper utilization of land requires the recording of rights over land conditions of use and facilitating the smooth transfer on a market principle or otherwise, to other users. Land being the basic elements for all human activity and/also limited in quality and quantity need public management and control of some kind in order to regulate market conditions and ensure its proper use. Generally urban land is managed by either market led or state led instruments (Gebre, 1994).

Land is a major socio economic asset in Ethiopia (Zeluel, 2000). The struggle over who controls land has played a significant role in the history of Ethiopia and its regions. One of the many policy measures that would have been taken by the present government of Ethiopia is urban land lease holding system, which is one form of land tenure that enables the government to transfer land use rights and benefits from the state to private individuals. According to the Federal Government's urban land lease holding proclamation No. 80, 1993 and proclamation No. 721/20011, all urban land is public property and transfer will only be carried out through the lease system. Despite the policy measure did not enabled the people to have secured land access, the government of Ethiopia had been taking urban land lease system as one of the policy measures aiming to enhance the transfer of land use rights, value the urban land and to encourage investment and the provision of social services to the residents.

Addis Ababa is the political, financial and industrial capital of the federal republic of Ethiopia; it is a regional and international capital city too. The city has accommodated different international organization like the EU, UN representative offices and African organizations including AU. The government's

new administrative arrangement, Addis Ababa has become the capital city of the federal government and divided into ten 10 sub cities. Addis Ababa is the primate city and the main centre for domestic and foreign investment at the present and in the future. The federal constitution grants self government/administration to the city's residents. Article 49 of the constitution of federal democratic republic of Ethiopia, presents Addis Ababa as capital city.

Addis Ababa accommodates more than 4 million people (which are equivalent to 3% of the total and 60% of the urban population of the country). The city is characterized by high population density which reaches 5936.2 habitants per hectare in some areas that dominate the spatial structure (CSA). The two main element of the existing land use pattern for which Addis Ababa is mostly known are the free hold and leasehold land use system. Contrary to the culturally dominant free holding system valid through out many years of the country's history, presently the city has adopted double track system, which allows new land users the "use and benefit right", While previous land holders and those who will acquire a subsidized plot through the new bureaucratic allocation have only the "use right" with no possibility to transfer their property, use it as collateral, or get compensation for the land evicted.

1.2 Statement of the Problem

The administration of public leases requires a considerable level of skill, and a high degree of coordination and integrity in the procedural steps, so as to avoid unnecessary work steps, long time taking and tedious bureaucracy that results to temptations for favoritism and informal payment. According to Gondo (2008) despite the existing policies in Ethiopia, aimed at eradicating poverty through improved access to land, most towns and cities in Ethiopia are still struggling with a number of challenges. The land development and management agency (authority) of Addis Ababa has indicated the way how land lease come into effect and the situation of land market in the city as well as in all the sub cities. Consequently land supply has always lagged behind demand and both the public and private formal land delivery system has failed to cope with the needs of the urban poor. The study on urban land management, implementation and policy effect in Addis Ababa specifically on sample sub-cities, one in the center and the other bordering sub-cities, is based on the following problem. Certain basic problems have been observed, regarding the application of land lease policy in the studied sub cities.

i Land allocation process, management and control measures took place without considering the growing land demand for housing and basic services facilities. The limited supply creates squatter settlement and speculation of land

particularly in the out skirts of the city and in the sub cities. This thing may economically affect the sub cities development and hinder the rapid investment growth.

ii Due to lack of efficient land register system, the land distribution, control of illegal construction and informal settlement, lack of strong policy instrument that helps for efficient collection of taxes, service charges from land or land related of activities. All the revenue collected in the sub cities dispose in one place, and then the sub cities administrative have to collect send the collect money to the city government. There is not particular budget allocated for infrastructure related to the revenue collected from lease.

iii Law level of community participation, and coordination among responsible institutions and their set up in land management, plan preparation, implementation and lack of clear criteria and directive for delivery. Beside weak land management or administration and the management is very complicated and tedious to set land for different purposes, weak mobilization of man power and corruption that are related to land in the sub cities as well as in the city.

1.3 Research Objectives

The purpose of this study is to assess and prioritize urban land management problems in relation with implementation of plans and policies and to forward possible remedies and alternatives. For achieving sustainable urban land management, therefore, this paper has the following general and specific objectives:

General Objectives:

- It assess existing land use plan and implementation of the sub cities and its implication for land management
- To find out why the land lease policy does not work and to elaborate a proposal that make it work.

Specific Objectives

- To assess existing land use plan and implementation of the city/sub cities and its effect for land management
- To investigate or examine the demand and supply of land for different activities and the gap between them.
- To point out the main existing problems with regard to land management; implementation strategies and the policy effect that

hinders the socio-economic development of the studied sub cities as well as the city too.

- To forward appropriate recommendation and possible solutions based on identified problems.

1.4 Research Questions

Urban land is no more to be allocated for free but it is to yield its market value. The question is therefore, whether this market oriented leasehold system address the following issues.

- i) **Economic:** does these land policy facilitate the efficient land use, transition, investment, and economic development in the city as well as in the two sub cities
- ii) **Financial:** does the current land policy contribute to the growth of the local finance in the short and long run for the provision of services and infrastructure i.e. to increase tax revenue?
- iii) **Social/equity and effect:** out of the 4 million inhabitants of the city, and 662,372 inhabitants in the two sub cities; more than 60% are very poor and mainly with an informal income. How does the land allocation mechanism address the interest and requirements of these and other groups?
- iv) **Institutional:** is the existing institutional set- up capable enough to implement new policy and allocate efficiently, equitably and at the right time.

1.5 Significance of the Research

The land lease policy should be helpful to improve housing and land supply to be more responsive to demand. The existing urban land development and management practices need to be improved to sue land as a resource for social and economical development programs. This study is significant in a sense that it creates awareness in area of land policy and management issues. It considered as an important inputs for future study.

- It can be used by the concerned body to identify the main problem related with land management.
- It can help the local government to take action involving the problems related to land management and policy issues.

- It may be used as a reference for other research in the subject area studies.

1.6 Limitation of the study

The study focused only on the management and implementation of land policy in the city of Addis Ababa, particularly on the two sub cities of the city. The researcher had faced different limitations in the process of collecting relevant information. Unavailability of organized data on the studied issue and inconsistency of data from different department units were the major challenges. The other limitation encountered during the data collection process was that some individual respondents are not willing to give or speak about the land policy of the government. Geographically, the study focus was in Arada and Yeka sub cities in Addis Ababa city land administration.

1.7 Organization/Structure of the Thesis

Chapter one, gives the general background of the study area, followed by the statement of the problem, objectives of the study, significance of the study, research questions, methodology, and limitation of the study.

Chapter two is a review of literature, both theoretical and empirical background related to urban land management policy and issues and practices of land tenure.

Chapter three, data discussion/description of the data is presented.

Chapter four, this is the chapter where data interpretation/analysis is presented. Based on the data collected, detailed analysis is presented about the subject area studied.

Chapter five presents summary, conclusion and recommendation which should be helpful in improving the implementation of the policy.

Chapter -Two

Review of Related Literature

2.1 Theoretical Literature

Classical economists treat land as distinct from capital and identify “land, labor and capital as the three mutually exclusively basic” factor of production.” To them they are comprehensive, including all economic agents. Each is also “imitational,” since at least a part of each is needed for all economic activity (Gaffney, 2004). Neo classical economists, however, disregard the distinction and stress on similarities of land and capital, totally ignoring all differences. Asserting these lands does have distinctive qualities for economic analysis and policy formulation.

Urban land administration is a comprehensive system of policies, procedures, and institutional frameworks that deals with the multifaceted process of handling and regulating rights, use, and value of land. This evidently includes determining, recording, and disseminating information about the tenure, value and use land. As another key element in the system of land administration, land management pertains to the manner in which resources from land are utilized. To be effective and efficient, land management requires reliable data about land and the resources thereof of and about their legal status. The design, formation and promulgation of policies, and related legal and administrative instruments fall within the jurisdiction of the central and/or local governments or municipalities. (Ferenczi, T, 2007)

Since all human activities that determine the existence of man are based on land, urban land policy has to be formulated using a socio-economic approach. This implies that we have to carefully examine and carry out a detail analysis on the roles land has played in the gives of the people and more importantly on how the existing land tenure system has been affecting the people.

What is land policy? What are the major problems that land policy is trying to solve? What are the goals of a land policy? When is a land policy said to be efficient and effective. This paper will give a brief explanation and answer for each of these questions.

The policies guiding the system of land administration and land use management may include master plans zoning schemes, subdivision regulation, building codes, and the like. The purpose of an effective and efficient land management system as expressed in its regulations and procedures is primarily to install a reliable mechanism of security for and control over open and legal transactions in land. This in turn relates to such tasks as allocation and reallocation of land for designated uses and for the efficient extraction of taxation on land and other incomes from land.

Policy: according to Darin-Drabkin (1977), policy is defined as a set of measures aiming to achieve the formulated public authorities. A policy often comes in the form of general statement about priorities, written regulations or guidelines, procedures and/or standards to be achieved. At its simplest, policy refers to a distinct path of action which is suitable for the pursuit of desired goals within a particular context, directing the decision making of an organization or individual.

2.2 Land Policy

Land policy is a public policy. Dennis Robinson (1994) defines land policy as policies designed to regulate, change, or manage the use of and rights to the land. Land policy might be seen as one of the means to achieve the goals of the development policy of a country. Land policy is one of the factors which influence the development process and the implementation of the development aims and goals. Land policy consists of a whole complex of socio-economic and legal prescription that dictates how the land and the benefits from the land are to be allocated.

Urban land policy is a part of urban development policy and it must be viewed within the framework of general development policy. The basic goal of urban land policy is to achieve the socio-economic maximization of land use. Urban land policies and land use control measures are critically important tools in any attempt to solve existing and anticipated problems confronting governments in urban areas. This should further be recognized that the effects of urban land policies will remain limited unless they are integrated within over all policies in order to achieve a balanced distribution of employment opportunities and social benefits. (UN, DESA, 1975)

Mattingly, (1993) states that, the purpose of urban land policies are, in general terms, to affect the ownership of land, its price and use to utilize land values as a basis for obtaining public funds. These aspects are inter-connected. Ownership affects the choice of use and who can afford the right to it. These inter relationships are exploited by policies which obtain revenue from land values.

The difficulty of establishing a land policy results from the nature of urban land, which is a dual nature: it is on one hand a resource of nation (public nature) and on the other hand, it is one of the essential goods necessary for the existence of the individuals (private nature). According to Jiang Xu and Yeh (2009) the goal of the urban land policy has been challenged by rapid urban expansion which jeopardizes the national policy for farm land protection and compact land use.

2.3 Basic Concepts of Urban Land Management and Governance

2.3.1 Basic Concepts of Urban Land Management

Land management could be defined as a process in which land and land related resources are put into best uses. It is the process by which the resource of land is administered based on the local economic, political, social and institutional context. It covers all activities concerned with the management of land as a resource both from environmental and economic perspectives. The scope of land management covers a number of issues including the following:

- Formulation and implementation of land related policies;
- Valuation and/or taxation of land-based properties;
- Regulating land and property markets;
- Managing land use related conflicts (planning of land use);
- Managing of land related resources;
- Management of public lands;
- Creation and maintenance of aesthetic values of sites;
- Protecting sites from environmental deterioration and;
- Creation and management of land related data base.

Effective urban management is critical in achieving the proper functioning of urban area in the developing world, so that; these areas can play their roles in the social and economical development of their people. Land is one of indispensable resources which must be properly managed. Bell (2008) stated that land and landed properties are generally the major assets of any economy. According to Keijiofor (2006) access to land, security of tenure and land management has significant implication for development.

According to the food and agriculture organization, FAO (2007) land administration provides an important part of the infrastructure for efficient economy, which means that it touches all aspect how people earn a living. From this perspective urban land administration is defined as a process in which land and land related resources are put to good effect. It includes matters that directly

or indirectly influence urban land administration such as property valuation management of utilities and services' formation and implementation of land use policies and monitoring of all land-based activities that affect the best use of urban land.

Garda (1995) provide that highly centralized bureaucratic land management in urban area results into first, squatting and the use of bulldozing as a tool of land management and secondly, setting many laws in land governance issues. Hierarchical management decision making steps in different levels for increasing the quality of the entire procedures leading to successful output (Toomanian and Mansourian, 2009). According to Chimhamhiwa Molenetal (2009), the existing consolidations or subdivisions of land process by the formal land management (LM), in urban area, underpin the development of housing, infrastructure and the smooth operation of land and credit markets. The independent organization in most developing counties often does not collaborate and cooperate in the most effective way. Thus, to evaluate land management system (LMS) they consider six parameters; which are time, cost, society, customer satisfaction, technological innovation, and quality.

Cost: includes labour, knowledge, materials and equipment, consumed (process cost and activity cost) and the cost to deliver the revenues generated (Chimhamhiwa, Molenetal; 2009).

Quality: poor quality work often causes approval delays and incurs external downstream cost and tends to lead to process back flows, as jobs are frequently returned back for corrections leading to slower decisions. Quality induces quality of total issued documents, percentage of documents processed without errors, and the average number of times returned for corrections (Chimhamhiwa, Mole etal; 2009)

Individual customer's satisfaction: Zevenbergen (2001) argue that most right holders consider getting a land transfer finalized "pain in the neck". Land registration procedures are often expensive, slow and bureaucratic in their minds. According to FIG (1995) satisfaction assessment can be major in terms of security, clarity and simplicity, timeliness, fairness, accessibility, cost and sustainability.

Customer/society: ChimhamhiwaMolenetal (2009) provide that the purpose of land management (administration) is to serve society; thus LM can be viewed as instruments for achieving social goals. They add that LMS can be "very busy" but many accomplish little form society's perspective, because different customers can have different expectation. to meet customer expectations, they advocate that organizations can be measured in terms of satisfaction of their customer; in turn they could be able to improve customer satisfaction. Enemark and vandermolen

(2008) argue that customer satisfaction depends on customer's experience with the service in agreement with their expectation.

2.4 Land Governance

2.4.1 Land Governance

Plumptre and Graham (1999) provide that, governance is the art of steering societies and organizations, it is a way in which society is managed and how the competing priorities and interests of different groups are reconciled. Thus, governance is concerned with the processes by which citizens participate in decision making, how government is accountable to its citizens and how society obliges its members to observe its rules and laws. Good governance means that government is well managed, inclusive, and results in desirable outcomes. According to FAO (2007) the characteristics of good governance include accountability, political stability, government effectiveness, regulatory quality and rule of law, as well as control of corruption. Good governance aims at protecting property rights of individuals, groups, and/or the state through principles such as transparency, equity, accountability, participation, efficiency and effectiveness, the rule of law (Zakout, Whermanetal, 2006), and Zakout, Whermann et al, 20077). FAO (2007) argues that good governance in society and achieving good governance in land administration requires a strong commitment of the people involved.

According to Dowall and Ellis (2009) weak governance tends to flourish where the law is inconsistent or/and when organizational arrangements is fragmented; as it was observed in Pakistan where 53% to 55% of the customer reported paying bribes to speed up the process for acquisition of land or leasehold rights. FAO (2007) argue that sometimes poor motivation, low pay and poor training of staff are at the heart of the problem. Key issues with regard to land governance are assessed below:

Participation: Reed (2008) referring to Wilcox (1996) define participation as a process where individuals, groups and organizations choose to take an active role in making decision that affects them. Reed (2008) adds that greater public involvement can greatly help in addressing some of the most pressing problems, and countering the risks of distrust and alienation, it is underpinned by a philosophy that emphasizes empowerment, equity, trust and learning. FAO (2007) states that, laws and plans should be prepared in an inclusive and transparent process to encourage and enable full participatory means whereby all customers have the opportunity to make inputs into the planning process. Silverman (2009)

provide that citizen's participation is argued to be an important ingredient in efforts to promote urban development patterns that are sustainable and equitable.

Efficiency of procedures: Zakout, Wehrmann et al. (2006) provide that procedures to allocate land and register property transactions are required to be short and simple; the fewer the steps, the less the opportunity for informal payments; effectiveness is largely dictated by the implementation procedures. FAO (2007) claim that if standards are not met effectively, action should be taken and corrective measures should be identified wisely to improve performance.

Transparency: Davis (2008) provides that transparent recruitment of staff and service standards and costs of service will contribute to higher efficiency, accountability and fairness. Tuladhar (2007) argue that lack of transparency and inaccessibility are among the reasons for increasing incidences of corruption that are associated with resource management it can be reduced by making information open between the governor and the governed.

