



Addis Ababa University

College of Business and Economics

Department of Public Administration and Development

Management

The challenges of land banking in Addis Ababa; the case of kolfe keranyo sub-city

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Addis Ababa, Ethiopia

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**The Challenges of Land Banking in Addis Abeba; the Case of Kolfe
Keranyo Sub City**

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A thesis submitted to the Department of Public Administration and Management of Addis Ababa University in partial fulfillment of the requirements for the Degree of Masters in Public Management and Policy.

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This is to certify that the Thesis prepared by Tariku Yinesu entitled “The challenges of land banking in Addis Ababa;the case of kolfe keranyo Sub-City”, submitted in partial fulfillment of the requirements for the Degree of Master in Public Management and Policy, complies with the rules and regulations of the University and meets the accepted standards with respect to originality.

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I, the undersigned, declare that this thesis is my original work and has not been presented for a degree in any other university and that all sources of materials used for the thesis have been duly acknowledged.

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Acronyms

AACCSA	Addis Ababa Chamber of Commerce & Sectorial Associations
BPR	Business Process Re-engineering
BSC	Balanced Score Card
CDC	Community Development Corporations
CSA	Central Statistics Agency
FAO	Food and Agriculture Organization
GIS	Geographic Information Technology
IT	Information Technology
LIS	Land information systems
UN-Habitat	United Nations Human Settlements Programme

ABSTRACT

Land banks are governmental organization that are established for the purpose of converting vacant, abandoned and foreclosed properties into useful factor of production. Land banking was officially established in Addis Ababa city in 2009/2010 under the urban development, banking and urban renewal project office of Addis Ababa city. The land banking practice has been facing a number of challenges since its establishment. This study was undertaking with the main objective of identifying the main challenges of land banking practice in kolfe keranyo sub city of Addis Ababa city. Stratified random sampling and purposive sampling techniques were used to get appropriate data and address the main objective of the study. The study has found out that the main challenges of land banking in kolfe keranyo sub city in particular and Addis Ababa city in general include poor organizational structure, lack of modern land information system, weak financial sources, lack of skilled manpower and weak urban governance system. Since land banking has lots of advantages of economic development of the sub city and has good future development, the government of Ethiopia has to give special attention for the promotion of land banking and effective use of land resources in order to address the future need of urban land for various development activities and achieve governmental plans of the country.

Key words: kolfe keranyo sub city, land banking and challenges

CHAPTER ONE

1. Introduction

1.1 Background of the study

Land is one of the scarce resources that human beings use as the base of many economic activities such as agricultural production housing construction, etc. As a scarce resource it requires effective and efficient utilization by human beings. It is common to see unwise utilization of land resources in developing countries including Ethiopia.

The World Bank (1999) asserts that urban land has become the base for socio-economic development serving as the main revenue source for Municipalities. However, the security and fixed nature of land in supply is a big challenge to fulfill the existing demands of different and competing land uses. Moreover, as the demand for land rises and the supply is limited, low income groups may be forced to occupy land illegally, but without serviced sub-divisions of land at the periphery of towns tend to be most vulnerable to both natural and manmade hazards.

The federal democratic republic of Ethiopia (FDRE) constitution article 40 clearly states that land is the property of the state and the people of Ethiopia. Therefore, land banking in Ethiopia is solely done by the government of Ethiopia as there is no room for private ownership of land.

The concepts of “land banks” and “land banking” first emerged in the 1960s as proposals for new urban planning tools. (*http.en:wikipedia.org/wiki/land banking.*)

Metropolitan areas throughout the United States were experiencing two directly related trends in planning and development. The first was urban sprawl—the unconstrained and unrestrained shift of new development to ever-expanding rings of first tier and second tier suburbs. The second was the decline and abandonment of inner-city neighborhoods which became the focus of massive public initiatives in the various programs of the Great Society—urban renewal and model cities. The urban renewal and model cities programs of the 1950s and 1960s were simply inadequate to deal with the social preferences for leaving behind the inner cities in favor of the promises of the suburbs. It was in these dual trends of unregulated urban sprawl and inner-city abandonment that the idea of a land bank began to emerge. (Alexander; 2011).

Land banking is the process or policy by which local governments acquire surplus properties and convert them to productive use or hold them for long-term strategic public purposes. *Land banks* are public authorities or special purpose not-for-profit corporations that specialize in land banking activities. Land banking can be undertaken by other public agencies, and not all communities need to create a separate land bank. In some communities, redevelopment authorities can and should serve a modified land banking function, and in others a land banking function could be managed by a housing and community development department. In recent decades, redevelopment authorities have tended to be narrowly focused in a specific geographic area or on a specific redevelopment project, and often lack the flexibility to acquire surplus properties wherever they may exist, or to convert individual properties into productive use as new single-family residences. Similarly, housing and community development departments commonly lack capacity for property management, and are constrained by state and local laws in the terms for disposition of property. There is a dangerous tendency for local governments to look at land banks as the complete solution to the challenges they face. Such a dream, however, is often neither accurate with respect to the underlying facts nor realistic with respect to the necessary solutions. If a local government lacks the internal capacity to manage substandard properties, then creating a land bank whose staff will consist of the existing city agencies or departments will not change the outcome. Similarly, if a given local government is dominated by elected officials who insist on micromanaging each and every decision related to the real property of the government, then creating a land bank will accomplish little in terms of efficient operations unless the day-to-day governance authority of the land bank is separated from the elected public officials.

Land banking In Ethiopia

Land has been one of the most important factor of production and expression of wealth and power throughout the history of Ethiopia .The land tenure system of Ethiopia has always been changed with change of its leaders or rulers. Land was privately owned during the Haile selassie regime. When the feudal system was overthrown, the derg regime came up with state ownership of land and abolished the imperial land tenure system. The current government of Ethiopia follows state ownership of land similar to Derg but is adopting lease hold system unlike the derg's free hold system.

Recent land tenure regimes in Ethiopia fall into three broad time periods. Before 1975, land tenure was based on a feudal system where land was concentrated in the hands of absentee landlords and the church, tenure rights were highly insecure, and arbitrary evictions took place. Following the overthrow of the imperial regime in 1974, the Marxist-oriented government (the Derg) transferred ownership of all rural land to the state for the distribution of use rights to cultivators through local peasant associations. The further transfer of land rights was highly restricted, because transfer through sales, lease, exchange, or mortgage was prohibited, and inheritance was severely restricted. Tenure security was further weakened by the peasant associations' and other authorities' ability to redistribute land. The government that took power in 1991 following the fall of the Derg—while committed to a free market philosophy has made little substantive change to farmers' land rights, which are still considered inadequate.

The 1994 Ethiopian Constitution draws a broad framework for land policy in the country and enshrines the concept of public land ownership and the inalienability of landholdings. The Ethiopian Constitution asserts state ownership of land; there are no private property rights in land. Article 40(3) states (*USAID/Ethiopia May 2004*).

1.1 Statement of the problem

Land banks play various roles in the process of converting vacant, abandoned, and foreclosed lands into economically productive use. The creation of lands bank is a good indication of either the inability of conventional real estate market to acquire and redevelop such properties of legal and administrative problem (Alexander, 2011). Report made by the Addis Ababa city administration in November 2010 show that it has lost over 96 million birr (5.8 million Dollar by the then exchange rate) because of illegal land grabbing by real estate developers and the problem of implementing projects or entering into action in the specified time by these developers on the lands that they acquired for various developmental activities or projects such as provision of houses for high income groups. In a bid to curb such problems the city administration has exerted utmost efforts to return about 923,380 square meters of land which was illegally grabbed by different real estate developers in different sub cities of Addis Ababa in to its land banks located in different sub cities of the cities. This research was aimed to investigate the effectiveness, effectiveness and workability of urban land banking attempts taking

kolfe keranyo as the case study based on the proposed topics .The level of land banking effectiveness was not studied earlier which satisfies under taking of this research.

1.3 Study objective

1.3.1 General objective

The main objective of this study is to identify the major challenges of land banking practices in kolfe keranyo sub city.

1.3.2 Specific objectives

1. To examine the main causes of problems in land banking practice in kolfe keranyo sub city.
2. To assess the institutional capacity of land banks in addressing problems in kolfe keranyo sub city.
3. To analyze the benefits of land banking practice in kolfe keranyo sub city.
4. To solve problems related with land banking practice in kolfe keranyo sub city.

1.4 Research Questions

1. What are the main causes of problem in land banking practice in kolfe keranyo sub city?
2. How effective is the institutional capacity of land banking in addressing problems related to land banking in kolfe keranyo sub city?
3. What are the major challenge of land banking practice in kolfe keranyo sub city?
4. What recommendation can be forwarded to solve problems related with land banking practice in kolfe keranyo sub city?

1.5 Significance of the study

This study will be an important input for policy makers in urban land banking systems .The study can also serve as an important asset for urban land banking institution in Addis Ababa especially on how to address problems related with land banking practice. Above all, the study will play an important role in forwarding ways on how to develop well organized land banking systems in kolfe keranyo sub city so as to satisfy the needs of the customers with better service. Since there is no research done on the topic in kolfe keranyo sub city so far, this study can be used as a spring board for future researchers or individuals who want to undertake studies on land banking or related areas in kolfe keranyo sub city.

1.6 scope of the study

The study is geographically limited to kolfe keranyo sub city of Addis Abeba and is meant to address the challenges of land banking practice in the sub city. The sub city constitut around 15 woredas .However, due to shortage of time and financial resources only one (worreda 04 and 07) will be the main target of the study for sampling purposes. Moreover, the study will be limited to the challenges of land banking practice in content.

Depending on available primary and secondary data, the research draws general picture of the sub city's land banking by assessing practice and challenges. But, it is not easier to get bulk of secondary data (literatures) at kolfe keranyo sub city level.

The temporal scope of the research covers the time period from establishment of urban land banking in 2005 E.C. As the same time the methodological scope of the research was descriptive.

1.7 Limitation of the study

Like all other scientific researches, this study has some limitations. The study try to assess the challenges of land banking in the case kolfe keranio sub city by taking only most important variable at sub city levels. In addition there was shortage of time during data collection. But the researcher mitigate by taking leave for 10 days from the office and trying to collect the data.

1.8 Organization of the Paper

The research paper is organized into five chapters. Chapter one is the introductory chapter where the statement of the problem, the research questions, and research objectives are presented. The second chapter is literature review where the both theoretical and empirical literatures were reviewed. Basic concepts are also defined and a conceptual framework is developed based on the literature in this section of the paper. The third chapter outlines the research methodology. The fourth chapter presents the data presentation and analysis. The final section of the paper offers conclusions and recommendations about land banking practices in kolfe keranyo sub city.

CHAPTER TWO

2. Literature review

2.1. What is Land?

Land is a term widely used throughout the world but definitions are not frequently given. Our objective is just to fix the appropriate limits when approaching land cover and land use, to describe the physical “foundations;” the reference areas to be taken into account for land cover and land use. As a first rule, consider the objects above Earth’s surface. This approach is easily understandable for land cover. For land use, the situation is definitely more complicated.

In most African countries, land lies at the heart of social, political and economic life; it also has a major historical and spiritual significance. At one time, land was deemed as an almost inexhaustible resource in Africa, but the rapid population growth and market development are creating mounting complication and pressures on it, especially on land close to towns and cities and land of high productive value (World Bank, 1999).

