Institutional capacity as a barrier to deliver urban land for residential housing development in Ethiopia: The case of Amhara National Regional State Bahir Dar City

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Ethiopia is rapidly urbanizing, but the process is irregular and poorly controlled. Land issues are crucial to economic and social development, growth, poverty alleviation, and good governance. The purpose of this article was to look into the capacity of Bahir Dar’s urban land administration institutions in terms of land delivery for urban housing development. It also tries to determine the limits of institutional capacity in urban land administration in terms of achieving desired results. The survey found that comprehensive institutional competency is a key tool for addressing urban land delivery challenges. The study investigates the effects of urban land availability on residential housing. It will also provide empirical data on the issue of institutional capacity as a barrier to the preparation and transfer of urban land. The questionnaire (both structured and open-ended) from purposively selected officials offered both primary and secondary data. In Bahir Dar, the implementation of the land leasing law for residential housing is alarmingly low. The city's land institutions lack operational clarity, and the municipality's performance functionality testing in land production and transfer is insufficient. The vast majority of the city's urban land is illegally owned and exploited without the benefit of permission or leasing procedures. As a result, the city urgently needs leaders and professionals who can handle land leasing tasks. The federal and regional governments should enable private and public land ownership, as well as a private-public cooperation structure.

Key Words: Ethiopia, Bahir Dar, Institutional Capacity, Urban Land Lease, Residential Housing

INTRODUCTION

Throughout the nineteenth century, Ethiopia’s small towns were created for political and military purposes. Because of the country’s historical origins, urbanization in Ethiopia has become a recent phenomenon (Markakis, 39). Cities like Addis Ababa and regional cities like Bahir Dar are currently the key hotspots dealing with urban dynamics concerns. The conversion of green spaces to other land uses, such as residential and commercial development, is a component of urbanization (Woldegerima et al. 2017). This is why, by nature, urbanization necessitates the conversion of additional farmland to urban areas (Molla, 2009). Because the key policy and legal measures can be enforced by well-capable institutions, it necessitates strong institutional competence for urban land management. Furthermore, interactions between the public and private sectors, collaborations, and the operation of professionals involved in land management must be clearly defined and
strengthened (Belachew and Aytenfisu, 2010).

Land usage is particularly a difficult subject due to its national and local political significance in housing production (Foo, 2015). Academics have highlighted institutional capacity as crucial to good policymaking and local economic performance. The ability of a country to supply enough housing units influences its socioeconomic development success.

In urban development, Ethiopia's Urban Land Development and Management Policy prioritize public benefit and equality. However, urbanization has been demonstrated to stimulate rapidly growing land values. As a result of their incapacity to construct proper housing, low-income households are driven to build or rent substandard, overcrowded, and illegal collapsible structures (FDRE, 2016a). Furthermore, Ethiopia's government is working hard to alleviate the country's urban housing deficit. The primary and most important underlying cause is a lack of housing, which is followed by slum expansion (FDRE, 2016b).

As a result, Ethiopia's primary issue is to keep cities attractive places to work and live while simultaneously supporting "smart urbanization." Smart urbanization means putting in place the right policies and institutions now, while incomes and urbanization levels are still low due to the municipality's inadequate system (EUR, 2015).

Statement of the problem

Capacity building operations include leadership development, mission and vision restructuring, program planning and execution, marketing, cooperation, training, and money collection (De Vita et al., 2001, quoted by Gilmer, 2016).

The term capacity has a wide range of meanings depending on who uses it and in what context. They claim that new institutional solutions are being proposed as critical mechanisms for revitalizing delayed regions with expanding global implications and regional inequities (Gibbs et al., 2001). Institutional capacity to deal with land management challenges in an effective and long-term manner is weak in most developing and transition countries. This is due, in part, to the complexity of the land administration paradigm and a lack of attention to long-term capacity-building projects targeted at developing sustainable infrastructure (Enemark, 2006).

Throughout the world, land is a precious resource and a source of revenue (Burns, 2007). The growth of a civilization is a dynamic and ongoing process that has a long-term impact on the human-land relationship, which can be spiritual, metaphysical, or physical (Sheehah, 2001). Reforming land institutions and regulations is becoming more and more important in order to develop an efficient and effective land administration in order to tremendous progress in pro-poor sustainable land management, significant capacity gaps exist, particularly in terms of enforcement institutions, legislative framework, and automated land administration (Belachew and Aytenfisu, 2010).

Housing theory in the developing world has focused on the varied roles of the state, market, and society in housing systems (Jenkins and Smith, 2001). The capacity development concept offers some aid in analyzing and assessing capacity needs, as well as a variety of methods for building institutional capacity in surveying and land management (Enemark, 2006). The rapid growth of the urban population has resulted in an increase in demand for social and economic services. As a result, efforts to meet housing needs are impeded by a scarcity of suitable land (FDRE, 2016a). As a result, new techniques to understand modern urban capacity challenges associated with uncontrolled urban expansion, as well as measures for mitigating these negative consequences in Ethiopia, particularly in Bahir Dar, should be investigated.

The institutional capability of the urban land sector is the focus of this study. As a result, the following essential issues should be addressed in this survey: Are the institutions in charge of land preparation, delivery, and policy execution well-structured? Is the municipal government able to meet the demand for public housing land? Is it possible for land institutional professionals to prepare and supply land for residential housing? Are they accountable for the poor performance of housing land supply in light of current urban land laws?