Accountability: Zakout, Whrmannetal (2006) provide that accountability in land administration can be improved through the implementation of uniform service standards that are monitored through codes of conduct and incentives for staff. Accountability and responsiveness are likely to attract investment, provide high quality of public services and manage resources; lack of transparency and accountability encourages rent seeking and undermining of good governance (Bell, 2009)

Equity: Zakout, Wehermannetal (2006) argue that all people should have the same access to services and receive the same service standards independent of their political or economic status. The introduction of counter offices and a numbering system for customers' arrival ("first come first served") may help achieve this objective.

It can be concluded that governance in land management (LM) require strong commitment, transparency, participation and inclusiveness. As the process of LM become known and open, efficiency, effectiveness and accountability will increase accordingly. Especially early participation at planning stage is vital.

2.4.3 Land Tenure and Its Importance

Tenure can be defined as the terms and conditions on which land is held, sued and transacted, determining who can sue what land resources for how long, and under what condition (FAO, 2007). A pioneering UN study in 1975 on urban land policy and land use control measures identified a wide range of formal and customary tenure systems (Payne, G. 2000). "All societies see land tenure as more than merely a relationship between people and land. It embraces cultural, social, and political concerns: indeed, the evolution of government is closely connected with struggles over land, and the present patterns of land tenure everywhere

cannot be properly understood without examining how they evolved' faracque and McAusaln, (1991).

Economically, the issue of land tenure is closely related to the flows of a substantial portion of borrowed funds and to the mortgage market interacting strongly with other elements of the urban economy. Socially; by touching deep emotions and feelings of the different classes, land tenure affects the psychological well being of the society in these countries. For these and other related reasons, land tenure is considered as one of the basic instruments of overall development policy of a country.

Mitchell, Clarke et al (2008) states that tenure reform is sensitive and country or region- dependent; it requires transparency and participation; success requires an openness to utilize and need of wariness to unintended consequences of policy design and reform. The international aid agency (IAA) identifies indicators for efficiency of land administration processes and the capacity of the organizations, which are government revenue, security of tenure, reduction in land dispute, improved transparency and participation, decrease in informal payments in the land registration process, increased percentage of formal land transaction registration, improved performance standards, improved turnaround times and reduced transaction costs.

Different forms of tenure may co-exist in the same country and, at times, even within the same city. Each form of tenure has its advantages and limitations. Among the most common types of tenure in developing countries can be analyzed in the context of three broader groupings, namely:

- a) Customary tenure system
- b) Statutory tenure system
- c) Informal tenure system

Customary tenure: customary tenure is found in most parts of Africa. It evolved from largely agricultural societies in which there were little competitions for land, and hence land has no economic value I itself. Allocation, use and transfer of land have been determined by leaders of the community according to needs, rather than through payment with urban expansion, the system has become subject to commercial pressure. "Land holding practices common throughout a greater part of sub-Saharan). Africa is night neither communal nor private, but is of a more corporate character which ensures that the rights of individual members coexist with those of the group at large. In other words, individuals are permitted to posses parcels of land for forming etc. But they do not have the absolute right of ownership. Furthermore, customary practices permit the direct descendants of

landholder to inherit his rights without losing these rights to the larger group. The permissive individualistic aspects of the customary land tenure practices is contrary to the misconception that African chiefs and community leaders have absolute control over chiefs, as traditional heads, serve in administrative capacities to ensure that various clans and kinship understood better if it is realized that in African jurisprudence there is no clear cut division between property and possession as is the case in English jurisprudence” (Darin–Drabkin, 1977).

Statutory system;-

This system is divided into:

- a) Common law land tenure and; (public tenure
- b) Civil law land tenure systems (private tenure

a) Common law land tenure (public tenure)-: this is a system which gives rights to multiple use of land. “Different people can have or own different sets of boundless of rights in the land, which may last for different periods of time or may be so arranged that they only come into being in the future and may cover different aspects of the total corpus of rights to land the right to sue and manage it; the right to the fruits; the right to dispose of it. The notion that two or more people could have rights to the same piece of land at the same time arose from the concept of the estate. Farvacque and McAusaln(1991). The principle that only government has the right to land development in this system is based on the objective of appropriating the extra –gain from it by the society.

b)Civil law land tenure: this system; originated from the French civil code of 1803) (“uses, fructus and absuss”) and applied to urban land in developed countries of Europe Asian countries grants outright ownership: the free enjoyment and disposal of objects provided they are not in any way contrary to laws or regulations of the government. Although these countries with free market economics emphasize private land ownership as a basis for legislation, however they insure the right of the state to limit the private ownership rights of the individual if the land is needed for a public purpose.

Informal tenure: this type of tenure allows holdings in the form of squatting, unauthorized subdivisions on legally owned land and various forms of unofficial rental arrangements with varying degrees of legality or illegality. Some of these non formal categories, such as squatting, emanate from the inability of public allocation systems or land markets that provide for the needs of the poor. Even then, access to lower income groups through such arrangements is becoming increasingly constrained.

2.5 Lease of Land

The lease or tenancy was started in an ancient time. A legal historian says that lease was comparatively rare during the 12th century, but in about 1200 the lease had become more common. In early feudal system; individual, except the king, individual were granted land holding by the king. In the 15th century lease has become regarded as an interest in land side by side with its contractual nature. In spite of the fact that there are an infinite number of tenure arrangements in every country, however, when dealing with the legal policy issues (whether land is considered to be a public and/or private property), the two most common ways of owning and using urban land are “lease hold” and “freehold.” Lease is a document correctly signed, sealed and delivered in law which thus testifies by deed that both land lord and tenant have agreed terms. A lease hold estate or a term of years absolute is defined as any period of time which, at its minimum, is of fixed and certain duration. (Adams 1991).

At present time, lease has become an important vehicle not only for investment, but also for the encouragement of good building, town planning and raising revenues. Simpson (1978) on the other hand defines lease as follows: a lease may be defined as a contract granting the exclusive right to possession of land for a fixed or determinable period shorter in duration than the interest of the person making the grant. The interest created by the grant is formally called a ‘tem of years’ but is more usually referred to as a ‘lessee’ or “tenant’. All leases are necessary derived directly or indirectly form the freehold.

In the process of market oriented land development mainly two different approaches are being followed. The first one, which is sued in Russia, Poland, and some other countries, allows private ownership of urban and rural land. While the second one which is mainly used by china, is the one that gives the “use and benefit rights” to the user but the government retains ownership. Therefore, the two most common ways of owning and using urban land are: - “Lease hold” and “free hold”. (Simposon quoted by Farvacque and McAusaln(1991).

2.5.1 Leasehold System

The price of lands in the modern lease hold system is basically dependent on the free market. Some areas can be expensive and only affordable for the rich. Consequently, the poor will be driven out to the outskirts on search of cheap land prices. This, in the long run, will create areas with distinct social strata; and thus social segregation. (Birke, 1997).One of the most discussed problems of public land administration in the market economy countries is the question of leasing or selling the land to users. In the Netherlands and Sweden some municipalities

reusing the system of leasing and others of selling land. In Sweden, the government gives preferences to leasing by fixing better terms for loans given for the acquisition of land when it is leased. In France, generally the land acquired by the agencies in charge of public land acquisition is sold to the developers. Private land owners sometimes are interested in holding the ownership rights to land rather than in sewing it, in order to gain the increase in land value that can be realized at the expiration of the lease term.

There are obviously pros and cons in each of these systems the lease hold system allows the public authority to keep, for the community the land which increases its value permanently. But this system requires more investment of public capital than does a system in which land is sold. The lease hold system should allow the public authority to obtain land more easily to meet changing needs and consequent land use changes. On the other hand, efficient land use legislation and taxation methods that control development might serve as a partial substitute for public lease holding of land. (UIN, DESA, 1975)

2.5.2 Freehold

Farvacque and McAuslan, (1991) define Freehold tenure as the absolute ownership of the land. A freehold is of indefinite duration and is inheritable. Leasehold tenure, in contrast, involves a landlord and in most cases the tenure is of fixed duration. The main difference between the two is that the leaseholder is governed by the laws of the land and the terms of the lease lay down by the lord (which make him less free in his use of land), while the freeholder is only bound to the laws of the land and nothing else.

2.6 Empirical literature; Country Experience

The following presentation of country experiences and practices, including the World's most well developed leasehold systems; in urban land administration tries to briefly dwell on the different aspects of the issue. Land transfer modalities, Administrative procedures, land leasing as a major source of municipal revenue to finance urban infrastructure, different approaches of delivering housing to the urban poor have been the peculiarities for which Vietnam have been selected.

2.6.1 Vietnam — State Management of People's Land

Land administration in Vietnam is carried out in accordance with the basic tenets laid out in the 1992 constitution and the Land Law of 1993 as amended in 1998. In 1994 the General Department for Land Administration, in collaboration with the Ministry of Construction, started issuing land use rights and construction permits.

In line with the collaboration of the two institutions at the central level local departments under their respective supervisions were merged to issue building ownership and land use certificates. The fundamental principles governing the system of land administration are “people’s ownership” and “state management”. Land, being owned by the people is said to have deprived it of any market value, officially at least. So, access to land is affected through allotment, leasing and transfer. Allotment, carried out under the auspices of city people’s committees, is the most important mechanism that grants beneficiaries the highest form of land-use rights. It accords perpetual rights to the holders to transfer, lease, and mortgage or bequeath. Allotted lands are only those that are made available to individuals, households or non-commercial entities. Since most of urban land is already occupied, allotments can only be made with the availability of opportunities to subdivided large parcels of state land. Except for the initial allocation fee that, in most cases, amounts to about four percent of the price of the land, no payment is ever made. Organizations or households intent on using a land for commercial purposes can be granted lease for a period of up to 20 years. The maximum that a lease period can last is 50 years. The total rental may either be paid up front or in annual installment. Those with a prepaid rental are granted rights to sublease their holding or contribute it as a capital in a joint venture undertaking with foreign partners whereas those who pay the rent annually can only enjoy the right to mortgage or transfer the lease for the remaining period of the lease. In Vietnam there is no de jure selling and buying of land. Therefore, any changing of hands as regards land and access to residential land is a mere transfer of use rights. Nevertheless, quite a lot of unregistered and even registered lands are bought and sold at market price. Commercial leases which have duration of between 20 and 50 years cannot be transferred without official approval. The transfer approval is only given after the establishment of concurrence with the overall state planning objectives because commercial land is considered a “special means of production”.

On the other hand, residential land transfer is conducted without much difficulty. The only thing required is the payment of a transfer fee. Companies engaged in commercial activities must strictly limit themselves to utilize the leasehold for the business they were given permission to operate. Failure to meet this obligation would definitely lead to repeal of their right. Foreign owned enterprises can only lease land from state agencies. Under conditions where land is thought to have no value and in the absence of recognition of market forces, pricing land is obviously beset by serious problems. This has not, nonetheless, prevented the State from enacting statutory pricing formula for calculating some form of workable land prices. Still, prices in the “shadow market” could be much more in excess of the

ones fixed by the State. The people's committees are, however, authorized to raise or lower by up to 50 percent of the price fixed by the central government in order to adjust it to market conditions. During certain times, dubbed as periods of "land fever", the market prices can reach to as much as 300-400% in excess of the statutory price. Such huge differences in price have proven to be impediments to the acquisition of farmland for urban expansion, mainly because farmers are unwilling to dispose of their land on the basis of the officially sanctioned land price. Urban land prices are determined on the basis of the classification of the city or town in which it is found, its potential for profitable use and its location. On the other hand, companies are often heard airing their misgivings about the duration of the lease which they see as too short to make long term investment decisions. They also complain about the loss of opportunity to develop and sell the business, should a commercially attractive term materialize. As pointed out earlier, the principles of the Land Law revolve around the contention that land belongs to the people. They also include such elements as the land being uniformly administered toward the state's promotion of effective and economical usage. The protection of agricultural land and encouragement of investment on land are also incorporated in the list of the principles.

The central government in Hanoi is bestowed with the ultimate control over any policy issue and legislation on land. But it has devolved land management responsibilities to people's committees at provincial, district and city levels. For instance people's city committees are entitled to broad discretionary powers to grant land-use rights. Other local authorities have the responsibility to issue regulations on such matters as zoning, land use details, registration and settlement of land disputes.

2.7 Urban Lease Policy in Ethiopia

2.7.1 Policy Instruments and Legal Framework

Central governments have a key role in defining land related policies whilst most land management related operations take place at the municipal level. Ethiopia like any developing country has a low level of urbanization. The level of urbanization is low even by the African standard. (Abate, 1983). However, though the urbanization level is low, urban development and urbanization face a number of problems that merit the attention and focus of policy makers. The problems stem from the fast pace of urbanization and the attendant social, economical, spatial and environmental consequences. As a result there is a need to develop a rational policy, which can alleviate those problems in urban area. Achieving efficient land use, encouraging investors and investment, realizing the cost of urban land, and make an efficient use of it are some of the major national

and regional goals in Ethiopia. To achieve these goals, the government of Ethiopia has accepted urban land lease policy as the alternative land tenure system so as to provide a room for individuals and investors to land use and land use rights through transferring from the state to land users.

The 1995 Ethiopian constitution draws a broad framework for land policy in the country and enshrines the concept of public land ownership and inalienability of land holdings. The Ethiopian constitution asserts state ownership of land; there are no private property rights in land. Article 40 sub –article 3 (which is about property rights) states:

“The right to own rural land urban land, as well as of all natural resources belongs only to the state and the people of Ethiopia. Land is an inalienable common property of the nations, nationalities and peoples of Ethiopia and shall not be subject to sale or to other means of transfer.

According to warden (2001) the political structure of Ethiopia has been transformed since 1991 from highly centralized state to become a federal democratic republic, with power developed to the regions. The intention of the federal structure is to share power between central and regional governments. As part of that, changes in urban land lease holding system (ULLHP) is introduced under proclamation No. 80/1993, the proclamation state the government as the sole owner of urban land and private individuals under the lease holding system in order to transfer use rights among private individuals through sub-leasing arrangements.

Land lease proclamation No. 80/1993 as revised by FDRE (2002) in proclamation No. 272/2002, and again revised by FEDRE (2011) in proclamation No. 72/2011, has been under implementation with the following main objectives or the major reasons for the introduction of new urban land policy are given below.

- To provide better access to the utilization of urban lands to satisfy the needs of the various segments of the population.
- To address the problems associated with a high rate of urban population growth which resulted in the expansion of urban centers without the provision of necessary infrastructures.
- To address the inadequacy of the financial capacity of urban centers to financial the building of infrastructures and the provision of urban service to its dwellers.

- The need to create a source of revenue for the purpose of financing the supply of dwelling houses to satisfy the need of low income groups.
- The need to implement the free market principles of the transitional government by creating conditions whereby the right to use urban land can have market value.
- The need to control loopholes for corruption and appropriation of unjustified gains realized during transfer of the right to use urban land whose value has increased.

Within the framework of the above objective, the urban land lease policy was issued. The proclamation underlines that, all urban lands, except those previously used for the construction of residential houses are governed by the lease policy. However, when urban lands previously held for residential purpose are transferred to the other people other than through inheritances, they will be under the lease policy. Land lease is given for a fixed term and the period of lease varies depending upon the purpose for which the land is requested and the level of urban centers.

The maximum duration of lease holding of 99 years is since for private residential houses at all level of urban centers. The lease holding for industry, letting and others ranges from 50 to 95 years at different levels of urban centers. The proclamation left the right to determine the rate of rent of the lease to the national/regional self governments. The regional self governments can determine the lease. Rate based on factors like the level of urban centers, Zoning of urban areas and the purpose for which the land is requested need to be considered. The rate has to be low for land used for social service and low cost houses.

Table 2.1 The duration of lease holding by purpose and level land grading

Purpose of house	Grade				
	1	2	3	4	5
Dwelling private	99	99	99	99	99
Letting	-	89	80	70	60
Industry	95	9	80	70	60
Education science technology	99	99	99	99	99
Others	90	80	70	60	50

Source: Proclamation No. 80/1993, article 7, sub article a-E-P-94, 95.

2.7.2 Urban Land Lease Holding Proclamation No. 721/2011

Proclamation No. 721/2011 is the recent proclamation for urban land lease holdings.

According to article 1 and 2 of this proclamation “urban land” and “lease” means stated as follows:

1. “Lease” means a system of land tenure by which the right of use of urban land is acquired under a contract of a definite period;
2. “Urban land” means land located within an administrative boundary of urban center.

