

Development of Real Property Market in the Republic of Belarus

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Abbreviations

CSP	Committee for State Property
FIG	Federation of International Surveyors
FSP	Foundation of State Property
IFC	International Finance Corporation
IRUP	State Institute for Regional and Urban Planning
LIS	Land Information System
LMV	Lantmäteriverket (National Land Survey of Sweden)
NCA	National Cadastre Agency
NG•	Non-Governmental Organisation
NSDI	National Spatial Data Infrastructure
Sida	Swedish International Development Cooperation Agency
ToR	Terms of Reference
WPLA	Working Party on Land Administration

Executive Summary

This report presents the major observations and findings during the evaluation of the project “Development of Real Property Market in the Republic of Belarus”, a Sida funded development cooperation intervention implemented with assistance from the National Land Survey of Sweden (LMV) and Swedesurvey.

The collaboration between Sweden and Belarus in this sector started in 1998. Following initial discussions with Sida it was agreed that the evaluation would cover the period 2005–2008. In Belarus, the NGO Land Reform Association has been the direct cooperation partner and the coordinator of activities. The project has targeted specialists and officials within the National Cadastre Agency (NCA) as well as other institutions.

The project has been implemented under difficult political conditions. A flexible approach has been necessary to handle the uncertainty and the administrative hurdles. Project activities are still under implementation. In fact, following the delays in registering the project in Belarus, a considerable part (approx. 45%) of the project resources still remain unspent (or at least not invoiced). In addition to this rather unique situation (for an evaluation), the rather poor quality of the project steering documents has provided further challenges for the evaluation team. If the cooperation continues beyond the ongoing second phase, efforts need to be made to improve the quality of the steering documents.

According to the project proposal as well as Sida’s decision memo, the project’s long-term or “overall” objective is “to facilitate the development of a real property market in Belarus through bridging the knowledge gap among civil servants and the general public in Western European land management practices, measures and the institutions that are necessary to establish in order to carry out the transition process”. In the regular project reports (covering July–December 2006 and 2007 respectively) the “overall” objective has been modified. The aim to increase the knowledge among the general public is no longer part of the objective. No reasons are given for this important change. Regardless of the phrasing of the “overall” objective, very few activities have been conducted by the project in support of this objective. Due to the political situation and the limited scope for NGO activities in Belarus, the Land Reform Association has chosen not to engage in public awareness campaigns or other similar activities geared towards the general public. The web-page operated by the organisation has not been actively promoted and, consequently, it has failed to reach a larger group of users. The intention to have the Association as the major vehicle in this process was a design error or a failure to realistically assess the scope for the organisation to work with dissemination of information to the public. If this ambition is maintained in the future alternative approaches would have to be considered.

The specific project purpose(s) are stated in the various project steering documents and reports. The formulation of them vary between the documents. This is unfortunate and unsatisfactory. We acknowledge the need to adjust and adapt to changing circumstances during project implementation but we believe that such changes should be reflected at the level of activities, not through the reformulation of the “overall” objective and project purpose(s).

The land administration system in Belarus has been and is undergoing change. There is political pressure on the institutions in the sector to modernize and simplify their business processes and procedures. Improvements have been made in recent years, especially regarding the registration of real property transactions. In our opinion there is also a real property market of sufficient size and potential in Belarus to justify the investment made by the project.

There is strong evidence to suggest that the project has succeeded in its ambitions to educate officials and experts in the sector and to make them aware of the institutions, procedures and mechanisms in a

modern land administration system. The Swedish support has been particularly important considering that no other country has provided any substantial advisory assistance of any size. Sweden has clearly served as a role model. The knowledge and awareness building efforts have mainly benefited sector officials in Minsk. A few activities (some seminars in Belarus and the study visit programme) have also embraced staff members from the regions. However, earlier projects/phases of the cooperation have included such regional activities. The Land Reform Association does not have sufficient resources to balance this focus on the central level. The organisation's membership in the regions is too limited for that task.

Not all the activities undertaken by the project are relevant and important in the context of real property market development and facilitation. However, the bulk of the resources have been allocated to areas of cooperation that are perceived by us as directly contributing to the project objective and the specific project purpose. The support for legislation development, real property valuation and land data bank system development are examples of this. In a few cases, the project has financed activities with limited or no relevance for the project objective and purpose.

Since the commencement of the second phase of the project, the group of institutions targeted has widened. The strategy applied by the Land Reform Association is to work with several institutions in parallel, thereby reducing the dependency on any particular organisation or decision-maker. Given the multitude of relevant partners in the sector this seems as an appropriate strategy.

The project is considered as efficient. The implementation methodology has been adapted to the particular situation in Belarus. The NCA and other participating institutions are continuously identifying needs in the context of their on-going change processes. Expert assistance has been provided in response to such needs. The total volume of support under each component has been limited, perhaps with one or two exception. The interaction between the Swedish and Belarusian experts in-between visits has been minimal although there are examples of exchanges and submission of material (as a follow-up to a visit).

The cooperation partners have not made any efforts to mainstream gender awareness or any other cross-cutting policy area into the project activities. This is unfortunate considering that there are many relevant issues that could have been discussed and analysed in the context of the project.

Our impression is that the project, in combination with other efforts, has served its purpose. There is no longer a general need for awareness building and information dissemination among Belarusian experts and officials regarding "western land administration practices". This information is now available in Belarus (although not necessarily disseminated to all organisational levels in the sector). Several high-ranking persons met with have given us this message, partly in an attempt to position themselves for negotiations about the future but also, we believe, as a reflection of their perception of the situation in the sector.

Continued cooperation would require that new objectives and a new project purpose are elaborated. These will have to be made much more precise than during previous periods of collaboration, specifically targeting dimensions of the real property market that are seen as particularly critical for its functionality. There are still many areas where a scope for improvement exists and where Swedish experiences could be relevant. However, considering the political situation in Belarus and the uncertainty about the pace of reform during the next few years, we believe that a reduction in the size of the Swedish contribution could be considered. However, the level of support should be sufficient to allow the Land Reform Association to build its capacity and to support and facilitate the further development of the real property market through focused activities. An analysis of the problems and constraints in this market should be the starting point for the definition of objectives, targets and activities for a new project.

The Land Reform Association consists of a small group of professionals that promotes change in the sector. Undoubtedly, the organisation has had an impact in terms of using wisely the opportunities provided by the project. The organisation's pivotal role in the project has been confirmed by many of the persons met with. The institutional network in combination with professional and social skills of a few leading persons within the organisation has contributed to the achievements made. At the moment we do not see any alternative to the Land Reform Association if continued cooperation is considered. The role of NCA as the main recipient of assistance is diminishing. If the strategy to cooperate with several different institutions in the real property market is maintained, the Association is the obvious choice as the coordinating body on the Belarusian side.

The role and activities of the Land Reform Association in the future is somewhat unclear. The project has not promoted any discussion about this. Without disregarding the difficult political situation in Belarus and the limited scope for NGOs to operate inside the country, we suggest that there is a need to initiate a discussion about the Association's future role, in the transition process as well as in a democratic Belarus. Based on the conclusions from such deliberations a new cooperation agreement should include some elements of institutional capacity building for the Land Reform Association.

An issue that needs to be further discussed is the extent to which the project should continue to promote improvement in the investment climate. The focus in that area tends to be drawn towards privatisation, valuation of legal entities, and other areas that are beyond the mandate and competence of LMV/Swed survey. There is a strong political commitment in this area. An option could be to involve the International Finance Corporation (IFC) in the project execution if the content moves towards the business climate issues.

1 Introduction

This report presents the major observations and findings during the evaluation of the project “Development of Real Property Market in the Republic of Belarus”, a Sida funded development cooperation intervention implemented with assistance from the Swedish Land Survey (referred to below as Lantmäteriet or LMV) and Swedesurvey.

The evaluation mission was carried out during the period 2 to 17 April 2008. The evaluation team consisted of Mr. Åke Sahlin (team leader) and Mr. Maksym Kalyta. This report contains the team’s main observations, conclusions and recommendations.

The Terms of Reference (ToR) for the monitoring mission are attached as Annex 1. The main purpose of the evaluation is, according to the ToR, to provide Sida with information about the efficiency of the cooperation in the Belarusian land administration sector. The results of the evaluation will provide a basis for Sida’s decision whether to continue project activities in this sector in Belarus. Issues to be addressed include the strengths and weaknesses as well as the main results of the interventions funded by Sweden. Sida would also like to have more information on pros and cons, should Sida continue in its present form or change the project’s direction. Moreover, Sida needs an analysis and information regarding the current cooperation and implementing partners of the support, their comparative advantages and any alternatives which may be relevant.

A start-up meeting with Sida took place on 26 March 2008. During the meeting it was agreed that the evaluation would cover the cooperation period 2005–2008.

Initially, the evaluation team studied the documents produced by the project during the period under review, including the original project documents, the regular and technical reports as well as other documents of relevance for the assignment. Prior to the visit to Belarus the team leader met with Lantmäteriet’s project manager in Gävle. During the mission to Belarus, the team conducted interviews with representatives of various government institutions, including the National Cadastre Agency (NCA) and several regional registration offices, as well as representatives of several other organisations operating in the real property market (real estate agents, investment advisors, legal experts). The evaluation methodology is further commented on in Section 3 of this report.

A list of the people met with is included as *Annex 2*.

The evaluation team’s work has been facilitated by the assistance provided by the Land Reform Association, NCA, Lantmäteriet/Swedesurvey, Sida and the Swedish Consulate in Minsk as well as several other organisations and individuals. We like to express our appreciation of the support given.

2 The Evaluated Intervention

2.1 Project Objectives and Components

Sida has supported the land administration sector in Belarus since 1998. Formally the cooperation has been organised as three different projects whereof the third project has been divided into two phases. The main features of the previous projects are summarised below. Lantmäteriet and Swedesurvey have been the partners on the Swedish side since the commencement of the collaboration. On the Belarusian side the NGO Land Reform Association has been the main partner.

1998–1999

The project was implemented during a period of nine months. The purpose of the cooperation was to provide Belarusian decision-makers and experts with information and knowledge about the role and functioning of the real estate market in a market-economy. It consisted of three different sets of activities: i) a study-visit to Sweden of six land administration experts, ii) a series of seminars in the major cities in Belarus for a total of 200 decision-makers, and iii) production and publication of the book “Land resource administration – the practice in Sweden”.

In Sida’s decision-memo the intervention is justified in terms of its positive effects for the Land Reform Association as well as in terms of its ambition to conduct activities in the regions.

1999–2000 (prolonged to June 2001)

A proposal concerning a second project was submitted to Sida in late 1999. The project purpose of the first project is maintained during this cooperation period, i.e. to increase the knowledge among Belarusian decision-makers and specialists concerning western land management practices.