Land is a major source of income of the public through efficient and effective property tax, direct tax on land, rent on public land, development land tax, capital gains tax that need to be guided by the available land policy and management. Good land management helps to improve the social and economic lives of millions of poor people. But little seriousness is shown for rational land management. The result of this is shown in a continuous increase of land prices leading to land speculation, scarcity of developed urban land particularly for housing and to the proliferation of slums and extra illegal settlements with little or no infrastructure services (Alexander; 2011).

2.3 What is a land bank?

2.3.1 Land Banking

Land banking involves the purchase of land now for future uses. In the case of open space planning, land banking involves acquisition of land prior to development of an area, or in preparation for needing to mitigate future development impacts. For example land banking can be used to develop a greenbelt, to preserve areas of shoreline, or to protect ecologically valuable land such as wetland. (Alexander; 2011).

2.3.2 Land Banking Definitions

There is no one single definition of land banking. The land banking concept can be applied in a variety of different ways depending on the context and whether it is applied by the private sector or public sector. Land banking is not only a tool for public authorities it is also used by private investors speculating on land value as a profit-making endeavor.

Land banking in the context of the public sector in developed countries is most often discussed as a strategy for dealing with: Urban renewal, Preserving open spaces and Stabilizing property and land values in a particular area (*Cleveland State University, 2005: 17*)

Technically, ‘Land banking is the practice of purchasing land with the intent to hold onto it until such time as it is useful or profitable to release the land for housing or other purposes’ ((Alexander; 2011).

A land bank is a public authority created to efficiently hold, manage and develop tax-foreclosed property (smart growth, 2005). Land banks act as a legal and financial mechanism to transform vacant, abandoned and tax-foreclosed property back to productive use. Generally, land banks are funded by local governments' budgets or the management and disposition of tax-foreclosed property.(van Leeuwen,2004) In addition, a land bank is a powerful locational incentive, which encourages redevelopment in older communities that generally have little available land and neighborhoods that have been blighted by an out-migration of residents and businesses.(Edward and Bradshaw,2003) While a land bank provides short-term fiscal benefits, it can also act as a tool for planning long-term community development. Successful land bank programs revitalize blighted neighborhoods and direct reinvestment back into these neighborhoods to support their long-term community vision.

Land banks are not financial institutions. They are public or community-owned entities created for a single purpose: to acquire, manage, maintain, and repurpose vacant, abandoned, and foreclosed properties –the worst abandoned houses, forgotten buildings, and empty lots.

There are approximately 75 communities now operating formal land bank programs across the country. And while land banks are most often associated with communities with large-scale blight and abandonment, many communities now see the benefit of implementing land banking

as a means of preventing the contagious blight that can sweep across urban neighborhoods like a plague, infecting house after house until whole blocks – even neighborhoods -become empty and abandoned shadows of their former selves.

Land banks across the country are often created to replace an antiquated system of tax foreclosure and property disposition. Land banks replace those “liquidation” based systems generally comprised of the sale of tax liens (the uncollected tax receivables of a given municipality) or public tax auctions are essentially liquidation systems, wherein government trades their interest in tax-delinquent property to speculators, often for pennies on the dollar. Those systems place a higher premium on the modest collections derived from such transactions, with no consideration for the impact such a transaction will have on surrounding properties. That impact, in cities across America, is devastating to a neighborhood struggling to hold its own in an already weakened market. Those local governments sell interest in properties to investors who view property not as real estate, but as an investment on paper to be sold to another investor or simply represent a loss in the larger pool of properties or tax liens they may have acquired. It is rare that such sales lead to reinvestment in those properties. Families don’t shop for the family home at tax lien sales, and developers don’t seek the site for their next multi-million dollar deal at the courthouse auction.

A land bank is the alternative to such systems, as they give communities the opportunity to repurpose abandoned properties in a manner consistent with the communities’ values and needs - demolishing unsalvageable homes and creating open green space or a community garden, restoring interesting buildings, or simply holding land in careful stewardship until a new purpose can be determined.

Land banks treat properties as real estate, not as a disposable commodity that, once used, no longer has a meaningful purpose (www.hud.gov/nspta).

2.3.3 History of Land Banks

Land banks first emerged in the 1960s as an urban planning tool. Over the past two decades, land banking has become an increasingly important tool for cities challenged by vacant and abandoned properties. Many urban industrial centers throughout the nation were built for populations that simply were either never achieved or that were abandoned due to sprawl. The

Ohio land banking legislation has become a model for other states, such as New York and Georgia. County land banks are nonprofit organizations whose mission is to strategically acquire properties, and return them to productive use, reducing blight, increasing property values, supporting community goals, and improving the quality of life for county residents. While each county land bank is somewhat different, customized to the unique needs of the community it serves, land banks typically have three main functions.

Acquire and consolidate (or aggregate) vacant parcels through purchases, donations, or intergovernmental transfer from public foreclosure holdings. Clear title to land and prepare parcels for transfer to a third party for redevelopment or reuse. Prioritize land for disposition or reuse, selling land for redevelopment to a third party.

The success of Ohio's first land bank in Cuyahoga County led to subsequent legislation expanding eligibility first to all counties with populations over 60,000 and later to all counties in the state.

The Michigan model

Ohio's county land bank concept was based on a successful program in Genesee County, Mich., which includes the industrial city of Flint. The Genesee County land bank was initially created in 2002 under Michigan state laws permitting urban cooperation agreements and was expanded following the enactment of the Michigan Land Bank Act in 2004. Genesee's land bank acquires an average of 1,000 abandoned properties each year and has been the catalyst for increasing property values in the county by more than \$100 million.

Dan Kildee founded the Genesee County Land Bank. Kildee is nationally regarded as a pioneer in community development and neighborhood stabilization. Kildee delivered the keynote address at The First Convening of Ohio Land Banks in Cleveland in 2011.

The opportunity ahead

Today, Thriving Communities Institute is helping counties across Ohio establish their own land banks. The timing could not be better. Land banking can be a valuable land use tool for current market conditions. In strong economic contexts, housing and building codes, which first began to emerge in the late 19th century, and zoning laws, which evolved over the past 75 years, have

been vitally important and effective tools for local government land use planning and management. However, when real estate markets are cool, as they are currently, neither housing codes nor zoning regulations can effectively handle the excess of supply over demand. During such times, and even more generally, confronting the ebb and flow of market demands for real estate has always been one of the toughest challenges for local governments.

Markets for land rarely, if ever, operate efficiently. By definition, a parcel of land is a unique commodity fixed in location and not interchangeable with competing products. Unlike the demand for discrete products that are fungible in nature, the inelasticity of the land market does not generally allow prices and consumption to adjust to relative demand and available supply. Furthermore, property titles consist of sets of separable but connected interests which, when held by parties disconnected from each other and from the land, leads to a variety of dysfunctional conditions. Land banking offers an approach to resolving these market inefficiencies. (<https://www.wrlandconservancy.org/>)

2.4 The four critical elements for successful land bank initiatives

1. Connect the Land Bank to the tax collection and foreclosure system. Tax collection is the principal interaction with abandoned properties –as owners typically do not pay taxes on abandoned property. The effective use of the governments’ superior tax lien can be the primary mechanism of acquisition of the properties. Further, connecting the economics of tax collection to the management and disposition of properties coming through the process is a critical element. Most tax systems privatize profits through penalties and interest earned by tax lien investors, or from equity derived from more valuable properties that are foreclosed. The land bank model captures that revenue stream and utilizes those financial resources to manage the properties held by the land bank. In both scenarios, the property would be lost to the owner – this ‘improved’ system simply places that process and the earnings derived from the collection process under the control of the community, not out-of-state speculators. It is imperative that any such public system include a strong foreclosure prevention effort.

2. Scale the land bank at the metropolitan level, or around the most diverse real estate market possible. Land banks are most effective when they are not relegated to ownership of only the worst of the foreclosed or abandoned properties. A common fallacy of tax foreclosure – or

property abandonment – is that it is all “junk” property. While most of the properties titled to land banks would meet that definition, it is the case that a small percentage of tax-foreclosed properties have some market value – occasionally significant value. By scaling the land bank around a diverse market, the possibility is increased that more valuable properties conveyed to private ownership through a land bank will generate revenues to be used in managing and improving the most difficult properties. This source of internal subsidy is founded on the notion that a land bank is better positioned than a public auction to convert valuable properties to productive use, and can utilize the earnings from land sales to rehabilitate, clean, board, or even bulldoze other properties in worse condition. The Genesee County Land Bank generates between \$500,000 and \$1 million per year in land sales, money which not only recovers the uncollected taxes on those properties, but also funds a robust property maintenance program.

3. Ensure a Land Bank is policy driven – and transparent in policies and transactions. The public –for good reason – is often suspicious of any government role in the real estate market. In the case of these properties, of course, the government already owns the property as a result of tax foreclosure. Still, it is critical that the operation of a land bank be fair and predictable. To build public confidence in a Land Bank, the adoption of well-considered policies and priorities that govern to whom –and for what purpose – properties are sold or transferred. Terms and pricing policy must be clear and uniform, as well.

4. Emphasize community engagement and participation. The land held by Land Banks is typically scattered among neighborhoods throughout the community. So, the Land Bank has neighbors, sometimes thousands of them. The most successful Land Banks engage those neighbors on the policies and practices that determine the outcomes for those neighborhoods. Public acceptance of the hard choices that will inevitably need to be made regarding property held by a Land Bank is much more likely when those neighbors have a voice – a formal voice – in policy and operations. By formalizing that process, through regular neighborhood meetings, and in some cases with the formation of a Community Advisory Council, Land Banks get public input on terms that make that input more meaningful than if that input comes in the form of uninvited anger or frustration with land use decisions. (www.hud.gov/nspta)

2.5 Why have a land bank?

land is one of the most important factors in local economic development today and must be managed well to improve existing land use practices, enhance livability of communities, and support local community development.(ibid) In recent surveys, the Brookings Institute found that on average 15% of the land in major American cities is vacant.(Pagano, M. & Bowman, A. 2000) Vacant and abandoned land does not produce sufficient property tax revenue for cities, which generally is their main revenue source. This lack of funds impedes a city's ability to sustain its operations, programs, and services. In addition, vacant and abandoned land discourages property ownership, depresses property values, attracts crime and creates health hazards.

To understand why it is important to have a land bank, it is necessary to assess the costly impact of vacant and abandoned land in communities. When there are vacant and abandoned properties in communities, neighboring property owners and the municipalities incur significant costs. The U.S. Fire Administration reports that over 12,000 vacant structure fires are reported each year in the U.S., which results in \$73 million in property damage annually. (Smart Growth, 2004) In addition, abandoned properties tend to attract crime. A 1993 study of 59 abandoned properties in Austin, Texas, found that 34 percent were used for illegal activities and of the 41 percent that were unsecured, 83 percent were used for illegal activities.(Ibid) This crime drains police department resources and leaves residents feeling unsafe in their own neighborhoods.

When property owners neglect and abandon their properties, the local municipality must use its own resources to clean and maintain the properties as part of their nuisance abatement responsibilities to protect the public health, safety and welfare of its community. For example, from 1999 to 2004, St. Louis spent \$15.5 million, which equates to nearly \$100 per household, to demolish vacant buildings.(Ibid) Detroit spends roughly \$800,000 per year to clean vacant lots.(Ibid) Abandoned and vacant properties drive down the surrounding property values, which lowers the property taxes that most municipalities rely on as a primary source of revenue.