Also article 5 of same proclamation states, what “city administration” means:

“City Administration” means the Addis Ababa City Administration or the Dire Dawa City administration.

With this standing point, urban lands that will be under the lease holding system will be presented as follows; according to article 7 and 8 of this proclamation:

Article 7, sub article 1 and 2; an urban land shall be permitted to be held by leasehold:

- 1) If its use is in conformity with the urban plan guidelines or, if the urban center does not have such guidelines, are per the regulations issued by the region or the city administration; and
- 2) Through the modality of tender or allotment

Article 8, sub article 1 and 2 urban lands prepared for tender:

- 1) Prior to advertizing urban lands prepared for tender the land:
 - a) Are free from legal claims of any party;
 - b) Are prepared in conformity with the urban plan;
 - c) Have access to basic infrastructure;
 - d) Are parceled, delineated, assigned with unique parcel identification numbers;
 - e) Have site plans and fulfill other necessary preconditions; and

2. The tender process is implemented in a manner that secures the appropriate price of the land following the rules of transparency and accountability.

2.7.3 Objective of the New Lease Policy

Some of the objectives of the new lease policy by Addis Ababa City, the major five are:

- Give the market value to land: one of the basic goals of the new land policy is to turn land from a timeless and costless commodity into land with both cost time limits.
- Encourage investment: through the provision of land tenure terms long enough and allowing.

- Control the undesired expansion of the city.
- Providing housing and infrastructure for the city.
- Do away with speculation and the non transparent system (corruption) of plot allocation.

Table 2.2 Duration of lease holding in Addis Ababa by purpose and level of urban center

Type of activity	Grade				
	1	2	3	4	5
Residential housing	90	90	90	90	90
Science and technology research study, education	90	90	90	90	90
Government office, charitable organizations and religious institutions	90	90	90	90	90
Industry	70	70	-	-	-
Commerce	60	60	-	-	-
Others	60	60	-	-	-

Source: Pro. No. 721/2011, article 18, sub-article b

2.8 Urban Land Management System in Addis Ababa

The city of Addis Ababa is over a hundred years old. It was established in the late 19th century by emperor Menelik II as the permanent capital of the then emerging modern Ethiopian state. Over the years, the city has grown into an important urban center following the process of modernization and economic development which emperor Haile selasise I zealously pursued in the after math of World War II (Mehret 2002). The unprecedented growth of urban population in most of the developing world is causing an exceptionally rapid increase in the demand for urban land. The basic pressures towards higher urban land values are derived from the increasing demands of a rapidly growing urban population, which are accentuated with lengthy and costly processes of transfer of land and the establishment of title that bear particularly heavily on the supply of small plots for low-income groups. Addis Ababa is one of fast growing urban centers that are beset with problems afflicting most cities in the developing world, including extensive urban poverty, joblessness, inadequate housing, severe overcrowding and congestion and undeveloped physical infrastructure. Moreover, mounting social ills, such as prostitution, beggary, homelessness and mouth delinquency are grim realities of life in the city. In recent years, urban problems in Addis Ababa have

been compounded by poor urban management that has not been sufficiently responsive to its constituency (Mehret 2003).

The city of Addis Ababa, as the seat of the federal government and as the economic, social and cultural center of the country, has to fulfill a national role and be equipped a comprehensive and integrated urban management system, detailing policy directives and strategic actions. Addis Ababa is also expected to fulfill the demands of an international city as a diplomatic center of African union and other international organizations. Social services and infrastructure facilities should also be fulfilled and provided to its dwellings. In addition to that the city of Addis Ababa should be able to adequately contribute to the socio-economic development of the entire nation.

The federal constitution grants self-government to the city's residents. Article 49 of the constitution of federal democratic republic of Ethiopia, presents Addis Ababa as capital city.

1. Addis Ababa shall be the capital city of the federal state.
2. The residents of Addis Ababa shall have a full measure of self-government. Particulars shall be determined by law.
3. The administration of Addis Ababa shall be responsible to the federal government.
4. Residents of Addis Ababa shall in accordance with the provisions of this constitution, be represented in the house of peoples' representatives.
5. The special interest of the state of Oromia in Addis Ababa, regarding the provision of social services or the utilization of natural resources and other similar matters, as well as joint administrative arising from the location of Addis Ababa within the state of Oromia, shall be respected. Particulars shall be determined by law.

Many measures have been taken to tackle urban problems in our city. One of which is regarding the land policy that is very delicate, the most important and political sensitive area, which the national government has directly involved in it. Addis Ababa is presently a head of other cities to adopt land lease regulation as well as land and housing management practices. The government's new administrative arrangements, the city are divided into ten (10) kifle ketema or sub cities and 116 weredas.

Table 2.3 Name of Sub Cities (kifleketma) and the of Woredas in the Sub City

No.	Sub cities (kifleketema)	Number of Weredas
1	Arada	10
2	Addis ketema	10
3	Lideta	10
4	Kirkos	10
5	Yeka	13
6	Bole	14
7	Akakikaliti	13
8	Mifas- silk lafto	13
9	Kolfekeranio	13
10	Gulele	10
	Total	116

The two main element of the existing land use pattern for which Addis Ababa is mostly known are; the freehold and leasehold land use system. Contrary to the culturally dominant free holding system valid through out many years of the country's history, at presently the city adopted double track system, which allows new land users the "use and benefit right". While previous land holders and those who will acquire a subsidized plot though the new bureaucratic allocation have only the "use right" with no possibility to transfer their property, use it as collateral, or get compensation for the land evicted.

The physical manifestation of the socio-economic structure of Addis Ababa is one of the characteristics that distinguish it from most cities in Africa. It is a city where the rich and the poor live together without segregation. Economically, the issue of land tenure is closely related to the flows of a substantial portion of borrowed funds and to the mortgage market interacting strongly with other element of the urban economy. Land and the structure on it represent one of the biggest capital investments and are one of the major determinants of the local tax base in a city. Socially, by touching deep emotions and feeling of the different classes, land tenure affect the psychological well being of the society in Addis Ababa city. For these and other related reasons, land is considered as one of the basic instrument of overall development of the city.

Addis Ababa land management and development authority is the body responsible for the execution, land development and management, both in terms of regulation and operational activities. In accordance with the power given to

Addis Ababa city, self government to issue regulations and directives necessary to implement the provision of the pro, No. 80/1993, and pro. No. 721/2011, Addis Ababa city administration has enacted regulations, in accordance with the respective proclamations. The first one which deals with the then new land allocation is entitled “the urban land lease holding regulation No. 3/1994 has been provided by the city for the lease holding. Moreover, the city has re-issued the regulations No.29/2002 to replace the previous regulations with new amendment.

CHAPTER -THREE

3. RESEARCH METHODOLOGY

3.1 Description of the Study Area

This study has conducted within the representative sub cities in Addis Ababa city. Addis Ababa was founded by Emperor Menelik II. Addis Ababa city is the largest city in Ethiopia, as chartered city Addis Ababa has the status of both a city and state. The city is often called the capital of African or “ the African capital ” Due to its historical diplomatic and political significance for the continent. The city located at its lowest point, around Bole International Airport at 2,326 meters (7,630 ft) above sea level in the southern periphery, and the city rises to over 3000 meters (9,800 ft) in the Entoto Mountain to the north (CSA 2010).

Based on figures from the central statistical agency of Ethiopia (CSA) published in 2010, Addis Ababa has an estimated total population of 3,917,934, consisting of 1851134 men and 2,066,800 women. Addis Ababa city contains 23.8 % of urban dwellers in the country with an estimated area of 540.14 square kilo meters. And the city has an estimated density of 5,936 .2 inhabitants per square kilo meter (15,375/sq mi). Lower income 8.6 persons per household, middle income persons per household and 3 persons per household. The city has administrative division of 10 sub-cities and 116 weredas (CSA).

This study was done within the selected representative sub cities, one from center (inner) and the other was from bordering sub cities. The two representative sub cities are Yeka and Arada sub cities. Yeka sub city is one of bordering sub cities in the recent administrative structure of the city. Yeka sub city has a total population of 358,973 with a population density of 22,805 per square kilo meters. The sub city has a total area of 9.9 sq/km (CSA 2010).

The economic activities in Addis Ababa are diverse according to official statistical from federal government; some 119,197 people in the city are engaged in commerce 113,977 in manufacturing and industry 80, 3991 home makers different variety 71,186 in civil, administration, 50,538 in transport and communication 42,514 in education, health and social service and 16,602 in agriculture. In addition the residents of rural parts of Addis Ababa, The dwellers are engaged in animal husbandry and cultivation of gardens .currently 677 hectares of land is irrigated annually for the purpose vegetable cultivation.

3.2 sampling Technique and Sample Size

The stage sampling techniques were applied to select the 124 representative residents ,investors , professionals and officials , employees and team leaders, where the first stage were stratification of the study area in to center and bordering sub cities, namely Arada and Yeka sub cities respectively . The second stage was to select the representative sample respondents (population) randomly from the two sub cities and / also from the head office of Addis Ababa city. To conduct the study, personal judgment of the researcher at 95% confidence level and sampling error of 5 % was assumed. the estimate of a target population(p) was taken with an incidence rate of 0.5(50%) degree of variability and 9% level of precision . the number of respondents determined by using a formula for finite population Yemane(1969) was considered as shown below :-

$$n = \frac{N}{1 + N(e)^2}$$

Where;

n= sample size (124)

N= population size (931309)

e= the level of precision (0.09)

3.3 Research design

A research design refers to, many ways in which research can be conducted to answer the question being asked. for example, descriptive research design is those studies which are concerned with describing the characteristics of a particular individual, or a group .It describes the nature of situation as it exists at the study as well as to explore the cause of particular phenomenal (Kothari ;2004) thus since the purpose of this research was to assesses the current practice of urban land management system and land policy implementation, the descriptive research design is employed for data analysis.

The study employed both quantitative and qualitative research approach or mixed approach. Quantitative research approach employs strategies of inquiry such as experiments and survey; and collects information using preset standardized instruments that can generate relevant statistical data. qualitative research is one in which the investigator often makes knowledge claims based primarily on the multiple meaning of individual experiences , socially and economically constructed meaning participation on the issues, collaborations or changes oriented with an intent of developing a theory pattern(Creswell, 2002).

As it involve measurement and systematic statistical analysis on one hand and also it involves observations without formal measurement on the other hand, this research combines both approaches to address the purpose of the study.

3.4 Data collection Tools

Primary and secondary data gathering Tools were employed to collect the necessary data for the purpose of this research paper. In an attempt to assess the land management and policy implementation, the paper used both primary and secondary data sources. With regard to primary data, first hand data was collected through questionnaire survey, personal interview and field observation.

3.4.1 Questionnaire survey

The Questionnaire survey was intended to draw information on the land management policy implementation and the overall effect on the economic development of the city and the people. Structured questionnaire has been used to collect information on the basic reason how and what is the attitude of the people towards land management, land policy and the implementation practices. The accuracy of the information obtained from the respondents has been verified through cross checking with verbal interview and observation notes that had been made during field visit.

3.4.2 IN- depth interview

An interview is a process of communication or interaction in which the subject or interview gives the needed information verbal in face- to face situation. In-depth interview helps us to draw opinions peoples, experience, aspirations and feeling on the subject matters. In order to have the necessary information on the whole practice of land management and land policy implementation system in the two sub cities and/also in the city.

Unstructured interview was used as a primary data gathering tool. According to cohen (2005), unstructured interview is open situation having greater flexibility and freedom. Although the research purpose governs the questions asked their content sequence and wording are entirely in the hands of the interview. The interview was done with a top officials, employees, team leaders, proffesioOnal and administrators of the city and the sub cities directly or indirectly responsible for the land management, implementation and land policy issues. People interviewed are from the following departments

- 1-land development and transferring office
- 2- Land development and management bureau
- 3- Land development and city renewal agency
- 4- Urban planning and information institution /bureau

5- Land lease office

6- Land title administration and transitional period service project office

3.4.3 Direct observation

The field observation provide direct information on land management system and land service implementation processes .personal observation were required in order to observe and record the existing land delivery service on a ground in the study area. The main aims of the field observation, was to collect a data that could help to have a clear picture about the studied subject. For the purpose of field observation check list had been prepared.

a) Some direct observations are made in a place where I had made this study. Example at head office Addis Ababa land development and management bureau.

b) Also direct observation has been made at sub cities (kifle ketema) level in the two case studied sub- cities.

c) Finally I had made direct observation the feeling of the respondent's where I am disturbing the questionnaire to the sampled population.

3.5 Methods of data Analysis

In the study operated SPSS (20 version) software package to conduct quantitative data, which has been used to explain the different socio-economic characteristics of the sampled household. In this study both quantitative approach were adopted. A qualitative method provides richness and detail to the data and view of alternative explanation. Qualitative approaches employ open ended questions emerging approaches, text or image data, interview data, observation data document data and audio visual data text and image analysis. quantitative approaches employee closed indeed instrument based question, performance data, attitude data, observational data and censuses data statistical analysis and mixed methods approaches use open and closed ended questions ,both emerging and predetermined methods and both quantitative and qualitative data and analysis (Creswell; 2003).

The data collected from the individual customers (investor's residents) were used structured questionnaire and the data were analyzed quantitatively. The data collected through unstructured interview, observation and open ended questionnaire with key informants, respective officials, managers, administrators and professionals were analyzed quantitatively. The qualitative data analysis was clustered based on concepts. The data alternation was classified in to different steps in order to get better complied information. The data analysis started with response transcript, followed by clustering similar

and identical responses based on concepts and then key words were used to clustered responses and develop determined indicators. These determined land lease indicators are presented in the following table below:-

Table 1.1 Determined land lease assessment indicators

Urban land lease assessment determined indicators		
Dimension	Criteria	Indicators
Transparency	Availability of standards	<ul style="list-style-type: none"> • Availability of information about allocated land • Clarity, completeness and implement ability of guidelines • Availability of work flow standards and enforceability
	Clarity and awareness	<ul style="list-style-type: none"> • Clear information on availability of land lease • Clarity and simplicity of land allocation process • Customer and staff awareness • Uniformity and clarity of land lease allocation process
Participation	Public participation	<ul style="list-style-type: none"> • Public participation at planning level and implementation
		<ul style="list-style-type: none"> • Participation of actors in planning, reviewing guidelines an effects
Equality	Access to information	<ul style="list-style-type: none"> • Uniformity in guideline implementation to all • Equal access to land lease information
	Access to land lease	<ul style="list-style-type: none"> • Equal access to land lease • Fairness in land lease price
	Compensation adequacy	<ul style="list-style-type: none"> • Adequacy of compensation payment and compensated land
Efficiency and Effectiveness	(Time)	<ul style="list-style-type: none"> • Standard process time • Elapsed time
	(Cost)	<ul style="list-style-type: none"> • Average cost to develop serviced land • Average cost covered by the customer
	Human and financial resource adequacy	<ul style="list-style-type: none"> • Adequacy of financial resource • Means for achieving employee efficiency and effectiveness and staff turnover • Adequacy of skilled man power • Availability of serviced land
	Land related data handling	<ul style="list-style-type: none"> • Existence of proper land management tool and computerized data (digital data) • Usage of available data • Attitude of keeping copies of receipt issued documents
	(level of coordination)	<ul style="list-style-type: none"> • Coordination across organization for specific output • Coordination within the organization for specific output
	Availability (quality)	<ul style="list-style-type: none"> • Availability of standards • Availability of detail plan and implementation ability
	Level of satisfaction	<ul style="list-style-type: none"> • Customers and actors satisfaction level %
	Performance	<ul style="list-style-type: none"> • Annual physical performance • Annual revenue performance

Different sources of secondary data has been used for the purpose of these study; including published and unpublished document, proclamations, regulations , manual and some relevant studies assessed by different government, nongovernmental and/also individual parties which have pertained to urban land management policies and other issues .some of the secondary data used are as follows:-

➤ **Published secondary data :-**

- ✓ EFDR urban land lease proclamation numbers
 - Proc, NO. 80/1993
 - Proc, NO. 272/2002/
 - Proc, NO. 271/2007/
- ✓ Addis Ababa city's urban land lease regulation
 - Regulation NO.2/1994
 - Regulation NO 29/2002

➤ **Unpublished secondary data**

- ✓ Addis Ababa city land development and management bureau, implementation manual
- ✓ Local development plans related document
- ✓ Lease related documents
- ✓ Annual working plans exclusions and annual reports

CHAPTER – FOUR

4. DATA PRESENTATION AND ANALYSIS OF THE FINDINGS

The city of Addis Ababa, as the seat of the federal government and as the economic, social and cultural centre of the country, has to fulfill a national role and be equipped a comprehensive and integrated urban management system, detailing policy directives and strategic actions. Addis Ababa is also expected to fulfill the demands of an international city as a diplomatic center of Africa union and other international organizations. Social services and infrastructure facilities should also be fulfilled and provided to its dwellings. In addition to that the city of Addis Ababa should be able to adequately contribute to the socio-economic development of the entire nation.

