

Land titles in Aceh: So much hope, but more action needed

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There is much in the reconstruction of Aceh and Nias that is going very well. In all, some US\$6 billion has been allocated to projects within two years in a reconstruction program that has impressed the world.

As co-Chairs of the Multi-Donor Fund for Aceh and Nias, we are proud to be associated with highly successful program in housing, infrastructure, waste management and community development. But there is one important program that we are supporting that is, so far, failing to live up to its earlier high hopes.

Secure land-rights provide the corner-stone on which communities will rebuild their homes and livelihoods. They provide a solid, legal foundation for spatial planning, reconstruction and long-term economic development. Recognizing their importance, the Multi-Donor Fund allocated \$28 million for the Reconstruction of Aceh Land Administration Project (RALAS), hoping it would be a shining example of how communities could "build back better."

The funds help the National Land Agency (BPN) recreate land records destroyed by the tsunami, salvage those which can be, and build capacity for the creation of a new, modern land records system. Under the project some 600,000 land parcels are to be titled, many for the first time ever, since less than 20 percent of land owners in Aceh had legal title prior to the tsunami.

This will enable citizens to use their land as collateral for financing homes and businesses, and thereby unlock substantial dormant capital for thousands of poor families struggling to rebuild their shattered lives.

Fifteen donors have contributed \$650 million for the Multi-donor fund for Aceh and Nias, the largest post-disaster fund in the world. Donors include the European Commission, Netherlands, UK, World Bank, Norway, Denmark, Canada, Sweden, Asian Development Bank, Germany, United States, Belgium, Finland, New Zealand and Ireland.

Linking land titling to post-disaster reconstruction in Aceh was a much-admired innovation on the part of the Government, and is being widely watched around the world. Indeed, leaders from several countries have highlighted the importance of this initiative. These include former U.S. President Bill Clinton (Special Envoy for the Tsunami), Hernando de Soto (the father of modern thinking of property rights for the poor),

President Paul Wolfowitz of the World Bank and Agnes van Ardenne, the Netherlands Minister for Development Cooperation.

So far, thousands of Acehnese have had their land ownership officially surveyed and adjudicated and their ownership rights publicly notified and confirmed, but they are still waiting to receive their title certificates. While field-based teams have very capably surveyed and adjudicated over 120,000 parcels of land, this work has not yet been transformed into titles due to a range of bureaucratic obstacles.

As of today only 7,700 titles have been distributed to tsunami survivors. As of this writing, some 20,000 land titles are actually lying ready for distribution, all the paper work complete, yet they remain stuck in the system due to simple administrative bottlenecks that could be resolved with decisive action.

For half of these titles, all that remains is for the title certificate to be signed by the Land Office Heads in Aceh. The other half of the certificates, which are already signed, only need to be handed to the land owners.

There is nothing inherently difficult about solving the problem. Indeed, under a similar land titling project financed by the World Bank in other parts of Indonesia, BPN has managed to distribute 365,000 titles in some provinces in almost the same period. It is simply necessary to give greater energy and priority to the task.

This weekend President Clinton will raise the issue of land titles in Aceh. We pray that this gesture will be accompanied by renewed energy and action in the program as a whole, so that those who have suffered so much will be empowered to live more dignified and prosperous lives.

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