However, the scope of activities was expanded substantially. The following “components” were included in the project: i) seminars on land law and land use planning for a total of 180 participants, ii) study visits to Sweden for 22 experts, iii) participation in various international meetings organised by ECE-WPLA and FIG, iv) study visits to Poland and Lithuania, v) advisory assistance for the development of the legislation (including an international conference on the issue in Minsk as well as translation of parts of the Swedish legislation into Russian), and vi) equipment to the Land Reform Association’s office in Minsk (computer, scanner, digital camera, Internet connection).

2002–2005

The third cooperation agreement covered the period October 2002 to June 2005. The overall aim of the cooperation continues to be the modernisation of the Belarusian real property market through increased awareness among decision-makers and “senior administrators”. However, the project purpose (according to Sida’s decision memo) is now widened to include also assistance to NCA and “development of a solid legal and administrative foundation” for the real property market. We note that in the final report from this phase the project purpose is phrased differently. The target groups for the project are NCA management and senior specialists, Goskomzem management and senior specialists, oblast and Minsk municipal administrations responsible for land administration as well as members of the National Assembly Committee for land legislation.

The activities included study visits and seminars, production of seven books and brochures, further advisory support in the area of legislation, participation in two international events (WPLA), and a feasibility study regarding assistance to Goskomzem (human resource development and training of trainers). Activities in the area of real property taxation were replaced by support for the introduction of site leaseholds (*tomträtter*). The latter resulted in a separate collaboration arrangement between the cities of Gomel and Stockholm.

2005–2008

A proposal for a second phase of the project initiated in 2002 was submitted to Sida in April 2005. This is the project phase being evaluated. In this report it is referred to as phase 2.

In the decision memo concerning this phase it is said that “The overall objective of the project is to facilitate the development of a real property market in Belarus through bridging the knowledge gap among civil servants and the general public in Western European land management practices, measures and the institutions that are necessary to establish in order to carry out the transition process.”

We note that as compared to the overall objective formulated for phase one the scope of the project is now widened to include not only civil servants but also the *general public*. However, this increased level of ambition is not directly reflected in the immediate objectives (project purpose). These are:

- to increase awareness, knowledge and experience among officials and specialists in the field of land administration regarding requirements, demands and solutions for a modern land administration system (including gender analysis),
- the development of the National Cadastre Agency into an efficient, modern and well-functioning cadastre organisation,
- strengthen the development of a solid legal and administrative foundation on which the emerging real property market can rely; and
- to support privatisation through introduction of market related valuation methods.

Under the heading Outputs the document lists a number of items (phrased as activities):

- Establishment of a web site/home page for information dissemination to the general public.
- Establishment and development of a national Land Data Bank System
- Publishing of a registrars’ manual
- Development of methods for valuation of infrequent objects
- 5 study visits to Sweden, 3 seminars in Belarus for deputies of the National Assembly and other top administrators, 3 seminars for the judiciary in Belarus
- Introduction of GPS/GLONASS and remote sensing
- Legislation up-date
- Human Resource Development at Goskomzem Training Centre in Minsk
- Physical Planning and Environment Protection feasibility study

Main partners in the cooperation are Lantmäteriet/Swedesurvey, the Land Reform Association and the National Cadastre Agency.

We note that the project objectives have been reformulated during the agreement period. This issue is further discussed in Section 3 below.

2.2 Project Outputs

The project outputs accounted for in the regular reports and/or during our interviews are summarised in the table below. The table includes all activities conducted until the time of the evaluation, i.e. mid-April 2008.

Component	Activities
Land data bank system	Expert visit 050830–050902 (2 persons) Expert visit 051107–11 (3) Expert visit 060515–18 (2) Expert visit 071203–07 (2)
Legislation	Expert visit 051011–20 (1)
Real property valuation	Expert visit 050904–09 (1) Expert visit 051001–07 (1) Expert visit 060402–05 (2) Expert visit 070709–10 (1) Expert visit 071112–16 (1) Expert visit – Congress 070906–07 (1)
GPS reference stations	Expert visit 051128–051202 (2) Expert visit 070909–070914 (2)
Mapping	Expert visit 071210–071214 (2)
HRD/training of trainers	Expert visit 051205–09 (2)
Study visit in Sweden	Land cadastre and registration of rights, 050912–19, 6 pers. GPS/GLOSNAASS and remote sensing, 051211–18, 7 pers. Real estate and land register, 060326–0402, 5 pers. Physical Planning, 061001–08, 6 pers. Valuation and Taxation, 061203–10, 7 pers. The Swedish Real Property Register, 080225–0303, 6 pers.
Seminars in Belarus	Expert visit 080326–28 (3), investment climate (Carnegie) Expert visit 080406–12 (2), seminars in Mogilev and Vitebsk in cooperation with Ministry of Justice
Publishing activities	Book – Registrars Manual volume 2 Book – Registrars Manual volume 3 (under preparation) Book – Physical Planning
Establish website	Running since early 2007. Internet costs paid by the project.
International contacts	Participation in ECE-WPLA meetings in Helsinki, Prague, Tbilisi, Athens Conferences in Ulanbaatar and Geneva Participation in FIG meetings in Beijing, Munich Participation in Regno – 2006 in Vilnius
Procurement of equipment	1 Server (2 x CPU Intel Xeon 5110, 4 Gb RAM, SATA RAID, 4 x 320Gb SATA HDD, 1 x SATA 80Gb HDD, DVD-RW, keyboard, mouse, monitor 19" TFT), 1 GPS Receiver Topcon NET-G3, 1 GPS Antenna CR-G3 with Dome, software licenses (Microsoft ISA Server Standard 1 CPU, CD Kit with Microsoft ISA Server Standard, BDS 2006 Architect, 1 named user license, AutoCAD 2007, MDAemon Professional, Unlimited User, SecurityPlus, Unlimited User, Windows Server 2003 R2 Enterprise, Windows 2003 Server CAL CD Kit with Windows Server 2003 R2 Enterprise, Russian).

As accounted for in several reports, in 2005 and 2006 the project suffered from difficulties in getting it formally registered. Several attempts were made in this respect. Eventually, in May 2007 the registration process was successfully completed.

There are several possible reasons for the difficulties encountered (according to the interviewees):

- The funds made available for the project are fairly substantial.
- In the eyes of the authorities there was no guarantee that money would not be used for other purposes than those stated in the application for registration.

- Mr. Kobasa’s involvement in Lev Sapieha Foundation, an organization with more of “political” issues on its agenda, might have influenced the process negatively.
- In the past, Mr. Kobasa was politically active (for example as a member of the Minsk city council).

2.3 Project Organization

The organization Land Reform Association was established and registered as an NGO in late 1995 by twelve individuals (founding members). Presently, the organization has 65 non-paying members. Instead of membership fees the members are expected to contribute to the organisation through voluntary work. However, major contributions such as the production of professional documents and articles are remunerated by the organisation.

The chairman of the Land Reform Association, Mr. Mirolsav Kobasa, has an educational background in geodesy as well as in law. Between 1976 and 1990 he worked as a geodetic officer within the Belarusian land administration. Mr. Kobasa has been the main Belarusian partner to Sida and Lantmäteriet/Swedesurvey since the beginning of the collaboration in 1998.

The Land Reform Association is, through its members, represented in four regions of Belarus as well as in Minsk. Through the support of the project the organisation has managed to get a certain international recognition, it is affiliated to FIG (International Federation of Surveyors) and it has been given the opportunity to nominate representatives for participation in UN-ECE/WPLA meetings and, subsequently, to nominate a person for one of its steering bodies.

The Land Reform Association’s programme of activities seems to be more or less equivalent to the project operations. Considering the overall situation in Belarus and the risk of being perceived as a “political” organization, the organisation is maintaining a low profile outside the sphere of the project. Almost by definition (according to Mr. Kobasa) an NGO is perceived by Government as belonging to the opposition regardless of the nature of its work.

In Sida’s decision memo for phase 2 it is stated (page 7) that “All major activities are brought to the attention of and discussed in a Steering Committee, comprising representatives from all participating Government agencies, ministries and NGOs”. This was also the mechanism applied during the first phase of the project. However, based on the interviews conducted it seems clear that the Steering Committee has been inactive during the last 18 months. Formal deliberations and agreements have been replaced by a system of bilateral consultations between the Land Reform Association, i.e. Mr. Kobasa, and the various organisations participating in the project. The main explanation given is that the individuals nominated to participate in the Steering Committee meetings have had insufficient time for this task. Although not explicitly referred to by any of the interviewees we assume that the difficulties encountered in 2006–2007 with the registration of the project has impacted negatively on the interest to devote time and energy to work in the context of the Steering Committee. None of the persons met with has expressed any concern or resentment regarding the absence of a functioning project steering mechanism.

Considering the particular political and institutional conditions under which the project is being implemented, we find the approach taken acceptable. Formal meetings and discussions regarding project related issues and professional questions in general would probably not yield the results normally anticipated from such exercises.

2.4 Other Interventions in the Sector

There are no other major donor funded interventions in the sector besides the Swedish funded project. Prior to the Swedish assistance there was a period of sector support from Switzerland. This was the first international assistance project – it provided a Leica photogrammetric aerophotocamera and established the first land information system for the Soligorsk district.

Some of the institutions met with have referred to bilateral relations with Belarus' neighbours, in particular Russia, Ukraine and Lithuania. Our impression is that in most cases these professional relations are rather limited in scope and infrequent.

3 Findings and Evaluative Conclusions

3.1 Evaluation Methodology

This evaluation offers some rather unique conditions. When planning and conducting the assignment the following challenges had to be taken into account:

- The final version of the original project proposal (phase 2) has been difficult to locate. During Sida's transition from paper files to the existing electronic document management system and archives, the original project proposal/request was by mistake disposed of before it was digitalised. LMV/Swedesurvey has provided us with a copy of what is believed to be the final version of the project proposal. This document has been considered by us as the project proposal.
- The project objectives as well as the components/activities have changed during the implementation of the phase under review. Agreements and reports do not fully reflect these changes.
- No LFA matrix exists. Neither results/expected outcome, nor indicators/targets are provided as a basis for the evaluating of the project. Baseline information and sources of verification are also missing in the document available (the project proposal and Sida's decision memo).
- The project proposal does not contain any discussion regarding risks and assumptions, nor does it propose measures to manage risks. However, Sida's decision-memo contains several highly relevant comments concerning potential risks.
- The project logic (justification) is not elaborated in the project proposal, not even the term real property market is defined in the documents. Likewise, the relative importance, for the further development of the real property market, of the components included in the project is not commented on.
- Last but not least, the project under review was on-going at the time of the evaluation. In fact, the momentum of the activities was probably higher at that time than at any other time during the period being reviewed (2005–2008).