Property abandonment can destabilize a neighborhood by causing an out-migration of property owners, who are worried about losing value on their properties due to surrounding vacant and abandoned land. A Temple University study suggests that, all things being equal, the presence of

an abandoned house on a block reduces the value of all the other property by an average of \$6,720. (Ibid) According to Emory University Professor Frank Alexander's research, "failure of cities to collect even 2 to 4 percent of property taxes because of delinquencies and abandonment translates into \$3 billion to \$6 billion in lost revenues to local governments and school districts annually."(Ibid) While it is difficult to quantify all of the costs associated with vacant and abandoned properties, it is clear that they place a tremendous cost burden on communities.

2.6 Land Bank Benefits

While abandoned and vacant properties depress property values, discourage property ownership, and attract criminal activities in the surrounding area, a land bank provides tools to quickly turn these tax-reverted properties back into usable parcels that reinvest in the community's long-term vision for its neighborhoods. Land bank programs act as an economic and community development tool to revitalize blighted neighborhoods and business districts. Land banks can benefit urban schools, improve tax revenues, expand housing opportunities, remove public nuisances, assist in crime prevention and promote economic development. (Detroit.Kirwin2004)

2.7 Land Bank Challenges

While there are many benefits to establishing land banks in communities, there are also many challenges in operating and maintaining them. Several U.S. municipalities have had challenges with running their land banks. Atlanta's land bank has a lack of sufficient acquisition funds for both Community Development Corporations (CDC) and the land bank authority (LBA).(<http://www.lisc.org/resources/>) In addition, they have a need for ongoing improvement coordination among community development departments of local governments, the LBA and the Tax Commissioner (Andrew Whitaker,2018).

Cleveland's land bank challenges are the capitalization of projects, the CDC's limited capacity to take and rehab land acquired from the land bank and the time consuming administrative procedures, including the legislative process and aldermanic approvals. (Ibid) CDCs want the City to go beyond supporting primarily tax-delinquent vacant properties and take the lead on tax-delinquent properties that have existing structures and the possibility of environmental contamination. (Ibid)

Genesee County's land bank challenges are whether urban tax-reverted properties have enough value to be purchased, even with the latest Land Bank Fast Track legislation. (Wyckoff, Mark. 2003) In addition, there are concerns whether there will be enough revenue generated by the sale of these properties to pay the costs associated with administering a Redevelopment Fast Track Authority. (Ibid)

2.8 Land Cover

Land cover corresponds to a physical description of Earth leading to a simple definition the observed physical cover of Earth's surface. This is what is overlaying or currently covering the ground. This description enables various physical categories to be distinguished—basically, areas of vegetation (trees, bushes, fields and lawns), bare soil (even if this is a lack of cover), hard surfaces (rocks, buildings), and, according to the accepted concept of land, wet areas and bodies of water (sheets of water and watercourses, wetlands) *land use, land cover and soil sciences vol. i*

2.8.1 The Practice of Land Banking

There are at least three fundamental actions to land banking

Namely:

1. Land acquisition
2. Land management
3. Land development

1. Land Acquisition

Land acquisition is a process where government take possession of land for public purposes for its own use or for private entity by paying compensation to its owner.

Land Acquisition Act was of 1894. Recently the act was replaced by Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act , 2013 which come in operation we 1st January, 2014.(<https://www.quora.com/>)

The land acquisition process for land banking is critical.

If government entities wish to acquire and hold land, they need to purchase it first. International land banking practice has occurred in situations where the public sector has been able to purchase land cheaply. Given the scale of land purchase for land banking, managing the cost of land is vital.

2. Land Management

Land management is the process of managing the use and development (in both urban and rural settings) of land resources. Land resources are used for a variety of purposes which may include organic___agriculture, reforestation, water___resource management and eco_tourism projects. Land management can have positive or negative effects on the terrestrial ecosystems. Land being over_ or misused can degrade and reduce productivity and disrupt natural equilibriums.

The management of large parcels of land over a long time period requires considerable resources. Maintenance and security issues are vital especially in locations where land is in prime position for economic, transportation and social opportunities. Alexander (2005) recommends that land banking should have a specific geographical focus and that land is purchased for the purposes of productive re-use.

3. Land Development

"Land development" means the process of acquiring land for residential housing construction, and of making, installing, or constructing nonresidential housing improvements, including, without limitation, waterlines and water supply installations, sewer lines and sewage disposal and treatment installations, steam, gas and electric lines and installations, roads, streets, curbs, gutters, sidewalks, storm drainage facilities, other related pollution control facilities, and other installations or works, whether on or off the site, which HDA deems necessary or desirable to prepare such land primarily for residential housing construction within the Commonwealth.(*U.S. Department of Housing and Urban Development, Office of Policy Development and Research, 2016*)

One of the core functions of land banks is managing the redevelopment of the parcels of land. The land can be transferred to private developers or non-profit organizations. However as public

entities, they need to ensure when redevelopment does happen, it does so within the interests of the local community and according to their strategic objectives.

2.8.2 Vacant, Abandoned, Tax-Delinquent, and Foreclosed Properties

Over the past 40 years, a combination of conditions in many cities around the country has resulted in a growing incidence of vacant, abandoned, tax-delinquent, and foreclosed properties. There is extensive debate on what drives the “life cycle” of neighborhoods, from periods of decline and deterioration to their renaissance and rejuvenation. A much greater consensus exists as to the harms vacant and abandoned properties inflict on communities. As potential fire hazards and sites for drug trafficking, vacant and abandoned properties signal to the larger community that a neighborhood is on the decline, undermining the sense of community and discouraging any further investments. These disinvestments often spread across neighborhoods and affect the overall health of a city.

While both pose significant problems, vacancy and abandonment are not synonymous. Vacancy can be defined as property that is unoccupied. It is more common in commercial areas, and oftentimes a property is vacant simply because a property owner is holding onto it as a long-term investment. Abandonment, on the other hand, is a far stronger concept. An abandoned property suggests that the owner has ceased to invest any resources in the property, is foregoing all routine maintenance, and is making no further payments on related financial obligations such as mortgages or property taxes. Though abandoned by the owner, tenants may still occupy the property, or squatters may live there without permission.

Properties that are vacant and abandoned are often tax- delinquent as well. In fact, property tax delinquency is the most significant common denominator among vacant and abandoned properties. Tax-delinquent properties are problematic for local governments not only because of the likelihood that they are vacant and abandoned, but also because of their negative impact on tax revenues. While some property owners may fail to pay property taxes due to a lack of financial resources, others choose to “milk” the equity from the property and then abandon it. The lengthy periods of time required by antiquated property tax foreclosure systems only encourage a property owner’s decision to neglect further investments. In the vast majority of cases, the failure to pay property taxes signals the eventual fate of the property because it has

long been recognized as a signal of eventual abandonment. However, tax delinquency is only an overlapping characteristic. Even occupied properties in excellent condition may be tax-delinquent, usually by inadvertence though occasionally by design.

The dramatic rise in the number of mortgage foreclosures from 2007-2013 as a result of the Great Recession presented yet another challenge in the increasing inventories of properties that are vacant, substandard, and possibly abandoned. In some jurisdictions, the mortgage foreclosure process is hampered by the lack of clarity on the identity of the mortgage lender and standing of the lender to conduct a foreclosure. In other jurisdictions, the very attempt to modify mortgage loans is constrained by conflicting incentives between loan servicers and the investors in the loans. In all jurisdictions, loan servicers and lenders are extremely reluctant to invest additional funds in vacant residential properties, preferring to minimize holding costs in the face of declining markets. These ambiguities, tensions, and uncertainties have given rise to a new phenomenon plaguing our neighborhoods and communities—that of “zombie mortgages”. Though the term “zombie mortgages” has different meanings in different contexts, the common elements are the existence of a mortgage on real property which is in default but for which the mortgagee elects not to proceed with enforcement through the final stages of foreclosure and transfer to a new owner. The owner, or former owner, believes that he or she no longer has any interest in the property and the mortgagee has either elected to “walk away” from the security or is reluctant to proceed with a foreclosure sale in fear of its own potential liability, should it become the foreclosure sale purchaser. Title to the property remains encumbered and fractured, the property remains vacant and continues to deteriorate, and the community bears all of the costs and losses.

The prevalence of vacant and abandoned properties never occurs in a vacuum. It always occurs in a particular set of social and economic conditions heavily influenced by federal, state, and local policies and by social and cultural biases. Public policies may create stable neighborhoods but they also may create conditions which lock the poor into urban slums replete with deteriorating properties. Class and race are reflected in, if not embodied by, land use plans, and the neighborhoods in decline tragically receive the fewest resources. No attempt to confront growing inventories of vacancy and abandonment can succeed without acknowledging the social

and cultural biases that shape our policies. (*Frank S. Alexander; Land Banks and Land Banking 2ND EDITION 2015*)

2.9 Land Information System (LIS)

One central point has to be made. No accountability, transparency, and effective management are possible without adequate knowledge about the qualities and quantity of public land, related legislation and regulations (where is what and what is where). Many governments share a common problem. They do not know where and how much public property they own and what rights are attached to it, where all of the existing information is located in a complex institutional environment and how complete, accurate, reliable and relevant the information is for planning and decision making. There is wide divergence in approaches and institutional arrangements for managing state land information (Treasury Board of Canada, 2000).

Effective and efficient land administration requires a land information system which can be defined as a system for acquiring, processing, storing and distributing information about land. This requires a formal registration system which is accurate, current and accessible to the public (including online access). Without an information system/land registry no effective land administration can be expected. Land registration is carried out with the prime objective of providing safe and reliable foundation for the acquisition, utilization and disposal of rights on land (AACCSA, 2016). The need for information services creates the scope for another public good the state can provide: the maintenance of accurate records and information about land rights and obligations. The transfer of land and its use as collateral for credit requires that information concerning the assignment and the nature of land rights be available to all interested parties and the public in general. Because functioning land markets are important to ensure efficient allocation of resources, reducing associated transaction costs can have important benefits. In addition, publicly available information can help to better identify and inform decisions about externalities (ibid).

Land information systems (LIS) are not only a geo-database but are a combination of technology, data, people and institutional capacity. To create a LIS that is a useful way to support urban land management in developing countries, all these components should be in place, and they should have equal attention and be developed at the same level (UN-Habitat,

2012). The fascination with and initial emphasis of LIS on technology (hardware and software) has gradually been replaced with a focus on data. Web-based data sources, and especially the availability of high and very-high resolution satellite images, are important as a spatial data source for urban land management. Many exciting LIS and GIS platforms like Google Earth now exist to present land information that could assist decision-making on urban land management.

A land institution needs adequate levels of human resources to develop and operate a LIS. People should have the right mix of qualifications, for example some IT and administrative support staff, data operators, and staff with specific skills on surveying, database design, modeling, web-design, cartography and remote sensing. Also, the number of staff, their salaries (as part of motivation, incentives and dedication) and a positive and challenging work environment (training and career opportunities) are important for a functional LIS (UN-habitat, 2012). UN-Habitat also noted that a LIS needs a management structure with people who have technical and management skills and the ability to connect an institutional LIS with other spatial data sets developed and used in the country or city. It therefore, needs investment (staff, equipment, data, office building etc.) and this should be related to the benefits and services the LIS generates.

Land registration is the overall process of recording information about land parcels for the purposes of land ownership. This information is recorded on official registers of land transactions and real property rights. They may be solely concerned with private lands, with public lands, or with both. By recording a land transaction in a registration system open for inspection, the state gives public notice to the community that a transaction has taken place and that land rights have been exchanged (World bank, 1992).

One of the primary functions of land registration is therefore to facilitate the processes of transfer of property rights over land between parties. It serves to make information available to all parties in the transaction so as to lessen the risks they run in deciding to transact or not. It supports the task of proving legal title and allows notice to be given of encumbrances on a piece of land. The secondary function of land registration is to provide information. Many such registrations will produce cadastral maps that portray the legal parcel and framework of an area. It is generally recognized that efficiency in the property market is enhanced through government aiding security of title through the provision of reliable information about properties through land registration and cadasters.

