The Millennium Challenge Corporation was founded with a focused mandate to reduce poverty through economic growth. MCC’s model is based on a set of core principles essential for development to take place and for development assistance to be effective—good governance, country ownership, focus on results, and transparency.

The MCC Principles into Practice series offers a frank look at what it takes to make these principles operational. The experiences captured in this series will inform MCC’s ongoing efforts to refine and strengthen its own model. In implementation of the U.S. Global Development Policy, which emphasizes many of the principles at the core of MCC’s model, MCC hopes this series will allow others to benefit from and build on MCC’s lessons.

The series also offers insights into MCC’s experience with the technical and operational approaches it uses to support poverty reduction through economic growth. Consistent with MCC’s focus on results, MCC is committed to learning from experience and applying lessons learned to its programs. Consistent with MCC’s commitment to transparency, and in the spirit of ongoing collaboration with other development practitioners, MCC will share this learning publicly, even when it reflects challenges that MCC and partner countries have faced. The full Principles into Practice series is available at www.mcc.gov/principlesintopractice.
In Principle: MCC’s Approach to Property Rights and Land Policy

MCC’s principle of country ownership empowers its partner countries, upon becoming eligible for a compact,¹ to prioritize investments that address their most binding constraints to economic growth and poverty reduction. Many country governments, in consultation with citizens, civil society and the private sector, have sought MCC investments in property rights and land policy (PRLP) because of the central role that land, natural resources and other real property assets can play in economic development. For a poor rural family, access to a small farm plot can be vital to day-to-day survival, providing family members with food, household income and an opportunity for working their way out of poverty. Access to well-managed grazing areas can support livestock for entire rural communities. In urban or peri-urban areas, a small building or other real property asset can provide a poor family with shelter or a space for entrepreneurial activities essential to survival and growth. A well-functioning PRLP system not only can help the poor, but it also can help investors and companies obtain the land they need to start and expand businesses.

This paper offers lessons drawn from MCC’s portfolio of PRLP investments, focusing on project implementation, not impact. MCC’s portfolio of impact evaluations will soon begin to yield additional lessons about the economic impact of MCC’s PRLP investments.

In Practice: MCC’s Approach to Property Rights and Land Policy

MCC’s partner countries recognize the potential importance of improved definition and protection of property rights to growth and poverty reduction. MCC is investing in PRLP activities in 13 of its 25 compacts. In these countries, land and property rights systems were identified as key constraints to growth and poverty reduction or improvements in the land sector were considered essential to the success of other MCC investments.

MCC has invested about $260 million so far in PRLP projects, and landholders across the rural-urban spectrum are benefitting. Many PRLP investments have focused in rural areas, where they contribute to MCC’s broader investments in agriculture, rural development and food security. These agricultural investments total about $4.5 billion and contribute significantly to the United States’ support of global efforts to reduce hunger and poverty and increase food security.

¹ MCC provides assistance to partner countries through a legal agreement known as a “Millennium Challenge Compact,” or “compact” for short.
MCC’s PRLP investments fall into two general categories:

1. **Stand-alone, comprehensive projects** that address PRLP constraints to economic growth. In several countries, MCC and its partners have recognized that investing in formalization\(^2\) of land rights—whether through titling or other methods—is not enough to address the PRLP-related constraints to economic growth. In these cases, MCC is supporting a comprehensive package of land administration activities to complement formalization. These activities include legal and regulatory reform, institutional strengthening (of land administration agencies and, in certain countries, judicial and paralegal services), public outreach and capacity building, upgrading of geodetic infrastructure and surveying and mapping capacity, and conflict resolution measures. The breadth of these interventions has been bold and ambitious in many countries, but in each case the programs have been strategically crafted to target each country’s specific needs and objectives.

2. **Supporting activities** designed to complement or mitigate risk for other MCC investments. MCC has frequently invested in PRLP activities to increase the effectiveness of its investments in infrastructure or agriculture, as well as mitigate potential risks. Historically, when donors have considered land and property rights in relation to infrastructure investments, they have focused primarily on ensuring that anyone whose property was taken or whose livelihood was negatively impacted as a result of the new infrastructure was fairly compensated. MCC adheres to rigorous guidelines designed to ensure adequate compensation, but MCC often goes further to complement its infrastructure and agriculture investments with PRLP measures when they are cost-effective. Such strategic investments aim to ensure access to land in project areas to local individuals and groups, particularly the poor; provide project beneficiaries with land rights that are clearly documented and secure; build the capacity of land administration agencies in project areas; and improve record-keeping systems. In some instances, MCC does not support PRLP measures directly but uses its investments to leverage partner government commitments to PRLP priorities.

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2 “Formalization” means a process of recording and recognizing land rights that receives some degree of official sanction. Formalization covers a continuum of activities. Community-led projects to map property rights may be sanctioned by a government through a certification of group-use rights. More individualized rights may be recognized through the use of paralegal titling. Importantly, formalization does not equate to systematic titling of individualized property rights. Rather, this is one option along the continuum. The appropriate level of formalization depends upon the unique circumstances that exist in a particular environment.
The following table lists the countries where MCC is financing or has financed PRLP projects:

### Countries with PRLP Activities

<table>
<thead>
<tr>
<th>Stand-Alone PRLP Projects</th>
<th>Projects that Include PRLP-Supporting Activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Benin......................... $32.2 million</td>
<td>Ghana...................................... $4 million</td>
</tr>
<tr>
<td>Burkina Faso.................. $59.9 million</td>
<td>Indonesia.............................. $25 million</td>
</tr>
<tr>
<td>Cape Verde..................... $17.3 million</td>
<td>Lesotho.................................. $20.1 million</td>
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<tr>
<td>Madagascar.................... $29.5 million</td>
<td>Mali...................................... $1.5 million</td>
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<tr>
<td>Mongolia....................... $27.2 million</td>
<td>Namibia................................. $8.1 million</td>
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<tr>
<td>Mozambique..................... $39.1 million</td>
<td>Senegal.................................. $3.8 million</td>
</tr>
<tr>
<td>Nicaragua........................ $7.2 million</td>
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Whether they are stand-alone projects or supporting activities, MCC’s PRLP investments build on the agency’s focus on poverty reduction through growth, using the core principles of good governance, country ownership, focus on results, and transparency. MCC’s approach toward PRLP activities has seven core elements:

- **The importance of effective governance**: Effective governance is at the heart of land and property investments that will spur long-term economic growth. This includes clear laws, policies and procedures; accessible and well-functioning land administration institutions; an informed citizenry; and community participation.

- **One size does not fit all**: MCC’s interventions are tailored to each country’s culture, customs and traditions, as well as their unique economic growth constraints, legal regimes, landholding traditions, settlement patterns, and contemporary problems of rural and urban development.

- **Cause no harm**: Constructing roads, large-scale irrigation systems and other infrastructure projects can have unintended effects that prevent the targeted beneficiaries from receiving benefits or can inadvertently cause harm because land and property rights are not adequately protected. MCC is careful to accompany infrastructure and agriculture investments with PRLP interventions that will mitigate these harms, leverage the infrastructure investments and ensure that intended beneficiaries are

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3 Dollar amounts are as of December 31, 2011. PRLP project and activity budgets occasionally shift from those stated in compacts as money is moved into or out of PRLP projects and activities from other projects in a country’s compact portfolio. MCC also supported a Threshold Program in Zambia and is currently supporting a Threshold Program in Liberia, both of which had PRLP elements. The objective of MCC’s Threshold Programs is to assist countries in becoming compact-eligible by supporting targeted policy and institutional reforms in a particular area. See Annex I for a more detailed description of MCC’s PRLP projects and activities.
reached. The same care is taken in designing and implementing MCC’s standalone PRLP interventions.

★ **Securing land rights is not only about land titles:** There is a long history in the donor community of supporting land titling as the preferred way of increasing security of land rights. The focus on titling has diminished with the growing appreciation of the range of other ways to formalize property rights and make them more secure. While MCC supports titling where appropriate, it is also supporting innovative alternatives that emphasize strengthening customary rights within traditional systems through community-based mapping and verification of land rights. Many of these alternatives are embedded in new national laws providing stronger legal protection for customary rights or uses.

★ **Inclusion:** Well-functioning real property rights systems—as well as access to land, natural resources and buildings—should work for everyone, including women, the poor and minority groups who are often disadvantaged when it comes to access to assets and security of property rights.