Advancement in modern urban planning was achieved when Sir Patrick Abercrombie prepared the Master plan for Addis Ababa in 1956. The present city of Addis Ababa follows the path and direction of this master plan and most of the proposal has been implemented through this plan. The planning of regional, metropolitan and urban hierarchical systems, the master plan prepared was recently revised and has become a legal document and instrument in directing city development, land administration or management.

The inter- linkage between land use planning and land management cannot be underestimated, particularly when it is seen in the light of the process based nature of planning and the dynamic nature of land management which presupposes adopting participatory approaches to maximize synergies. The urban planning efforts in Addis Ababa have in the main been focused on redevelopment of old neighbor hoods, with limited attention given to the implementation and enforcements after forwarded.

In 2003 the Addis Ababa city government has restructured the city's administrative system, into 10 sub cities (Kifle Ketema), the second administrative structure and 99 Kebeles, the lows administrative body, but later in 2009, the city has made another restructuring to the lowest level of administrative system, that is, the 99 Kebeles has been restructured into 116 Woredas. From the 10 sub cities (Kifle Ketema), 4 of the sub city are the inner (center) sub city and the other 6 are Bordering sub city.

Table 4.1 Sub cities (KifleKetema) with their respective population and locations

No	Inner (center) sub cities	Population	Bordering sub cities	Population
1	Kirkos	306,680	Yeka	572,336
2	Arada	358,680	Bole	500,387
3	Addis Ketema	301,664	Nifas-Silk Lafto	408,884
4	Lideta	285,246	Gulele	362,096
5			Akaki Kality	402.145
6			Kolfe Kerniyo	428,884

Source: CSA, 2010

4.1 Presentation of Data

The primary data were collected from two sub cities (i.e Yeka, and Arada) and in generally from Addis Ababa city, from March 17-26/2016. The field work was conducted with four major types of questionnaires. One for customer interview, two for 'city and sub cities investors "three for "city and sub cities actors and four for professionals, the concepts of the questions were related to spatial land lease planning, implementation of land lease and land governance. The individual data collection employed stratified random sampling and was centered on residential (private individuals, and member of cooperatives), commercial, social service and real state land use of the city.

However, for residential and real estate or commercial land use, the coverage was limited in few areas because of the time and accessibility of the respondents. For all respondents, the selection of the interviewee was base on awareness of the land lease policy and the system of managing. The focus for "city and sub cities actors" was mainly with professionals, staff, administrators, manager and officials. The selection was based on the relatedness of their works, professions, management and administrations.

Table 4.2: Shows the data collected using stratified random sampling from individual customers, professionals, and "sub cities and city actors" it shows that sampled taken were from four different land use functions and actors. The sample size of each function ranged from 8 to 62 customers and actors.

Table 4.2 Individual customer and city and sub cities

Function	Frequency	Percent
Individual residence	74	60%
Investors and social service	18	15%
City's and sub cities actors	24	19%
Professionals	8	6%
Total respondents	124	100%

NB: Investors: as the investment regulation of Ethiopia, investors are those which have been registered by the investment office of the city and by the chamber of commerce with a minimum investment capital of 25,000 birr and birr 100,000 respectively.

Investment: is considered in this paper in its broader sense including the mobilization of public and/or private resource in the business, housing, social services, commercial, industrial, infrastructure and other sectors. The main focus is whether the policy in their point of view will achieve the objectives and particularly “encourage investment” in the city.

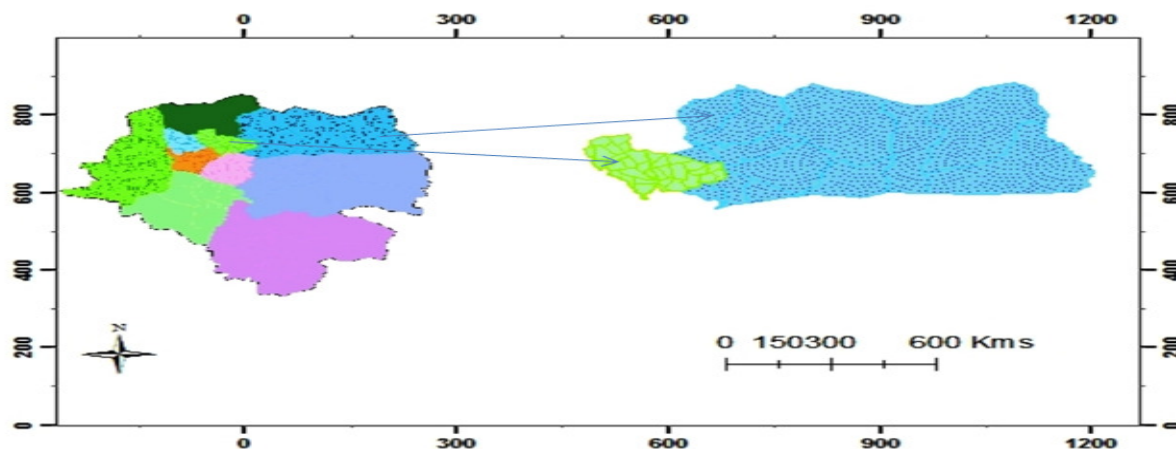


Fig1. Yeka and Arada map

4.2 Assessment of Land Delivery Process/System

Land is the key strategic socio economic asset, particularly in poor societies where wealth and survival are measured by control of, and access to land. Land is a central element in the varied and complex social relations of production and reproduction within which conflict between individuals and groups are bred. The possessor of land often has more knowledge about the extent to which the right to the land are (or are likely to become) compared to other individuals, especially

those from outside the community. The limits in the tradability of land, because some individuals who might otherwise be interested in acquiring the land for a higher value use than the current one may either be reluctant to risk purchase or may offer a lower prices reflecting the perceived risk of challenging claims. Both outcomes tend to reduce the extent of land trading, with consequent loss of efficiency, since land trading generally facilitates the allocation of land to higher productivity users.

Transparent land delivery process reduces wastages of times, resources and other potentials. The process should favors for housing the poor and middle income group by making it smooth and less bureaucratic. There are different land delivery system in the land development and management bureau of the Addis Ababa city administration. The land delivery system also faces two main problems. First, the number of plots prepared by the urban development authorities is limited. Sometimes, the sites may not be to the liking of people expected to settle on them. In relation to the huge demand for housing, the supply is very much limited. Secondly, the cost of the standard plans provided is very high so that a significant share of families cannot afford to build these houses. Land delivery system in Addis Ababa may be acquired by auction, negotiation, and allotment.

4.2.1 Lease Auction System

In lease holding system, land is distributed base on land valuation and grading. The auction is a type of leasehold permit through setting minimum price for the urban land to be permitted land auction creates the opportunity to establish and learn market values of land parcels, thus providing crucial information for buyer and sellers. Land auctions remove the shroud of secrecy surrounding many land allocation decision and place such decisions in an open and transparent form, eliminating to a substation degree the possibility of improper consideration. Proclamation No. 721/2011 any person, to whom lease hold of urban land is permitted through auction shall be entitled to obtain lease hold title deed after he/she has signed a contract of lease with the body permitted the land or the appropriate body. There are different land grading provided for bid through auction with its respective and floor prices.

Table 4.3 Floor price of urban land in Addis Ababa by area and grade birr/m²

Grade/area	Central zones'	Transitional zones	Expansion zones
Grade 1	7056	12.56	217
Grade 2	690	980	303
Grade 3	3500	798	256
Grade 4	217	691	217
Grade 5	3500	217	191

Source: Addis Ababa city land development and management bureau; office of land bank and transfer.

Lease price of urban land in Addis Ababa does not seem to have any relation with land grades (grade 1-5), and location/area. A homogenous plot of land does not fetch similar price, city administration collecting any price that auctions offer irrespective of the nature of the use and the impact on the business. The price of the land to be leased is usually determined through an auction. The lease office sets the floor price for each plot intended for lease with a view of recovering costs of infrastructure and any resettlement expenses for those with pre-existing rental agreements or usufruct right.

Economically, as with any other factor of productions, the value of land is determined by the interaction of the market forces of demand and supply... whether overtly in a relatively free market or covertly as latent value in a controlled society. All these are some of the issues to be taken in consideration in the formulation of an urban land policy. Of the demand factors mentioned above, housing is the significant source of demand for land in Addis Ababa. Next important is the demand of land for real estate, mainly associated with businesses and offices. Beside housing and real estate, the demand of land for commercial and industrial center is also significant in Addis Ababa. The table blow shows the land lease supplied through auction in 2015.

Table 4.4 Land transferred through auction system in 2015.

No	Sub cities (KifleKetma)	Lease around	Floor price	Maximum price	Minimum price	Land use	Area by hectare	No. of plots	Total and made available		Transferred plots
1	Akakikality	17	191	16100	4199	Mixed	1.433	36	52	20979	36
2	Yeka	17	191	22,000	3777	Mixed	0.7661	31	46	11879	31
3	NifasKilklafto	17	217	33700	9200	Business	1.2216	5	9	17801	5
4	Akakikality	18	191	15751.50	7500	Mixed & resident	0.5017	16	30	8574	16
5	Kolfekeraniyo	18	191	23880	13900	Mixed and residential	0.7355	9	29	7355	9
6	Bole	18	191	30864	6689	Mixed and residential	1.3758	31	35	13758	31
7	Bole		191	3150	1500	Real estet and hotel 4 star	7.2810	3	3	72810	3
8	Nifas silk lafto		217	7055	4693.5	4 star hotel	3.2910	2	2	32910	2
9	Yeka		191	3260	3260	Real estate	5.7752	1	1	57752	1
10	Kolfekeraniyo		191	4152	4152	4 star hotel	0.6014	1	1	6014	1
11	Akakikality		191	2153	315	Real estate	24.2213	3	4	298969	3
12	Akakikality	16	191	14757.97	2555	Mixed and residential	2.5097	75	90	31556	75

Source: Addis Ababa city land bank and transferred office (2015)

4.2.2 Negotiation System

An alternative system to auctioning has been direct negotiations with the land lease office, once investors identify suitable parcels of land. While this could help in responding to the call for priority access to land for investors as per the investment codes, it appears that the lease office encounters problems in determining prices and, it appears that the lease office encounters problems in determining prices and, when that is done, investors often find it expensive, considering the poor infrastructure and utilities/facilities. The investor is further confronted with additional costs for utilities... power, water, sewerage, telephone, and, at times, even access roads... once suitable land has been secured. Moreover in facilitating the transfer, the institutions concerned are caught in bureaucratic

bottlenecks that negatively influence the transfer, speedy facilitation and transparency of the market demands.

Table 3.5 Land transferred through negotiation system in 2015, by sub cities and purpose.

No	Sub cities	Land use					
		Mixed		Residential		Business	
1	Akakikality	151	88,978	126	42,969	36	15,186
2	Nifas silk lafto	38	22,340	14	4439	15	21,259
3	Kolfekeraniyo	15	5,530	75	16,512	-	-
4	Yeka	61	75,876	-	-	-	-
5	Arada	2	1494	-	-	-	-
6	Lideta	-	-	-	-	-	-
7	Arada	-	-	-	-	-	-
8	Bole	200	84,695	16	3,866	4	2,475
9	Gullele	-	-	-	-	-	-
10	Addis Ketema	2	300	-	-	2	691
	Total	469	219,213	291	67,806	57	39,551

Source: Addis Ababa city land development bank and transfer office.

4.2.3 Allotment of Urban Land

The federal democratic republic of Ethiopia, urban lands lease holding proclamation No. 7231/2011, article 12 states:

- 1) Allotment of urban lands may, upon decisions of the cabinet of the concerned region or the city administration be permitted for; Office premises of budgetary government entities.
 - a) Social service institutions run by government or charitable organizations.
 - b) Public residential housing construction programs and government approved self-help housing constructions;
 - c) Places of worship of religious organizations;
 - d) Manufacturing industries.

The fact of selling land to individuals shouldn't have been feared because, the transfer of ownership from government to private hand still keep the productive, transferred, and most efficient use of the land now and in the future. The table below summarizes land acquisition for over thousand cases examined over the period 2002-2010.

Table3.7. Land acquisition by type and prices in birr/M2

Type	Cases	Mean price	Median price	Minimum	Maximum
Allotment	12	870	303	115	3,738
Auction	29	1285	1,320	111	2,736
Negotiation	992	759	502	29	6,270
Total	1,033	776	511	30	6,270

Source: Addis Ababa chamber of commerce and sectorial associations, 2010

The dominant means of access to urban land in Addis Ababa is negotiation, accounting 86% percent of the over 1,200, cases considered. Allotment and auction accounted only for the remaining 14 percent of the cases.

The average price of land through auction during the period was 1.65 fold higher than the average of all the cases considered. Negotiated price for urban land on the other hand was the cheapest, perhaps due to the policy direction of the government for sectors of priority and meant to serve as an inducement to investors through lower prices compared to other means of delivery.

Table 3.8 Grace period and procedures for payment for different activities

No	Type of activity	Grace period	Pre-pay % (percentage)	Years
1	Industry	4	10	40
2	Hospital	3	10	40
3	University and education	3	10	40
4	4 star and above hotel	3	15	40
5	Residential	2	10	40
6	Huge real estate	20	20	40
7	Others	2	20	60
8	Low income group of a society	-	-	99

Source: Addis Ababa city urban lease manual 11/2012

Table 3.9 Summary statistics of plots land delivered by sub city, (for 2014 and 2015)

No	Sub city	Plots	Total land made available (M ²)	Average price (m ²)	Min /max price range (Birr/m ²)
1	Arada	17	390,0182	11028.5	6415-15642
2	Lideta	7	25,263	10665	5642-15688
3	Arada	23	434,688	16071.50	9568-22575
4	Addis Ketema	15	48,243	30522.50	18469-42576
5	Akakikaliti	576	503,2013	9327.50	2555-16100
6	Bole	489	791,777	18776.50	1500-30864
7	Kolfekernayo	287	557,185	13570	3260-23880
8	Gulele	13	38,662	3095	4321-18698
9	Nefasskilk/lafto	237	925060	18926	4152-33700
10	Yeka	195	690,508	12888.50	3777-22000
	Total	1849			

Source: Addis Ababa city land bank and transfer office and land lease office

4.3 Land Lease Price in Addis Ababa

In the Addis Ababa context, lease price of land varies across different types of activities. The city management has granted by the city charter to set land lease prices and accordingly may the cabin can revise the land lease price every two year. Land price in the case of Addis Ababa differs for different activities, land price for business and apartments is high and price of land is less costly for real estate and residential. Land lease price for industry is moderate. Instead, price as is in the case of Addis Ababa, enacts statutory pricing formula for calculating land values and during the period of land fever, prices been seen to exceed statutory values/base prices by three or ten times. State price formulas also anomalies in the calculation of compensation for compulsory acquisition of land for public purposes. The Standard formula:

$$D \geq (AX \text{ BAR}) f_x(\text{URX}20\%)$$

D= capital

A= plot area in M²

BAR= Building Area Ratio which is (1/3)

f- Ground floor

UR= unit price for 1M² 3500 birr floor 2003 E.C

20%= startup capital

4.4 Land Implementation Mechanisms and Procedures

Plan implementation is the most difficult part of the planning process in both developed and developing countries. The lack of policy instruments to facilitate implementation process, problem of organizational set up of the implementing bodies, inadequate staffing, lack of public awareness and participation has aggravated the problem. Lack of information and institutional system which hinder the participation are the other problem (Birke, 1997). The current process of decentralization in Addis Ababa create new roles for local government in supporting participation in policy formulation and implementing effective systems of land administration befitting local conditions.

The administrative capacity of the implementing body assessed from the point of view of organizational structure and responsibilities in relation to land and land related activities. Also considered are the working system and bureaucratic efficiency which include work-in procedures and processes as well as the respective guidelines and manuals. The Addis Ababa city land development and management bureau is the body responsible for the execution and implementation of land at city level, at the sub cities level land development and management office and office of land development and management are the responsible body for land development and management, both in terms of regulatory and operational activities.