The deficiencies listed are partly a consequence of the particular conditions for development cooperation that exists in Belarus at the moment. It should be stressed that the project has been implemented under difficult political conditions and a policy environment that sometimes changes abruptly. A flexible approach has been necessary to handle the uncertainty and the administrative hurdles including the problem to register the project. Project preparation work could not be conducted in the same elaborated manner as in other countries. The vagueness of the project document is also partly a reflection of

the fact that the collaboration has been on-going for a number of years and that assumptions were made implicitly when the project proposal was developed.

In the absence of a proper foundation for the evaluation, in line with Sida's Evaluation Manual¹, we have based our work on an interpretation of the intentions and statements contained in available documents.

In addition to reviewing project reports (technical and regular) we have conducted interviews with project and stakeholder representatives as well as other institutions and individuals that could possibly provide information and views regarding the project's relevance, effectiveness and efficiency as well as the development of the real property market in Belarus in general. Meetings have also been held with Sida, LMV/Swedestudy and the Swedish Consulate in Minsk. The publications produced by the project have been reviewed and the Land Reform Association's website (as well as other websites) visited.

The information gathered has been analysed on the basis of the objectives and other statements included in the project documents as well as our understanding and interpretation of the links between the project's intervention areas, the furthering of the national real property market and the economic and democratic development in Belarus. Tentative findings and conclusions have, at least partly, been discussed with the Land Reform Association.

3.2 Project Relevance

Some of the issues and concepts normally discussed during an evaluation need to be given a different meaning in the particular context of Belarus. For example, relevance is normally defined as the extent to which an intervention is in line with government policies and responds to the needs and priorities of the beneficiaries. In the case of Belarus it is rather the opposite situation. The assumption made is that the official policies do not reflect the priorities of the people. Instead, the project is relevant because it contributes to changing the policies of the government. Similarly, the concepts of ownership and sustainability have to be given a slightly different meaning when applied in a political and institutional environment such as that prevailing in Belarus.

Consequently, a discussion concerning the relevance of the project has to be conducted in the framework of a wider set of objectives such as poverty alleviation, the establishment and strengthening of democratic institutions as well as a continued market-orientation of the economy. We consider the project relevant in relation to these aims. Improved land administration/registration and a well-functioning real property market support different aspects of poverty alleviation. It facilitates economic growth, which impacts on the level of material poverty. It also strengthens the rights of the individual landowner and it provides a tool for improved environmental management.

The development and strengthening of a national land data bank system is a pre-condition for secure user-rights and the ultimate privatisation of land. The registration of real property, conducted in the framework of an adequate and enforceable legal framework, offer the owner protection from arbitrary decisions by national and local authorities as well as violations of the user's/owner's rights by others. This is important for the rights-dimension of the poverty concept.

Furthering of the real property market facilitates the development of the national economy. Security is assumed to increase the incentive for the owners to invest in their property. Furthermore, land registration and the establishment of real property markets contribute to economic growth by allowing registered property to be mortgaged, hence facilitating the process of assets being used for productive investment in the domestic market that generate additional employment opportunities and increased

¹ Looking Back, Moving Forward, second revised edition, Sida 2007

domestic production levels. This is of particular relevance for small and medium-sized companies in Belarus that have limited access to financial resources.

A functioning real property market is part of the private sector enabling environment that domestic and foreign investors assess before making an investment decision. At a general level, it creates confidence in the country and its ability to uphold and protect a framework for business of international standard.

The Swedish Strategy for Development Cooperation with Belarus 2007–2010 outlines the strategic consideration on which the cooperation between Sweden and Belarus is based. Our assessment of the project's relevance in relation to some key dimensions and considerations in the strategy (sections 5 and 6 of the document) is as follows:

- *Cooperation should be concentrated on projects aimed at generating information, knowledge and wider contact, exchange programmes and awareness raising measures.*

The project offers various clusters of experts in Belarus the opportunity to interact and receive advice from Swedish colleagues. Selected specialists have also been given the opportunity to visit Swedish institutions of interest and in a few cases participate in international events (seminars, conferences, etc.).

- *The target groups for Swedish assistance should be broadly defined.*

One of the implementation strategies applied by the Land Reform Association has been (and still is) to gradually broaden the group of collaborating institutions in Belarus. The main target group for the project has been “administrative officials”. Within that segment the project has succeeded in engaging a number of government institutions. The project's objective to disseminate information to the citizens has not yet yielded any tangible results (as further discussed below).

- *Conditions favourable to the implementation of large, complex reform programmes are lacking.*

The Government's efforts to develop the land administration sector in Belarus could be considered as a large and complex change process (based on the policy and objectives formulated by Government). The project has provided limited inputs (in time and size) into this process, often in response to specific needs for knowledge and information.

- *Sweden should support efforts aimed at bringing about a more favourable and more predictable business climate.*

The project attempts to establish a real property market in line with standards and principles applied by most European countries. The rule of law is fundamental in this context. Recently, the project has been expanded to include some activities directly facilitating the privatisation process.

Conclusion

The project is considered highly relevant in relation to generally acknowledged objectives and aims regarding poverty alleviation, democratisation and the promotion of market-oriented values and mechanisms. It is considered to be fully in line with the objectives and intentions accommodated in the Strategy for Development Cooperation between Belarus and Sweden.

3.3 Project Effectiveness – Overall Comments

This section contains some initial comments and conclusions relating to the effectiveness of the project under review. Effectiveness refers to the extent to which a development intervention's objectives were achieved, or are expected to be achieved, taking into account their relative importance².

Development objectives and project purpose are stated in the request to Sida as well as in Sida's decision-memo. The objectives are also referred to in periodic reports. Additionally, there is an agreement

² Sida/Ministry of Foreign Affairs, Glossary of Key Terms in Evaluation and Result Based Management, 2007.

between the Swedish partner and the Land Reform Association regarding the implementation arrangements. Due to the difficulties to register the project in Belarus this contract had to be reviewed and rewritten in early 2007.

3.3.1 The objectives stated

According to the project proposal as well as Sida's decision memo, *the project's long-term or "overall" objective* is "to facilitate the development of a real property market in Belarus through bridging the knowledge gap among civil servants and the general public in Western European land management practices, measures and the institutions that are necessary to establish in order to carry out the transition process". As mentioned earlier, the aim to provide not only civil servants but also *the general public* with knowledge and information is a considerable expansion of the scope of the project compared to previous cooperation periods. In the project document (phase 2) it is argued (on page 1) that "the central administration handling real property issues is quite well informed and has developed a vision and a strategy to implement the vision. The same could not be said for the general public, local authorities and other government structures, including the judiciary, but a growing awareness on their account has been noticed". It is also stated the "major challenge now is to implement the laws, increase public awareness and assure transparency in the decision-making process".

The agreements between LMV/Swedesurvey and the Land Reform Association do not refer to the project's "overall" objective. However, the regular project reports (covering July–December 2006 and 2007 respectively) present a modified version of the "overall" objective. The major difference is that increased knowledge among the general public is no longer part of the "overall" objective. No reasons or justification is given for this important change.

The specific project purpose(s) (referred to in Sida's decision-memo as immediate objectives) are stated in the various documents mentioned. As these show a larger degree of variation between the documents, we have summarised them in the table below.

Document	Specific project objectives
The project document and Sida's decision-memo (minor differences in language exists between the two documents)	<ul style="list-style-type: none"> – Increase awareness, knowledge and experience among officials and specialists in the field of land administration, regarding requirements, demands and solutions for a modern land administration system (incl. gender analysis). – Further strengthen the National Cadastre Agency to develop into an efficient, modern and well-functioning cadastre organisation. – Strengthen the development of a solid legal and administrative foundation on which the emerging real property market can rely. – Support privatisation through introduction of market-related valuation methods.
The regular reports	<ul style="list-style-type: none"> – Increase awareness, knowledge and experience among officials in the real property administration area on requirements and solutions for a modern real property administration system. – Introduce a property taxation system operating at the local level to strengthen local budgets and support self-governance.
The agreements between LMV/Swedesurvey and Land Reform (the April 2007 version of the agreement, there is another version of the objectives included in the agreement from 2005)	<ul style="list-style-type: none"> – Enforcement of Belarus Law "On state registration of real property, real property rights and transactions involving real property", preparation of legal bases for fiscal cadastre and legislation on address register. – Development of valuation activities in the field of real property, introduction of state-of-the-art satellite positioning technologies. – Improvement of investment climate by the institutional development and betterment of real estate management. – Enhancement of the quality of law enforcement in the field of land relations and dissemination of knowledge on land management (expert meetings, seminars and publishing activities).

As shown in the table, the statements concerning project purposes differ substantially between the documents. The phrasing of the objectives in the agreement between LMV/Swed survey and the Land Reform Association is partly explained by the need to present a document to the Government of Belarus that could be accepted as a basis for registration of the project. This agreement is also a reflection of the changes made in terms of *activities* included in the project. Most of the latter alterations (concerning project activities) have been commented on in the reports submitted to Sida together with the invoices from LMV/Swed survey.

We note that there are also certain variations between the project steering documents regarding the listing of target groups, for example the Ministry of Justice.

In discussions with LMV/Swed survey and Land Reform Association we were told that the actual project activities are based on a combination of the original documents, the 2007 agreement and upcoming needs (after April 2007).

Comments and conclusions

In summary, we have made the following observations in relation to our assessment of project's effectiveness. Below in section 3.4, each specific project component is further commented on.

- We find the changes in formulation of objectives highly unsatisfactory. We acknowledge the need to adjust and adapt to changing circumstances during project implementation but we believe that such changes should be reflected at the level of activities, not through the reformulation of the "overall" objective and project purpose(s). Our impression is that the documents have been elaborated, and the project managed, without sufficient support and involvement of persons with competence in project design and project cycle management.
- It is a problem that objectives are vaguely formulated in the project documents. Objectives should be SMART (specific, measurable, achievable, realistic and time-bound). As an example, one of the four project purposes (or immediate objectives) according to the Sida decision memo is to "strengthen the development of solid legal and administrative foundation on which the emerging real property market can relay". What does it mean? Which elements of the legal framework are aimed at (the land code, the registration law, other laws, particular decrees, regulations, etc)? What is referred to with the expression "administrative foundation"? Is it particular institutions (ministries, registration offices, mapping companies, financial institutions, notaries, real estate agents, or courts)? What level of improvement is required before the "foundation" is considered to have been strengthened?
- The project purposes included in the project document and Sida's decision-memo do not immediately contribute to the achievement of the "overall" objective to increase the general public's knowledge about modern land administration systems and approaches. Very few activities towards this aim were included in the project document. With the exception of the webpage (further comments below) the project has been entirely geared towards the civil servants/experts in various fields relating to land administration (planning, mapping, registration, valuation, etc). The general public has not benefited directly from the collaboration. We are not convinced that there was ever a real commitment to this element of the original "overall" objective.
- In general, we perceive the project purposes and activities included in the project as contributing to the achievement of the second half of the "overall" objective, i.e. to promote awareness and dissemination of information among experts and administrative staff in the sector. However, we note that the project document does not contain any real analysis of the existing real property market, its strengths (if any) and weaknesses. In fact, the term *real property market* is not even defined in the documents. As in the case of many other similar markets it consists of a number of structures and entities including a range of laws and regulations, institutions, information flows, administrative processes and procedures, technical systems, resource allocation and price mechanisms, transparent

and affordable processes for ownership transfer, etc. In the absence of an analysis of the functionality of the market in Belarus it is difficult to form an opinion about the extent to which the project has geared its efforts towards the most “critical” elements of the market.