★ **Learning and results:** MCC has set a high standard in the international development field for its approach to focusing on results. MCC monitors all PRLP projects closely to assess their effectiveness and help MCC and its partner counties make adjustments along the way if a project is not achieving its goals. Partner countries develop monitoring and evaluation plans to track progress and report against common indicators to allow for cross-country comparisons. MCC is funding rigorous impact evaluations as part of almost every PRLP project—a reflection of the institutional commitment to evaluating program effectiveness and contributing to the broader study of land and real property rights issues.

★ **Country ownership:** As with all MCC-funded projects, partner countries take the lead in setting investment priorities. Many MCC partner countries commit to addressing the politically challenging policy and institutional reforms necessary to improve property rights. This reflects a high degree of ownership—willingness to tackle tough reforms in the interest of achieving economic growth and poverty reduction. Partner countries also take the lead in implementing the projects and are accountable for the results. Every MCC partner country establishes a Millennium Challenge Account (MCA) entity to implement the compact on the behalf of its government; each MCA must operate consistently with MCC’s operational policies and guidelines. Among other things, this means MCAs lead all procurement processes for obtaining goods and services needed for project implementation, MCAs are the signatories to and managers of all contracts, MCAs are responsible for monitoring the participation of government institutions that play a role in project implementation, and MCAs are responsible for project monitoring and reporting.

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4 See MCC’s “Principles into Practice—Focus on Results” [http://www.mcc.gov/pages/results/principlesintopractice](http://www.mcc.gov/pages/results/principlesintopractice)

5 MCC’s implementation model requires partner countries to establish special-purpose entities to implement MCC compacts on behalf of the country government. These entities are usually known as MCAs and incorporate the name of the partner country, such as MCA-Benin, MCA-Lesotho, MCA-Mongolia, etc.
Eleven Lessons from MCC’s Experience with Putting its Approach to Property Rights and Land Policy into Practice

This paper offers lessons drawn from across MCC’s substantial portfolio of PRLP projects, representing a wealth of practical experience on project implementation. While many of these lessons will be familiar to those who work in the PRLP and other development fields, it is hoped that the discussion here will add depth and contribute to better implementation. The lessons are presented in three groups:

★ The paper starts and ends with a focus on results. Lesson 1 describes the economic, policy and institutional analyses that go into designing investments for impact. Lesson 2 offers an honest look at the challenges related to the scale and scope of MCC’s most ambitious PRLP interventions. Lessons 10 and 11 address questions of sustainability and evaluating impacts in the context of PRLP projects;

★ Lessons 3 through 7 focus on the content and beneficiaries of MCC’s PRLP programs; and

★ Lessons 8 and 9 highlight some of the operational issues inherent in the MCC model.

Box 1:
Eleven Lessons in Property Rights and Land Policy

Lesson 1: Focus on results up front—get the economics and the policy reforms right.

Lesson 2: Be bold in program design and proactive in managing risks.

Lesson 3: Protect against risks to poor and smallholder farmers.

Lesson 4: Strengthen rights of women.

Lesson 5: Knowledge is power—public outreach and consultation are essential for broad acceptance, participation and sustainability.

Lesson 6: Be creative in resolving disputes.

Lesson 7: Build and strengthen institutions to serve people.

Lesson 8: Time matters—the five-year compact duration helps achieve results but also creates challenges.

Lesson 9: Prepare to adjust and capitalize on opportunities.

Lesson 10: Plan for sustainability.

Lesson 11: Back to results—measuring impact at the end requires careful planning up front.
Lesson 1:
Focus on results up front—get the economics and the policy reforms right.

Having access to land, natural resources and real property assets is not itself sufficient to spur economic development. Countries need proper policy and institutional frameworks so these assets can lead to increased incomes. For example, people and firms may be less likely to make long-term investments in their property if rights to these assets are not secure and well-understood. If there are too many barriers to transferring these assets to others, they will not be available to the individuals and firms who would put them to their most productive uses. For these reasons, MCC’s partner countries have often prioritized PRLP activities for MCC investment. These activities inherently include and may require policy and institutional reform. MCC’s PRLP projects are meant to raise local incomes through an improved investment climate, increased productivity from land or reduced costs imposed on households and firms as a result of weak PRLP systems. Therefore, proposed reforms and activities must lead, through a clear program logic, to the outcomes MCC and its partner countries aim to achieve. The following figure illustrates the potential benefit streams of PRLP projects:
Once the reform priorities and program logic are clear, MCC and partner countries use economic analysis to assess whether proposed investments will be cost-effective. In practice, this means large-scale projects with high costs should deliver large increases in local incomes to justify the investment. In some of MCC’s earlier PRLP projects, economic analysis presented challenges, including difficulties in developing economic models that could appropriately reflect a program logic linking activities to increased incomes, and in finding data that would be sufficiently robust to support necessary modeling and demonstrate adequate returns. The joint development by MCC’s economic, monitoring and evaluation and PRLP teams of an approach to economic analysis has been an important step in addressing this issue. The analytic framework developed now forms a standard basis for assessing the likely returns on PRLP investments under consideration. This framework focuses the economic analysis on two primary sets of constraints that PRLP programs can relieve: land productivity limitations (primarily due to landholders’ limited ability to capture the full benefits of their land’s potential) and high direct costs (related largely to costs of transactions, conflict and environmental damage). The framework also guides planning for rigorous program monitoring and evaluation. PRLP impact evaluations will provide MCC with new evidence to test the program logic and expected returns on past projects. They will also inform the assessment of expected costs and benefits of PRLP projects that future MCC partner countries propose.

Lesson 2:
Be bold in program design and proactive in managing risks.

MCC’s PRLP project portfolio grew rapidly from MCC’s early days, particularly in Africa. Projects in Benin ($32.2 million), Burkina Faso ($59.9 million), Madagascar ($29.5 million), Mongolia ($27.2 million), and Mozambique ($39.1 million) are examples of PRLP interventions that are among the largest, if not the largest, PRLP interventions ever undertaken in those countries. In the context of MCC partnerships, countries have been willing to tackle the politically challenging reforms that governments and donors are often hesitant to address. This is a reflection of MCC’s country ownership model and its desire to address the most binding constraints to growth.

MCC has supported ambitious PRLP projects of all sizes because they can have “game-changing” effects on economic growth and poverty reduction in its partner countries. Partner countries have used MCC funding to implement new land legislation; form new land administration institutions; establish new, decentralized land tenure services; launch new land titling instruments and land registry systems; completely transform their geodetic infrastructure; formalize land rights for thousands of landholders; and pilot improved dispute resolution processes. These interventions have been innovative and, in some cases, unprecedented in MCC’s partner countries.
MCC’s model is receptive to bold projects for a number of reasons:

★ MCC’s partner countries take the lead in identifying their constraints to growth and proposing projects that respond to these constraints. Country ownership generally means there is a genuine desire to implement change and an appreciation of the significant contribution PRLP projects can make to unlocking economic growth. It also means that countries are committed to their responsibility for project implementation. Partner countries have often demonstrated their commitment by allocating personnel and resources to project implementation that complement MCC’s resources;

★ MCC’s compacts generally offer substantial financial resources that allow for projects that are large in scope; and

★ MCC is governed by the Millennium Challenge Act of 2003, as amended, which limits the duration of compacts to five years.6 The five-year time limit and the fact that subsequent compacts are not guaranteed has caused some MCC partner countries to see a compact as a unique opportunity to undertake bold PRLP interventions.

At the same time, being bold and ambitious has risks. All development projects face various forms of risk, such as an inadequate policy environment, difficulties in procuring the needed technical expertise, difficulties associated with contractor performance, inadequate understanding of the cost of carrying out the project, and inadequate capacity of the institutions and individuals whose involvement is required for successful implementation. These risks are frequently amplified in large and ambitious projects: Institutions need stronger and more strategic management capacity, institutions need to operate at a larger scale, more activities need to be carefully sequenced or carried out simultaneously, and changes in scope (per Lesson 9) can mean interventions are less cost-effective than expected because project budgets are dedicated to smaller-scale interventions. In addition, the political sensitivities around property rights and land policy make investments susceptible to resistance from individuals, government ministries or special interests that benefit from the status quo, even when the top levels of government are committed to reform. This can mean that reforms take longer than expected, projects need to be scaled back or special attention must be paid to outreach, consultations and building strong institutions to sustain reform (as discussed in Lessons 5, 7, 8 and 9).