Land registration may be used by the state as an inventory tool of the national land resources for fiscal purposes or it can be used to ensure the rights of the owner or occupier of land and to enable him or her to conduct transactions safely, cheaply and quickly. This is an important consideration when thinking about improving the registration system. Grover and Elia (2011) argued that state land is potentially vulnerable to loss encroachment, land grabbing and adverse possession which could be protected through land registration. An issue is to what extent state and public-sector bodies are required to protect their title through registration. They further noted that for those countries in which the state owns the land, the issue of land registration and maintenance of cadasters is not one of the state protecting its interests against potential incursion by the private sector since by definition this is impossible. Rather, registration and cadasters are about the maintenance of records of the land rights of users.

2.9.1 Urban land registration

According to Dale and Mclaughlin (1996) land registration is the process of recording recognized interests in defined land units. The author added that documenting the nature and spatial of extents of interests in land, registries also enable the transfer of such interests, provide evidence for the resolution of such interests, and provide evidence for the resolution of land disputes and information for variety of other public functions. The basic elements of land registration are the registerable land unit that means the land object, the legal person to whom rights are assigned; that means the legal subject and the relationship between the land and the legal person that means the property right.

Land registration is the form of titles are deeds that provides legally recognized documentary evidence of rights and interests in land that particular persons are meant to enjoy. Cadastral surveys provide a documentary record of the artifacts or monuments that delineate the areas where these rights may be exercised. Increased tenure security contributes to improving the economy in that it encourages investment in land. People will invest in improving their land if they are confident that their investment is secured.

Moreover, title deeds can be used to mortgage land, thus stimulating credit inputs in land (Micheal, 2001).

2.10 Global best practices

It is difficult to present a comprehensive analysis of international best practice in land banking given the dominant of USA -oriented literature. Recent analysis that has been done again relates primarily to land banking in the USA. Frank Alexander's piece 'A guide for the creation and operation of land banks 'is the most comprehensive description of land banks and it discusses the best practice among the largest land bank in USA. Alexnader is at point to point out that each of these land banks is different in its structure, legal composition and objectives and furthermore that each bank is organized according to the need and specification of the city or state in which it is based. Land banks need to be structured to meet the unique needs of their locality, argues (Frank S.A, 2011)

2.10.1 Land Banking In Netherland

In the course of the last 70 years three major developments determined the scope of land banking in the Netherlands:

1. From 1930 – 1970 five large areas were reclaimed from the shallow seas in central and northern Netherlands (approximately 175,000 ha)
2. During the fifties and sixties large tracts of agricultural land were “claimed” from nature areas (heath land)
3. From 1960 onwards the Dutch Government facilitated a farm restructuring process by subsidizing the exit of inefficient agricultural holdings for the benefit of farm enlargement of potentially sound enterprises (from 250,000 farms in 1945 to 90,000 at 2018).

Institutional set up

Traditionally there is one State institution in the Netherlands, charged with the acquisition and management of Government property, both movable and real estate. This is the State Domains Service (Domeinen), established in 1841, which functions under the

Ministry of Finance. As regards land, the tasks of this Service are:

- ✓ Development of government policy in land matters

- ✓ Management of State owned land
- ✓ Facilitation of the use of State land
- ✓ Sale of State land

The state domains service operates in a decentralized way, with regional offices throughout the country.

When the decision was taken in the first half of the previous century to transfer the inland Undersea into a sweet water lake, and turn over parts of it into (agricultural) land, a special service was founded to manage this “new” land and facilitate its use. Thus the Directorate “Wieringermeer” and later the “Service of IJssellake Polders (RIJP) were established. Both agencies functioned under the responsibility of two Ministries, Finance and Transport and Waters. The large scale reorganization of the Dutch agricultural sector after World War II, required a specialized institution under the responsibility of the Ministry of Agriculture and Fisheries. As such an institution was already established (1946) to deal with the restitution of land, which was expropriated by the occupation force, the tasks of this institution were in the course of the second half of the last century extended to deal with all diffuse State land matters. The legal form of this institution was a State Foundation, called “Foundation for Land Management” (SBL), and much later renamed in “Bureau for Land Management (BBL). Its main tasks developed to be:

- ✓ Acquisition of land in rural areas for the purpose of improved land use and management (approximately 7,000 ha annually)
- ✓ Management of revolving land fund (40,000 ha)
- ✓ Facilitate the temporary use of land
- ✓ Sale and distribution of land for multiple purposes

With regards to the numerous land consolidation/development projects, BBL had and has still an active and dynamic role. As a consequence the Bureau merged with the executive service for land consolidation projects, the Service for Land and Water Management (DLG) in 1995.

Although the first activities of the SBL/BBL were backed up by a special emergency Act, its main operations later are determined by the Land Consolidation Act of 1954 and the rural area development Act of 1985, and in the near future by the new Act on spatial structuring of the rural areas, probably to be adopted in 2005. (Tonder, march 2004).

2.11 Land Banking Practices in Africa

2.11.1 Land Banking Practice in Ghana

Land ownership in Ghana is broadly divided into three, namely: customary ownership, state ownership and split ownership (a partnership between the state and the customary owners). About 80% of land total land surface of Ghana belongs to traditional owners. The rest lands are public and private lands acquired out of traditional land holdings. State lands are those which have been expressly acquired by the state through compulsory acquisition by statute for public good. Such state lands are scattered throughout the country with their boundaries cadastral surveyed and mapped out. They vary in sizes, from small to very large depending on the purpose of the acquisition. Leases of these lands are granted to statutory institutions and private individuals for development (Kwesi, 2010).

The government of Ghana has created land information banks in order to facilitate investment in different types of land use such as agriculture, real estate developments, industrial, commercial and other uses. For instance in 2008 a land banking committee was set up to identify potential lands for investments. The assignment of gathering data on available lands for investment was commissioned by the ministry of lands, forestry and mine, ministry of local government, rural development and environment and ministry of food and agriculture.

2.12 Land banking In Ethiopia

According to the constitution of Ethiopia (1995), the right to own rural and urban land as well as natural resources belongs only to the state and the peoples of Ethiopia. Land is an inalienable common property of the nations, nationalities and peoples of Ethiopia. In fact the right of Ethiopian peasants to free allotment of land and not to be evicted is guaranteed. Therefore, in order to overcome the aforementioned problems, the new system requires a modern land information system, skilled manpower that implements the system, adequate land market, and good governance for proper land management in order to promote sustainable development through preventing land speculation, squatter settlements and unplanned urban expansion.

Land tenure regimes in Ethiopia fall into three broad time periods. Before 1975, land tenure was based on a feudal system where land was concentrated in the hands of absentee landlords and the

church, tenure rights were highly insecure, and arbitrary evictions took place. Following the overthrow of the imperial regime in

1974, the Marxist-oriented government (the Derg) transferred ownership of all rural land to the state for the distribution of use rights to cultivators through local peasant associations. The further transfer of land rights was highly restricted, because transfer through sales, lease, exchange, or mortgage was prohibited, and inheritance was severely restricted. Tenure security was further weakened by the peasant associations' and other authorities' ability to redistribute land. The government that took power in 1991 following the fall of the Derg—while committed to a free market philosophy has made little substantive change to farmers' land rights, which are still considered inadequate.

The 1994 Ethiopian Constitution draws a broad framework for land policy in the country and enshrines the concept of public land ownership and the inalienability of landholdings. The Ethiopian Constitution asserts state ownership of land; there are no private property rights in land. Article 40(3) states: (*Ethiopia Land Policy and Administration Assessment* USAID/Ethiopia May 2004)

Constitution has not been forthcoming, and local government officials are reluctant to develop laws and policies that have not been sanctioned by the federal government.

However, different regional governments have begun to implement their own policies and land policy is taking shape. Though not formalized, the salient features of these emerging regional policies are similar and appear to reflect a degree of consensus within the ruling party:

A general re-division of land among the households of each peasant association is not anticipated in the foreseeable future because holdings are already so small that it would reduce them even further below subsistence levels. However, this general policy will not prevent individual peasant associations from re-dividing land if their councils deem it necessary.

- ✓ Land can be inherited according to the provisions of the civil code.
- ✓ Land can be rented, though the government may regulate the conditions of leases.
- ✓ The transfer of land use rights between households for compensation does not seem to be anticipated.

- ✓ Certificates of title may be introduced to reduce conflicts over land boundaries and use rights.
- ✓ Land irrigated through the construction of new dams will be reallocated according to regulations developed to take account of the needs of all households affected.
- ✓ Land to be leased to commercial farms or made available for voluntary settlement will be identified through a land use planning study.

The underlying dilemma of the official land policy discourse is that it does not take account of household economic and demographic dynamics. There is an emphasized need for the government to make sure that all households have equal or fair access to land. Future households need to be assured access to land either through inheritance or through future land allocation programs. While future redistribution programs may be considered as a possible mechanism to reallocate land to future landless households, there seems to be a recognition that this cannot go on forever.

The extensive literature on farming households in Ethiopia makes it clear that a static view of land resource needs fails to capture certain aspects of household dynamics.

First, as newly founded households grow, mature, age, and are disbanded, they are.

CHAPTER THREE

3.1 Methodology of the study

3.1.1 Research design

The main objective of this research is to analyze and the challenges that hinder land banking practices in kolfe keranyo sub city and describe the prospect for future development of a well-organized modern land banking system in the sub city. The study use descriptive design and employed mixed (qualitative and quantitative) data in order to address the above issues.

3.2 population and sampling

3.2.1 Target Population

Population is the universe of events from which the sample is drawn. In order to strike the intended objective the concerned government offices and different agencies, sub city officials and households were considered as the main target of population. The total number of household who visited the office was 100 and total number of official who works at land banking and transfer office at the sub-city level was 48.

3.2.2 Sampling Frame

The sample frame of this study included the list of employees of land bank office, relevant officials, as well as households found in sub-city from sample frame of which the researcher collected relevant data for the study.

3.2.3 Sampling unit

For this specific study, the sampling unit were employees in the office of land banking and transfer office, some selected officials and households two woredas.

3.3 Data sources

In this research both primary and secondary sources are used. The primary data includes questioners and interview. Both qualitative and quantitative gather using open and close-ended questions from the sample of the population.

The secondary data sources include secondary document such as land proclamation, policies Central statistical Agency (CSA) documents and internet.

3.3.1 Sampling Techniques

According to central statistics Agency (CSA) report, there are 14930 households residing in the study areas. According to the information obtained from land banks and transfer office of woreda 4&7 who visited the office in the year 2018/19 was 100 out of which 20 from Anfo areas, 30 from Bethel areas and 50 from Alembank areas. So as to gain a reliable data as much as possible 50% of the population i.e. 50 people were taken as the sample for this particular projects.

Stratified sampling of probability was employed as a sampling method using three different areas as strata and the sample was distributed based on the share of the population of the three areas (Alembank, anfo and bethel areas). Accordingly, the sample constituted 10 from Anfo($20*50\%=10$), 15 from Bethel($30*50\%=15$) and 25 from Alem bank($50*50\%=25$). Besides non-probability sampling techniques of purposive and judgmental method was used to select government officials working in land banking and transfer so as to get adequate information on land banking challenges from professionals point of view. A total of 20 professionals related to land banking were offered questionnaire out of which only 18 professionals returned the field questionnaire.