4.4.1 Administrative Capacity and Organizational Set Up of the Implementing Body

The administrative capacity has been the driving factor, leading to ineffective or effective land management. The city of Addis Ababa has implemented the civil service reform program (CSRP) which is seen as an important tool to ensure good governance. The reform was implemented against a backdrop of civil service institution and staff that were ill prepared, notorious for the delays in the services they were providing and their highly centralized operations and limited participation of citizens, including the business community in decision making processes. Developing strong client orientation on the part of service providers, identifying and making explicit the requirements to be fulfilled by customers to get specific services and attempts to organize one step services are the most common objectives of this program.

Addressing land issues constructively and minimizing possible conflict requires responses adapted to realities at the local level and a legal framework flexible enough to deal with specific local conditions. In designing and implementing land policy, it is a government responsibility to provide efficient institution for land administration and maintenance of land information. The duties and responsibilities of the urban land development bank and transfers bureau at the city level derived from Pro. No. 721/2011 or the Addis Ababa city government executive and municipal organs establishment proclamation and also city regulation 29/2002 assigns the following responsibilities.

- Develop land use standards and implement them upon approval;
- Administer city land in accordance with polices and laws;
- Issue certificate of land possession;
- Prepare land and property valuation index; direct studies on land for improved investment development
- Ensure that the development and land in the city is in accordance with approved plan;
- Expropriate land and properties and pay due compensation in accordance with the law;
- Cause the study of local development plan (LDP) and Put lands in a bank;
- Facilitate land development activities in collaboration with interested developers through contractual arrangement, follows up and supervise the implementation.

4.4.2 The Administrative Structure

According to the revised city chart of Addis Ababa the internal administrative structure of the city was restructured in 10 sub cities and 116 woredas. Relatively big size and population of the newly defined sub cities and weredas and the dictum of decentralization meant that the administrative units are given wider service delivery mandates. Accordingly, within the context of comprehensive municipal reforms implemented in the city, institutions with land management related mandates are organized both at city, sub city and woredal levels. Specially, institutions with land management at sub cities and woredas level are well defined. For example, all the 10 sub cities have built separated offices with identical architectural structure, i.e. G+4. While the city level has devolved most of its urban land management related responsibilities to the sub city level and their staffing levels could be taken as broad measures for the level of capacity. But still lack of adequate urban land management capacity and rampant corrupt practices at city and sub city levels became the hallmark of the reform program conducted in the city.

Table 3.11 Institution of land management at the city and sub city level

No	Institution /actors	Responsibility/taste
1	Urban land development and management bureau	<ul style="list-style-type: none"> • Administers city's land in accordance with polices and laws. • Ensure that the development of the city is in accordance with approved plan • Ensure that due compensation is paid in accordance with the appropriate law
2	Urban land bank and transferring office	<ul style="list-style-type: none"> • Facilitate land development activities in collaboration with interested developers through contractual arrangement, follow up and supervise the arrangement, follow up and supervise the implementation. • Proper land for different activities and transfer accordingly • Expropriate land properties and pay due compensation in accordance of land issue certificate for land developer, supervise same.
3	Building permit and control authority	<ul style="list-style-type: none"> • Regulate building nights and supervise the activities. • Administer (give) building permit
4	Title administration and transitional period service project office	<ul style="list-style-type: none"> • Prepare land and property valuation index; direct studies on land for improved investment development
5	Land development and city renewal agency	<ul style="list-style-type: none"> • Carry out studies and develop preferred land; • Prepare details for lands for development;
6	Urban plan institution	<ul style="list-style-type: none"> • Develop land use standards and implement them upon approval; • Cause the study of local development plan taking into account the socio economic situation of preferred land

Source; Addis Ababa city administration (aaca)

The majority (75 out of 80) land lease customer criticized that, the staff capacity of LDMB was inadequate. They claimed that majority of the employees; both at the city and sub city level were incompetent and reluctant. In addition important technical professionals are missing and staff turnover is high, this might highly affect an individual competence and performance of the employees as well as the performance of the organization. The other claim was almost; all department heads, like general manager, duty manager

and coordinator for every sector are the political assign, i.e. the political assignment of people are not on a merit based, rather only through party loyalty and commitment.

Table 3.12 Performance of LDMB, only for the year 2007 E.C

No	Different type of land use and allocation type	Performance of land preparation (hectare)		Percentage	Land allocation performance (hectare)		Percentage
1	For industry	116.69	93.69	80	776.69	87.69	75
2	For commercial	40	23	57	40	23	57
3	For social service	73.33	13.33	100	13.33	13.33	100
4	For residence (for those who reallocated)	142.08	78.08	54	78.08	58.08	74
5	For condominium	325	270	100	325	125	38
6	Auction	80	53.06	66	80	53.06	66
7	For government office (enterprises)	35.38	16.38	46	35.38	16.38	46
8	Total performance in %			73			59.1

Source: Land development and management bureau, 2015

4.5 Individual Customers Responses

House holders and investors of the two sub cities (Yeka, and Arada) in Addis Ababa have been interviewed about their opinion concerning the impact of the current lease policy and the implementation system of the land development and management bureau. To analysis the whole data collected through questionnaires from individual customers on land management and land policy implementation system in the city as well as in the studied sub cities, urban land lease assessment determined indicators are been used to analysis the respondents' opinion in the following sub chapters;

4.5.1 Efficiency and Effectiveness In Land Lease Management And Land Allocation Processes

Since the idea of the lease system has been for warded, the public at the lower Level of government, the business community, politicians, community leaders, experts and free press etc has been forwarding their fear about the possible impact of the new policy on investment. Most of their suggestions, however, does not seem to have been paid due attention too.

The reality in Ethiopia, particularly in Addis Ababa, is keeping land unexploited for a long time, as some lessee wait for the opportunity to get higher profit. Though not confirmed by the local government, more 60 percent of land occupied by individual and by few business men/ women over the past several years is estimated to be vacant or underutilized in the studied areas. The occupiers advance many reasons for doing so, and among the reasons are increases in the cost of building materials, inaccessibility of bank loan due to bureaucratic procedures and government policies are some of the reasons. While some of those reasons may be true, speculation for the increase of land value might be the most significant. Definitions based on the economic and social nature of urban land, efficiency defined as follows:

Efficiency: - in the World Bank staff working paper No 283 On urban land policy issues and opportunities (Vol.1) the term "efficient" has been given extensive coverage in comparing the different types of land tenure systems in different countries. According to this discussion, efficiency is defined in the following three broad ways:-

- a) Responsiveness to rapid increases in demand:- Refers to responding to the demand of the market and the need of those who do not have easy access to the market (the low income groups and the poor);
- b) Responsiveness to rapid change in urban form: this refers to the ability to be adaptive to the dynamic development taking place in urban centers.
- c) Maximum productivity: refers to making the maximum productive use of land. "As a general concept, efficiency refers to the ability to produce (provide) an output (goods) at the Least cost possible given a set of minimum conditions" Siembieda(1994).

From a public point of view, efficiency occurs when enough urban land is available so that all demand for it can be satisfied. Taken to its broadest interpretation, this means that all segments of society can obtain urban land that serves an immediate useful purpose, such as, for housing commercial sites, centers of work, and public schools. Inherent in this definition is the assumption that at all levels of demand there will be some supply made available either from existing stock or from new flows to meet the needs of all sectors of society (Ibid).Then the direct impact of a bad policy on investment, employment and efficient use of urban land (the cost of not using land to its most profitable use for society's total welfare) is serious. Based on the above definition of efficiency, analysis has been made on land management and land implementation in the studied sub cities and the city's of Addis Ababa from the efficiency perspective in the following sub section;

4.5.1.1 Time Taken To Get Urban Land Lease and Land Related Services

The standard process time to get urban land lease depended on the type of land lease allocation. According to the standards, the process time for different allocation type was different. Thus, for this assessment the standard process time of each allocation type as a benchmark were taken from LDMB operational manual. Then the standard process time and actual elapsed time to get urban land lease were compared. The actual time taken or elapsed time was collected from individual customer reposes as shown below:

Table 3.13 Allocation type by actual average elapsed time to get urban land lease

Allocation type	Actual average elapsed time (time taken) to get urban land lease							
	20 day-2months	3-8 months	9 months to 1 year	1-2 years	2-3 years	4-5 years	6 year and above	Total
Negotiation	-	-	11	6	4	-	-	21
Auction	4	4	12	2	-	-	-	22
Allotment	-	3	4	2	8	-	-	17
Total	-	17	30	14	20	-	-	106

Source: Individual customer’s response

The table shows that the actual time taken to allocate land through auction was better closer to the standard process time. One out of six “city and sub cities actors” professionals stated that auction and negotiation was finalized within 20 day time, but the individual customers responded that it took more than a year.

Table 4.14 Comparison of standard posses’ time with average actual elapsed to allocation urban land lease

Types of allocation	Process time		Work steps	
	Plan	Average elapsed time	Plan	Actual
Auction	45 days	5 month -1 year	8	Above 8
Negotiation	4 days	1- 3 years	6	Above 6
Allotment	3 days	2 - 5 years	4	Above 4

Source, customer’s response 2015

The table shows that the actual elapsed time for each allocation type as compared to the standard time was longer than the planned one. The actual work steps for “allotment” lease were unknown, because land “allotment” is given by cabinet of the city. There was no register data on how many work steps and elapsed time were acquired in practice. Therefore, the elapsed time used for such type of

allocation was from the customer response only. Thus, 78% of the customer respondents finalized lease allocation in the range of one to five years. But land allocation through auction was closer to the standard process time.

The land lease allocation standards in terms of process times was reasonably shorter, elapsed times was much longer than standard process time. Thus, for this study the standard process time of each allocation type and land related management service were taken as a bench mark from LDMB operational manual (A.A city 2010), then the standards process time and actual elapsed time, that was collected from individual customers responses to get urban land related service were compared (see table 4.14).Therefore as mentioned the actual time take for the each types of land related services deviated from the standard time sated by LDMB. The majority of individual customers (90%) finalized lease allocation and land management process was goes over the standard time. A Land management process and land lease allocation standard in terms of process time was reasonably shorter, but the elapsed times was much longer than standard process time. This resulted from inadequate capacity and lack of commitment of leaders as it was observed that most of them were pre-occupied with political and incidental work rather than organizational duties. This has leaded the sector to be inefficient and conflict between the economic policies: the success of land lease policy including, land depends not only on its efficient implementation, but also on its co-ordination with other economic and social policies. Both efficiency and co-ordination lack in the city's land management service.

4.5.1.2 Coordination across Land Related Departments

Land lease implementation in the study area was inefficient because of a number of reasons. The majority (23/25) of the “City and sub-cities” plus professionals respondents claimed that:- coordination and collaboration with in LDMB, City Administration, city service, LDMB head office, sub cities, AACUPII, YCUPIB and ACUPIB is either bad or very bad. They stated that one of the reasons for customer complaints (Low work performance and low revenue collection in land Lease implementation) both at the city and sub city level was the existence of unsatisfactory coordination between LDMB and other responsible actors in land lease matters. The main cause raised for unsatisfactory coordination was interference. Six out of nine “sub-cities actors” official, administrators and seven out of nine “city actors” coordinators, managers, and six out of eight professionals stated that interference was the main problem hindering coordination. Coordination assessment across actors and individual customer within five different levels has shown in the figure below. The responds shows that LDMB falls in either “bad” or “very bad” levels of satisfaction in coordination with other

land lease implementing organizations. 87% of the respondent's stated, the main problem in land Lease implementation was lack of coordination between the Land management departments.

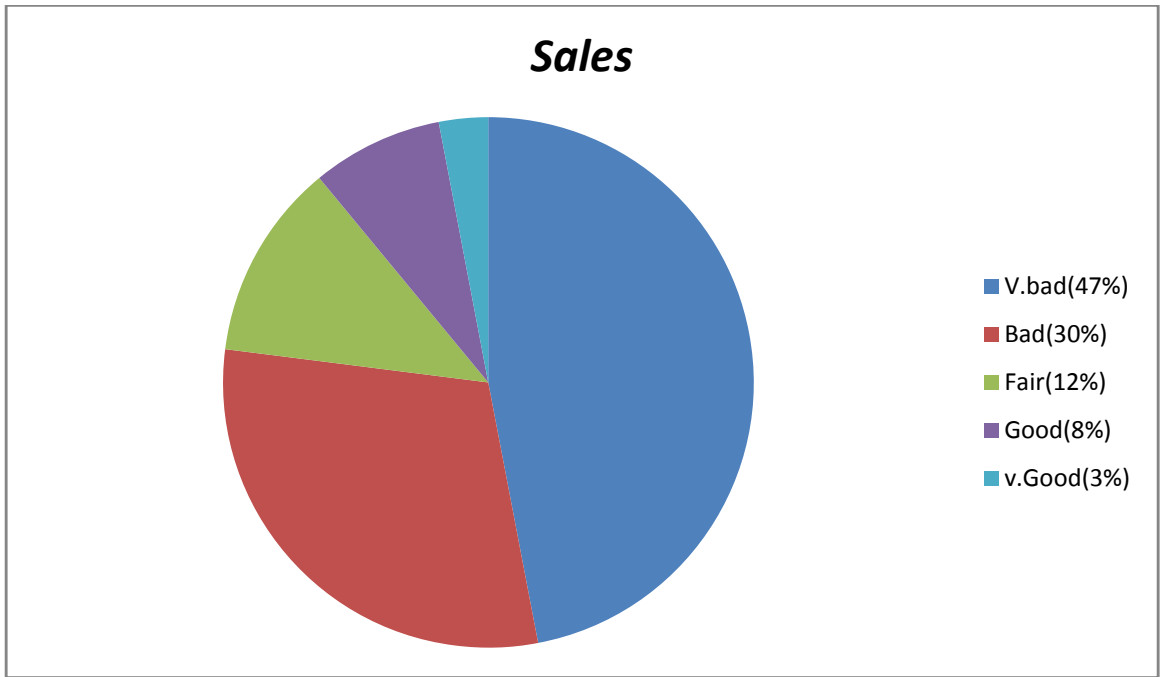


Figure 4.1 customers response on coordination

From the above figure it was observed that coordination level within LDMB organizations/ departments and coordination between “city” and “sub-cities” are unsatisfactory. The existence of such coordination across the main land lease implementing organizations was mentioned as the main problem for low performance, this implies that coordination problem was persistent across organizations. This was mentioned as resulted of interference, and it might be the main reason for delays in land allocation and land management activities.

This study established that coordination among land lease implementing organization in Addis Ababa city and the studied sub- city was unsatisfactory and unpleasant from both actors and customer’s perspectives. While the government has decentralized land administration to the city, sub-cities and woredas authorities, little effort has gone in providing systematic support to these institutions to develop their capacity to effectively manage and administer land.

4.5.1.3 Means for achieving staff efficiency and effectiveness

Statistical data show that out of the 4075 employees of the city, including employees of sub- cities, on urban land development and management Bureaus, 68.37% are inefficient in accomplishing their duties. Sub- cities actors " and/ also" city actors "stated that the means of ensuring staff efficiency and effectiveness was limited to negative reward. The "city actors" staff recognized that the means of staff handling is not effective and the work load and salary was incompatible. The majority of" sub- cities "and" city actor's staffs claimed that there was a mismatch between salary and workload for/ in LDMB staff. Therefore, staff turnover of the LDMB as well as the city officials were high. Lack of employee motivation within LDMB was mentioned to leave the organizations /departments with unskilled and inexperienced staff were considered a major constraint in the management of land allocation and related issues.

Seven out of Nine of the two "sub- cities actors" six out of nine " city actors " and five out eight professionals responded that, LDMB is staff affected by high staff turnover hence, LDMB staff feel insecure and the pressure from their boss to be a party members.

The means for achieving efficiency and effectiveness of employee was unclear, as a result no incentive system was in place which in turn led to high staff turnover, the studied " sub- cities actors" and "city actors " administrators and staffs mentioned that the means for achieving efficiency and effectiveness of the employee of LDMB was limited to time controlling, warning, salary deduction and dismissal In 2015/16 287 employees of LDMB, which are from head office and of the 10 sub –cities, either has been suspended or imprisoned for their unethical behavior. The observation plus the theoretical view that public official in land management often are poorly paid and lack a career path with realistically opportunities for promotion contributed to low productivity and inefficiency of the land allocation process. Such generally staff assessment gives a room for those who had lower performance and those who whose unethical to misalign process in land management and allocation.