3.3.2 The real property market in Belarus

Needless to say, a real property market exists in Belarus. The aim of the Swedish support is, and has been, to improve the functionality of that market. Presently, the market is characterised by several parallel trends and tendencies.

Many people own their apartments or houses and a secondary transactions market exists since many years. The law also provides for ownership (by physical persons) of land for residential purpose. According to real estate agents met with, the domicile segment of the market has during the last few months experienced a reduction in the level of activity in the secondary transaction sub-market. In recent years prices have risen to a level that is perceived as un-sustainable. Buyers’ hesitance to venture into the market is also fuelled by statements by the President of the Republic saying that he “expects” prices to fall. However, we are told that in a slightly longer perspective (i.e. a few years), the market in question has grown in size and value. For example, during the last three years the number of mortgages in Belarus has doubled every year (although starting at a very low level). The total number now stands at 34.000 as compared to roughly 450.000 in Sweden. A number of the banks in Belarus (there is a total of 28 different banks operating in the country) are offering mortgages to citizens. Russian owned banks are perceived as the most aggressive in terms of trying to penetrate this market.

Presently, the domicile segment does not seem to generate any significant resources for investment in the business sector. We are told that there are only a few examples where individuals have used there houses/flats as collateral when investing in business ventures.

The construction industry is operating at a high level of activity, particularly in the vicinity of Minsk. Partly, the sector is driven by schemes by the government to stimulate housing projects for poor families through subsidies. The industry is considered lucrative. In several meetings, increased foreign investment (mainly Russian) in the construction industry was referred to as examples of the improving investment climate and the “booming” economy in Belarus. Having reviewed also other sources of information we would suggest that the word booming should be replaced by a more moderate language.

Agricultural land is owned by the state. Ideas to privatise such assets have been shelved. None of the persons met with seem to expect any change in this policy in the foreseeable future. Legal entities are allowed to own constructions (buildings) for commercial use and they have the possibility to obtain user-rights of the corresponding land for a specified number of years (maximum 99 years). Ownership of buildings and lease-agreements regarding land could be subject to transfers in a commercial secondary market.

Presently, there is a process of privatisation of commercial properties, often through auctions. A high-level policy decision late last year has created a certain momentum in this respect. Based on our observations and interviews, our impression is that most of the objects being privatised are of low commercial value; often it is a question of selling off constructions that have been abandoned or that are unfinished. However, there are also examples of more significant transactions as well as other cases where user-rights are offered to the market for a fairly long period (for example 40 year lease agreements for development of a hypermarket outside Minsk). Likewise, there is an increasing level of foreign investment which, to some extent, assists in maintaining and increasing the activity in the real property market in Belarus.

We have had some difficulties in obtaining precise information about the relative transaction volumes. Based on the assessment made by individuals met with, the proportion of business transactions is

highest in Minsk, estimated at 30% of all secondary transactions. In Vitebsk, the commercial property is estimated to represent approx. 10% of all ownership transfers.

The importance of the real property market transactions for the economy of the country is difficult to assess. The opinion forwarded by the persons met with is that the secondary commercial property transaction market has been growing during the last few years. Some refers to it as a rapid expansion while others perceive it as a more balanced process of expansion. Undoubtedly, the starting point, in terms of transaction volumes and values, was low.

A large number of real property agents (at the moment approx. 130) as well as legal advisors are offering their services in the market. Most of these are privately owned/run businesses. As required by law, the Government issues certificates for agents to operate. As from 1 April 2008 there is a requirement for real property agents to have at least five certified agents employed. As there are only a total of approx. 800 persons certified to operate as real property agents, this causes a problem for smaller operators in the market. The expectation is that these, when failing to meet the criterion established, will *merge or be absorbed by larger companies. Consequently, the number of agents will decrease.*

In summary, we believe that there is real property market in Belarus of sufficient size and economic potential to justify continued efforts and investment to improve the functionality of the market.

3.3.3 The strategy applied by Land Reform Association

In its strive to promote change while at the same time maintaining a situation where the project is allowed to continue its operations the Land Reform Association has to assess opportunities and make strategic choices carefully. The organisation has to be perceived by the authorities as responding, to a reasonable extent, to the needs and priorities of the collaborating government institutions while at the same time taking initiatives as deemed appropriate in order to promote development in the sector.

The recommencement of activities in April 2007 was made possible after discussions and an agreement with the Committee of State Property (CSP – under which auspices NCA operates). One of the strategic decisions made by the Land Reform Association is, according to the chairman, to try to establish collaboration with an increased number of institutions (including new ministries) in order to reduce the dependency on one partner (CSP). Therefore, a further deepening of the relationship with the Ministry of Justice, the Ministry of Architecture and Buildings and other institutions, is a high priority and it is, to some extent, guiding the prioritisation of activities in the project. This is particularly important given that the CSP signals, at least as a strategic move on their side, some hesitation regarding the usefulness of the cooperation at the moment. To some extent, we perceived this and a few similar statements as a step in the process of negotiating the content of a possible continuation of the project (phase 3). However, there is also some justification for this position in terms of the actual situation and the progress made in the sector.

The position taken by the representative of the CSP met with was that Belarus has reached a point where technical assistance is no longer needed, instead the cooperation should be geared towards investment in land administration related systems and equipment, for example permanent reference stations for GPS.

Similarly, the political situation and the limited room to manoeuvre impact on the level of activity in Belarus. Besides the web-page, the Land Reform Association does not conduct any public awareness campaigns or other similar activities with the aim to disseminate information or influence the public opinion. Obviously, this reduces the possibilities to achieve the objective of creating public awareness. Likewise, it refrains from engaging in income generating activities since that would (potentially) make the organisation liable for income tax on foreign donations as well as other revenues.

Conclusion

Given the political environment within which the project operates, we find the strategic considerations made by the Land Reform Association realistic and reasonable. These ambitions have to be balanced against criteria such as effectiveness, efficiency, ownership and sustainability of the interventions. If the collaboration is extended beyond this year, we believe that an element of capacity building of the Land Reform Association itself should be included.

3.4 Project Effectiveness – Comments Concerning Each Component

This section contains some further comments regarding each component (or cluster of activities) included in the project.

3.4.1 Web-page

The project document notes that the “goal for this subproject is to create a web site for the population that is interested in improving their knowledge” in land administration related issues. The rationale for the activity is that in Belarus there is a “mass of poorly informed people” (regarding in particular the sector legislation). The intention was that the web-site would be used to inform the public as well as experts in “various fields of economy and law”. It is the only activity in the project that is directly geared towards the general public.

The site was developed with the assistance of a Belarusian consultant. The work was completed in the autumn of 2006. Land reform has a person designated to maintain the web-page. The web-site has the following structure (menu): About Us – News – Articles – Publications – Partners – Contacts – Forum”. We are told that the News and Articles sections are updated quite often. There is no English version of the web-page. The organisation has experienced problems in maintaining the Forum which is frequently spammed (by robots?) and malfunctioning. Many articles produced by Belarusian specialists are published on the web site.

The project finances the current Internet cost and the web-page administrator.

The Land Reform Association has been unable to provide us with any detailed information regarding the number of visitors, category of visitor, and other similar facts. The organisation seems unaware of the technical possibilities to acquire such data. Consequently, they have difficulties in making decision concerning the further development of the site based on actual facts about users and user needs. The estimate made by the web-site administrator is that it has had approx 200–300 *unique* visitors during the period August 2007 to mid April 2008 (the time of the evaluation). Assuming that the 60 members of the organisation are included in the estimated number of visitors, the remaining group equals roughly one unique visitor per calendar day during the period in question.

Conclusions

The rather low number of visitors to the web-page indicates that at the moment the web-page is not fulfilling the functioning of providing the general public with information about land administration related matters. It is mainly a facility benefiting a small group of experts and land administration officials. The experts met with are aware of the web-page and some of them claim that they visit the page frequently.

The main reason for the low number of visitors is probably that as part of its survival strategy the Land Reform Association is refraining from public campaigns or other similar situations/activities where the web-site could be promoted. This relative failure of the project is a consequence of an incorrect assumption made at the project design stage. We note also that there are other web-pages (such as NCA's web-page) providing information for citizens regarding for example procedures for registration of real property transactions.

We suggest that the project (and LMV/Swed survey) assists the Land Reform Association in using one of the tools available on the Internet to obtain information about visitors on the web-site since this could serve as a basis for further decisions on whether to continue to invest in it (at the moment), how to develop the web-site, etc.

Presently, the web-page is more of a tool for experts than a source of information for the citizens, for example concerning rules and regulations when acquiring or selling real property. We recommend the Land Reform Association to study, as an example for the future, the web site that is run by the Ukrainian equivalent of the Land Reform Association (www.myland.org.ua). The organisation operating that web-site could perhaps provide experiences and ideas that could assist in further improving the Association's own web-page and make it more accessible and useful to the general public.

3.4.2 Production of professional publications

This set of activities is a continuation of activities during the previous phases of cooperation. The objective according to the project document was to produce the second volume of the text book/manual for registrars.

This activity has been successful, not only during the present phase of cooperation but also earlier. The Land Reform Association has managed to produce a relatively large number of books in the field of land administration. The publications have, with one exception, been funded by Sida through the project. The books *Territorial Planning in the Republic of Belarus* (printed in 500 copies) and *State Registration of Real Estate in Sweden and Belarus* (200 copies) are publications referred to by several of the individuals met with. The manual for registrars (*State Registration*, volume 2, 1.000 copies) has been completed and printed during the period. A third volume of the same publication is at the moment under production.

Several of the publications have been produced in collaboration with experts from different organisations in the sector.

The books produced by the Land Administration Association are, when relevant, distributed during seminars or other similar events. Copies are also distributed to large libraries, research institutions, universities, land administration organizations and other collaborating organisations and interested parties. Most of the officials and experts met with were aware of the publications. A few of them, who are also teaching at universities/educational institutions, claimed that they are using the books as educational materials. However, there were also a few cases where, surprisingly, interviewees seemed uninformed about the existence of the books.