As far as the administration of survey sample is concerned, taking $i=N/n$ ($100/50=2$), where N = study population, and n =sample; every i th(2nd,4th,6th,etc.) household was selected till all the sample elements were exhausted([https://wikipedia.org/wiki/stratified-sampling.](https://wikipedia.org/wiki/stratified-sampling))

3.3.2 Data collection methods

First hand data was collected by employing interview and distributing questionnaire. Interview was held with concerned government officials working in land banking offices or in land related departments. Questionnaires was distributed to respondents. Secondary data was collected from land banking offices CSA and others.

3.4 Data Analysis

The study used various descriptive data analysis techniques on conducting the study. According to (Kothari) 1990, descriptive analysis is largely the study of distributions of one variable. The data that was collected and analyzed by using mainly excel and described statistically including percentage, frequency tables and chart was employed in order to answer the research question.

3.5 Description of the study Area

Addis Abeba ,the Capital city of Ethiopia, is located at an altitude of 2300 meters above sea level and lies between 8° 50' and 9 °00' North latitude and 38 °40' and 38°54' East longitude. The city is divided into ten sub cities. kolfe keranyo is one of the ten sub city is located in the western suburb of the city, near the Gefersa Reservoir. It borders with the districts of Gullele, Addis Ketema, Lideta and Nifas Silk-Lafto. Coordinates: 9°0'49.75"N 38°42'21.49"E.

As of 2011 its population was of 546,219.And its total area covers 61.25 km2. ("*Kolfe Keranio Archived December 3, 2013, at the Wayback Machine.*". City Government of Addis Ababa.



Figure 1: map of the study area

Source; www.addisababa.gov.et

CHAPTER FOUR

4. Analysis and Interpretation of Data

4.1 Introduction

This chapter mainly deals with the analysis of data obtained from primary data sources such as questionnaire, interview and observation as well as collected from secondary sources such as annual report, brochures, guideline etc.

The analysis mainly focuses on the major challenges of land banking practice such as poor institutional capacity, weak land information system, and some principles of good governance (efficiency, accountability and transparency). It also highlights the performance of land banking office in Addis Ababa at three levels (central municipal, sub city and wereda). Moreover, the interpretation of the analyzed data is also detailed using tables, graphs chart and figures .finally, the chapter analyses the prospect of land banking for the future urban land development in Addis Ababa city.

4.2 Major challenges of land baking practices in Addis Ababa city

Most cities are facing serious problem in the provision of land for different purposes such as residential, commercial and industrial because of the rapid increase of population which is mainly the result of rural-urban migration and natural birth. This big problems calls for the efficient utilization of the scarce urban land in cities like Addis Ababa.

Land banking is one of the mechanism whereby municipalities at different levels can acquire, manage and dispose land efficiently if the process is implemented properly. Since land banking has been put to practice in Addis Ababa starting in 2009/10, there have been efforts to acquire land from different sources such as illegally occupied lands, vacant land and underdeveloped lands and enter the land into the land bank of Addis Ababa city. However, the land banking practices has been challenged by a number of problems associated with poor institutional capacity, lack of well skilled man power to implement land banking programs efficiently and effectively, lack of public awareness on the benefits of urban land banking systems has to be based on a reliable land information system which can provide adequate service whenever the need arise from customers. The current land recording system in the city is by far better than the manual systems the city used to employ for land recording many years ago. The current

computer based land recording system for land banking is also poor as it is only employing software such as auto-cad and to some extent geographic information system (GIS) software. The current land recording system in Addis Ababa city is missing a powerful land information system called cadaster which can be used for various purposes such as legal purposes, ownership recording, mapping, location identification, mixed or multi-purposes etc.

Sources; *(Interview with land banking official at central level)*

4.3 Institutional Capacity

Institutional capacity is one of the key components for the success of any land banking as it immensely affects directly or indirectly the whole organizational set-up and programs of land management. Good quality institutional capacity is important for implementing proclamation, policies programs, directives, and regulation effectively and efficiently. Institutional capacity encompass organization structure, skilled and unskilled human resource management, and financial capacity among other things.

4.3.1 Organizational structure

Lack of well-defined organizational structure is perhaps the most serious challenges of the land banking system in Addis Ababa city. The land banking office was established as one department under land development, banking and urban Renewal project office in 2009/10 (end of 2001 E.C) However, there is no clear directive as to how the organizational structure of the land banking office is formed and the human resources requirement is structured. The interview held with the head of the land banking office of kolfe keranyo sub city during field survey in April 2019, revealed that the process of developing a well-defined organizational structure for the land banking office of Addis Ababa city is on still progress. The land banking office is currently trying to use business process re-engineering (BPR) and balanced score card (BSC) structural model as much as possible to alleviate the problems. However, the office is having lots of problem in assigning the rights qualified professional and identifying even how many professionals and of which educational backgrounds should be assigned at different levels of land banking offices of the city. *(Interview with official of kolfe keranyo sub city)*

4.3.2 Status of skilled manpower

Skilled man power is one of the basic ingredient in which play a vital role for the success of any organization. The effective implementation of policies, directives, programs, project, and organizational rules and regulation highly relies on the availability of skilled man power having adequate knowledge, skills, and proficiency. The land banking practice in kolfe keranyo sub – city is a very sensitive at the moment as the government is giving high attention for land related issues. Despites this fact, the number of skilled manpower as depicted in table 4.1 below is very small at all levels of the city administration.(i.e central sub city and wereda levels There are only professionals serving for all sub cities of Addis Ababa (i.e. ten sub cities) at the central level.

Table 4.1 Status of skilled manpower in Addis Ababa city land banking office.

Level	Number of skilled manpower			Educational level
	Available	Required	Vacant	
Central	3	Unknown	Unknown	All first degree
Kolfe keranyo sub city	2	Unknown	Unknown	Both first degree
Kolfe keranyo wereda 04	1	Unknown	Unknown	Diploma

Source: land development banking and urban renewal offices of Addis Ababa (April 2019)

The exact number of skilled manpower is not clearly known and defined because of lack of clear organizational structure. Majority of the land and land related professionals and the public believe that there is acute shortage of skilled manpower at all levels. The central land banking Office lacks surveyors' kolfe keranyo sub city wereda 4 and 7 does not have land banking officer. Questionnaire distributed to land banking and /or related professionals regarding shortage of skilled manpower indicates that 77.78% of the professionals believe that there is serious shortage of skilled manpower in land banking offices of Addis Ababa city (table 4.2). The remaining 22.22% feel that there is no as such significant shortage of skilled manpower and that the gap created by shortage of skilled manpower can be compensated by giving training and incentives for the available skilled professionals.

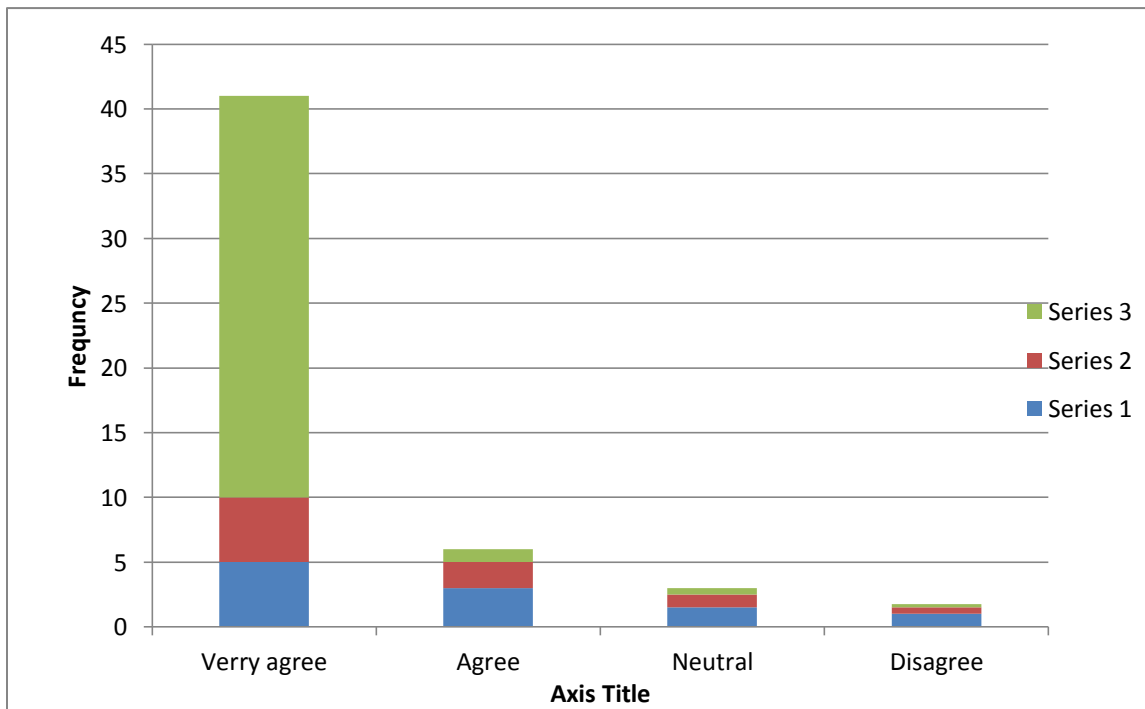
Table 4.2 shortage of skilled manpower

Question for respondents	Unit	Official response	
		Yes	No
	Frequency	14	4
Is there lack of adequate skilled manpower in land banking offices	%	77.78	22.22

Source: field survey (April 2019)

The shortage of manpower creates a serious problem in satisfying the interests or needs of customers on time. Besides, the shortage of skilled manpower pus overload or pressure on the existing limited number of professionals. This in turn, can negatively affect the performance and psychological make-up of the professionals.

Figure 2 :Evidence of skilled manpower



Source: field survey (April 2019)

Data in graph 1 above depicts that 41(82%) of the residents confirmed that shortage of skilled manpower is one of the major challenges of land banking in kolfe keranyo sub city. They claim that they waste lots of time to get service at office because of absence of professionals who can answer their question or solve their problems especially when the existing limited number of professionals are not around because of redundant meeting. A small portion of the respondent (12%) also confirmed that there is lack of skilled manpower while only few residents (2%) were not aware of the lack of skilled manpower.

Personal interview held with the main heads at different levels of the city administration (central, sub-city and woreda) also confirms that there is shortage of adequate skilled manpower at all levels. This unfolded there is no staffing norm. However, they believe that efforts have been made to fill the gaps created by the shortage of skilled manpower.

In addition, they state that the main shortage of skilled manpower is due to lack of clearly defined organizational structure. They hope that the problem will be alleviated once the organizational structure study is finalized and it will be implemented.

4.3.3 Financial capacity

Strong financial capacity is crucial for changing plans into fruits. It plays an indispensable role for the implementation of programs or projects in the planned period. Financial capacity is required to fulfill the required manpower, materials or equipment, and the necessary technology for running any organizational activities smoothly. The annual budget of the land banking office is allocated by the Addis Ababa city administration under the land development, banking and urban renewal project office. The land banking office does not have its own income sources or does not raise any funds or generate revenues its own. The land banking office is mandated only to acquire land and transfer it to other concerned bodies such as the land management and investment office. Unlike the trends of land banking practice experienced by land banking offices in other part of the world which are involved in three major activities, namely, land acquisition, land management and disposition, as it is described in the review literature part of this paper, the land banking office in Addis Ababa city is limited only to acquiring land and protecting or safeguarding it till the land is transferred to other concerned governmental bodies. The land banking office does not develop land and sell the land to customers. The land banking

office does not have its own revenue base. As a result, it faces shortage of financial resources to undertake its activities effectively and efficiently. For example, there is a serious shortage of vehicles for land banking officers especially for land banking police who are expected to guard the lands acquired by the land bank office. Though, these lands are located at different sites very far from the land banking offices as a result of which the police have to travel on foot to the sites.