In early compacts, MCC identified various risks related to scale and scope of its PRLP projects but often overestimated the ability of the partner countries and MCC itself to mitigate and manage these risks. In Lesotho, for example, the Private Sector Development Project was to establish a new parastatal Land Administration Authority (LAA) to improve services related to land registration, title (lease) preparation and conducting transactions in land-lease rights (sales and mortgages). The risks inherent

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6 Section 609(j), Millennium Challenge Act of 2003, as amended. The five-year limit on compact duration does not require that all compact results be achieved during the five-year period—only that compact activities be completed. MCC typically calculates the return on compact investment over a 20-year period starting from the date compact implementation begins (which MCC refers to as “entry into force”). For more about the impacts of the five-year limit, see Lesson 8.
in establishing a new agency were identified during due diligence and project design accounted for the risks, but MCA-Lesotho has experienced difficulty implementing the project because of the adherence by some influential land administrators to long-held practices and procedures. Delays in implementation occurred as a result, and MCC had to increase funding support for the new LAA to make progress in implementing substantive changes in land administration.

MCC will still consider funding large or complex PRLP investments, but it is more careful about assessing whether the identified risks can be realistically managed and mitigated. This can result in tighter and more targeted designs, as well as performance-based phasing approaches. In assessing project proposals, MCC asks itself and its partner countries questions such as:

★ Is there a clear pathway from the proposed intervention to increased incomes?

★ Is the proposed intervention cost-effective? Do projected increased beneficiary incomes exceed project costs?

★ Is the proposed intervention a first-of-its-kind activity or has it been pilot tested before? If the intervention is large in scale but has not been pilot tested, how large can it be realistically? Should it be tested in phases so adjustments can be made along the way? How can it be structured to maximize the chances for success?

★ Are the necessary legal, regulatory and operational pieces in place for the intervention to move forward? If not, can they be achieved within the five-year compact timeframe? What are the implications if one piece does not fall into place?

★ What institutions need to take action to effectively implement the intervention? Are they committed to doing so?

★ Is the geographic scope of the project manageable, given the logistical challenges present in many of MCC’s partner countries and the resources available for implementation?

★ Is the program scope realistic? Are the technical, material and financial resources in place to effectively manage a broad range of interrelated activities in careful sequencing or simultaneously?

★ Is the project management structure appropriate to manage multiple, interrelated activities?

In Burkina Faso, the government proposed the ambitious Rural Land Governance Project to implement key land tenure reforms. MCC ultimately agreed to fund this program—its largest PRLP project to date—building on momentum and reforms already in place after a nearly decade-long policy process. However, even with these reforms in place, the scale and complexity of the program were seen to present risks, so the project was structured in two phases. The second phase was to be implemented only upon the achievement of adequate progress during the first, as measured against four
criteria established in the compact, including evidence that the project activities in the first phase were contributing to improved land tenure security. This phased approach established a framework for learning and ensuring that planned interventions could indeed achieve the anticipated outcomes before making decisions about scaling up. It also created incentives to successfully implement early activities. However, this focus on learning and the ambitious timeline for the first phase also created tradeoffs. For example, it may have reduced flexibility as project implementers focused on achieving the results in the first phase that would allow the second phase to proceed. Structuring a project in phases needs to be considered carefully, weighing project complexity against the value of the learning and time and other potential implementation constraints.

MCC’s most recent land sector investment is in its second compact with Cape Verde, which is expected to commence implementation early in 2013. The design of the project benefited from lessons about scope, complexity and risk from earlier MCC projects, as well as from the evolution in MCC’s overall compact development process—particularly the use of the constraints analysis. While the project is relatively large at $17.3 million, the design is tightly targeted to addressing the core land sector problems constraining economic growth. This targeting avoided a more complex set of different project components that might have been interesting but could have detracted from effective and efficient resolution of the country’s most fundamental land-related constraints. In addition, the project is sequenced by geographic area so activities will be fully completed in some areas before moving on to others, allowing time to review methodologies to achieve time and cost savings. This review will permit potential adjustments of scope and approaches prior to starting work in other areas, avoiding too much early complexity that could threaten the achievement of results.

Lesson 3:
Protect against risks to poor and smallholder farmers.

Recent reports, such as the World Bank’s *Rising Global Interest in Farmland* and Oxfam International’s *Land and Power*, and stories in the media have highlighted a global rush for large expanses of arable land, particularly in Africa. According to the World Bank study, farmland deals covering 110 million acres—larger than the size of California and more farmland than in Iowa, Illinois and Kansas combined—were announced in the first 11 months of 2009. Seventy percent of this land is in Africa. In this rush for land resources, poor and small landholders can be vulnerable when their land rights are undocumented, land transactions are not conducted transparently or land administration agencies are not held accountable.

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Klaus Deininger and Derek Byerlee, with John Lindsay, Andrew Norton, Harris Selod, and Mercedes Stickler, “Rising Global Interest in Farmland: Can it Yield Sustainable and Equitable Benefits?” (The World Bank, 2011).

MCC’s programs are intended to improve the environment for investments of all sizes and from a variety of sources—domestic and foreign, private and public—that will increase agricultural productivity and achieve food security. Appropriate safeguards can facilitate these investments while protecting existing land rights holders. MCC’s PRLP projects consistently support measures to strengthen access to secure property rights for these groups as part of the agency’s effort to promote economic growth and to reduce poverty.

In Mali, for example, prior to the compact, allocation of ownership rights to irrigated land rarely occurred. Smallholders who cultivated irrigated land typically held relatively weak leasehold rights, leaving them at risk of being displaced from their land. The pre-compact due diligence study identified this risk, leading to a project design that allocated the 5,200 hectares of irrigated land developed under the compact to some 950 families in ownership as five-hectare farms. Most of the land went to families already living in the project area, with the remainder to families from elsewhere who had farming experience and resources to put the land to productive use. The compact’s design called for each family to receive registered title documents legally formalizing their ownership rights. By allocating ownership rights to smallholders and providing them with registered title documents, the compact sought to ensure that smallholder farmers received both the immediate benefits of the irrigation investments and the longer-term benefits of holding secure, legally protected rights to their land—a significant asset that should contribute to the farmers’ long-term economic prospects.

The Mali Compact serves as an example of how integrating PRLP activities into a larger program can protect smallholder farmers from being ousted from their land, assist families in attaining food security and self-sufficiency and allow the poor and vulnerable to participate in sustainable economic growth and increased incomes. Many of the elements of the Mali program designed to ensure equitable access to secure land rights are also part of MCC’s irrigated agriculture projects in Senegal and Burkina Faso.

The rights of poor and smallholder farmers can also be at risk in countries that are undertaking processes of formal recognition of traditional, informal land rights. Formalization of these rights will eventually make them stronger, but the formalization process itself can create risks of insecurity because some informal rights fail to get recognized or because people use the formalization process to establish new rights or

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9  As of the date of publication, MCC is in the process of reviewing the operational status of the Mali Compact due to a military coup in March 2012. All progress in the Mali Compact described in this paper predates this occurrence. Achievement of some of the forthcoming compact results is at risk due to this situation.

10 The original project design called for most of the land to be allocated to small farmers (five hectares), with larger amounts for medium farmers (10-30 hectares) and large scale commercial operators (30-100 hectares). However, because of inadequate budget resources, the amount of land to be developed declined significantly, and as a result only small farmers received land.
expand their existing rights at the expense of others. MCC and its partner countries use a variety of safeguards to minimize this risk, including:

★ supporting robust community outreach so that all affected parties understand what is happening and how it might affect them, as well as how to protect their rights;

★ establishing participatory processes that allow affected parties to be actively involved in all aspects of the formalization process;

★ conducting comprehensive inventories of all existing land rights, including hard-to-capture informal, undocumented rights such as those of transient herders; and

★ ensuring the formalization process provides an opportunity for local communities to verify land rights before final formalization, so that anyone with a claim or objection has an opportunity to raise it and have it addressed as part of the process.

Lesson 4:
Strengthen rights of women.

Women play a central role in improving household agricultural productivity, food security and nutrition. Moreover, women are more likely than men to spend resources on food, health care and the education of their children, while men have been found more likely to make large investments in fixed and working capital. Economic development programs can significantly alter the allocation and control of resources within households, as well as provide opportunities for improving gender equality and poverty reduction. Thus, projects dealing with land and property rights, where women are historically disadvantaged, need to be structured such that the rights and interests of women are protected and enhanced.

MCC’s PRLP projects take care to promote gender equity and ensure that women benefit substantially. Together with its partner countries, MCC has supported legal reforms that promote women’s land rights in Burkina Faso, Lesotho and Benin. However, unless legal reforms are supplemented by efforts to improve or develop regulations, procedures and practices that explicitly address gender-specific rights and equality, they may not have a discernible impact on local practices. The following examples illustrate some of MCC’s accomplishments in the area of women’s land rights.