4.5.2 Transparency of in land management and allocation processes

Urban land policy reforms are long-term processes going through a serious of successive phases requiring an interactive approach. This policy reforms are also complex under taking which requires firm political commitment by the state and support from society at large. While it is government responsibility to provide a system of land management which is transparent, accountable, cost effective, responding to the diverse needs and characteristics of all stakeholder, and each stakeholder has a legitimate role to play in it implementation. In dealing between

the individual customers or private sector and local government, transparency is often lacking. Clearly, the accountability of city's and sub cities authorities to their residence, stakeholders and the business communities is a fundamental tenet of good urban governance. Transparency and accountability are further essential to local government credibility and stakeholder understanding of local government view point and who benefits from government decisions and actions. Access to information is fundamental in this exercise. In the following sub sections an assessment of the major problem related to transparency will be presented.

4.5.2.2 Availability of standards, guidelines and accessibility to legal documents and lease information.

The standards and guidelines are one of the major components of the Addis Ababa structure plane, which is a frame work for guiding future development activities in the city. Within this framework, and the assumption of planning as a continuous process as the guidelines & standards are developed to be used as basic planning elements in the preparation of local development plans, allocation process, other detail plans , including those to be prepared for improvements & or also spot interventions. They are basically developed to give responsive implementation tools that are used as instrument for phased, flexible, targeted & scaled development & improvement. They also provide flexible implementation tools that give opportunity for timely evaluation, monitoring & correction at appropriate steps.

The subject of "availability of standards" was investigated based on existence of land allocation guide lines, standard work flow & standard process time to finalize one specific allocation. The result shows that there were all these documents existed, despite the existence of guidelines; standard work flow & standard process time, a number of shortcomings were observed. Two of the "sub cities" managers stated that the delegated departments (Offices) was not able to follow those guide lines & to implement the policy to the stated standards because of frequent intervention affected sustainability & uniformity in implementing standards & guidelines. Six out of nine officials from the two sub cities (Yeka&Arada) stated that the land lease guidelines lack uniformity across customers.

The maximum steps are eight in Arada sub city & ten steps in Yeka sub city: such work flow was in land allocation & land related issues through auction & negotiation. But, the other type of allocation such as "charge free" land lease, mostly for residential and social services had five work steps. The maximum

steps are six at the city level; such workflow was in land allocation through auction and negotiation. However, seven out of nine “city actor” managers & administrators stated that some guidelines were unavailable & it was difficult to cross check one another. It was observed that proclamations, guide line, rules, regulations and directives are many & not compiled and was not easily manageable for operational activities. Therefore it requires checking of each legal document, although most of them are not available to all LDMB staffs. Most of “city actors” and the studied “sub cities actors” stated the LDMB lacked compiled information on the land lease allocation for the public use as well as for actors. The majority (87%) of “city actors” & “sub cities” plus professionals stated that, mostly there are frequent interventions from city political appoints & top managers. The extent of intervention affected sustainability & uniformity in implementing standards & guidelines.

Regarding completeness & implement ability of guide lines it was observed that they are not complete & some guide lines were difficult to implement. This are evidenced by Addis Ababa city administration (2008), a guide line which stated that the city had five different land grade levels (1 – 5) ; but in practice land grade & land price was decided subjectively. The other problems identified by city administrators & professionals were lack of complete land parcel data & lack of land inventory; there are a problem on who owns what, under what condition & how it has been gained. The individual customer complained that there were no guide lines or procedural standards, they added even if the guide lines & the standards were there, the administrators or the employees are not implementing accordingly. The customers also stated the guide line & the standards may create the loophole, unclear & open to subjective assessment in the evaluation of land.

From the above observation, it can be conclude that through some guide lines had gaps, the guide lines standards & directives were developed but it was implemented differently. More over regarding the land lease price uniformity, as long as there was a guide line on how to grade land in the city it was not difficult to convert to standard price map; but this was not standardized. This shows that the implementation of land lease did not follow the guide lines & the means for monitoring & timely amendment was not an existent.

The majority (nearly 90%) of the interviewed customers stressed that land lease information was not equally accessible to all. They added that, important information was delivered secretly to selected favored people. In addition they stated, these practices were not only limited to ‘allotment’ and negotiation but

also auctioned leases. The reason for inaccessibility of information, guidelines and clear requirements to create a loophole for fraud, by creating difficulties in getting information from LDMB on the number of plots allocated by lease, legal documents related to land allocation, the ambiguity in the type of allocation for individual or groups of individuals to whom such allocation was made, using which guidelines. The priced land lease customers claimed that information related to land is of land under lease allocation was not given equally to all.

4.5.2.2 Clarity and awareness on land lease management and land allocation procedures

Clarity of procedure was assessed based on respondent's awareness of procedures in land allocation and land lease policy. 80 out the total individual respondents i.e. residents plus investor were not aware on the land lease allocation involved procedures. Meanwhile according to the "priced lease" customer's responses the criteria for investor selection and price determination process was unclear to them despite the existences of guidelines, standard work flow and standard process time, a number of short coming were observed. Regarding completeness and implement ability of guidelines it was observed that they were not complete and some guidelines were difficult to implement. The majority of (25 out of 32) of "city actor and sub cities", administrators and professionals identified the problems related to land, which were lack of complete land parcel data and lack of land inventory; there was a problem on who owns what and under what conditions. They added that there is no compiled land related information to be open for public.

87 % of the total individual customers (92), they were not aware on how land lease rights were allocated, what requirements were important & for what function. The remaining 13 % were clear with the process of land allocation. Mean while, according to the "priced lease" customer's responses the criteria for investor's selection & price determination process was unclear to them. Likewise 9 out of 12 "sub _ cities actors", officials, & five out eight professional claimed that the criteria for investors; project selection & involved processes in land allocation through negotiation were unclear to all actors and customers. Land lease price was fluctuating daily across customers & its assessment depended on subjective judgment. Though the guide line clearly stated that the city had five different land lease grades, it was not converted & standardized as a land price map. This means that there was no map to show which area belongs to which grade; this is the main course for non uniformity in price & was used as a loophole to favor individuals.

The unavailability of delineated land lease grade or price map & unclear investor selection can be deliberate because as long as the land grade was fixed in to five different grade levels (as mentioned in proclamation & regulation) it can be converted in to a standard price map in order to have clear & uniform price map. Standardized land lease price can facilitate clear price setting , increase responsiveness to the demand of land allocation, avoid cost of site visit in terms of time , need of vehicle & fuel as well as to improve timely responses of LDMB in land allocation & management . It was further observed that the criteria for investor’s selection were not clear. The majority of priced lease customers and “sub city actors”, officers were of the view that land related information was given to favored individuals leading to charges for unfairness and informal payment.

The main goal of the Addis Ababa city urban land policy and regulations is to achieve adequate supply of serviced land for residential, industrial, social related serviced and other uses so as to improve the economic efficiency of urban areas as well as improving life of the city’s resident, but the attainment of the goal is far behind. Some of the main problems for these are complex land lease allocation procedures & unavailability of enough land for sale, lack of reliable time series information on land price determination, & lack of proper planning provision i.e. lack of information about infrastructure & inaccessibility of land information to the public. This lead to non uniform land lease price determination & inelastic land supply in response to demand. In addition, it was observed that some work steps lack clarity for instance site selection was standardized for completion within 8 days; however it was difficult to measure, because the areas were not standardized.

4.5.2.3 Participation in land planning of the city

according to the individual customer responses out of the total respondents, 85% had never participated in any land allocation issue, development planning or any other priority setting and spatial planning of the city and as well as on their sub cities in decision making, 15% participated at least once. In addition, 8 out of the total interviewed individual were relocated from Arada sub city, “BalchalWeldeChillot” to Yeka sub city, woreda 1 and 9, six of them were unaware of the relocation and they didn’t participate during property valuation; the other remaining two were aware. Some Residents and investors stated that participation is declining over time. According to ‘city and sub cities actors” plus professionals, participation at the planning stage was insufficient to represent the interests of the majority both from the city actor, sub cities actors and public at large. In general it was observed that the land lease implementation was non participatory

for both actors and customers at large, both in spatial planning stage, guideline revision and decision making process.

Regarding participation, the majority of individual customers responded that they never participated in any land lease planning or priority setting of the city. Similarly, the majority of “city and sub-city actors” managers, officials and professionals responded that participation at planning level was rare and insufficient to incorporate the interests of the major of the city’s, the sub-cities actors and the public at large. According to the individual customer responses out of the total respondents, 85% had never participated in any land allocation issue; development planning of the city as well as decision-making, 15% participated at least once. In addition, “city and sub-city actors” managers, administrators and technical professional’s participation at the planning stages were insufficient to represent the interests of the majority both from the city actors, sub-cities actors and public at large. They stated that as a result of limited participation both from sub-cities and city actors the spatial development plans and regulations guidelines were incomplete and difficult to implement.

The process of effective participation and consultation can be successful depending on the competence of civil society organizations, business community, the public (the residents), and willingness (openness) of the government. The competence of civil society organization indicates management capabilities or may mean the availability of experts. However, the involvement of the private sector, or civil society organizations and the public in general in policy making is minimal in Ethiopia, as well as in the Addis Ababa city. This is a stark mark of a more fundamental government problem, which excludes the main actors or stakeholders in the process of policy formulation, to the detriment of the effectiveness and the support for policies to be introduced and for the successful implementation of the policies. According to Rajack (2009), participation gives a greater potential of voice and enhanced accountability. Moreover, public land can be better protected from encroachment by a land management organization with local patrolling capacity; which is difficult if public land management is centralized as state function or where defector function is weak. The responsiveness of land supply is likely to be adversely affected by communication gaps, competing and unconnected priorities and limited opportunities for feedback from key actors including the public. Absence of participation leads to weak implementation, over bureaucratization and abuse of power is likely to achieve neither efficiency nor equity in the supply of land for urban development.

With respect to participation of actors and public at large, it was observed that was low or non-existent both at planning and decision making process. Some sub-cities actor's, manager and officials provided that, there was lack of wise, sensible assessment and participation in decision making as well as guideline revision in the city. For instance as they stated, decision made to prepare a master plan for the expansion of Addis Ababa city to the special zones (Liu zones) of Oromia and the re- enactment of urban land lease holding proc.No.272/2002 which was repealed and replaced by proc no.721/2011.

This implies that, early participation and inclusive publication in land related issues with all actors including “sub-cities and city actors” and the customer at large can contribute to reducing burning issues of inequality and it can contribute to transparent land lease decisions. In turn, it contributes to attaining the targeted goal of the policy, if all the actors and stakeholders participated. It was observed that participation was low or none, both at decision making and planning process. The adverse effect resulted into inequitable land management, land lease allocation and low revenue collection. However, actors and customers or stakeholder's participation can be very important to minimize undesired outcome and promote efficiency and effectiveness of land lease goal attainment.

4.5.3 Equity principle in Urban Land Management and Land Allocation

The basic goal of urban land policy is to achieve the Socio-economic optimization of land use: bringing the demand (effective and non-effective) and supply of land to equilibrium by providing land needed for urban development in the appropriate Location at the right time efficiently and equitably. Dowall (1990) argues that the goal of an urban land policy is to provide a frame work for ensuring that a nations land resources are used to promote equitable social and economic development. Urban land policy and control are important in regard to housing the urban poor. Normally, when market Mechanism are allowed to prevail unchecked, the poor are crowded in to existing Slums or relegated to squatter housing and must far from place of potential employment and public services. Land policy consists of a whole complex of Socio-economic and legal prescription that dictate how the land and the benefits from the land are to be allocated.

Socially, by touching deep emotion and feelings of the different classes, land tenure affects the psychological well being of the society in the city. For these and other related reasons, Land tenure is considered as one of the basic instruments

of overall development policy of the city Addis Ababa. In the following sub-Sections a discussion related to equity will be presented.

4.5.3.1 Access to urban land by the majority

The majority of the respondent's believes that access to land in the city, is unthinkable. Specially, the land lease price makes the majority of the city residents (the low income groups) not to participate in the matter. Individual customer (investors and social service renders), who got land through auction and negotiation also complained that for some investors land lease price were time taking and the requirements has been minimal. Out of 92 individual customers (residents & investors) interviewed 87 interviewer were of the view that, "the land lease allocation was inaccessible all in every way.

Land in Addis Ababa is acquired through allotment, auction, and negotiation. The dominant means of access to urban land in Addis Ababa is negotiation (see table 4.5). Access to land and delivery of land in Addis Ababa has been cited as a major constraint by most investors and individual residents interviewed, with an 85 to 93% percent rating. Only a relatively negligible few rate access to land and land delivery at seven percent. Reported land acquisition delays are very long in Addis Ababa, investors complaining of waiting for years: i.e. a minimum of between one and half year to six years and more. The city administration and municipalities have been trying to use lease sales as the main source of income to cover their infrastructure and service provision expenses. In order to get high income from lease sale, land is supplied through auction for those who can afford to pay exceptionally high price. This system of land lease sale, excluded the majority of the city's resident, which accounts 65% and more are very poor and mainly with an informal income.

Even though the land leases policy stress to create equitable serviced land allocation and land management to all, it was absorbed that the practices were different. Equal access to land means that people have equal opportunity to access land. Gondo (2008) stated that in Ethiopia despite the major gains made over the past years, a number of challenges exist in urban land lease implementations, which are continuously constraining allocation of land to the poor. Both the public and private formal land delivery systems have failed to cope with the needs of the urban poor. Access to land assets by the poor in most cities including Addis Ababa and towns of Ethiopia has been deterioration over the years.

The findings in this study show that the outcomes of implementing the policy in the city deviate from the anticipated plan. The system of land delivery and allocation of serviced land for the majority was observed to be limited and

inappropriate. This implies that according to the land lease goals and directives as well as manuals the low income group has a relief in terms of payment, work steps and process time. However, in this study it was established that the practice in implementing the land lease policy resulted into negative outcome to the anticipated goals.

The Majority (85 out of 92) of the individual customers interviewed were of the view that, “the land lease allocation was an inaccessible to the majority”. They stated that “Allotment” Lease was allowed for those who had no capacity to pay price lease, and after no having at two years presidency in the city. But” allotment” lease for plots were being given to favored families using different names within the same family. They added that investor selection criteria leered transparency. It can be concluded that land allocation was done through non-transparent, inequitable way and inaccessible to the majority of the city’s residents.

4.5.3.2 Fairness in land allocation and land Management

In this research it was observed that, the principle of fairness in land allocation such as accessibility to all and clarity of procedure and standards were applied contrary of the expectations associated with the policy. It was observed that land allocation procedures were non-transparent and the majority of customers lack access to information about land lease. Proc, No 721/2011, Article 4, the urban land delivery system shall give priority to the public and urban centers to ensure rapid urban development and equitable benefits of citizens and there by ensure the sustainability of the country’s development, which is lack in reality.

In the Addis Ababa setting, the price of the land to be leased is determined through an auction system. The lease office sets the floor price for each plot intended for lease with a view to recovering costs of infrastructure and any resettlement expenses for those with pre-existing rental agreements or usufruct rights. An alternative system to auctioning has been direct negotiations with the land lease office or city cabinet once the investors identify suitable parcel of land. There is no clear indication on how the recovery cost of infrastructures and any resettlement expenses are estimated neither is it clear how investors estimate the price of land in order to negotiate with land lease office. The allocation of land gravitates toward not just those who are financially strong, but it also inclines towards those who are psychologically susceptible, particularly those most prone to overestimate future incomes for some reason or another. Many respondents asserted that intervention and absence of check and balance were the main factor hindering the achievement of fairness in land allocation. If intervention is fair and based on legal manner can help managers, administrators, professional and staff

to trust, and speed up work process to reduce complaints, however the interference is for the purpose of favoring individuals, that can lead to loss of actors confidence, trust and low revenues generation; and it could also demotivate sense of innovation among staffs.

It was further observed the criteria for investor selection were not clear to all. The majority of investors interviewed and city actors and sub-cities officials were of the view that land related information was given to favored individuals leading to charges for unfairness and informal payment. The provision of priority in land acquisition in the recently held land auction and negotiation in Addis Ababa is to those who can pay the total lease price in advance is a major constraint to unfair investment. These and other advantages given to the favored one discourages fair competition among business entities. For example investors who have land already when it was being given for free are in a better position compared with those who acquired land through leasing. The other Unfairness is treating Ethiopians in the same way as foreigners, in which the policy deprives nationals from the right of nationality. This is evidenced on one hand, by the fact that well serviced land was sold at lower price without any computation; with limited requirements and with in short process time and on the other hand non-serviced land was allocated at high price, with many requirements and long process time.