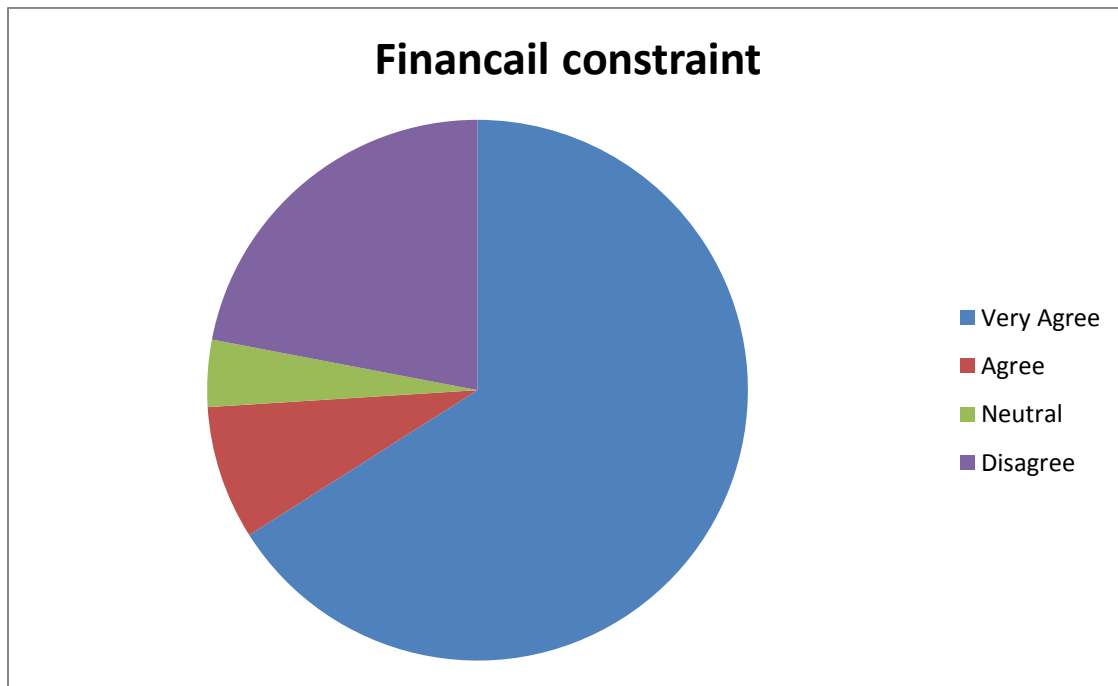


Figure 3 Financial constraint residence response

Source: field survey (April 2019)

According to the information obtained from the resident's respondents, majority of the respondents (66%) as shown in the above chart 1, agree that the land banking office is facing shortage of finance to undertake its plans, programs and activities effectively. On the other hand, (22%) of the respondents disagree that the land banking office is facing shortage of finance. In fact, they argue that it is because of unwise utilization of financial resources or allocated budgets that the land banking office is encountering problems.

4.4 Urban land information system

The use of modern land information system spatially the use of cadaster is an important element that can facilitate the practice of proper land management strategies such as land banking process. The traditional manual land information systems which have been in use for centuries all over the world spatially in developing such as Ethiopia, are nowadays being replaced by modern land information systems with the introduction invention of modern hard ware technologies, up-to date application soft-ware, and operating system. Information is the base for effective planning, making sound decision, and speeding implementation of any land related developmental activities. Accurate, complete and up-to date information is required to make land acquisition, land management, and land disposition activities problem solving strategies as they are the main tasks done by land banking offices all over the world.

Lack of up-date and accurate land information, on the contrary, leads to dire problems such as land disputes, loss of revenue, illegal land grabbing squatter settlement, poor infrastructure and public service provisions and ultimate poor land development and/or urban poverty.

The land banking information system currently employed by the land banking office of Addis Ababa city administration is no satisfactory. It is based on mainly using auto-cad and to some extent Geographic Information system (GIS). However, since there is no state-of-the-art sort of cadastral system which can be utilized for multi-dimensional purpose at the moment, it is common to see overlapping polygons one belonging to the land banking office and the other belonging to private individual owners. Such inconvenience coupled with the involvement of illegal land grabbers who use this gap as an opportunity inevitably leads to ineffective land banking practices in the city.

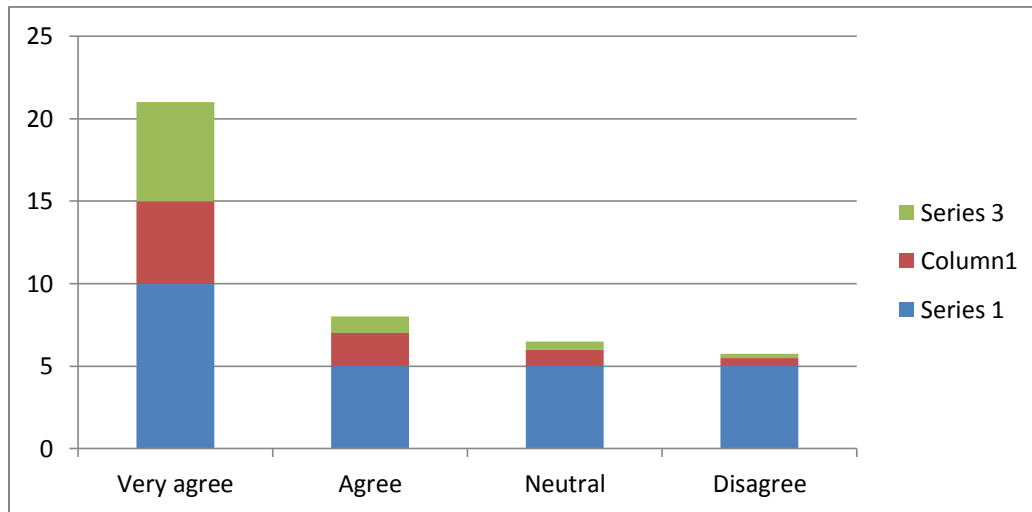
Table 4.3 modern land information system use

Question for respondents	Unit	Response from official or professionals	
		Yes	No
Does your office have modern land banking system?	Frequency	4	13
	%	27.78	72.22
Does your office use GIS and/or cadastre for effective management of land?	Frequency	7	11
	%	38.8	61.11

Source: field survey (April 2019)

According to response obtained from land banking and/or land related professionals (table 4.5), more than 60% of the respondents believe that the land banking office lacks a modern land banking system and does not use cadaster for registering land. They argue that efficient and up-to-date land recording system facilities basic land banking processes such as land acquisition land development. It promotes investment, boosts revenue, ensures satisfaction of customers, and highly deters illegal land grabbing as it shuts the room for illegal settlement and expansion of illegal occupation of land by real estate developers. The professionals believe that the widespread illegal land grabbing observed in Addis Ababa city by real estate developers in the last five years is mainly due to lack of modern cadastral system. The real estate developers were expanding their land holding to nearby vacant lands using the hole created by shortage of modern land recording system, corruption and poor management of land.

Figure 4: Evidence of land information system



Source: field survey (April2019)

In similar fashion, more than 70% (graph 2 above) of the residents agree that the land banking system lacks modern land recording system. They feel that the land banking office acquires only very small portion of illegally grabbed lands since it does not have adequate information about all the illegally held lands in the city because lack of modern land recording system. They affirm that there are still lots of in land in the hand of illegal grabber and the government is missing large amount of money which could otherwise have been acquired from such lands by various means such as land tax.

4.5 Problems of Good Governance

Good governance is one of the basic components that government official should exercise to bring about a sustainable economic development. It reflects the whole processes by which the government and public interact in such a way that basic principles of good governance such as transparency, accountability, participatory decision making, efficiency, etc are put in to practice. Moreover, good governance also makes addressing pressing issues such as decisions on setting priority goals, fair resources allocation, answering question, of equity and equality, and answering questions pertinent to economic growth and development posed by citizens easy and fair. Therefore, substantial benefits are gained through building and practicing transparent, accountable, and participatory decision making process in land banking practices.

4.5.1 Efficiency

Land is a scarce resources be it urban land or rural land. The wise utilization of land is, therefore, a question of not only satisfaction of immediate needs of citizen but also long term sustainable development. Land which has been entered into land banks has to be developed or transferred to developers so as to exploit the maximum economic benefits out of it.

According to the information obtained from professionals, large plots of lands which have been entered into land banks are kept undeveloped for a long time in many sub city of Addis Ababa city including kolfe keranyo sub city. The main reason for such occurrences is different for varies sites. For locations which are situated at the periphery of the city, the main problem is lack of adequate infrastructure such as roads, electricity, and water to attract investment to these sites. This is the predominant problem at woreda 4 and 7 of kolfe keranyo sub city.

Table 4.4 the status of acquired land in woreda 4 of kolfe keranyo sub city in the year 2018/2019

No.	Type of land	Unit (meter square)	%
1	Gained from vacant lands	6000	35.67
2	Gained from illegally occupied lands	7494	44.54
3	Gained from underdeveloped lands	3330	19.79
4	Total land entered to land banks	16824	100
5	Transfer to developers	6694	39.79
6	Undeveloped land kept in land bank	10130	60.21

Sources: kolfe keranyo sub city land development, banking and urban renewal project office (April 2019).

Table 4.4 above shows that 60.21% of the land entered into the land bank is kept undeveloped at woreda 4 & 7 of kolfe keranyo sub city. Only around 40% (Below half of the total entered land) is transferred to developer or investor. This shows that the sub city could have tapped more revenues by transferring the land to developers instead of keeping it still. The main reason for not putting the land to open auctions, as to the information obtained from the office, is shortage of provisions of physical infrastructure and other basic social service. Besides, the land banking office does not have the mandate as well as the financial capability to develop the land and/or provide infrastructure so that investor's spatially real estate developer can be drawn to the undeveloped sites.

4.5.2 Accountability

In order to assure good governance, one important element that is required to be exercised is the accountability of government authorities to the citizens or the public. In addition, there should not be space for corruption which is a social civil deteriorates the credibility of local authorities and the ultimate aggravation of urban poverty and blight. The public as well as other concerned bodies or

Organizations should have access for information so that they can check whether the local authorities shouldering their responsibilities and are accountable to what they do or not.

Table 4.5 practice of accountability

Question for respondents	Unit	Response				Reason
		Residents		Officials		
		Yes	No	yes	no	
Do you think that the land banking office is facing any challenges to give adequate services for its customers?	Frequenc y	35	15	-	-	Corruption
	%	70	30	-	-	
Have your office staff members encountered problems related with land banking processes?	Frequenc y	-	-	10	8	Corruption
	%	-	-	55.56	44.44	
	Frequenc y	-	-	13	5	Unclear directives and procedures
	%	-	-	72.22	27.78	

Sources: field survey (April 2019)

Most residents' respondents (70%) as shown above in table 4.5 above, believe that there are hidden corruption practices related with land management and/or land banking. They stated that lands are taken from only few people with the pretext of illegal land grabbing. Most of the lands which are entered to the land bank are those owned by new comers from other provinces or other areas to reside in Addis Ababa. However, lands are illegally sold against the constitution in hidden ways by local farmer spatially those living in the outskirts and are not disclosed by local political authorities or administrators as far as the buyers are in agreement with them or bride them.