Overcoming legal obstacles to women’s right to property: In Lesotho, women were treated as minors under customary laws and could only have title to land and property with the consent of a male family member. MCC helped address this inequity by requiring adoption of the Legal Capacity of Married Persons Act of 2006 before the compact could be signed. The law enables married women to hold property, enter into contracts and act as trustees or executors of an estate without requiring the consent of a male
family member. In order to put these legal advancements into practice, the Private Sector Development Project included two activities: the Gender Equality in Economic Rights Activity, which conducts outreach and training of key stakeholders responsible for implementing the law, and the Land Activity, which supports the regularization of land tenure in informal urban settlements through the issuance of long-term land leases, facilitates registration to women individually and requires that husbands and wives be registered jointly. MCC also conditioned its support for the passage of the new Land Act on its harmonization with the Legal Capacity of Married Persons Act, recognizing that contradictory laws can effectively overturn women's rights in practice.

Building awareness of women's rights to property: In Ghana, MCC supported the first pilot effort at rural land title registration, resulting in the issuance of titles to women in more than 25 percent of cases, which is consistent with the level of women's ownership reported in recent studies. These results did not require legal change but rather were achieved through public outreach campaigns that emphasized gender equity, reinforced by gender specialists who were included in the community outreach teams.

Ensuring expanded women's access to land: Husbands typically act as heads of households in rural Mali and often control economic assets such as land. The compact’s Alatona Irrigation Project helped expand women's access to and control over land in several ways. First, the women of all beneficiary households have been provided access to a 500 square-meter market garden to grow food for home consumption and sale. Since the property of deceased women goes to their sons under some customary inheritance norms, women's associations hold the titles to market gardens so the land will remain available to women in perpetuity. Second, the project encouraged husbands and wives to request joint title to the five-hectare farms they received from the project. Some 40 percent of households that signed land contracts as of February 2012 chose the joint titling option, far in excess of MCC’s expectation. Third, the project provided women an opportunity to participate in a special lottery to award some 150 five-hectare farms to qualified farmers. In order to qualify for the lottery, farmers had to reach 60 points on a 100-point scale on the basis of their experience, agricultural resources and need for land. Women farmers received 10 extra points, which allowed many more to reach the 60-point minimum (a “points approach” that benefits women is also being used in Burkina Faso). Finally, women were represented on the land allocation committees that oversaw the lottery—an inclusive model similar to land allocation committees in other countries with MCC-funded projects, including Burkina Faso and Senegal.

Removing procedural and practical barriers to women's land rights: In Mali and Madagascar, problems with procedures and forms, rather than legal obstacles, were creating impediments to joint titling of spouses. MCC supported changes that facilitated the option of joint titling, thereby reducing obstacles to gender equity. In Mali,
the success with joint titling described above was because of changes in procedures and forms and a committed and effective public outreach effort.

**Building on existing good practice:** Nicaragua had a good record on gender equity in land titling prior to the MCC project. The project built on that success by implementing a thorough national gender strategy that had been developed as a condition of a World Bank loan. A gender-supportive titling methodology was developed and has now been accepted as standard practice, ensuring continuation of the gender focus. The methodology used awareness-building sessions and participatory learning workshops, including organized women’s groups, small meetings and individual family meetings. The awareness-building sessions emphasized the need to combine normative (laws and policies), structural (procedures and institutions) and cultural elements (practices and customs) at the field level to reduce inequality and discrimination between men and women in accessing land. As for results, about 70 percent of the titles issued under the project went to female heads of households. This result could reflect a relatively high percentage of women-headed households in the project area, but is also due in part to MCA-Nicaragua’s concerted effort to implement the government land tenure and gender policy, which informed women of their rights and responsibilities as land holders and encouraged them to take advantage of the opportunity to register their land rights.

**Promoting women’s participation in local policy-making:** In Senegal, MCC is funding improvements to the quality and availability of water for rice production in the Senegal River Valley. In anticipation of the increasing land values and demand in the improved areas, MCA-Senegal supported the efforts of local stakeholders to develop fair and transparent land allocation policies. Participatory workshops were designed and conducted to ensure that all categories of stakeholders—including women, itinerant herders and youth—had a voice in determining land-allocation criteria. As a result, each of the nine local governments involved officially adopted land-allocation criteria that explicitly declared an individual’s right to request and receive individual land allocations without regard to sex and required minimum percentages (generally 10 percent) of land allocations in specific zones (such as a new irrigated perimeter) be reserved for group farming by women.

With recognized and protected land rights, women are better able to help support their families, attain some level of equality and self-sufficiency and, like men, pass their land to their children. As part of MCC’s commitment to understanding program impacts, each of these programs will be evaluated to help assess how effectively they have affected both gender-specific rights and the levels of household investments.
Lesson 5:

Knowledge is power—public outreach and consultation are essential for broad acceptance, participation and sustainability.

Many MCC PRLP projects take place in areas where people may be unaware of their rights under formal land and property laws or may be suspicious of government land programs. Suspicion is natural where there is a history of unresponsive authorities who have ignored, misinterpreted or abused rights. Corruption may also contribute to skepticism about new programs. Failure to effectively communicate project objectives and benefits and to hear and respond to comments and criticisms can undermine the success of a project or cause the local population to oppose it.

MCC PRLP projects focus on creating awareness among citizens of their land rights and opportunities to use their land and property as economic assets. This “knowledge is power” lesson goes both ways—program designers seeking information from experts, stakeholders and potential beneficiaries to inform program design, as well as program implementers sharing information during implementation to ensure impact and sustainability. Public consultation and outreach also serve a central MCC principle of country ownership, defined not only as the wishes of the national government but also those of local citizens, civil society, the private sector, local elected officials, and program beneficiaries.

Seeking information: One lesson that continues to be highlighted in MCC’s PRLP projects is the importance of meaningful public consultation during the process of developing policy and law. Public consultation serves the twin goals of improving the policy or law and cultivating the support needed to adopt and accept it. In Lesotho, the Private Sector Development Project supported revision of the 1979 Land Act, the country’s basic law on land. A new Land Act was drafted, relying on findings from a 2000 report of the Land Policy Review Commission. However, as the draft Land Act moved through the legislative process, it became clear that additional consultations were necessary. Meetings with citizens, technical specialists and traditional authorities around the country uncovered information that led to revisions to the bill that were critical to gaining public acceptance. In Mozambique, the Land Tenure Services Project established a Land Policy Forum to give civil society a venue for participation in development of property rights policy. The consultative approach embodied in the Land Policy Forum replicated the approach that was taken in the mid-1990s in generating public acceptance of the Mozambican Land Law of 1997, a law widely recognized as progressive in protecting customary land rights.

Sharing information: The need for effective public outreach was carefully considered in the design of the Mongolia Compact’s Property Rights Project, whose urban activities seek to improve the system for registration of rights to land and buildings and
assist low-income citizens in becoming landowners for the first time. Education TV, a Mongolian television company contracted to conduct outreach activities, has designed, produced and broadcast various forms of programming to inform people of the project's objectives and accomplishments and their right to become land owners. In addition, the project is supporting a large grassroots outreach effort—including neighborhood events and door-to-door visits—to fully inform the project's targeted beneficiaries in low-income suburban ger districts\(^\text{12}\) about the opportunity to formalize their land rights and to fix boundary problems and other issues affecting their property rights.

In Cape Verde, a country of nine inhabited islands, a core project activity in the second compact will involve systematic clarification of boundaries and rights to land parcels on targeted islands. Initiatives of this type always require significant outreach. In Cape Verde's case, the outreach is made more difficult because a large share of individuals claiming rights to parcels may reside in the United States, Europe or elsewhere. Innovative approaches and new technologies will be required to meet the challenge of reaching this diaspora population.

A key lesson that has been reinforced across all PRLP activities is that outreach must be carefully sequenced with other activities. This lesson was highlighted in Ghana, where procurement challenges delayed the public outreach campaign until well after the surveying of land parcels had begun. As a result, the people occupying these parcels were not adequately informed about the program and its benefits, or about what they needed to do to complete the land tenure formalization process and receive their land-rights documents. This lack of information and education in all likelihood contributed heavily to some 30 percent of the parcel holders failing to sign an affidavit or provide additional information needed to complete the process of formally establishing their land rights.