Several persons met with have expressed the opinion that the publications are printed in an insufficient number of copies. Consequently, the books are not distributed as widely (among professionals) as could be the case. A reason given for the low number of copies is that legislation changes constantly and that the books become outdated rather soon.

Conclusions

Our impression is that the publications are of high quality and of relevance to the target group, i.e. professionals within the land administration sector in Belarus. More has been achieved in this area than was originally intended. The activities are also directly contributing to the achievement of the specific project purpose and indirectly to the "overall" project objective.

3.4.3 Land Data Bank System

NCA is responsible for the development and management of the Land Data Bank System. The system consists of a number of different registers (*State Register for Immovable Property* including rights and deeds (from 2003), *Price Register*, *Land Value Register*, *Address Register*, etc.).

The Swedish support has consisted of expert advice provided during four missions conducted over a period of two and a half years. Each input has been tailored to the particular needs of NCA (in terms of information and knowledge needed to continue the development of the system) at that time. The support has included a review of the national plan for the continued development of the system, networking and communication issues, handling of geographical information, e-governance and e-service issues, and other areas.

In addition to the advisory support, three study visits have also focused on this area. Likewise, the project has financed software licenses for NCA. The provided software licenses facilitate communication between NCA offices and also the distribution of the information between NCA users. For example, the mail server software allows easy and secure usage and management of all subscribers' accounts, so that authorized notaries can send requests for electronic registry extracts, which in turn facilitates transaction processing – it takes less time for sellers/notaries to get registry extracts about the property.

The assistance provided in this area is highly appreciated as it has offered NCA's experts an opportunity to discuss strategic issues in relation to the system as well as technical matters. The practical results of the Swedish inputs have, for example, been related to the development of the "Price Register" to provide end-users with information about the property transfer value. At the same time, now NCA is considering transitioning the system to support e-Government concepts and improve service provisions. Given the limited exchange of information with other countries this "professional window" has been important for NCA in its efforts to develop and improve its system.

The development process, which is managed by a limited number of experts at NCA, has clear targets set by the highest authority of the country. By the end of the year all real property in Belarus should be registered. We are told that as a consequence of the ambitious target set and the inadequate quality control system (for data entry) that exists at NCA, the volume of errors and corrupt data could be assumed to be rather high.

One of the bottlenecks from the system maintenance perspective is the system architecture design and the fact that each registration office (in total 125) requires a separate installation of the Oracle Database Management System with Spatial Extension (Enterprise Edition). Presently, NCA is using pirate copies of the software. During the discussions the developers mentioned that they are planning, in the future, to have only one DBMS instance in the central office and all users will be connected directly to this central DBMS, but this requires significant improvements in the network infrastructure and a major update of the application, thus this centralization will not happen soon.

We were also told that the development process in NCA is pushed by the rapid and frequent changes in the legislation/regulations and developers have no choice but to implement very quickly all required functions to support the latest legal updates. This issue is one of the factors that not only complicates the process and makes it almost impossible to outsource the development of the system. Consequently, NCA has to significantly change and improve its internal software development process by adding more human resources, including quality control engineers. At the same time, the software development and data conversion processes are lacking the formal Quality Assurance stage – the developers are doing testing/checking of software themselves, and as software testers they use lawyers in the main office to obtain views on usability and conformance with the legal requirements.

The overall influence of the Swedish experience on the development of the Belarus Land Data Bank system is obvious: the NCA is following the same logic and concept as the Swedish registration system has, but of course the development is restricted by Belarusian legislation and limited human resources.

Conclusions

The support in this area follows the intentions that the project is based on. It is in line with the specific project purpose, to strengthen NCA, stated in the original project document and Sida's decision-memo (although removed from subsequent documents).

The advisory assistance has been provided as expert inputs to NCA's own development process, at strategic as well as operational level. As a complement to these rather infrequent expert missions, groups of Belarusian experts have visited Sweden during study tours organised by the project.

3.4.4 Legislation

The legal framework for the sector has been gradually amended and up-dated during the last ten years. This work continues although there are different views on the efficiency and progress of the efforts made. Amendments to the 1999 Land Code are being discussed by the Parliament and further amendments are anticipated as a consequence of the President's Decree no. 667. According to the NCA legal expert met with the amendments will not dramatically change the legal framework for the land administration sector. Some simplifications will be introduced in terms of categories of title application.

Presently, the Parliament is in the process of reviewing amendments to the Registration Law. We are told that these changes will improve the quality of the law and make it easier to interpret and apply. In parallel, a draft Mortgage Law is also being circulated. The draft law is a compilation of various decrees and provisions relating to mortgages. The quality of the draft is considered as insufficient by the NCA legal expert. It is not considered as sufficiently market oriented and the draft law does not introduce unified and streamlined procedures for the operations of that market.

In general, during the interview the consultants got the feeling that the changes in Belarusian land registration and regulations are often made hastily and limited time is allowed for the implementation. For example, quite recently a new law was passed which forces all so called garden associations to register their small plots before the end of September 2008 or run the risk of having their property being repossessed by the State.

The project document from 2005 foresees advisory support for the further development of the legal framework for land administration. Assistance was expected for the continued revision of the Land Code, the Civil Code, the Registration Law, a new Mortgage Law and "other real property related legislation". One expert visit was made in 2005. The aim of the mission was to provide assistance concerning the draft law on real property formation. No further support has been provided in the area of legislation since then. However, according to the project work plan for 2008 further assistance in this area is envisaged (two missions are scheduled for later this year).

Conclusions

Support for development of the legal framework is an area that has produced tangible results since the commencement of the collaboration in 1998. The Swedish legislation has on several occasions served as a role model and a starting point for the development of the corresponding laws and regulations in Belarus. In particular, the draft Real Property Formation Act and NCA's regulations as well as the Land Registration Law and regulations are considered to have been heavily influenced by the Swedish equivalent. However, we note that in this area of cooperation NCA also refers to some exchange of information with Russia and Moldova.

As mentioned, during the period under review the collaboration in this field has been minimal. A modernised legal framework for the land administration sector is a pre-requisite for the further development of the real property market and the overall transition process towards a market-economy. To the extent that assistance is requested this area of cooperation should be prioritised. Further improvements to the Registration Law and the continued Development of the Mortgage Law are of particular interest.

3.4.5 Real property valuation

Valuation of real property could be done for different reasons including assessment of the value of a real property for the purpose of taxation (in the future), privatisation, leasing as well as compensation in cases of expropriation of real property.

A rather substantial effort has been made by the project to support NCA in the area of real property valuation. Five expert visits have been complemented by a study visit to Sweden. Additionally, a Swedish expert participated as a speaker and resource person at an international valuation conference in Minsk in 2007.

The component and aim contained in the project document of 2005, support for assessment of infrequent objects, has in practice been replaced by a set of activities that in the April 2007 agreement is referred to as “methodological development of real property valuation”. Issues included under this heading are methods for mass valuation, valuation of commercial and industrial property, creation of a price-register, cooperation with the taxation authorities and creation of a system of appeals against valuation results/decisions.

The management of NCA stresses the achievements made in the area of valuation and the importance of the Swedish assistance in that process. The value of the contributions made by the key (individual) expert in this field is emphasised by the NCA representatives met with. As a result, knowledge about modern valuation methods has been provided and the valuation model applied by NCA has been simplified. In-between visits the staff of NCA has continued the developmental activities and conducted pilots. We are told that the price register established has had a particular Swedish influence.

The approach taken by NCA has been to conduct seminars with Swedish and other international experts when inputs have been required into the on-going development process. Each visit and seminar has had a clear objective and agenda. Alternative models from Russia, Moldova and Lithuania have also been discussed in order to broaden the basis for policy decisions.

Conclusions

Systems and processes for valuation are important for the functioning of a real property market. Transparent data sources and valuation processes contribute to the development of investors' confidence in the property market and the economy in general. We agree with and support the project's widening of the scope for this component. The importance of the Swedish support for the progress made by NCA is widely acknowledged.

In the regular reports LMV/Swedestudy presents, as a specific project purpose, the introduction of a “property taxation system operating at the local level to strengthen local budgets and support self-governance”. Besides the problem of having a project with changing (or alternative) objectives, we would question the realism of this ambition considering the overall political situation in Belarus. Accomplishment of this would require that property taxes are collected and managed locally.

3.4.6 GPS reference stations

The aim of this component is to study the experiences of establishing a network of GPS reference stations in Sweden and GLONASS in Russia. The intention is to build a network of permanent reference stations in Belarus. Presently, there are two existing base GPS reference stations – one owned by the Ministry of Defence (status unknown) and another operated by the state enterprise Belaerokosmogeodezia (main duties related to the establishment and development of the modern state geodetic networks). However, the equipment of the second station is outdated and thus, the project has decided to fund the purchase of the equipment for a new base reference station. The new equipment will also allow connection of this station into the IGS³ (International GNSS Service) network.

³ The IGS is a voluntary federation of many worldwide agencies that pool resources and permanent GNSS station data to generate precise GNSS products. In general, the IGS is the highest-precision international civilian GPS community.

At the same time there are plans to set up the first base reference stations network in Minsk region (consisting of 15 stations) but there are as yet no funds available for this activity (estimated need 8,5 million US). The Swedish funded equipment (a server, a GPS antenna and one GPS receiver) for the pilot reference station was received in March this year.

In addition to the equipment, the project has supported this area through the provision of expert advice on two occasions and through the organisation of a study tour to Sweden. The purpose of the missions has been to discuss a range of strategic and operational questions relating to the establishment of a network. The visits have not been linked directly to the introduction and installation of the equipment procured by the project. Additional expert visit(s) are planned for 2008.

Conclusion

The rather limited support provided by the project and LMV/Swedesurvey is perceived as useful. The main issue is rather whether this component contributes to the development of a real property market. In our opinion it has limited *direct* relevance or importance for that purpose. There is no information indication that this is a particular priority in the context of strengthening the real property market.

Instead, the relationship with the market in question is *indirect*. The establishment of a network of permanent reference stations will significantly enhance the technological efficiency in land surveying, thereby providing the opportunity for government and private surveyors to provide services at low cost (or at least reduced cost). The availability of affordable services, in combination with other measures aimed at reducing market friction, could be assumed to facilitate the development of the real property market.

It should be noted that this set of activities also supports European integration and adaptation to international standards.

3.4.7 Physical planning

The 2005 project document lists “Physical Planning and Environment Protection feasibility study” as an expected output of the project. However, apart from some general remarks under the heading Seminars in Belarus in the 2005–2007 activity plan (annexed to the project document) there is no indication of what resources and activities would be required to produce the expected output. No information is given about the feasibility study. The so called invoice reports do not provide any further details. The 2007 agreement between the project partners does not make any references to the area in question.