Table 4.5 also indicates that more than half of the professional residents (55.56) believe that there were widespread corruption practices in land management areas before two or three years. They say that most lands were illegally occupied during the 2005 election period as there was political unrest during that period and to some extent in aftermath of the election period. But nowadays, there are lots of improvements in reducing corruption as the government is taking harsh measures on corrupt officials in terms of imprisonment and financial fines for those caught culprits. Nevertheless, 72.22% of the professionals also believe that there are still some cracks in making effective land banking practices as there no clear directives and procedures understood by all professionals and unskilled workers involved in land banking processes. Such situation are often worsened by mass resistance to leave the lands which they have occupied illegally knowingly or unknowingly.

4.5.3 Transparency

Transparency is one core constitute of good governance like that of accountability. It mainly involves sharing information to the public and acting or enforcing policies and programs in an open or transparent ways. Free flow of information from governmental offices to the public, from the public to the offices, and among governmental and non-governmental organizational is key element in promoting transparency and augmenting good governance. The information also must be timely, accurate, relevant, complete, and above all reliable to be of effective use. It is undoubted that transparency can serve as an important tool for fighting social evils such as corruption and promote democracy and /or good governance.

Table 4.6 land banking offices transparency in land banking

Question	Unit	Response			
		residents		official	
		Yes	No	yes	No
Do your stakeholders (investors, the public, and others) know the procedure and give feedback about the effectiveness and efficiency of the process?	Frequency	-	-	7	11
	%	-	-	38.89	61.11
Are the proclamation, directives, guidelines, procedures, and other land banking related issues disclosed to the public?	Frequency	-	-	3	15
	%	-	-	16.67	83.33
Have you ever received any brochures, pamphlets, or participated in a meeting called by the land banking office?	Frequency	13	37	-	-
	%	26	74	-	-
Do you know how land is acquired by the land banking office?	frequency	19	31	-	-
	%	38	62	-	-

Source: field survey (April 2019)

As it is illustrated in table 4.6 more than 60% of officials feel that the different stakeholders (investors, the public, and other) do not know or do not have sufficient information about the land banking procedures and as a result they do not actively participate in providing constructive feedbacks.

Moreover, more than 80% of them believe that proclamations, directives, and guidelines are not disclosed to the public partly because of the lack of clear or well defined proclamation and directives for the office itself let alone for the public. The stress that such problems reduces the active involvement of the public in building democratic and fruitful active participation of societies in land banking issues.

In a similar manner, more than 70% of the resident respondents confirmed that they have never received any brochures, pamphlets, or participated in a meeting called by the land banking office. Only 26% of the residents claim that they have participated in some limited meeting arranged at local levels by the land banking office. Most of the residents unanimously agree that they have heard at least some information about the land banking activities only through the News related with poor land convictions or corruption culprits and the acquisition of land from giant real estate developers which have been involved in illegal land grabbing acts.

4.6 land banking practices at different levels of Addis Ababa city administration

4.6.1 Central land banking office

Since the establishment of land development, banking and urban renewal project office in 2009/2010(End of 2001 E.C), the office has performed numerous tasks in different years. In 2009/2010 the office's plan was to prepare 1763 hectares (ha) of land to be used for various development purposes. The plan also allocated 1000 ha of land to be used transferred from land bank to different developmental activities while 767 ha of land as allocated to be a reserve land of the land bank office. However, only 1949.3 ha of land was put into the base map of Addis Ababa city out of which 607.8 ha was transferred to various developmental activities, 597 ha was sent to urban planning and information institute for local developmental plan (LDP) preparation, and the remaining 745 ha is reserved for in the land bank for future use. Besides, 385.3 ha of vacant land and 36.6561 ha of illegally grabbed land was entered to the land bank in the same fiscal years.

Table 4.7 land transferred to developmental purposes from central land bank in the year 2017/2018

No.	Purpose (use) of transferred land	Area in ha	%
1	Lease auction, business, industry, residential, and mixed use.	102.3	17.37
2	Land developers (real estate and other investor)	82.2	13.96
3	Social services	9.84	1.67
4	Universities and school construction	156.28	26.53
5	Coble stone construction	59.82	10.16
6	Micro and small scale enterprises	25.76	4.37
7	Condominium construction	37.83	6.42
8	Land for relocated people because of renewal projects	115	19.52
Total		589.03	100

Sources: annual report of land development, banking and urban renewal project office for the year 2018/2019.

The above table 4.7 shows that land transferred from land bank office is used for various purposes in order to satisfy the diversified needs of different stakeholders such as investors, public service rendering organization, and the public. The annual report for 2018/2019 also shows that the office had encountered the following main problems in the course of implementing land banking in that fiscal years:

- ✓ Shortage of transportation vehicles and skilled manpower
- ✓ Lack of well-organized data base system which can address land related problems and the transfer of data from year to year
- ✓ Lack of adequate information in boundary delineation
- ✓ Shortage of directives on governmental house renters, residential houses and roommates of the main renters
- ✓ Shortage of adequate budget for clearing land for private developers

- ✓ Lack of clear directives and procedure to carry out land banking processes effectively
- ✓ Shortage of equipment such as surveying equipment
- ✓ Lack of well skilled and experienced manpower
- ✓ Absence of bench marks and /or remoteness of the bench marks from areas selected for surveying
- ✓ Shortage of manpower at woreda level

The annual report of land development, banking and urban renewal project office for the fiscal year 2017/2018 also indicates that efforts have been made to adjust the office's programs with the country level growth and transformation plan (GTP) focusing on preparing and disposing land for various developmental activities which increase revenues and promote long lasting economic development.

Accordingly, as shown in table 4.8 below, land was prepared for lease auctions, higher private investment, condominium, micro and small scale industries and for various social services such as school and health institutions.

Table 4.8 land allocated for different developmental activities in 2017/2018 fiscal year at central level

No.	Purpose for which land was transferred	Area in ha	%
1	Micro and small scale enterprise	69.30	8.27
2	Education (school construction)	4.1208	0.49
3	Health (health center construction)	8.4321	1.01
4	Lease auction (private investment)	96.87	11.56
5	Negotiation (private investment)	216	25.77
6	Condominium construction	90.44	10.79
7	Cooperatives(prepared for 2018/19 fiscal year	352.92	42.11
Total		838.0829	100

Source: Annual report of land development, banking and urban renewal project office for 2017/18 fiscal year.

4.6.2 Kolfe Keranyo sub city land banking office

Kolfe keranyo sub city land banking office was established in the same year as that of the central development, banking and urban renewal project office. The main activities assigned to the sub city land banking office are the following:

- ✓ Selecting and delineating land for development
- ✓ Identifying lands which can be developed by cost-effective projects
- ✓ Preparing land for the purpose of urban renewal projects and expansion areas allocated for the sub city
- ✓ Transferring the prepared land to the central land banking and providing the numbers of land regularized at city levels
- ✓ Receiving and registering the sub city's unprepared but identified lands by the land bank from kebele administration and
- ✓ Informing kebele administration about lands registered by the land bank for protection from illegal occupation and/or grabbing

Table 4.9 Land allocated for different developmental activities in 2017/18 Fiscal year at central level

No.	Address (woreda)	Acquired land type (in meter square)			%
		Vacant land	Illegally grabbed land	Total	
1	1	73,548	10,048	83,596	17.78
2	2	51,244	5,232	56,476	12.01
3	3	1,007	-	1,007	0.21
4	4	68,864	2,540	71,404	15.19
5	5	52,883	4,788	57,671	12.26
6	6	4423	1,052	5,475	1.16
7	7	1640	1,602	3,242	0.69
8	8	694	4,896	5,590	1.19
9	9	6,599	16,263	22,862	4.87
10	10	22,128	12,702	34,830	7.41
11	11	9,340	118,730	128,070	27.23
Total		292,370	177,853	470,023	100
%		62.20	37.80	100	

Source: kolfe keranyo sub city land development, banking and urban renewal project office April 2019)

Table 4.9 above indicates that there are two main sources of land for kolfe keranyo sub city land banking offices; vacant land and illegally grabbed lands. The same response are true for other sub cities of Addis Ababa. Some of them also have a third source which is underdeveloped land although not in significant amount. From 2018/19, the land banking office at kolfe keranyo sub city had acquired 470,023 meter square land out of which 62.20% was vacant land and the remaining 37.80% was illegally occupied or grabbed land.

Table 4.10 Land preparation for different developmental activities in 2018/19 at kolfe keranyo sub city

No	Purpose for which land was prepared	Requested land(number of plots	Prepared land		%	Remark
			Number of plots	Area in meter square		
1	Micro and small enterprise	16	16	29,000		
2	Health center	7	7	24,000		
3	Public toilet	100	93	3,213		
4	Cadastre office	1	1	1,756		
5	Trade and industry office	3	1	3,512		
6	Schools	2	2	27,901		
7	Sub city office	1	1	10,000		
8	Woreda office	1	1	5,391		
9	Condominium	-	-	1,224,000		
10	Lease	-	411	119,000		
11	Lease	-	436	313,307		Reclaimed from real estate and transferred from central land
12	Block development	-	-	203,000		
Total		131	122			

Sources: kolfe keranyo sub city land development, banking and urban renewal project office (April 2019) as described in table 4.10 above and entered to kole keranyo sub city land bank office is distributed to different stakeholders or customers and used for various purposes.

4.7 benefits of land banking to kolfe keranyo sub city

Most basic economic activities which contributes immensely for the growth and development of any city require space or land upon which they can be carried out. Therefore, land banking as a process which promotes the effective use of land by acquiring, managing and distributing land to different parts of the society in a fair or equitable way has multi-faceted benefits.

Interview held with head officials and data collected from land banking and/or land related professionals through questionnaires reveal that land banking has many advantages for kolfe keranyo sub city in particular and Addis Ababa city in general. Reducing illegal land grabbing minimizing squatter settlement, promoting real estate development, promoting investment in industries or manufacturing, ensuring equity distribution of land resources for different part of the society, solving problems of shortage of land for residential and commercial project such as condominium construction, facilitating urban renewal projects, creating livable and aesthetically attractive urban environment, reducing environmental hazards or pollution, improving infrastructure an service provisions, and implementing land banking programs effectively.

CHAPTER FIVE

5. CONCLUSION AND RECOMMENDATIONS

5.1 Conclusion

In order to achieve the specific objectives stated in chapter one, review of related literature on land banking practices was carried out, appropriate data collection methods were set, data was collected from the field and detailed analysis and interpretation was made with due attention given addressing issues stated in the specific objectives. Major finding of the study is summarized and concluded as follows:

Lack of well-defined organizational structure is one of the most serious challenges of land banking practice in Addis Ababa city in general and kolfe keranyo sub city in particular. Although the land banking was established in 2009/2010 under land development, banking and urban renewal project office, there is no clear directive on organizational structure of the office as yet.

Shortage of adequate skilled manpower is another challenge of land banking practice kolfe keranyo sub city of Addis Ababa city. Although there are no clear organizational structure on the exact number of required skilled manpower at different levels of the land banking office due to lack of staffing norms, more than two-thirds of the professionals respondents believe that there is shortage of adequate skilled manpower which negatively affects the performance of the land banking office.

The land banking office in Addis Ababa city at all levels do not have their own financials sources. They get their annual budget from the Addis Ababa city administration. Their mandate is only limited to acquiring and transferring land to other concerned bodies for further development and distribution.

Therefore, the land banking office of kolfe keranyo sub city is facing shortage of financial sources as it is confirmed by more than half of the resident's respondents.