Although MCC’s programs have consistently recognized the importance of public outreach, implementation has sometimes been a struggle. In some cases, state institutions have only halfheartedly supported strong public outreach efforts. Such lack of enthusiasm can stem from the belief that it is unnecessary to reach out to the public or the fact that it is a new practice that has not been used in the past. It can also reflect the fact that some interest groups oppose the changes being introduced by the PRLP projects. MCC encourages its partner countries to embrace and support public outreach programs because politically difficult land reforms are unlikely to succeed without broad public support and acceptance.

\(^{12}\) A ger is a traditional form of housing used by Mongolian herders.
To be effective, outreach must be tailored to reach target audiences. Where illiteracy is high, radio programs and special performances have been used to communicate with project beneficiaries. These techniques are being used in Namibia’s northern communal areas, where communal land resources are being degraded due to overgrazing and where large tracts of land are being captured by the elite, sometimes without required authorization from traditional authorities. MCC’s project is mobilizing communities to participate in land rights verification and formalization activities that will allow them to identify and secure rights to common grazing areas and better manage their land resources. Outreach and training materials—including radio announcements, comic book-style brochures and performances—are being delivered in several local languages to ensure that communities are informed and encouraged to participate in project activities.

Lesson 6:
Be creative in resolving disputes.

Land disputes can arise from a number of causes, including unclear or overlapping individual or community boundaries, multiple grants of rights to different holders, conflicting jurisdictions of land administration institutions, inheritance issues, and lack of adequate land-use planning or violations of land-use rules. The existence of a dispute can prevent an individual landholder or a community from putting their land or other real property asset to productive use. Disputes almost always undermine economic growth, and in extreme cases can trigger violence or war.

The cost in time and money to bring a land dispute to the court system puts this remedy out of reach for the general population in many of MCC’s partner countries. Cases that are brought to court can languish for years as backlogs continuously worsen. Where courts are not meeting the need for resolution of land disputes, existing alternative methods must be supported or new methods must be developed. Because property conflicts have economic, social, cultural, and emotional dimensions, alternative methods for dealing with them can vary widely from country to country, involving a variety of techniques and a range of institutions from traditional authorities to land boards, special tribunals, local commissions, and local governments. The following examples show how MCC has attempted to improve dispute-resolution mechanisms in an effort to effectively address land conflicts.

Alternative dispute resolution as part of systematic regularization of rights: In Ghana, cases involving land disputes have contributed to a large backlog in the court system that has been difficult to resolve. The Land Registration Activity (part of the compact’s Agriculture Project) pioneered a field-based alternate dispute resolution (ADR) mechanism based on a newly adopted alternative dispute resolution law. This approach allows for ADR services to be provided in the field simultaneously with the beneficiary sensitization and boundary survey work in a given community, decreasing
the likelihood that disputes would be referred to the judicial system. In one pilot project area, the ADR mechanism was used to successfully resolve 18 of 20 conflicts. The ADR process is accessible throughout the title registration process, so landholders can make use of it at the early stages of public awareness, during field work or after field demarcation and survey. Integrating the ADR process from the start and making it available during the parcel demarcation and survey work helps prevent common miscommunications and misunderstandings from escalating into more serious disputes that would further exacerbate the backlog of land-related court cases that are burdening the judicial system.

**Dispute resolution through local participation and transparency:** In Madagascar, the Land Tenure Project supported the creation of local land rights commissions required by a new land law. This new law enabled landholders to receive a locally issued document providing tenure security through legal recognition of traditionally held land rights. However, for the document to be issued, the boundaries of the parcel and the rights claim had to be recognized as legitimate by the commission, whose members included local leaders and neighbors. If there were any disputes over boundaries or rights, the commission provided a venue for resolution.

Once rights were agreed, a publicity period enabled further public review of the rights to be awarded. This approach gave anyone who might have knowledge about a land parcel the opportunity to provide information before a legal right was granted. Similarly, the procedures in Benin followed a two-step process: surveyors, in consultation with neighbors, confirmed property rights, and then a publicity period gave the public an opportunity to review and comment on the proposed rights. Public review and participation serves the dual purposes of assuring integrity of the formalization process and decreasing the likelihood of subsequent disputes.

**Building and broadening capacity for dispute resolution:** Burkina Faso has seen an increase in the number and gravity of land and natural resource-based conflicts over the past two decades. Most people resolve their disputes through customary systems, but customary institutions and procedures are not standardized or broadly understood, which leads to confusion and inconsistent treatment by tribunals in cases that do move into the formal system. Moreover, judges are often ill-equipped to resolve the disputes because they lack experience and training in land and natural resource tenure. The result can be significant delays in resolution of disputes or increasing entrenchment or widening of disputes that potentially can lead to violence.

In response to these weaknesses, the Rural Land Governance Project is facilitating clarification and standardization of local dispute resolution institutions. The objective is a more integrated dispute resolution system in which disputants are presented with formal and informal resolution options, and judges recognize local processes, opinions and decisions as a starting point. The project is training sitting judges, whose formal training includes little or no exposure to land-related topics, to appreciate and properly respond to the often subtle interplay and frequent contradictions between the country’s
statutory and multiple customary land tenure systems. New modules on land-related issues and conflicts are being developed with the support of the project and will soon be taught at the national school of administration and magistracy. The project is also providing technical support and training at the village and commune levels to reinforce the capacity of both elected and customary authorities to play an active role in mediating and resolving land disputes.

To ensure fair and transparent allocation of the land developed under the Senegal Compact, MCA-Senegal is supporting participatory local development of land allocation criteria but is also mindful of the potential for land conflict as the value of land increases. Therefore, each locality is nominating a recognized and respected conflict mediator as a key complement to developing land allocation criteria. The mediator will work with existing conflict resolution committees. These committees will also benefit from project-sponsored training and other measures to enhance local capacity to resolve land disputes.

Lesson 7: 
**Build and strengthen institutions to serve people.**

In many of MCC’s PRLP countries, citizens do not have access to basic land administration services. There is nowhere to turn when they want to record or confirm their land rights, obtain authorization to use their land in a certain way or even pay land taxes, because land administration institutions do not exist or are too distant or costly to be accessible. Where land administration institutions exist, many face serious challenges of insufficient funding, equipment and staff capacity. Land administration institutions are also notoriously corrupt in some countries, and procedures are often numerous and cumbersome. Good laws and policies will not result in economic growth if land administration institutions are unwilling or unable to implement them. MCC is targeting these institutional challenges in a variety of ways.

In Lesotho, MCC is working with the government to ensure legal foundations are in place to sustain performance of the institutions critical to land management. MCC supported the development of the Land Administration Authority Act, which established the new Land Administration Authority charged with modernizing land administration services and streamlining procedures, making it easier for citizens to conduct property transactions and obtain credit through mortgage transactions. The project is also building capacity of the LAA through provision of technical assistance, equipment and employee training.

In Mongolia, MCC is working with the property registration agency—the General Authority for State Registration (GASR)—to improve its business processes to make property registration more straightforward, user-friendly, reliable, and less expensive. This effort includes a business-process analysis, implementation of recommendations from that analysis, development of a sustainability plan and extensive training of GASR personnel.

An obvious key to success is the willingness of the counterpart agency to embrace the proposed changes in its institutional operations. GASR has been supportive of the MCC program, but sustained collaboration on technical issues between MCA-Mongolia and GASR personnel at the operational level has been difficult to achieve. This is because of frequent changes in GASR senior management, which has compromised the sustained focus needed for successful implementation, and GASR technical personnel having other job responsibilities that require their attention. Implementation is hard, even in an environment of generally strong support from the institution.

Many of MCC’s partner countries have asked for significant investments in PRLP-related infrastructure and equipment for newly created land institutions or to strengthen the performance of existing institutions. MCC approaches investments in PRLP infrastructure and equipment cautiously because while they can be vitally important, they can absorb large portions of compact budgets and do not necessarily address core land administration problems, such as vague or convoluted laws and procedures, unclear definition of institutional roles and responsibilities or a lack of political will to implement meaningful reforms. It is possible to spend a lot of money on changing the physical environment of land administration without improving the way the system works for the local population. Because of this, MCC is taking increasing care to ensure that investments in infrastructure or equipment will indeed be appropriate and effective responses to the core land administration problems identified or will be accompanied by other measures to address those problems. In Mongolia, MCC is refurbishing property registration offices in several provinces and upgrading their information technology capabilities, but this investment flows from the needs identified through the business-process analysis and is being accompanied by improvements in operating procedures.