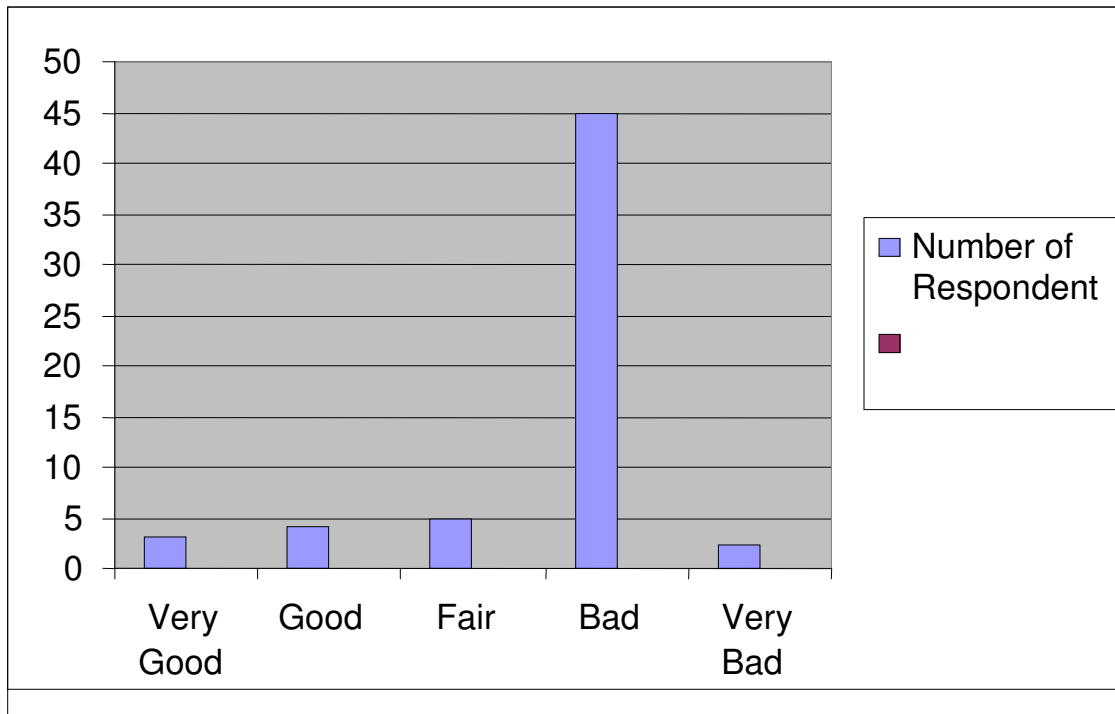
4.6 Satisfaction Level of Individual Customers on the Implementation of Land Lease Policy

The purpose of establishing municipal administration and decentralizing the service to the lowest level administration is all about making the service reachable to the entire citizen's of that particular country. The satisfaction level of individual customer on LDMB service delivery system was very low. 87% of the individual customers were not satisfied with the service delivery of LDMB and the way the customers are handled. Whereas 13% of the individual customers were satisfied with the services rendered to them. According to individual customer responses the satisfaction was related to complexity and delay of the LDMB, they claimed that land allocation were very slow in land-land allocation processes.

Regarding individual price leased customer (investors) satisfaction levels across all departments of LDMB, the satisfaction level of the majority of the customer assessment of LDFMB was either bad or very bad. The priced lease customer explained that land lease information and land lease allocation as well as any issues related to land was unfair and they were dissatisfied with that; and some unethical professionals in LDMB were pushed customers to give them some works in order to issue land related documents. They added that after getting the land

lease plot, getting building permit form constructions permit and control authority was problematic it required giving an architectural plan to them, otherwise getting building permit was not easy.

Figure 3.1: Individual customer’s satisfaction assessments across sectors



Source:

Individual customer

It was observed that, even though the government is trying to improve the land lease implementation by avoiding multi-organizational involvement and rested all land related issues including building permits to a single organization (LDMB) the satisfaction of the actors and customers was low with the output and attained benefits of land lease.

4.7 Determinant of Land Lease Implementation

The responses on the main determinants of the land lease implementation processes as identified by respondents were (1) coordination 2) uniformity and enforceability, 3) participation 4) availability of standards and implement ability 5) accessibility to land lease allocation and land information 6) efficiency and effectiveness sin land management processes. A summary of these determinants is displayed in table 4.15. Individual respondents explained the determinants differently in their own understanding. However the majority consider that these determinants operated in a negative way. For example according to respondents

from professionals, investors, and to some extents “city and sub cities actors” the main determinants are poor coordination; lack of land lease agreement enforceability; lack of participation by both actors and the public, absence of standard clarity; inadequate skilled manpower and financial inadequacy.

Table 4.15 Summary of determinants of land lease implementation outcome

Key indicators	Detail branches of indicators
Efficiency and effectiveness	In efficient and ineffective land management system. Lack of coordination, low cost recovery.
Participation	Lack of participation in spatial planning, guideline revision and decision making.
Transparency	Lack of transparency at all level No. accountability
Uniformity and enforceability	Non uniform land lease price, non-uniform management system. Lack of enforceability.
Availability and clarity of standard and guidelines	Lack of completeness, details and clear spatial plan and guidelines and directives are unavailable big confusions between customers and actors on the guidelines and standards.
Accessibility	Lack of equal access of information and unfair land allocation and management
Human and financial resource adequacy	In adequate financial and skill manpower high staff turnover, lack of means of achieving staff efficiency and effectiveness, corrupted system of administration
Resource inequality	Unfair distribution of resource, intervention, non transparent land lease price reduction lack of lease agreement enforceability, favourism, high speculation, and encroachment.
Organizational set up	Low attention, unwise decision delay, and absence of check and balance

The majority (87 out of 92) of the individual customers, responded that land allocation was highly bureaucratized, delayed, lacking of confidence to give timely decision by administrators and lacking transparency in land allocation and land related management, uniformity in terms of information delivery, lease price and requirements and lacking enforceability on available laws resulted in high speculation were the main problem. Land allocation decisions and land management system based on rent-seeking by public officials are likely to benefit for their own uses. Rent seeking behavior is widespread, both in cities and sub cities employee’s of LDMB. It was also observed that the measures taken so far for unethical individuals were insufficient. In 2015 the city administration has made a big more toward unethical employees in LDMB. A good example is, in 2015 from

the studied area (sub cities) 135 employees were either suspended or imprisoned for using public property for their own interests. As a result of unnecessary interference, disorganization of LDMB, to difficult coordination and bureaucratic system of management, some unethical professional and staffs used this as a loophole for their individual benefits. Over all in 2015, 367 employees form the city of Addis Ababa, who worked in LDMB were imprisoned or suspended from their office for using the public property for their own individual benefits. This shows that the implementation of land lease was not implemented based on the guidelines and the means of monitoring and timely corrective measures was lacking.

Over all the means of staff handling de-motivated the best performers and affected the sense of ownership and competition, which contributed to lower performance. Massive land leasing and land management activities created opportunities for corruption as well as a property boom, as private interests find opportunities to capture public officials who possess the de facto power to decide whether, how, to whom, and at what price often yield to bribery while many of them also engaged in aggressive “rent seeking” activities.

4.8 Implementation and enforcement of Lease agreement

In the Study areas, lease agreements were non- enforceable and conducive for speculation. In the Studied Sub-cities (Yeka and Arada) large parcel of strategically located land lies Vacant or in a use that is no way consistent with land value. In the studied Sub cities and the city actors, professionals, as well as customers responded that enforcement based on the lease agreement was non-existent: as a result speculations were increasing. The Sub-city actors (yeka and Arada) and city actors, officials, managers and administrators assess that lease agreements and construction grace period given by regulation 29/2002 for most of fenced plots in the studied sub cities had expired. But no measures were taken for almost 4 and 8 years time.

Urban land lease holding proclamation No.721/2011 article 1 stated, any lessee shall complete construction with in the period specified in the lease contract following the provision of sub-article (2) of this article. Article 2, the time limit for completion of construction shall be as following

- a) Up to 24 months for small construction project
- b) Up to 36 months for medium construction project
- c) Up to 48 months for large construction projects.

But the researcher observed that prime land in the studied sub cities and/also in the city was fenced and underutilized in well- serviced areas of city. This implies that, the land lease opportunities to activate timely development and reduced speculation had not benefited the sub-cities and also the city. Hong (1999) provided that public lease hold system allow the government to manage urban growth by incorporating land use regulations into land leases. If the lessees do not develop the land according to the lease agreement, the government has the right to take back the land. However, to take full advantage from this special land right, the city government must be coordinated and capable to enforce contractual agreements. Where land use enforcement means are very weak, public land leasing is unlikely to achieve neither efficiency nor equity in the supply of land for urban development. Since its operation will likely be titled by the same defects that affect other instruments weak implementation, over bureaucratization and abuse of power (Rajack, 2009).

The researcher of this paper tried to observe some fenced parcel of land in the studied areas. Very large prime lands were fenced or/and underutilized. seven out of nine "sub-cities actors" managers and officers stated that many plots were fenced for a long time without development for the purpose of speculation, similar eight out of nine city actors, managers, administrators and officers claimed that the lease agreement and construction grace period of all fenced plots had expired. They added that enforceability and action in this regard are slow and inefficient.

It can be concluded that land allocation processes and land management system in the city, was done in a non-transparent, inequitable and inefficient way both in the city and/also in the studied sub cities. In addition the land lease agreements were unenforceable; so many plots were fenced and underutilized for a long time for speculation purpose. The good example is land fenced in Arada sub-city Worde 8 which is given for Sheraton Addis hotel extension project that fenced for almost six and more years.

4.9 The Extent of successfulness in implementing the land lease policy

In a country like Ethiopia, where all land is controlled by the government, the influence (effect) of government action in land market is very significant. In the case of Addis Ababa the supply of vacant land for development or for residential is almost entirely on the hands of the city government actions. Therefore, in this Addis Ababa city government role is not only to act as a facilitator, rather it a main actor, a wide range of government interventions influence the operation of land

markets. This range from policies aiming at modifying the spatial distribution of economic activity (for example, industrial location) to those promoting specific sectors of activities (subsidies to housing). Moreover, these interventions can affect the land market directly through zoning laws or indirectly through policies that affect capital markets. Such interventions often reduce efficiency and almost as often discriminate against poor people.

The basic goal of urban land policy is to achieve the socio-economic optimization of land use bringing to the demand (effective and non-effective) and supply of land to equilibrium by providing land needed for urban development in the appropriate allocation at the right time efficiently and equitably. Land management could be defined as a process in which land and related resources are put into best uses. The intentions of the land lease policy as observed were to create an effective serviced land allocation, attract investment, collect revenue for the local government, provide public infrastructure, avoid land speculation and improve transparency in land allocation control undesired urban development (LDMB 2009). The implementation of urban land lease was unsuccessful in many aspects. Different respondents agree that the implementation of urban land lease in the city and in the sub-cities had not met the intended goal of the policy. The slight differences across respondents were only on the cause and level of unsuccessfulness.

further it was observed that land lease implementation was less-transparent Less equitable, had limited participation for both actors and customers in spatial planning, guide line revision, land Lease price determination and decision making process. sub-cities actors, officers, managers and professional claimed that the land lease policy goal attainment were very low and also the city actors, managers and five professionals stated that the land lease policy goals were attained by 43% because of different type of obstacle. This shows that the main reason for unsuccessfulness in urban land lease implementation is directly related to governance issue rather than tenure type.

CHAPTER - FIVE

Summary, Conclusion and Recommendation of the findings

5.1 SUMMARY AND CONCLUSION

Land issues are of crucial importance to economic and social development, growth, poverty reduction and governance. Access to land is the basis of economic political and social life in both rural and urban areas. Land policies, as such, express, implicitly or explicitly, the political choices made concerning the distribution of power between the state, citizens and local systems of authority. The multiple dimensions to land issues require a careful and well implemented approach which places current land issues within the broader historical, political, economic, and social context. Land management involves land redistribution and resettlement, compensation of land owners facing expropriation, provision of infrastructure, support to services and productive support in newly settled areas.

The country's history shows that, Ethiopia has experienced with different tenure types, which are customary, statutory, informal tenure system. There is no clear and universally applicable blue print as to what an appropriate land policy ought to be. As made sufficiently clear earlier on, urban land policy reforms are long term processes, going through a series of successive phases requiring an interactive approach. Land policy, land management and governance are intertwined. When implementing land policies, the provision of a broad set of solutions tailored to the needs of different stakeholders and local circumstances become paramount importance and in view of socio-economic considerations and the diversity of people with interests, the role of the different stakeholders cannot be sidelined, concerning land ownership and allocation, the most efficient system may be neither the government monopoly which faster corruption, bureaucracy, lack of transparency and probity etc nor the market which brings negative externalities and inequality. Thus, the solution to ineffective and counterproductive urban land is not to do away government interactions and policy initiatives, but to find the proper balance or division of labor between the public and the private sector regarding urban land development.

The current land policy was aiming at achieving the following fifth socio-economic and administrative objectives:

- a) Give the market value to urban land

- b) Encourage investment
- c) Control the illegal expansion of the city
- d) Provide housing and infrastructure to the low income people.
- e) Do away with speculation and non transparency

With the implementation of the new land lease policy, the first and most important step towards a market oriented land management has been made. However, the modality of implementing this policy by using “the double track system” make the policy too rigid and unable to respond to the fast increasing demand of the population and the business community for land in the city.

Addis Ababa city is moving from full control over land and housing development to a system strongly influenced by market forces. In fact during this transition it is expected that there will be challenges and opportunities; which would be observed through the process. The opportunities would be revealed when potential developers, cooperatives and foreign investors are taking part on the development process, but the challenges would be to harmonize the market forces, provide affordable housing land, land for investment and land for all segments of the urban population.

The main objectives of this study was to assess examine the extent to which the implementation processes influenced the anticipated goals for urban land lease policy, or the rationale behind this research was the need to access processes involved in land lease implementation in the city and the study area by identifying the main actors and customers of the land lease and linking them to economic as well as social relationships involved in land lease allocation processes. The research identified that within the study area urban land lease implementation and management was associated with limited number of serviced land, price imperfection and excluded the prime needs of majority of the city’s residents (i.e. the low income group) as supply compared to demand. It was observed that a number of problems in land lease implementation and land management were identified which are hindering the attainment of the targeted goals. The answers to research questions that the study answered are presented as follows.

5.1.1 Economic impact:

- a) Monopoly ownership of urban land is major constraint to efficiency and competition;

- b) The “use right” give previous land holders affects transaction, efficient land use; improvement of the physical structure, and economic development in the city;
- c) It discourages investments by all sectors (formal and informal) and expansion of enterprises; It discourages fair competition
- d) By depriving present land holders the right to develop their land according to the master plan; it discourages private initiatives in land improvement.
- e) By not guaranteeing contract renewal and proper compensation, it discourages the use of durable materials and buildings, since the periods of lease in Addis Ababa not encourage.
- f) The mismatch and unfair land allocation processes was evidenced by lengthy and costly land delivery process.

5.1.2 Financial impact

- a) For projects which require huge initial investment and to save money against inflation and for emergency, the freeholder or long lease hold is better option.
- b) The double track system and the sub sequent ban on transaction affect the financial potion of the local government and the inhabitants.
- c) In appropriate utilization of income for housing results in lack of finance for the provision of services and infrastructures.
- d) In appropriate lease payment affects the municipal finance in the short and long run.

5.1.3 Social impact

- a) Treats the poor inequitably concerning new land allocation, compensation, use, and transfer of the land they presently holding.
- b) Subsidize the wrong target group by neglecting the poor.
- c) It discourages new entrepreneurs and informal sector.

5.1.4 Institutional impact

- a) Does not address speculation and corruption
- b) Lack of cadastral map
- c) Lack of qualified man power

- d) Lack of structure that encourage public and stakeholder's participation.
- e) Conflict between urban and rural boundaries.