Some limited support for physical planning has indeed been provided by the project. One of the study tours to Sweden focussed on this subject. The programme included questions regarding the municipalities’ role in the planning process, citizens’ participation, modern planning techniques, and so forth. The visit seems to have impacted positively on the development process in Belarus. Representatives from the State Institute for Regional and Urban Planning (IRUP) claimed that some Swedish experience and practices are under implementation in Belarus. In fact, an element of public review has recently been introduced into settlement development planning and state regulations are presently being updated to support this practice. We were also told that corresponding changes in local regulations have already been made for the cities of Minsk and Grodno.

IRUP staff members made substantial contributions to the book ‘Territorial Planning in the Republic of Belarus’ published by the Land Reform Association in 2007.

Furthermore, IRUP is an example of the scope for modernisation and international cooperation that exists in Belarus (despite various restrictions). The Institute, which has received ISO 9000 certification, is engaging actively in international projects and events. Collaboration with a Dutch university has offered selected staff members the opportunity to acquire advanced training and new knowledge.

IRUP is also active as an expert institution in the international market (at least among “friendly” nations). For example, the Institute was recently awarded a contract for the development of general plans for the creation of five new satellite cities in Venezuela. The Institute has also developed the general plan for the Kaliningrad region in Russia.

Conclusion

We consider this activity to have limited relevance or importance for the purpose of developing the real property market in Belarus. We have not received any information that would make the area a priority given the objective of the project. Had there been a high level political commitment for large-scale privatisation of land, prior zoning would have been an issue. However, no such plans seem to exist at the moment.

The activity has a rights-dimension (citizens’ participation in the planning process) that is of general interest, in particular in a country such as Belarus.

3.4.8 Mapping

In December 2007, two Swedish experts conducted a seminar in Minsk for 15 staff members, mainly chief engineers and production managers, from the BelGeodezia, the government agency responsible for the production and update of the topographic maps and city plans (both paper and digital). The seminar was focused on a list of questions provided by BelGeodezia prior to the visit. After the mission the agency was provided with material from Sweden concerning map symbols.

This area of support was neither included in the original project proposal from 2005, nor in the new agreement signed in April 2007. The event was conducted in response to a direct request from the chairman of the State Property Committee following some technical difficulties encountered by Bel-Geodezia (regarding mapping symbols). BelGeodezia is interested to continue the cooperation.

Comment

This activity is of limited interest and importance for the achievement of the “overall” objective and the specific project purpose. In our opinion it does not contribute to the development of a real property market. Nor does it give any significant contribution in terms of awareness building and information dissemination. The activity is the price paid for the continued acceptance and support by the State Property Committee. The assistance should not be extended unless it is absolutely necessary in order to secure the continuation of the entire project.

3.4.9 Investment climate

There are, of course, different views on the investment climate in Belarus. Some of the government officials met with claim that the economy has been developing rapidly during the last few years and that, as a reflection of the positive investment climate in the country, foreign investment is also surging. Russia, Ukraine, Israel, Turkey, Iran and China are mentioned as examples of countries represented among the investors. To some extent, other sources confirm the gradual improvement in the business climate and the conditions for investment.

Foreign investment is obviously stimulated by the privatisation of government property, a process undertaken under the auspices of the Foundation of State Property (FSP). FSP is part of the State Property Committee. The main task of the Foundation is to privatise industrial and non-individual property.

From January 2008 there seems to be drastic changes in the State policy for privatization (following the Presidential Decree no.667 issued in December 2007) – most of the property that are privatized are being sold through auctions (where, when applicable, land under constructions is leased for a specified number of years). We were told that in the near future the first business agreement (a hotel investment) where a legal person acquires ownership of land will soon be approved by the President. The increasing

momentum in the privatisation process is believed to be a consequence of the current deficit and the hiking gas and oil prices.

Investment opportunities are presented on FSP's web-site. Interestingly, the web-site is in Russian only. All objects available for actions are listed and grouped by type and region. During our review we identified three main groups of objects – auctions for the right to lease land parcels, auctions for land sale into private ownership and auctions concerning sale of state owned properties. Most of the objects are either small plots for residential housing or different municipal/industrial objects of small size. A list of the auctions of stocks in state owned companies is included in Annex 3. The biggest “deal” in 2007 was the sale of 50% of ‘BelTransGaz’ stocks to Russian ‘GazProm’ for 2.5 billion US dollars.

The original project document did not include any outputs or activities relating to the improvement of the investment climate in Belarus. This aim was introduced in the 2007 project agreement through the new project purpose “improvement of the investment climate by the institutional development and betterment of real estate management”. Some initial steps have also been taken towards this aim. Members of the Foundation for State Property have participated in study visits to Sweden and contacts have been established with the Carnegie group. In early 2008, two members of this investment bank undertook, jointly with a representative of LMV/Swedesurvey, a mission to Belarus with the two-folded aim to discuss methods of valuation of legal entities (companies) as well as to review investment opportunities of direct interest to Carnegie.

Conclusion

There are many reasons why this component is included in the project. For example, the 2007 project agreement mentions the following issues: management and privatisation of real property, how to make real property interesting for foreign investors and the banking system's influence on the business climate. Provision of knowledge and information in these areas supports the accomplishment of the objectives formulated for the project (in the agreement mentioned).

However, there are issues that need to be discussed. The competence and experiences required to provide the assistance are only partly found within LMV/Swedesurvey. The detailed programme for the expert visit earlier this year includes discussions on topics such as valuation of companies, privatisation related issues (contractual questions, auction procedures, etc.). As a complement to its own resources LMV/Swedesurvey has chosen to engage the Carnegie group. This has been done through direct procurement. As far as we understand, contrary to normal business procedure, Carnegie's participation in the project has not been detailed in any terms of reference or formal contract (although they are paid for their involvement). However, it should be noted that the remuneration level is within the ceiling for single source procurement according to Sida's Procurement Guidelines.

The most sensitive aspect of Carnegie's involvement is the fact that they participate both as experts and as potential investors. Judging from the correspondence that we have been given access to, the latter role has been important for their decision to involve themselves in the project. We suggest that the two roles are separated in order to avoid misunderstandings and the fact that the project sets an example that could be “misinterpreted”.

3.4.10 Development of international relations

As a complement to other awareness building activities the project has funded a few selected individuals' participation in international conferences and seminars, for example FIG-events and meetings organised by ECE-WPLA. While insignificant in terms of the number of persons involved this support still provides an opportunity for the Land Reform Association to develop contacts and interact with the international community of land administration specialists.

It is one of the few activities embraced by the project that could be labelled capacity building of the Land Reform Association itself. It has also provided an opportunity for the head of NCA to participate

in international events. In our opinion, the activity is relevant and contributes to the achievement of the “overall” project objective and the specific project purpose.

3.4.11 Human resource development at Goskomzem TC

The project document approved by Sida in 2005 contains a set of activities geared towards the Goskomzem Training Centre. The intention was to assist the Centre in the development of “remote training applications and a training data base”. Activities envisaged were training of trainers, management training for the senior Goskomzem staff, curricula development for staff re-training as well as an introductory course on GPS.

Some initial activities were carried out in late 2005 in collaboration with experts from the University (*Högskolan*) of Gävle.

As a consequence of the difficulties to register the project and the slow-down in activities during 2006 the management of Goskomzem lost interest in the collaboration and decided to withdraw from the project. Consequently, these activities are excluded in the project agreement signed in April 2007. These changes have been commented upon by LMV/Swedesurvey in their reports.

3.4.12 Conclusions regarding project effectiveness

The land administration system in Belarus has been and is undergoing change. There is an obvious political commitment and pressure on the institutions in the sector to modernize and simplify the processes and procedures. Improvements have been made in recent years, especially regarding the registration system and procedures. There is also a real property market of sufficient size and potential to justify the investment made by the project.

The project has not achieved the objective of building awareness and disseminating information among the general public. The main intended vehicle for this was the Land Reform Association’s web-page. Political considerations have made the organisation refrain from public campaigns or other activities aimed at promoting the use of the web-page. In this respect it could be argued that the project suffers from a design error or alternatively, that unrealistic assumptions were made at the time of project conception.

There is strong evidence to suggest that the project has succeeded in its ambitions to educate officials and experts in the sector and make them aware of the institutions, procedures and mechanisms in a modern land administration system. The advisory support and other inputs provided by LMV/Swedesurvey have been particularly important considering that no other country has provided any substantial expert assistance of any size. Sweden has clearly served as a role model for the Belarusian land administration sector (although ideas and methods have been adapted to the “Belarusian situation” before implementation). We have been given numerous examples of how the visits have assisted Belarus in furthering their laws, procedures and institutional solutions with the assistance from Sweden. The Swedish examples have mostly not been copied but the support has inspired and reconfirmed ideas and efforts made to improve the systems in Belarus.

Not all the activities undertaken by the project are relevant and important in the context of real property market development and facilitation. However, the bulk of the resources have been allocated to areas of cooperation that are perceived by us as directly contributing to the project objective and the specific project purpose. The support for legislation development, real property valuation and land data base system development are examples of this. In a few cases, the project has financed activities with limited or no relevance for the project objective and purpose.

Since the commencement of the second phase of the project, the group of institutions targeted has widened. The strategy applied by the Land Reform Association is to work with several institutions in parallel, thereby reducing the dependency on any particular organisation or decision-maker. Given the

multitude of relevant partners in the sector this seems as an appropriate strategy. It could even be argued that since NCA, the main recipient of the support, has reached a point where further knowledge transfer and awareness building is less important, the expansion of collaborating organisations is a necessity if the project is to continue its activities beyond this year.

The knowledge and awareness building efforts have mainly benefited sector officials in Minsk. A few activities (some seminars in Belarus and the study visit programme) have also embraced staff members from the regions. The Land Reform Association does not have sufficient resources to balance this focus on the central level. The organisation's membership in the regions is too limited for that task.

3.5 Project Efficiency

Efficiency measures the ratio between the value of the results of an intervention and the value of the resources consumed.