Often, investments in institutions need to be accompanied by investments in their employees. Almost all of MCC’s PRLP programs include substantial training programs, including training in relevant legal and policy provisions, operation of information technologies, use of survey and mapping equipment, dispute resolution, and communication skills. The Communal Land Support Activity, part of the Agriculture Project in Namibia, is an example where the program is providing essential training and support to local chiefs, village headmen and women, formally recognized traditional authorities, and newly-created Communal Land Boards—all of whom have important roles in implementing the country’s Communal Land Reform Act. Training is familiarizing these officials with the provisions of the law, their roles and responsibilities in implementing the law, the legal rights of citizens, the degradation of communal resources resulting
from unauthorized capture of common areas, and the constraints to investment resulting from undocumented and insecure individual land rights.

Although MCC has achieved some success in helping build and improve land administration agencies, there have been challenges. Policy and legal reforms have not always been welcomed by the institutions responsible for their implementation, even when the highest levels of government are committed to reform. In some cases, the institutions lacked the necessary human and financial resources to adopt change, or there was a lack of political will at higher levels to force competing institutions to resolve differences.

Lesotho is a case where policy and legal reform took longer than anticipated to translate into institutional change, and the project suffered setbacks because of it. In April 2012, MCC and MCA-Lesotho celebrated the establishment of the new Land Court and District Land Courts that will provide faster, fairer and inexpensive resolution of land disputes. While the project has yet to accomplish all its goals, policy and legal changes such as the Land Act of 2010 and the Land Administration Authority Act of 2010 are creating profound institutional changes to national land administration systems.

Lesson 8:
**Time matters—the five-year compact duration helps achieve results but also creates challenges.**

The legally mandated five-year limit on compacts creates a strong incentive for partner countries to complete all compact activities on time. The five-year limit demands close tracking, which has made it possible to identify and make important adjustments during implementation (see Lesson 9 below). The time limit has also reaffirmed what many who work in the PRLP field know too well: PRLP projects can be slow to start, and achieving targets often takes time. MCC and its partner countries have learned a number of lessons associated with making the most of MCC’s five-year clock.

**Account for start-up and delays when setting implementation targets:** Like MCC projects in other sectors, some PRLP projects have started slowly because of delays in establishing key implementation structures and procedures. PRLP projects often face additional start-up challenges, including development or refinement of the legal and regulatory framework and operational procedures, building necessary institutional capacity and conducting extensive public outreach and consultation. Addressing these challenges can require significant preparatory work at the beginning of implementation, which in turn may lead to an implementation pattern in which the actual changes observed at the beneficiary level do not occur until the final year or two of the compact

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13 There is a gap in time between when compacts are signed and when the five-year implementation period officially begins. This gap is typically about one year, and can be used by MCC partner countries for policy reform activities, to draft contract terms of reference to procure services during the implementation period and to establish the administrative infrastructure necessary for implementation. MCC funding during this period may only support the development of activities, not their implementation.
and beyond. Progress measured by short-term outputs has often been slower than anticipated in MCC’s initial economic analysis and associated monitoring and evaluation plans, even in cases where final outcome and impact targets are expected to be substantially met.\textsuperscript{14}

The Property Rights Project in Mongolia provides a useful example of how project design should be premised on a realistic implementation schedule and should include provisions for unanticipated delays. The project was designed so that virtually all of the activities would be completed by September 2012, the end of the compact’s fourth year. This allowed for the final year to be used to complete any delayed activities and to observe the extent to which the project was having an effect on the incomes of its beneficiaries. Implementation of two of the project’s activities started about nine months later than planned because of delays in the identification of a new main building for property registration. Difficulties in procuring goods and services from private-sector providers also delayed implementation. Notwithstanding the startup delays, all project activities should still be completed during the compact, though some project beneficiaries may not begin to see the benefits of the project until up to a year later than originally anticipated.

**Targets can be substantially met even after slow starts:** The Access to Land Project in Benin provides an example of the challenges MCC confronts in accurately estimating the time required to meet final targets. The project set the end-of-compact target of preparing village-wide rural landholding plans (*plans fonciers ruraux*, or PFRs) in 300 rural villages, about 10 percent of the nation’s villages. In the selected villages, citizens’ agricultural fields were surveyed and mapped, and their customary rights were described in PFRs. These plans enable citizens to request certificates of customary rights and, for the first time, to use these certificates as evidence to have their rights recognized and protected in the courts, mediation tribunals and state agencies, as well as in contractual dealings with third parties.

The PFR process required a series of preliminary steps, including regional and village diagnostics, preparation of a lexicon of land terminology in local languages, public education and outreach, stakeholder participation, surveying and mapping of parcels, and public review prior to final certification. As of October 2010, about four years into the compact, PFRs had been approved in only 35 villages. During the final year of implementation, the pace of completion and approval of PFRs accelerated dramatically, and 294 PFRs were completed by the end of the compact in October 2011. PFRs were not pursued in the other six villages because of inter-communal land conflicts.\textsuperscript{15}

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\textsuperscript{14}See page 7 of the “Principles into Practice: Focus on Results” paper for a description of the four kinds of results targets that MCC establishes and tracks in each of its compacts.

\textsuperscript{15}The conflicts involved jurisdictional issues between neighboring villages as opposed to conflicts over individual land rights.
**Ensure early reforms to mitigate completion risk:** Achieving legal and policy reform might be a prerequisite for other activities in the program, but it can also be the hardest step because it almost always involves competing interests. Moreover, the rate at which legal and policy reform will be completed is unpredictable. Waiting for necessary legal and policy reforms may be an essential part of the implementation strategy, as other expenses might not be justified without the reforms—but following this logic will contribute to a slow start, even when MCC’s partners move forward at a reasonable pace. In select cases, MCC has managed this risk by requiring adoption of necessary reforms before proceeding with other aspects of the project. This was done in Lesotho where the adoption of the Land Act and its accompanying regulations, which provide the legal basis for systematic regularization of land holdings in informal settlements, was required as a precondition to moving forward with land regularization and titling of land in such settlements.

Another way to reduce completion risk is to support appropriate and promising reforms that have already gained momentum prior to the compact, such as was done in Burkina Faso and Madagascar. In Burkina Faso, the government initiated a participatory process for rural land policy reform in 2005, culminating in the adoption of a progressive rural land policy in 2007. The Rural Land Governance Project built on this progress by supporting development of a rural land law to help implement the 2007 policy; this law was adopted in June 2009. The project also supported revisions of related laws to ensure consistency with the rural land tenure reforms. In Madagascar, the National Land Policy was adopted just prior to compact signing, creating the basis for a series of legal reforms that fundamentally changed the approach to legal recognition of land rights. The most important of these reforms was the new law on untitled private property, which established that any property occupied or otherwise in use and not already subject to a private land title or a title application could be recognized as the private property of the occupant. This change enables legal recognition and legal protection of land rights that in the past had been held only by customary means. Among other activities, MCC’s investment included support for awareness-building about the provisions of the new law and creation of the local institutions legally responsible for recognizing these rights and issuing the proper documents.

**Phase implementation to manage completion risk:** As noted in Lesson 2, Burkina Faso’s Rural Land Governance Project was formally structured in two phases to allow for the completion of core foundational activities and testing of the technical approaches to achieving results before beginning the second phase, as well as to provide the opportunity to test assumptions about program impact before expanding the implementation scale.

**Use time constraints to mobilize and coordinate other donors:** In some cases, the five-year limit may encourage government efforts to reach out and better coordinate the donor community. Following the slow start and intense catch-up efforts to complete the 294 PFRs in Benin, MCC and MCA-Benin realized that local governments might not be
able to put in place mechanisms for the ongoing management and updating of the PFRs before the close-out of the compact. Thus, MCA-Benin mounted a campaign to develop a post-compact consolidation program that would support local governments in the adoption of the land management tools and databases completed near the end of the compact, contribute to sustainability of enhanced institutional capacity for land management at the decentralized level and reinforce implementation of the mechanisms that formalize land transactions, such as land loans and rentals, which further secure the rights of the poor and vulnerable rural households. As conceived, the post-compact strategy is relatively modest in its resource demands, and as of the end of the compact, MCA-Benin was in discussion with a number of potential development partners interested in sponsoring parts of the consolidation program. Such an approach reinforces the long-term PFR strategy of Benin of identifying and securing partners willing to support continuation of these initiatives until all villages complete their PFRs.

Lesson 9:
Prepare to adjust and capitalize on opportunities.