5.2 Recommendations

Based on the finding of the study the following recommendations are made to improve the existing situation in relation to the land related issues and to bring an efficient and effective land allocation process as well as to again the anticipated goals of the policy. To take advantage of the Addis Ababa urban land policy, which is fundamentally sound, to ensure an equally sound implementation of the policy and changes there to, a broad political process that ahs in view within a representative manner the interests as well as the roles of different stakeholders in the process of implementing land polices of all stakeholders is of critical importance. In designing and trying to implement completely new policy there is always the fear of the unknown past experience and culture are important in considering new policy. The following recommendations are paid due attention, if it is still possible to reconcile these two different attitudes and achieve an efficient and equitable land use:

A) Establishing trust between the lessee and leaseholders

Research and studies in Ethiopia show that insecurity of land tenure restricts rights in land, reduce incentives to productively invest in land, and limits transferability of land. In turn, these pose significant constraints to urban land development and economic growth. The absence of secure rights to a specific plots of land results in the periodic reallocation of land to accommodate the household level, these insecure rights in land use result in low investment in land, little diversification in production, bad land use practice, and low productivity. People from different segments of the society have pointed out their concerned about the implementation processes and the specific regulation regarding the termination of lease period and compensation issues. These situation realized that it so complicated to effectively implement the land lease policy. Termination of leasehold have not appeared to the city government so far but considering these facts and putting clearly the suspicions in advance will protect both parties in the future payment of compensation has mentioned on which the city government has planned to expropriate land. According to the proclamation 271/2001seciton 25(1)(b)

“The lease hold of urban land shall be terminated, where it is decided to use a land for a public interest” but it has not clearly explained how the process would transparent and participatory. There is a sense of suspicions that people are

raising the issue of fairness and transparent mechanism of compensation. The other concern is regarding to the financial cost of the lease hold right is too high. For the reason that two plots of land located in proximity are going to pay different amount of money for the use right on land, when one of which is freehold /permit hold pays less than the leasehold. Therefore, city government must make the policy all about the people by opening all the doors, which make people parts of their own business.

Past experience and culture are important in considering a new land policy. In Ethiopia, as well as in Addis Ababa the dominant way of urban land ownership throughout the country's history has been Freehold and this tradition affect the successful implementation of the new land policy. Although neither the policy makers nor the government of Ethiopia agree other idea of perpetual leasing of residential lands, this solution is still ideal and worth considering for the possible land appreciation due to public decision and expenditure privately owned land could also be captured through property and other different land related taxes. The economic question related to urban land is not then a matter of who owns it but allocates and use it efficiently.

The advantages of providing perpetual leasing of residential land may include:

- a) It reduces the administrative equipment imposed other local government which neither the capacity nor the experience as such land tenure arrangement related to the leasing, charging and fee collection process.
- b) It permits the private land and property transaction to operate and develop a properly functioning market in the future which in turn will help the government to decide how, when and at what price to dispose land I the city.
- c) It will help over come to the discrimination among previous and new home owners and achieve equity I compensation producers which the policy tries to solve.
- d) Social versus economic function of land; land is the gift of God and the wealth of a nation which belongs to people. It has a dual function, with its social function; it expresses the social relations between people and society. With its economic function, it is traded as a commodity which can be freely bought and sold in the market.
- e) The present tendency and excitement of generating all the required resources from land leasing seems to focus more on the commodity nature of land as land expressing the economic relation between people) and the social

function which should take precedence is likely to be forgotten. The greatest problem with this approach is that care is not to neglect the social aspect of land, prime lands reserved for social functions (schools, residential development, health, social housing, parks etc.) and those sites occupied presently by very low income people and the poor are going to be leased without proper compensation for the dislocated.

B) Improve Urban Land Management system in the city

To create conditions for adequate urban land for residential, industrial and other uses and to improve the economic efficiency in urban land supply:

i) Improve the Efficiency and Transparency of Land Markets

Mechanisms that can be employed to improve the efficiency and Transparency of land markets include:-

- 1) Improved mechanisms for land transfer (cadastral Mapping, land titling, and registration);
- 2) Land information systems for the benefit of private and public interests;
- 3) Deregulation/relaxation of avoidable land-use controls institutional and legal reforms that would permit for urban land to be used as collateral in the full amount.

ii) Rationalize Institutional Framework and Capacity Building

The framework for land administration needs to be rationalized in the context of decentralizing responsibilities currently in place for urban management. This may require merging land development Public agencies that operate at the national level with local governments. Some of the priority areas that need to be addressed in capacity building include training in management skills, especially in response to demand-led provision of services; development of expertise in performance monitoring; financing of investments; evaluation of development proposals; coordination of spatial planning and sector investments; and use of community resources.

iii) Accelerate Efficiency in the Delivery of Serviced Land and Public Services

Accelerating efficiency in the delivery of public services and land serviced with adequate access to roads, water, drainage, and electricity through:

- a) Developing efficient, transparent and simplified land delivery mechanism, including cadastral systems, land registration mechanisms, land transactions, legal frameworks, land valuation and taxation as well as land consolidation and readjustment;
- b) Delivery and regulation of public services in partnership with private profit and non-profit organizations, including civil society organizations [CSOs],

community-based organizations [CBOs], and nongovernmental organizations [NGOs] to sites with or without such services;

- c) Promoting integrated, inter-sectoral planning and land management;
- d) Improving the effectiveness and efficiency of local revenue collection from taxation on land and buildings;
- e) Capacity-building actions bolstering local capacity;
- f) Treating land as an asset in an investment portfolio to secure funding and provide security for private sector partners; and
- g) Using land pooling mechanisms as part of public-private partnerships, using techniques such as joint ventures for commercial property development, land readjustment and guided land development.

IV) Establish Procedures for Public Participation and Civic society Engagement

In respect of civic engagement and participation, the objective is to encourage the civil society to actively contribute to the common good. This requires empowering the civil society to participate effectively in the decision-making process. In addition, effective procedures are vital for public participation in decision-making on the use of land and location of infrastructure investments. In this regard, it is important that the planning processes incorporate specific mechanisms and resources to facilitate discussions/consultations with a wide range of stakeholders, NGOs, business groups, environmental and other pressure groups, and academia as well as other public sector agencies. There should be procedures for an interactive process of plan development and project implementation, using focus groups for example, Mechanisms to be developed and put in place to ensure public participation in the urban land management and administration processes.

C) Promoting Good Urban Governance

Four principles for achieving good governance underlie all policies for strengthening urban land management. Dealt with briefly below, these are accountability, participation, predictability, and transparency.

i) Accountability

If officials and staff in urban administration are to be held accountable to policy makers and stakeholders alike, their work needs to be assessed using performance indicators and benchmark criteria. This holds also true to the delivery of services by the private sector.

ii) Participation

Greater participation by all stakeholders, standing for a growing number of interest groups that would like more say in urban land policy development and implementation, is an essential prerequisite of good governance. Participatory approaches are of particular relevance to enhance the role of the private sector. Community participation will further enhance improved service delivery.

iii) Predictability

In situations where cities are growing faster than the institutional capacity to manage the growth, administrative and legal procedures are often applied erratically and to the disadvantage of stakeholders, particularly in respect of streamlining administrative and legal procedures. In relation to urban land management and administration, streamlined procedures for land registration and the validity of titles ensure predictability and confidence to households and businesses. Potential private investors in the delivery of city services need confidence that the legal system is adequate in terms of contract law, dispute procedures, and clear allocation of responsibilities.

IV) Transparency

In dealings between the private sector and local governments, transparency is often lacking. A good example is the deprivation of freely available data on land markets, resulting in increased costs to the potential developer and corrupt practices. The institution of computer-based land information systems facilitates the storage and dissemination of data freely, hence promoting transparency and accountability. Clearly, the accountability of local authorities to civil society is a fundamental tenet of good urban governance. Transparency and accountability are further essential to local government credibility and stakeholder understanding of local government viewpoint and who benefits from government decisions and actions. Access to information is fundamental in this exercise. Applied to urban land management, the principles of accountability, participation, predictability, and transparency require:

- 1) Regular, organized and open consultation with Civil Society on the matters concerning land
- 2) Ensuring transparent management of an open land market by removing administrative and procedural incentives for corruption
- 3) Ensuring transparent, comprehensive and accessible system in land rights transfers and security of tenure; and
- 4) Establishing codes of conduct, enhancing of service to the public, putting in place adequate remuneration to the public servants, creating public feedback mechanisms, and providing access for information on land management and land administration.

References

- Abate, A (1983), *Urbanization and Regional Development in Ethiopia*, Addis Ababa University.
- Bell, K., (2009). *Trends in Land Administration and Management with particular reference to World Bank support for projects in the East Asia region. International federation of surveyors, 7th FIG Regional Conference in Hanoi, FIG. Article of the Month- November 2009.*
- Birke Y. (1997) *The History of Urban Morphology and Land Use in Ethiopia in the Context of Changing Land Policies*
- Chimhamhiwa, D., P. v. d. Molen, et al., (2009). "Towards a Framework for Measuring and To End Performance of Land Administration Business Processes- A Case Study." *Computers, Environment and Urban Systems*.
- Central Stastic Agency 2010, a nnual report.
- Clver, J. and S. Eriksen, (2009). "The Effects of Land Tenure Change on Sustainability: Human Security and Environmental Change in Southern African Savannas." *Environmental Science and Policy*.
- Dale- Johnson, D. and W. Brzeski, (2003). *Long-Term Public Leaseholds in Poland Implications of Contractual incentives. Leasing Public Land Policy Debates and International Experiences. S. C. Bourassa and Y. H. Hong. Toronto, Ontario, Canada, Lincoln Institute of Land Policy.*
- Darin-Drabkin, H (1977), *Land Policy and Urban Growth, Program, Oxford,*
- Davis, N., (2008) "Evaluating Collaborative Fisheries Management Planning: A Canadian Case Study." *Marine Policy*.
- Deininger, K. W., (2003b), *Land Policies for Growth and Poverty Reduction. Oxford etc, Washington, D.C., Oxford University Press, the World Bank.*

- Dennis, R. (1994) "Does Public Ownership and Management of Land Matter for Land Market Outcome?" *Urban Land Use and Land Markets*.
- Dowall, D. E., (1992). "The Benefits of Minimal Land Development Regulation." *Habitat International*.
- Dowall, D., (1991), "Land Market Assessment: A New Tool for urban management." *Urban Management And Land*), Washington, DC: Banco Mundial.
- Enemark, S. and P. Van Der Molen, (2008). *Capacity Assessment in Land Administration. Denmark, the International Federation of Surveyors (FIG)*.
- FAO, (2007), "Good Governance in Land Tenure and Administration." *FAO land tenure studies*, retrieved 6,09,2009, from **Error! Hyperlink reference not valid.**
- Farvacque C. and P. McAuslan (1992). "Reforming Urban Land Policies and Institutions in Developing Countries." "Land Use Policy.
- farvacque- C. and P. McAuslan, (1992). *Reforming Urban Land Policies and Institutions in Developing Countries*. Washington DC, World Bank Publications.
- FDRE, constitution 1995, Art.49, Addis Ababa.
- FDRE, proclamation No. 721/2011, *Urban Land Holding*, NegaritGazeta, A.A.
- FDRE, proclamation No. 80/1993. *Urban Land Lease Holding*; NegartGazeta, Addis Ababa.
- Garba, B. and Al-Mubaiyedh (1999) "An Assessment Framework for Public Urban Land Management Intervention" *Land Use Policy*.
- Garba, S. B. and S. Al-Mubaiyedh, (1999). "An Assessment Framework for Public Urban Land Management Intervention." *Land Use Policy*.

- Garba, S. B., (1993). *Urban Land Management Problems and Low Income Housing: Case Study of the Kano Metropolitan Area. The Canadian International Agency International Conference on Nigerian Indigenous Building Materials.*Zaria, department of Architecture, Ahmadu Bello University.
- Gebere, S (1994), *Urban Land Issues and Policies.*
- Gondo, T., (2008). “Ethiopia’s Urban Land Delivery System and the Poverty Challenge: Issues, Challenges and Prognosis.” *Municipal Development Partnership for Eastern And Southern Africa.*
- Harold B. (1983). *Urban Land Policy: Issues and Opportunities.*
- Hong Y and Bourassa (2003b). *Why public leasehold? Issues and Concept. Leasing Public Land Policy Debates and International Experiences.* Toronto, Ontario Canada, Lincoln Institute of Land Policy.
- Hong Y. and S. Bourassa, (2003b). *Why Public Leasehold? Issues and Concepts. Leasing Public Land Policy Debated and International Experiences.* S. C. Bourass and Y. –H. Hong.Toronto, Ontario, Canada, Lincoln Institute of Land Policy.
- Hong, Y. (2003). *Policy Dilemma of Capturing Land Value under the Hong Kong Public Leasehold System. Leasing Public Land Policy Debates and International Experiences.* S. C. Bourassa, Hong, Yu-Hung Toronto, Ontario, Canada, Webcom Ltd.
- Ikejofor, U., (2006). “Equity in Informal Land Delivery: Insights From Enugu, Nigeria.” *Land Use Policy* 2394).
- Jiang Xu and Yeh. A. (2009) “Decoding Urban Land Governance: State Reconstruction in Contemporary Cities: Urban Study.

- Jogan, I. and Patassini, D. Eds. (1996). Urban Land Management in Ethiopia the Case of Makalle. Venice, Post Graduate programme in Urban and Regional Planning for Developing Countries.*
- Leslie A. Beyond Policy Analysis: 3rd edition 2005.*
- Li, L., (2009). "Provincial Discretion and National Power: Investment Policy in Guangdong and Shanghai, 1978-93." The China Quarterly.*
- Lofland, J., (1984). "Lofland, LH" Analyzing Social Settings: A Guide to Qualitative Observation and Analysis. Belmont, CA: Wads Worth Publishing Company. Inc.*
- McAuslan, P. and C. Faracque, (1991). Improving Urban Land Markets: Policy Reforms of Institutions and Instruments, Washington DC: World Bank/ UNDP/UNCHS.*
- Michael Mattingly, 1993, Managing Fast Growing Cities London: Long Man Group UK. LTD.*
- Mihret A. (1999). The City of Addis Ababa: Policy Options for the Governance and Management of a City with Multiple Identity. Addis Ababa University.*
- Mitchell, D., Clarke, M. et al., (2008). "Evaluating Land Administration Projects in Developing Countries." Land Use Policy.*
- Molen P. v. d., (2002). Benchmarking the Cadastre in the Netherlands: Some General Considerations and the Case Benchmarking Cadastral Systems, D. Studler and J. Kaufman, FIG.*
- Musole, M., (2000). "Property Rights, Transaction Costs and Institutional Change: Conceptual Framework and Literature Review." Progress in Planning 7(2).*
- Pal A. and Birre Y. (1997). The History of Urban Morphology and Land Use in Ethiopia in the Context of Changing Land Policy.*

- Payne, G., A. Durand- Lasserre, et al., (2009). "The Limits of Land Titling and Home Ownership." *Environment and Urbanization* 21(2).
- Plumptre, T. and J. Graham, (1999). "Governance and Good Governance: International and Aboriginal Perspectives' Institute on Governance (Papers on International Conflict Resolution).
- Reed, M., (2008), 'Stakeholder Participations for Environmental Management: A literature review." *Biological Conservation*.
- Silveman, R. M., (2009). "Sandwiched Between Patronage and Bureaucracy: The Plight of Citizen Participation in Community Based Housing Organizations in the US." *Urban Stud.*
- Toomanian, A. and A. Mansourian, Zevunbergen, JA. (ed), (2009), "An Integrated Framework for the Implementation and Continuous Improvement of Spatial Data Infrastructures." *SDI Convergence*.
- UNESCAP, (2006). "What is Good Governance?" retrieved 16/10, 2009, from http://scholar.google.nl/scholar?cluster=10400355937018812049&hl=en&as_sdt=2000.
- United nation, (1975) *Urban Land Policies and Land Use Control Measures, vol. VII, Global Review, New York.*
- United nation, 1976, *Urban Land Policies and Land Use Control Measures, Volume VII, Global Review, New York.*
- Yemane, T. (1969) *Statistics an Introductory Analysis, 2nded, New York USA.*
- Yin, R., (2003). *Case Study Research: Design and Methods, Sage Publications Inc.*
- Yirsaw, B., (2006). *Ethiopian Urban Land Lease Policy Case Study of the Lease Towns of Amhara National Regional State and Addis Ababa. Institute of*

land Administration Bahir Dar, Ethiopia. Bahir Dar University. MSC, Thesis.

Zakout, W., B. Wehrmann, et al., (2007). "Good Governance in Land Administration: Principles and Good Practices. "Draft Publication, World Bank and FAO.

Zeluel, A., (2000). The Evaluation of Land Lease Policy of Addis Ababa, Land and Real Estate Management. Addis Ababa, ECSC: 11.

Zevenbergen, J., A. Frank, et al, (2007). Real Property Transactions, Procedures, Transaction Costs and Models. Amsterdam, the Netherlands, IOS Press.