The project under review offers some extraordinary difficulties in terms of gauging efficiency. How do we measure the value of the awareness and knowledge that is created or induced as a result of the project? The political and institutional environment within which the project operates offers an additional challenge in this respect. In order to form an opinion about the project's efficiency we have reviewed the project's resource consumption in relation to the activities conducted and made an assessment of the extent to which they seem reasonable considering the characteristics of the activity (purpose, size, duration). Our observations and conclusions are as follows:

- The total resource consumption is far below budget. At the time of the mission some 45% of the budget remains unspent (although partly committed). Obviously, the relative stand-still in the project during 2006 and early 2007 is the main reason for the relative under-consumption.
- Missions have consisted of one-three experts (average 1,66 experts/mission). Considering the range of issues covered in the seminars and workshops this seems reasonable. The missions are almost always kept short (a few days excluding travel time). Given the role of the experts in the project, and in relation to the recipient organisations' change processes, this is also justifiable.
- The equipment procured by the project is not immediately linked to the expert visits. However, related strategic and operational issues have been discussed during the missions. The equipment component could hardly be seen as contributing directly to the project purpose(s). Instead, it serves the purpose of "door-opener" and reward of efforts to modernise the participating institutions.
- The cost for study visits to Sweden is at the same level as in other similar projects. The number of participants in each delegation has varied between five and seven. Considering the fairly large portion of the costs that are fixed, it could be argued that a slightly higher number of participants would also increase the cost-effectiveness of the activity.
- We note that deviations from budget (deficits on individual budget lines) are not always commented on or justified in the invoice reports.

The project's methodology has been adapted to the particular situation in Belarus. NCA and other participating institutions are continuously developing. As they go along they identify both strategic and technical issues and forthcoming decisions where they need an input in terms of international best/good practice advice. Based on that, they define the content of the seminars and meetings.

Formal working groups do not exist in the framework of the project. The Swedish assistance (and the project) seems not to have been integrated into the plans and operations of the recipient organisation (NCA and other institutions) to the same extent as in other projects and countries. Expert inputs have been provided when an issue has occurred and a need to "compare notes" with experts in other countries has surfaced.

The total volume of support under each component has been limited, perhaps with one or two exceptions. The interaction between the Swedish and Belarusian experts in-between visits has been minimal although there are examples of exchanges and submission of material (as a follow-up to a visit).

In summary, the project is considered as efficient.

3.6 Project Ownership and Sustainability

As in the case of relevance, the concepts of ownership and sustainability have to be given a slightly modified meaning in the context of Belarus. The organisational set-up for project implementation with the Land Reform Association as the linking pin between the Swedish partner and the Belarusian land administration institutions impacts on the ownership of the project management and the control of the project resources. The project is clearly controlled by the Association, partly as an element of the project survival strategy. Political realities make a transparent project management impossible.

However, the ownership of the content of the project activities has mostly been in the hands of the Belarusian institutions, particularly NCA. The agenda for expert visits has been set by the host organisation for the expert visits, reflecting their needs and challenges at that particular time. Adaptation and absorption of new ideas and methods has also, for obvious reasons, been made by them. Land Reform Association and the Swedish partner have not been involved in this process. The infrequent visits by the experts as well as the fact that they have engaged in professional discussions rather than being directly involved in a specific change process have reduced the scope for anything but a full ownership by the recipient organisation.

We are told that sector officials tend to stay for many years in their positions. Several of the persons met with reconfirmed this. The low level of staff turn-over in the sector contributes to sustainability in the sense that knowledge and information conveyed by Swedish experts will remain in the recipient institutions. The methodology applied in the project, to organise technical reviews, discussions and presentations in seminar or workshop formats allows for a larger number of people to participate. The element of expert-to-expert interaction in the project is negligible. The publication of books and manuals by the project contributes significantly to the technical sustainability.

The main aim of the cooperation is to provide knowledge and information as a means towards the modernisation of the sector and the further development of the real property market in Belarus. Financial implications of the support appear if and when new ideas and methods are implemented in the recipient institutions. Some of the activities undertaken by the project, for example modernisation of the sector legislation or the introduction of new real property valuation methods, have limited financial consequences. In other cases, such as the land data bank system, the necessary investment seems to be underway. The only area where it is obvious that that funding will be a major obstacle is the establishment of a permanent network of reference stations.

The financial sustainability of the Land Reform Association is a more challenging issue. At the moment, the organisation has no other major sources of income than the Sida funded project. The scope for activities to change the dependency on external funding is limited as long as the existing political constraints prevail.

3.7 Cross-cutting Issues

Neither the 2005 project document, nor the 2007 project agreement makes any reference to gender mainstreaming, environmental protection or any other policy-based cross-cutting issue. Likewise, regular project reports and technical/mission reports do not contain any analysis regarding such issues. The only references to these areas are a few paragraphs included in the Sida decision memo.

They seem not to have had any impact in terms of project implementation. The persons met with during the mission had some difficulties understanding the questions put forward in this respect and they could not give any examples of mainstreaming activities conducted as part of the project. Our impression is that the cooperation partners have decided to disregard these questions. This is unfortunate considering that there are many aspects of gender awareness and environmental protection that could have been mainstreamed as well as the fact that there seems to be a low level of awareness in Belarus regarding the questions.

3.8 Risks and Risk Management

The project document does not contain any analysis of risk, and consequently no discussions regarding risk management or remedial actions. The Sida decision memo includes a discussion concerning three risks: i) Belarusian government policy, ii) project registration and, iii) the issuing of visa for experts to visit Belarus. As mentioned above, the project registration issue became a major stumbling block and delayed project implementation for a year (although a certain level of activity was maintained during 2006). Substantial efforts had to be made and the project cosmetically “redesigned” before registration could be obtained. The Land Reform Association played the lead role in the process of getting the project registration approval.

The policy environment has not improved dramatically since the project was designed in early 2005. However, there has been sufficient “room” politically to implement the bulk of the activities envisaged. Some of the components have been rather technical (for example the land data bank system) while others, such as the valuation component, have had the necessary high-level support. Additionally, one of the aims of the strategy applied by the Land Reform Association has been to restructure and adapt the project to the prevailing situation.

Issuing of visas has not been reported as a problem.

4 Reflections and Lessons Learnt

This section summarises our findings.

The project is still being implemented. In fact, following the delays in registering the project in Belarus, a considerable part (approx. 45%) of the project resources still remain unspent. In addition to this rather unique situation (for an evaluation), the rather poor (in quality) project steering documents have provided further challenges for our work. Sufficient time and resources have not been invested in the process of project design and the document review process has failed to address the weaknesses of the document, for example the absence of indicators and targets. If the cooperation continues beyond the on-going second phase, efforts need to be made to improve the quality of documents. To the extent that flexibility is built into a new cooperation framework, this should be kept at the level of activities, not through the gradual adaptation of objectives. To secure the necessary quality consultancy assistance should be considered.

During the last few years NCA has made progress in terms of streamlining and modernising its organisation and business processes. The registration offices have introduced the front desk/back office concept and modern technology is used to provide information and shorten the time required to process requests and registration of property transactions. The turn-around time, we were told, is reduced to a few days for a straightforward case (sometimes even less).

Our impression is that the project, in combination with other efforts, has served its purpose in relation to officials and experts in the sector. There is no longer a general need for awareness building and information dissemination within that target group regarding “western practices”. This information is now available in Belarus (although not necessarily disseminated to all levels in the sector). Several high-ranking persons met with have given us this message, partly in an attempt to position themselves for negotiations about the future but also, we believe, as a reflection of their perception of the situation in the sector. The strategy to provide limited assistance in many areas related to the real property market has been successful. However, a few activities have had limited relevance for the project objective and specific purpose.

One part of the overall objective, awareness building among the general public, has not been reached. We are told that many citizens have limited knowledge about rules and regulations as well as trends in the real property market. The intention to have the Land Reform Association as the major vehicle in this process was a design error or a failure to realistically assess the scope for the organisation to work with dissemination of information to the public. If this ambition is maintained in the future alternative approaches would have to be considered. One possibility could be to attempt to work with the organisations in the sector, for example NCA, and encourage them to use the existing channels to provide user-friendly information aimed at the public. Considering the level of service-orientation that exists at the registration offices at the moment, this is a realistic option.

Continued cooperation would require that new objectives and project purposes are formulated. These will have to be made much more precise than during previous periods of collaboration, specifically targeting dimensions of the real property market that are seen as particularly critical for its functionality. There are still many areas where a scope for improvement exists and where Swedish experiences could be relevant. We believe that preference should be given to interventions that strengthen the rights-related aspects of land administration as well as the further strengthening of the relations between Belarus and the EU (technical development of the infrastructure to support NSDI and EULIS initiatives etc).

The involvement of the Ministry of Justice, the Ministry of Architecture and Building, taxation authorities and other institutions in the project should continue. A possibility that should be considered is to extend the cooperation to embrace also land administration membership organisations (for example valuation experts, real estate agents and similar professional categories). As the project is moving away from a more intensive collaboration between national cadastre agencies and towards a broader set of partners, the scope for direct institutional cooperation diminishes. However, when the implementation arrangements on the Swedish side is decided the particular situation in Belarus and the sensitivity of the set-up with the Land Reform Association as the linking pin have to be taken into account. Given the extraordinary situation Sida could consider an alternative where LMV/Swedesurvey continues as the main implementing partner (if SPG permits that) but with a stipulation in the contract that the Swedish authority procures the necessary external competence in areas outside their core competence.

An issue that needs to be further discussed is the extent to which the project should continue to promote improvement in the investment climate. The focus in that area tends to be drawn towards privatisation, valuation of legal entities, and other areas that are beyond the mandate and competence of LMV/Swedesurvey. There is a strong political commitment in this area. An option could be to involve IFC in these project activities, for example by inviting them to identify possible resource persons for the remaining seminars. However, the analysis and decision also have to take into account the fact that the main problem in the eyes of foreign investors is, as we are told, the unpredictable and unstable legal and policy framework for private sector activity in Belarus. Improvements have been made in many areas but still the business climate is perceived as insufficiently stable.

The Land Reform Association consists of a small group of professionals that promotes change in the sector. Undoubtedly, they have had an impact in terms of using wisely the opportunities provided by the project. The organisation's pivotal role in the project has been confirmed by many of the persons met with. The network and social skills of a few leading persons within the organisation has contributed to the achievements made. The project has also provided these persons with the opportunity to interact with colleagues at the international level and to gain experiences and knowledge.

At the moment we do not see any alternative to the Land Reform Association if continued cooperation is considered. As further elaborated below, the role of NCA as the main recipient of assistance is diminishing. If the strategy to cooperate with several different institutions in the real property market is maintained, the Association is the obvious choice. Provision of a limited budget for equipment will be an important tool or carrot in the discussions with the Belarusian institutions.

The role and activities of the Land Reform Association in the future is unclear. The project has not promoted any discussion about this. Without disregarding the difficult political situation in Belarus and the limited scope for NGOs to operate inside the country, we suggest that there is a need to initiate a discussion about the Association's future role, in the transition process as well as in a democratic Belarus. Is there a continued, long-term need for the organization or has it served its purpose. Should it become a professional forum for land administration/management issues, etc? Could several professional categories be accommodated within the structure and programme of the organization? Based on the conclusions from such deliberations a new cooperation agreement should include some elements of institutional capacity building for land Reform Association. For example, the project could finance an exchange of experiences with similar organisations in neighbouring countries, such as the My Land NGO in Ukraine.