Even during a five-year timeframe, there are bound to be shifts in technology, political leadership, public perceptions, and implementation partnerships as well as lessons learned that provide opportunities for improvement. MCC relies on innovation in implementation approaches and early indications of what works and what does not to guide continuous strategic decision-making about how best to achieve a project’s results. MCC’s PRLP team is increasingly using interim activity reviews as a tool to assess project performance after two years. Making adjustments can create opportunities for innovation and greater progress toward results without sacrificing standards related to economic returns, environmental and social safeguards and gender equity.

Changes in implementing approaches can both keep projects on track and achieve further innovation: Nicaragua provides an example where close monitoring of progress led to important adjustments during the compact. Realizing that progress on regularizing land parcels lagged behind expectations, MCC and MCA-Nicaragua issued a challenge to the government implementing partner to be innovative in order to meet strict quarterly targets, and then to be adaptive when targets were met. This challenge led MCA-Nicaragua, government land officials and MCC specialists to develop a streamlined methodology for the systematic regularization of land rights that featured integrated teams of land survey and land tenure technicians, capitalized on the use of appropriate GPS surveying technology and treated both private lands and agrarian reform lands. Using this methodology, MCC’s government implementing partners demonstrated that project implementation could be accelerated to achieve quantitative targets for parcels surveyed, land rights regularized and titles issued. The Government of Nicaragua largely adopted MCA-Nicaragua’s methodology and uses it outside of the compact in the Department of León. As part of a broader roll-out, this methodology is expected to significantly reduce the time from beginning of a land regularization program to the citizens’ receipt of full legal titles, as well as reduce the per-parcel and
per-hectare costs of surveying—two particularly important elements of sustainability and broader applicability of the approach.

Re-focus project activities in areas where more meaningful results can be achieved:
In Lesotho, the land activity included an inventory of rural land allocations in an effort to improve the land allocation procedures and reduce conflicts. The inventory showed conflicts over land allocations were relatively rare and in most cases related to family matters, including inheritance issues, rather than to conflicts between unrelated private parties. As a result, MCC agreed to MCA-Lesotho’s recommendation to reduce the scope of the rural land inventory work and refocus funding on urban land tenure regularization activities, which represent a more acute problem in Lesotho.

Balancing country ownership with operational needs: Making the most of adjustments in project scope and implementation can sometimes require MCC to balance its principle of country ownership, in which country partners take the lead in implementation, with operational priorities of improving or accelerating project activities. For example, when the PFR program encountered delays in Benin, MCC committed itself to providing almost continuous support to MCA-Benin to ensure success. MCA-Benin still took the lead and was responsible for implementation, but MCC and MCA-Benin effectively became one team, with MCC providing consistent in-country support that allowed for real-time decision making and problem solving. Similarly, in Lesotho, establishment of the new Land Administration Authority (LAA) encountered several delays. MCC committed itself to increasing technical and material support for the LAA in an effort to establish a fully functional and sustainable land administration body before the end of the compact.

Lesson 10:
Plan for sustainability.

Donor-financed development is sometimes criticized for supporting projects that do not survive past the donor’s departure. PRLP projects face various sustainability challenges, including retention of newly trained and newly qualified staff, maintenance of information systems technology and surveying and mapping equipment, development of institutions whose services will be affordable but will generate sufficient revenue for ongoing operations, and achievement of behavioral change and acceptance of new approaches among beneficiaries. MCC is addressing these challenges so that project benefits will continue after MCC involvement ends.

MCC must conceive and design investments around the outcomes that need to be sustained rather than focusing only later on how to sustain investments. The goal of sustainability needs to be the point of departure for investment decision making, and MCC has learned that it must continue to ask fundamental questions at all stages of

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16 For more information on this theme, see MCC’s country ownership paper in the Principles into Practice series, which contains the following lesson: “Country ownership is a balancing act between MCC principles and operational priorities.”
project design and implementation. Such questions include: Is demand for this outcome sufficient that it will be sustained? If demand does not exist, why? Is weak demand or refusal to use a land system because of lack of awareness or incorrectly aligned incentives, or something else? Project activities need to be designed and managed with these questions in mind.

Focusing on these questions reminds us that there are certain key ingredients to sustainability:

* clear legal frameworks;
* stable institutions with adequate resources and clear authorities;
* affordable, accessible services that are in demand;
* carefully aligned incentives that encourage institutions to provide services and citizens to seek them; and
* ongoing outreach and public education.

In Benin, there is reason to be optimistic about the sustainability of the rural landholding plans (PFRs) because many of these key ingredients seem to be present. The mayors in the project area recognize the PFR as a primary tool by which they can and must exercise the authority to regulate landholding and manage land resources under the Decentralization Law. That law—along with the Law on Rural Landholding of 2007—mandates the PFR as a communal responsibility and require its eventual expansion to all villages in the nation. Public education and a high level of favorable political support have created enthusiasm and demand for the PFR; residents of villages not initially selected for the program are lobbying the mayors, ministers and members of parliament to start the PFR-development work in their villages. The services provided by local institutions—including the issuance of certificates; the drafting, witnessing and registration of citizen land transaction contracts; and the amicable mediation of land disputes—are activities for which the municipality is authorized to receive small fees. MCA-Benin and its contractors assisted communes to make accurate cost and revenue calculations, and four communes out of 20 included small appropriations for the operations of PFR management in their 2012 municipal budgets. Finally, the Government of Benin has engaged in an exercise of long-term planning and projection of the costs and benefits of bringing all villages under the PFR regime and is seeking donor support where appropriate. At least one other donor project (underway in two provinces) will help new villages develop PFRs in 2012-2013.

The sustainability of land administration institutions can be particularly challenging because they are notoriously over-burdened and under-resourced. Without the necessary resources, including staff, office space, vehicles, and equipment, these institutions cannot possibly provide the required services to their citizens. The result can be complete breakdown of land record-keeping systems, revenue collection, land-use planning, and effective land management. MCC’s PRLP projects often provide support to these
institutions, but MCC investment alone will not result in long-term sustainability. In the case of Namibia, MCC is providing training and support to newly created Communal Land Boards. However, as a condition to this support and in an effort to ensure sustainability, MCC required the Government of Namibia to commit to providing support to the boards in the form of vehicles, equipment and staffing. In Burkina Faso, demonstrated budget support for maintenance of new municipal buildings providing land services is a condition to MCC funding construction of the buildings.

One of the potential pitfalls of donor-funded projects is that access to large amounts of funding can directly undermine sustainability because decision-makers are tempted to adopt approaches that are too expensive or time consuming to be viable for further rollout. In Ghana, for example, MCC and its Ghanaian partners have made efforts to reduce titling costs, but they remain too high to allow for mass application considering the amount of land to be covered. They may also be too high to be justified given the value of the land being formalized. This information will help guide decisions by the government about how to improve titling procedures to make them more sustainable. In Burkina Faso, final decisions about implementation of land information systems will only be made once studies of feasibility—including sustainability—have been completed.

Notwithstanding careful planning for sustainability, continuation of PRLP work sometimes comes from unanticipated sources, as was the case after the unexpected early termination of the Madagascar Compact. At the close of the compact, leadership within the MCA formed a new NGO dedicated to continuing advocacy and implementation of land tenure reforms advanced under the MCC project. Drawing on the project management, financial management and procurement skills honed during the compact, the services of the NGO have been in demand, and it has secured funding from a range of other donors and private sector entities to continue its land tenure activities.

Lesson 11:

Back to results—measuring impact at the end requires careful planning up front.

One of MCC’s founding principles is focus on results.17 Under this principle, MCC is committed to assessing the expected economic returns of proposed projects before making investment decisions (as discussed in Lesson 1) and to rigorously evaluating, documenting and learning from programs once they have been implemented. In order to accurately measure impacts after projects are completed, and be able to attribute them to MCC’s investments, MCC and country partners must lay the foundation for impact evaluations from the outset. In the context of MCC’s PRLP portfolio, as well as in other areas, MCC is learning that this robust focus on results requires careful

planning and is a continuous opportunity for MCC and partner countries to learn and improve its practice.