Lack of modern land information system especially cadaster is also one key challenges for kolfe keranyo sub city land banking office. Although the use of auto-cad and other application software such as excel for recording land information is much better than the old manual system,

such system is prone to problems like overlapping of polygons which can lead to land related disputes if the recording and/or drawing is not done with care. More than half of both resident and professional respondents also agree that the land banking office in kolfe keranyo sub city lacks modern land banking system. This, in turn, can result in increase of illegal land grabbing and expansion of squatter settlement which deteriorates revenues collection, investment promotion, and satisfaction of different stakeholders such as the public and private investors.

Although there are some improvement in good governance at all levels in recent years, there are still challenges in carrying out duties and responsibilities by governmental authorities of the land banking office in kolfe keranyo sub city. There are some hidden corruption practices, weak flow of information from the land banking office to the public, and weak awareness creation among the public about the benefits of land banking.

Land banking has several benefits for the economic development of kolfe keranyo sub city. It can play an important role in alleviating illegal land grabbing and squatter settlement, promoting real estate development, and improving the economy of the sub city through creating space for commercial activities and service.

The future prospect of land banking development is promising both at kolfe keranyo sub city level as well as at Addis Ababa city level. There are tendencies of governmental policies to change from agricultural-led to industry-led economic policy at the end of the growth and transformation plan (GTP) period and the need of land keeps on increasing with the increase of population and developmental activities. This will create a good opportunity for the growth of land banks as they will be active participants in land acquisition, land management, and land development so as to address the land requirement for the effective implementation of governmental policies.

5.2 Recommendation

In order to solve the main challenges that land banking office of kolfe keranyo sub city has been facing since its establishment in 2009/10 the following recommendation are forewarned:

- ✓ The land banking office should have a clear directive with a well-defined organizational structure, and staffing norms based on approved establishment.

- ✓ The number of skilled manpower and the educational qualification background required for each activity of the land banking office should be clearly identified and appropriate personnel should be assigned for each post of the office.
- ✓ The land banking office should be given the authority or be encouraged to have its own revenue base and involve in developing land and transferring or selling the developed land and adequate budget should also be allocated for the land banking office.
- ✓ The land banking office should be equipped with modern land information system (LIS) such as cadaster supported by appropriate skilled professionals so as to make the land banking process up-to date, efficient, effective.
- ✓ Creation and promotion of community land trusts (CLTs) should be encouraged so that the public can participate in making effective use of local land protecting the land from illegal grabbing or wastage of land because of being vacant or underdeveloped.
- ✓ Proclamation, directives, procedures, and programs of the land banking office must be disclosed to the public via various media such as television, radio, newspaper and brochures, and public meeting should also be arranged at local levels so as to inform about latest developments of land banking process and results.
- ✓ The practice of good governance should be strengthened and principle of good governance such as transparency, accountability, efficiency, and responsibility must be adhered to administration practice by public officials in order to promote democracy and active participation of the public in land banking processes and land related developmental activities.
- ✓ Different governmental department should work in cooperation, coordination, and integration so as to make the land banking process part and parcel of the overall developmental activities and make effective use of land by different stakeholders.
- ✓ The government of Ethiopia in conjunction with Addis Ababa city administration should give spatial attention for the promotion of future development of land banking practices.

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Appendices

Appendix 1: Survey Questionnaire

Questionnaire to be filled by Respondent customers and Employees

Dear Respondents,

I am conducting research on the challenges of land banking in Addis Ababa the case of kolfe keranyo sub city for my master's degree in public management and Policy (MPMP) in Addis Ababa University. Here I kindly request you to attempt all the questions in the questionnaire, as this will help me to complete my study.

The information you give will be treated as confidential and only be used for the purpose it is been collected for. Please, your assistance will be highly appreciated. There is no need to write your name.

I thank you in advance.

Tariku Yinesu Bayou
MA Addis Ababa University
School of Business and Economics
Public administration Department
February, 2019

Questionnaire on the challenge of land banking in Addis Ababa city government in kolfe keranyo sub city

Questionnaire 1

Individual who visited land banking in 2018/2019.

1. Address : wereda.....house no. Educational level.....2. male female

3. Employment: A) government employed B).self employed

C) Employed by private sector

D).Employed by NGO

E) .Unemployed

4. How long have you lived in kolfe keranyo sub city ?

A) Less than 2 years B)2-5 years C) 5-10 years

D) More than 10 years

5. How often do you go to the land banking office? A) Regular B) sometimes

C) Rarely D) Never

6. Have you ever received any brochures, pamphlets, or participated in a meeting called by the land banking office? A) yes B) No

7.Are you aware of the plan and/or some activities of the land banking office

A) yes B) No

8. Do you think that the land banking office is facing any challenges to give adequate service for its customers?

No	Expected challenges	Degree of agreement (response)			
		Very agree	agree	neutral	disagree
1	Lack of adequate skilled man power				
2	Absence of abandoned vacant or foreclosed land				
3	Shortage of finance				
4	Corruption				
5	Ineffective use /management of acquired land				
6	Lack of modern land recording system.				
7	Other constraint				

1. Do you know how land is acquired by land bank officer? 1 .yes 2 No

If your answer is 'No' why? 1.No information 2.ignorance of residents 3.complex to know 4. lack of transparency

2 .have you got your land and building registered? 1 y 2No If "No" why?

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.....
.....

3.Do you think the land banking system of the land bank office in your sub city (wereda) is satisfactory ? 1 Yes 2.No If "No " what do you think is the impact on land development?.....

.....
.....

4. How did you get your land? 1. Lease hold 2.Free hold 3.Ocupied vacantand
4.occupied abandoned land 5. Bought land from farmer 6. Other

5. Land banking can increase revenues of the government. 1. Agree 2Disagree
3.Neutral

6. What do you think are the benefits of land banking for the public?

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.....
.....

7. Are there lands in your local area which should be acquired by land banks? 1. yes 2.No if "yes", what type of land? (You can tick more than once) 1. Abandoned 2.Vacant 3.Tax foreclosed 4.Illegally grabbed 5.other If "other" (describe it in short)

.....
.....

8. Are you willing to cooperate with land banking authorities in their endeavor to acquiring abandoned ,vacant ,tax-foreclosed or illegally grabbed land? 1. Yes 2. No if "No", why?.....
.....

9. Have you ever submitted land to land banking office? 1. Yes 2. No if "yes", did you get fair compensation and treatment?

10. Based on your understanding ,what do you are the main challenges and benefits land banking practice in your sub city (wereda)?.....
.....

Thank you

Questionnaire 2

Questionnaire for land banking officials and/or land related professionals

1. Department.....professional background (qualification).....
2. What is your position in the land banking office (your office)?.....
.....
3. How long have you been working for this organizations or office?.....
.....
4. What are the major land sources for the land bank (in percentage and/or ha)? 1.abandoned land..... %(ha) 2.vacant land%(ha) 3.tax-foreclosed land.....4.grabbed land.....%(ha) 5.others%(ha)
5. For what purpose do you use and /or distribute the acquired land (in %and ha)? 1.urban agriculture%(ha) 2.condominium housing.....%(ha) 3.private real estate development.....%(ha) 4. Infrastructure and other public use.....%(ha) 5.reserve for future development.....%(ha)

6. What form of land transfer does your office employ? (you can tick more than once) A. Allotment B. Auction C. Negotiation D. Other If "other" please specify

.....

7. Does your office have effective modern land banking system? 1. Yes

2. No if "no", why? And what impacts does this have on land banking?

.....

8. What are the procedures to acquire land for land banking?

.....

9. Do you think the procedure are effective and/or efficient for:

1. The land banking office? 1. Yes 2.No

2. The public or customers? .Yes 2.No

10. Do your stakeholders (investors, the public, and others) know the procedures and give feedback about the effectiveness and efficiency of the procedures? 1. Yes 2.No

if "yes", what mechanism does the land banking office use 1. Report 2.media

3. Conference 4. Other

11. What percent of the land of the sub city is officially registered?

12. Why the rest of the land not registered?

.....

13. Does your office use geographic information system (GIS) and/or cadaster for effective management of land? 1. Yes 2. No if "No" ,why

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14. What is the share of land banks in revenue generation for the municipality? (If possible describe it in 5 and/ or amount in birr).....
.....

15. The existing land banking system is effective to acquire land and change it for effective development use. 1. Strongly agree. 2. Agree. 3. Disagree 4. Strongly disagree.

16. Are the proclamation, directives, guidelines and procedure and other land banking related issues disclosed to the public? 1.yes No
1. If “yes”, how often? 1. Often 2. Sometimes 3. Occasionally
4.rarely
2. If “No”, why?

17. Have your office staff members encountered problems related with land banking process? 1. yes 2.No if “yes”, what are the reasons? (You can tick more than once) 1. Technical problems 2.misuse of resources 3. Disagreement among staff members 4.unclear directive and procedure 5. ~~Corruption~~ 6.other

18. Are there (were) land grabbing in kolfe keranyo sub-city? 1. Yes No if “yes”, what are the main causes? 1. Lack of adequate money to get d legally
2.shogtage of legal land supply 3. Cumbersome or complex procedure
4. Other

19. What do you think are the main benefits of land banking?

20. In your opinion, what are the main challenges and Benefit of land banking practice in the sub city?
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Benefits.....
.....

Thank you

Appendix 2

3. Interview guide for the manager of the land banking office

1. when was the land banking office established in Addis Ababa and in the sub city for the first time?.....
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2. What were the main reasons for its establishment?

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3. What are the powers and mandates given to the land banking office? And its organizational structure?

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4. Which proclamation, directives, and guidelines does your office use?

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5. Who are the main clients of your office? (Describe in percent if possible).

1. Real estate developer 2. individuals 3. government organization

4. NGO 5. others

6. Which are the academic requirements for employment in land banking office?

Educational level	Required	Available (employed)
Grade 10 and above		
Technical level		
First degree		
Second degree and above		
Total		

7. What are the main problems related with man power in your office?

- 1. Lack of experienc
- 2.unfamiliarity with rules and regulatio
- 3. Salary dissatisfactio
- 4. Others

8. How do you evaluate or assess the institutional capacity of your office in:

- 1. Technology.....
- 2. Manpower.....
- 3. Coordination.....
- 4 .Financial capability.....

9.Which government work closely with land banking Office in land banking process?.....

10. How do you assess their cooperation, coordination, and integration?

.....

11. What technology does the land banking office use to acquire, manage and dispose land?.....

.....

12. Which detailed procedures do you use in the three main process:

1 Land acquisition.....

2. Land management.....

3. Land disposition.....

13. Do you believe that the land banking system currently in use is effective? 1. Yes

2. No For either answer why?

.....

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14. Does your office give training or arrange it for its staff members? 1. Yes 2. No

If "yes", how often

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If "No", why.....

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15. What mechanisms do you use to increase awareness about the land banking office for the public?

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16. Do you think that adequate budget is allocated for the land banking office? 1. Yes 2.No

If “No”, what do you think is the reason?

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17. What mechanisms does your office use to safeguard, manage, and develop acquired lands?

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18. What developmental activities have been done so far on the acquired lands? (Describe in percent and type if possible).....

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19. What problems do the staff members of your office face in discharging their responsibilities?

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20. Are there (were there) illegal land grabbing practices in this city (sub city)? 1. yes 2.No

If “yes”, what are (were) the main causes of the illegal land grabbing?

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21. What are the main challenges and benefits of land banking in socio-economic development of the sub-city?

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22. What are the main challenges and benefits of land banking practices in Addis abeba (kolfe keranyo sub-city?)

Challenges.....

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Benefits.....

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21. What are the future plans of your office?

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Thank you