Considering the political situation in Belarus and the uncertainty about the pace of reform during the next few years, we believe that a reduction in the size of the Swedish contribution could be considered. The level of support should be sufficient to allow the Land Reform Association to build its capacity and to support and facilitate the further development of the real property market through focused activities. An analysis of the problems and constraints in this market should be the starting point for the definition of objectives, targets and activities for a new project.

The project steering committee has not functioned as anticipated. It could be discussed whether there should be a steering body in a project with the strategy and environment prevailing in Belarus, in particular taking into account the ambition to expand the institutional basis for the cooperation. Our impression is that the absence of a committee has largely been compensated by the proactive approach taken by the Land Reform Association as the coordinating body.

5 Recommendation

Based on our review and analysis we have arrived at the following recommendations:

- Sida is recommended to continue the support to the land administration sector in Belarus.
- The on-going cooperation phase/agreement should be extended by six-nine months (at no cost) to compensate for the slow-down in project implementation during 2006 due to external factors.
- During the remaining period of the on-going phase, activities that are of direct relevance for the real property market should be given preference. Activities in other intervention areas should be kept at a minimum.

- The partners should be requested to consider involving IFC in the project if further support for “investment climate improvement” is considered.
- Likewise, as from now the partners should attempt to introduce cross-cutting issues in their activities.
- If Sida continues the support to the sector a reduced contribution level could be considered. A new project purpose would have to be formulated, based on an assessment of the strengths and weaknesses of the real property market in Belarus. Priority should be given to rights-related issues and intervention areas as well as those that contribute to a stable environment for private sector initiative. Harmonisation with European standards (for example NSDI) should also be given priority.
- Assistance should continue to be channelled through the Land Reform Association. A broadened set of indirect partners in Belarus should be favoured. Government as well as non-governmental organisations (for example membership organisations for valuers and real property agents) could be considered.
- In order to secure that a project document with sufficient quality, clearly formulated objectives etc are produced, an external consultant with project cycle management competence and experience should be engaged to support the area. There should be a process of discussions and negotiations with the Land Reform Association and other institutions of relevance for the real property market.
- Cross-cutting issues need to be taken into account already at the project design stage, in order to secure that the issues are taken seriously by the implementing partners.

Annex 1 Terms of Reference

Evaluation Purpose

Sida has given support to several projects within the cadastral field all the way since 1998. Before taking a new decision on support of any kind to continue project activities in Belarus, Sida needs to know how efficient the past support has been, its strengths, weaknesses and main results as well as past and future risks and challenges. Sida would also like to have more information on pros and cons, should Sida continue in its present form or change the project's direction. Sida more over needs more analysis and information on the current cooperation and implementing partners of the support, their comparative advantages and any alternatives which may be relevant.

The intended user of this evaluation is Sida's department for Europe.

Intervention Background

Please refer to appendix 1 (Sida's memo).

Stakeholder Involvement

The evaluators shall interview stakeholders from the project's activities in Belarus, when gathering information. These should include, among others, the Swedish partner organisations (if there is one), the Belarus implementing organisation(s), selected groups of project beneficiaries and other NGO's representatives. Other persons involved in the Sida financed projects should also be included.

Evaluation Questions

General questions

- Have the Sida financed interventions achieved its objectives or will it do so in the future?
- How do the interventions fit and contribute to the operationalisation of the new Country Strategy for Development Cooperation with Belarus 2007–2010?
- What are the overall effects and results of the Sida financed interventions, intended and unintended, long term and short term, positive and negative?
- What have been the main risk, and risk management, in the ongoing implementation, and which are the specific risks foreseen for any future implementation?
- Have there been deviations in implementation, and how have these been handled by the project?
- How have the activities contributed to gender equality, both in qualitative and quantitative terms?
- Are the Sida financed interventions consistent with the needs and priorities of its target group and the policies of the partner country and Sida?
- Will the benefits produced by the Sida financed interventions be maintained after the cessation of external support?
- Can the costs of the Sida financed interventions be justified by the results, and what is the calculated cost efficiency of the intervention in measurable terms?

Project specific questions

- How is Sida's support related to the total support, in size and impact? Does Sida's support make any difference?
- Provide pros and cons as a background for the Sida decision whether to continue to support this project. Why?/Why not, strengths and weaknesses with regards to implementation and partnerships?

Recommendations and Lessons

If the evaluation concludes that Sida shall be active in this area, the recommendations shall focus on what Sida can do within the present Country Strategy of Development Cooperation 2007–2010 with Belarus and resources, considering also other possible initiatives besides support of this particular project. The pros and cons with different interventions shall be presented.

Methodology

The methodology is to be proposed by the evaluator and decided upon together with Sida. The chosen methods should be described, and justified in relation to possible alternatives, in the tender document. If a qualitative approach will be part of the methodology, a draft questionnaire should be attached.

Work Plan and Schedule

The evaluation shall include field visits to Belarus, possibly by two evaluators, where Sida welcomes one of them to be locally based (such as either Belarusian, Russian or Ukrainian). Information on which sites should be visited and how evaluator's time should be divided between field and reporting phases is to be discussed with the evaluator. *SEK 500 000 may be allocated altogether.*

Reporting

The evaluator shall adhere to the terminological conventions of the OECD/DAC Glossary on Evaluation and Results-Based Management as far as possible.

Evaluation activities performed shall be included in the report. Any obstacles encountered shall be reported immediately to Sida as well as included in the report.

The evaluation report shall use the report format presented in Annex 2 of this ToR. *Moreover a completed Sida Evaluations Data Work Sheet should be presented along with the report.*

The draft final report shall not exceed 50 pages (excluding annexes), be written in English, and submitted to Sida in two printed copies and one digital. Sida shall comment on the report within three weeks.

The final report shall not exceed 50 pages (excluding annexes), be written in English and submitted to Sida in two printed copies and one digital.

The presentation of the evaluation should be included into the work scheme and budget, and to be done as proposed by Sida, such as in a form of a seminar or workshop.

Evaluation reports will be assessed against standard quality criteria for evaluation reporting.

Evaluation Team/criteria for Sida's tender assessment

The evaluation team shall possess advanced knowledge about Belarus in general, and development problems concerning land administration matters especially, as well as possessing relevant competence for the assignment. At least one of the members of the evaluation team shall have participated in at least one Sida financed evaluation during the past four years. The evaluators should be independent of the evaluated activities and have no stake in the outcome of the evaluation. The proposed methodology will also be taken into consideration in the tender evaluation.

Annex 2 List of People Met

Land Reform

Miroslav Kobasa, Chairman

Committee of State Property

Georgy Kuznetsov, Chairman

National Cadastre Agency

Sergey Shavrov, Director

Olga Berezovskaya, First Deputy Director

Julia Gudkova, Head, Legal Affairs

State Institute for Regional and Planning

Viktor Ivlichev, Director

Dmitri Semenkevich, Vice-Director

Ministry of Architecture and Building

Anatoly Nichkasov, Vice-Minister

Tatiana Pyko, Deputy Director, Urban Architecture Dpt.

Liudmila Baskakova, Deputy Director, Urban Architecture Dpt.

RUP Belaerokosmogeodezia

Vladimir Shevchenko, Director

Natalia Kovaleva, Chief Specialist

Andrei Anashenkov, Chief Engineer

RUP Belgeodezia

Vladimir Hrustalev, Director

Igor Strazhkov, Head, Digital Cartographic Centre

Belarusian Research Institute of Land Management, Geodesy and Cartography

Andrei Filipenko, Director

Gennadiy Dudko, Deputy Director

Foundation of State Property

Natallia Zhernosek, Director

Minsk City Agency of State Registry and Land Cadastre

Andrei Shumansky, Vice-Director

Vladimir Vasiliev, Assistant to the Director

Minsk Regional Agency of State Registry and Land Cadastre

Petr Lavrov, Director

Vitebsk Regional Executive Council

Igor Korzhov, First Deputy Head, Legal Department

Vitebsk City Administration

Inna Colushkova, Head, Land Improvement Service

Vitebsk Regional Agency of State Registry and Land Cadastre

Leonid Yakovlev, Director

Sorainen (company advising international investors)

Maksim Salahub, Investment Advisor

Kiryl Apanasevich, Legal Advisor

Real Estate Agency “Apartment Store”

Alexander Nechai, Owner

Alexander Bushko, Director

IFC

Valeri Fadeev, Legal Advisor

Swedish Embassy

Stefan Eriksson

Swedesurvey/LMV

Carl-Erik Sölscher

Lennart Frey (Lennart Frey Consulting Service)

Johan Wemer (Kronofogdemyndigheten)

Annex 3 List of State Property (shares) Auctioned During 2007

#	Name/type/location	Shares sold	Price paid, USD ¹
1.	Public corporation "BelTransGaz" – pipeline operation and management, gas wholesale. Minsk city	50%	2.5 billion
2.	Public corporation "BelVneshEconomBank" – Belarusian foreign-economic bank. Minsk city	6.66%	Around 3.2 million
3.	Public corporation "MotoVelo" – bicycle production. Minsk city	99,72%	Around 7.8 million
4.	Public corporation "Berezovsk's industrial complex of silicate goods" – construction materials industrial complex. Brest region, Bereza city	98,8%	Around 160 000
5.	Public corporation "Plant of repair and service of computer electronics". Minsk city	30,08%	Around 3 million
6.	Public corporation "ATEP-5" – transportation services. Minsk city	1,5%	
7.	Joint-Venture "Mobile Digital Communication", LTD – telecommunication services. Minsk city	30,9% in statutory fund	0,5562 billion
8.	Public corporation "Orbita-service" – repair and service of various types of electronics. Minsk city	26,8%	Around 200 000
9.	Public corporation "Belomoto-stroy" – residential housing construction. Minsk city	88.7%	Around 225 000

⁴ The figures are calculated from the Belarusian rubles at 1 USD = 2000 rubles.

Recent Sida Evaluations

2008:08 Capacity Building for Decentralisation and Local Self-Governance, phase II, Mongolia, 2001–2004

Staffan Engblom, Nicklas Svensson, Peter Westermark
Department for Infrastructure and Economic Cooperation

2008:09 African Universities Responding to HIV/AIDS

Daniel K. B. Inkoom
Department for Africa

2008:10 Sida Funded Initiatives Targeted at Gender Equality in Georgia

Gabriella Byron, Ruth Jacobson, Nino Saakashvili
Department for Europe

2008:11 External Analysis of Forum Syd's Country Programs in Central America

Pierre Frühling, Francesca Jessup
Department for Latin America

2008:12 Financial Management Cooperation Project in the Eastern Cape Provincial Administration through Support from the Swedish National Financial Management Authority (ESV)

Chris Albertyn
Department for Africa

2008:13 Policy Guidance and Results Management of Sida's Education Support

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