MCC uses impact evaluations to independently and transparently measure the impacts of program investments. The distinctive feature of an impact evaluation is the use of a counterfactual (generally by identifying treatment and control groups to compare), which identifies what would have happened to the beneficiaries absent the program. This counterfactual is critical to understanding the improvements in people’s lives that are directly caused by the program. Impact evaluations for PRLP projects focus on assessing the impact of land tenure on investment, income and household consumption, as well as provide a better understanding of how PRLP interventions affect these outcomes. MCC has contracted over a dozen impact evaluations in PRLP projects, which will yield much learning. MCC has yet to see the results of any PRLP impact evaluations, but a number of lessons about how to manage evaluations have been learned in the PRLP context:

★ It is very important that implementation personnel from MCC and its partner countries work closely with their counterpart evaluation and economic analysis team members to create well-designed impact evaluations. Implementation personnel have expertise that is needed for the evaluation design, and project design often needs to accommodate evaluation and economic analysis needs. This collaboration should begin at initiation of the project design; it cannot wait until implementation begins. Moreover, close collaboration enhances opportunities for early recognition of both implementation and evaluation challenges, and it fosters a shared responsibility for responding in a coordinated manner to unanticipated challenges and opportunities.

★ As with all aspects of program implementation, there are often tradeoffs between costs or ease of implementation and the quality of the evaluation and economic assessment. For example, the credibility of an evaluation typically hinges on the comparability of the treatment groups (project beneficiaries) and control groups (those who are not beneficiaries of the project). Randomized assignment of communities to treatment and control groups is the most broadly understood and trusted method for selecting controls. But in some cases, this may hinder program performance: Numerical goals could be harder to achieve, or beneficiary selection criteria that enhance project success could be constrained. This conflict can be alleviated to a certain extent by collaborative work throughout the project and a shared understanding of these joint objectives of both poverty alleviation and learning.

★ Impact evaluations can contribute to improved project design. In Mali, a portion of the irrigated lands developed by the Alatona Irrigation Project were earmarked for newcomers to the project zone. How should those newcomers be selected? The initial idea was to select them based upon agricultural experience and assets, but after considering evaluation needs, a public lottery was used to select the newcomers.18 This allowed for an impact evaluation based upon randomized control and

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18 Applicants for the lottery did have to meet certain agricultural criteria in order to participate in the lottery. Everyone who met the criteria then had an equal chance to receive land.
treatment groups and should enable the evaluation to determine which attributes of the newcomers are strong determinants of farming success. Moreover, use of a public lottery was transparent and fair for all applicants for land had an equal chance of being selected, and the likelihood of land being diverted to insiders was minimal. A similar lottery approach was used to select villages to receive the rural landholding plans (PFR) in Benin.

★ Typically, the economic impacts of PRLP projects will be small in early years and might not be large until years after compact implementation is completed. Thus, MCC’s commitment to fund impact evaluations well after compacts end is essential for understanding these long-term impacts.

**MCC continues to learn**

Even before impact evaluations are complete, MCC is learning through experience how to improve its practice. MCC is not alone in investing in PRLP projects or in facing challenges along the way. Many of the lessons and challenges described here are common. However, MCC’s commitment to results and to learning demands a frank and open discussion of these lessons, even when they are learned the hard way. The emerging body of lessons learned from MCC’s earlier compacts continues to inform later compacts and guides how future PRLP projects are evaluated and funded.

Given the ambitious but risky nature of PRLP investments, the particular challenge for MCC lies in determining how best to intervene within a five-year window, such that long-term development goals are met in a manner that is sustainable and cost-effective. MCC continues to learn, leverage international experience, apply lessons learned to improve investment design and management capacity, and better help partner countries anticipate and meet operational challenges.

MCC’s portfolio of impact evaluations will soon begin to yield additional learning about the economic impact of PRLP projects on beneficiaries and an understanding of how these projects elicit changes in the behaviors and outcomes of the beneficiaries. This learning will feed back to MCC practice in terms of assessing the potential benefits of future PRLP proposals with improved economic models, designing projects and working with partner countries to structure and implement policy and institutional reforms. MCC is committed to making impact evaluation results public so that others in the development community can learn from them as well.
Annex I:
MCC Property Rights and Land Policy
Projects and Activities

<table>
<thead>
<tr>
<th>Stand-Alone PRLP Projects</th>
<th>Description</th>
<th>Project/Activity Amount (dollar amounts as of December 31, 2011)</th>
</tr>
</thead>
</table>
| **Benin** October 2006–  | • Formulation of land policy reform  
• Modernization of the geodetic network  
• Transformation of rural customary rights from an oral to a written and mapped system  
• Transformation of weak administrative and contractual urban land rights into strong legal titles | $32.2 million                                                     |
| October 2011 Access to Land Project | | |

| **Burkina Faso** July 2009– July 2014 Rural Land Governance Project | • Support legal and procedural change  
• Capacity building of national, regional and local land-management authorities  
• Participatory land use planning  
• Clarification and registration of land rights | $59.9 million |

| **Cape Verde** February, 2013–February, 2018 (estimated) Land Management for Investment Project | • Develop legal, institutional and procedural foundations for land administration and clarification of land parcel rights and boundaries  
• Develop and install land information and transaction systems  
• Clarify land parcel rights and boundaries on islands with high tourism investment potential | $17.3 million |

19 PRLP project and activity budgets occasionally shift from those stated in compacts as money is moved in or out of PRLP projects and activities from other projects in a country’s compact.
<table>
<thead>
<tr>
<th>Country</th>
<th>Project Title</th>
<th>Key Activities</th>
<th>Cost</th>
</tr>
</thead>
</table>
| Madagascar | Land Tenure Project                  | • Legal and policy change relating to land tenure  
• Modernization of regional land administration services  
• Establishment of new municipal land registration offices  
• Formalization and regularization of land tenure | $29.5 million |
| Mongolia   | Property Rights Project              | • Increased security and capitalization of land assets in nine cities and five peri-urban rangeland areas  
• Strengthened property-related legislation and institutions  
• Improved efficiency and ease-of-use of the property registry  
• Strengthened geospatial infrastructure  
• Training for herders on rangeland and animal management | $27.2 million |
| Mozambique | Land Tenure Services Project         | • Registration of communal and individual land rights and investments  
• Development of a national land information system  
• Technical assistance to build the capacity of central, provincial, district, and municipal land offices  
• Land policy monitoring and reform | $39.1 million |
| Nicaragua  | Property Regularization Project      | • Strengthened capacity of land administration  
• Completion of land registration and mapping  
• Dispute resolution  
• Demarcation of protected areas | $7.2 million |

*Compact partially terminated, including Property Regularization Project*
<table>
<thead>
<tr>
<th>Country</th>
<th>Project/Activities</th>
<th>End Date</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ghana</td>
<td>Pilot of area-wide registration of rural land rights</td>
<td>February 2007-February 2012</td>
<td>$4 million</td>
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<tr>
<td></td>
<td>Improvement of court settlements of land disputes</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>Increased public access to government land registry services</td>
<td></td>
<td></td>
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<tr>
<td>Indonesia</td>
<td>Administrative boundary setting</td>
<td>November 2012-November 2017 (estimated)</td>
<td>$25 million</td>
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<tr>
<td></td>
<td>Updating and integrating land and other natural resource uses for planning purposes</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Enhancing district and provincial spatial plans</td>
<td></td>
<td></td>
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<tr>
<td>Lesotho</td>
<td>New and improved land legislation</td>
<td>September 2008-September 2013</td>
<td>$20.1 million</td>
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<td></td>
<td>Regularization and registration of land rights in urban and peri-urban areas</td>
<td></td>
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<tr>
<td></td>
<td>Establishment of a new land administration authority</td>
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<tr>
<td></td>
<td>Implementation of an information technology system for leasehold management</td>
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<tr>
<td>Mali</td>
<td>Allocation and titling of newly irrigated land parcels that will benefit family farmers and women market gardeners</td>
<td>September 2007-September 2012</td>
<td>$1.5 million</td>
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<tr>
<td></td>
<td>Public outreach to inform rural families of their land ownership rights and obligations</td>
<td></td>
<td></td>
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<tr>
<td>Namibia</td>
<td>Community-based rangeland and livestock management support</td>
<td>September 2009-September 2014</td>
<td>$8.14 million</td>
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<td></td>
<td>Clarification and strengthening of land rights</td>
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<tr>
<td></td>
<td>Capacity building among communal land boards and traditional authorities</td>
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</tbody>
</table>

20 Originally planned end date.
<table>
<thead>
<tr>
<th>Senegal</th>
<th>September 2010–September 2015</th>
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<tbody>
<tr>
<td><strong>Irrigation and Water Resources Management Project</strong></td>
<td>$3.8 million</td>
</tr>
<tr>
<td>• Verification of existing land rights in future irrigated perimeters</td>
<td></td>
</tr>
<tr>
<td>• Development and implementation of procedures for allocating land in new perimeters</td>
<td></td>
</tr>
<tr>
<td>• Strengthened land management capacity of local authorities</td>
<td></td>
</tr>
</tbody>
</table>