Objectives of the study

General objective

A study is being conducted in Bahir Dar City to investigate the institutional competence of urban land administration institutions in terms of land delivery for urban housing development. The study's purpose is to look at potential barriers to successful land sector capacity development as well as options for strategic intervention.

Specific objective

The specific objectives are:

1) To review the organizational structure of the urban land sector in terms of the system in place for effective coordination, monitoring and evaluation.
2) To assess leaders' abilities to provide a clear vision, objective, and mission statement for the organization, as well as how to use management tools to enable institutional capacity.
3) To assess the intellectual competence of land professionals in responding to the institution's land
preparation and delivery challenges for residential housing.  
4) To assess the performance of housing land delivery in relation to existing urban land laws, as well as to ensure that performance auditing and accountability measures are in place.

Research questions

What are the institutional competency barriers to obtaining desired outcomes in urban land delivery for residential housing? Specific research questions were framed in order to identify major limitations and come up with acceptable conclusions and recommendations.

1) Is the urban land institution well-organized to handle land preparation and delivery?
2) Are the municipal leaders of the city capable of facilitating the supply of housing land?
3) Can municipal professionals solve the problem of residential housing land delivery intellectually?
4) Is land delivery for residential housing being carried out in accordance with current land laws, and is there a system in place for performance monitoring, auditing, and accountability?

Significances of the paper

The significance of the paper is that it deals with the capacity limitations of the urban land institution, as well as professional and administrative capacity in urban Ethiopia, which helps decision makers make re-adjustments and reforms, as well as scholars conduct detailed research in the area in the future.

Organization of the paper

This paper examines the fundamentals of urbanization, including urban land, housing, and institutional capacity, as well as the assessment methodology and materials. The introduction and conceptual framework are in the first and second sections, theoretical aspects are in the third, and methodology and assessment materials are in the fourth. The fifth and final section contains discussions and conclusions.

Study area description and conceptual framework

Study area description

Ethiopia is located in the eastern part of Africa that is particularly known as the horn of Africa and borders Eritrea on the north; Djibouti and Somalia on the east and south east respectively; North Sudan and south Sudan on the West, and Kenya on the South. The total area of the country is about 1,127,127 km² that consists of ten semi-autonomous regions and two city administrations. Amhara National Regional State (ANRS) is one of the constitutionally authorized nine regions, located in North West part of the country, and contains 12 administrative zones and three Metropolitan cities. Bahir Dar city is the one of the three metropolitan cities in the region (Figure 1).

Bahir Dar is the administrative center of the ANRS, which is divided into six sub-cities (BUDHC, 2019). It has a population of 329,318 people ((Dadi, 2018, cited CSA, 2013). The population has doubled in the last two decades, leading to an increase in informality, particularly on the peri-urban edge (Bennett and Alemie, 2016). The city follows the same urban policies, legal framework, and land tenure arrangements as the rest of the country (Alemie et al., 2014, 2015).

Conceptualizing urbanization, urban land, housing and institutional capacity

The model below displays a 'capacity' viewpoint, which recognizes that 'human activities' occur on numerous levels. How does urbanization emerge? What exactly is land administration? And how do urbanization, land administration functions, housing, and institutional capacity interact? The model illustrates how the greater environment of political situations and societal trends influence the character of capability-creation efforts (Howard et al, 2009).

Capacity is defined as an individual's or an organization's ability to perform activities in an effective, efficient, and long-term manner. The institution's capabilities are a network-like structure and platform that cannot be productive on its own. In other words, as illustrated in the diagram (Figure 2), individual capacity is critical for organizations (UNDP, 1998).

Every country in the world has been affected by urbanization. The primary forms of urbanization factors include natural expansion, international migration to cities, internal rural-to-urban movement, reclassification, and metropolitanization (FAO, 2002). What is the relationship between urbanization, land administration, housing, and institutional capacity?

Rapid urbanization in response to population growth can create a demographic problem because cities demand a lot of housing, which is difficult to come across. As urban features emerge and demand for housing land rises, housing delivery in many cities is already hampered. The city of Bahir Dar faces the risk of becoming less responsive to residents' growing need for housing land. Furthermore, limits on private sector involvement in the land sector may aggravate the problem.

The relationship between urban residents and urban land leads to the development of building assets such as housing. Furthermore, legal frameworks for land management are crucial in the context of a country,
because land is a scarce natural resource that is critical for human survival, especially when used for housing. A lack of coordination between and among land management bodies, housing, and institutional capability impedes housing access. As seen in Figure 3, one is essential for the others to work effectively. As a result, strong institutional capacity and policy frameworks are needed.

LITERATURE REVIEW: LAND AND INSTITUTION CAPACITY

Land governance, administration and land management paradigm

Land governance is defined as an established system of laws, procedures, and institutions that control choices about natural resources. Power and the political economics of land are at the heart of land governance (FAO, 2009). It also addresses the political sensitivity of the land sector and institutional fragmentation in many cases (World Bank, 2012). Land management organizational structures vary greatly between countries and regions around the world. Land management is the process by which land resources in developing countries, particularly in Sub-Saharan Africa, are put to good use (UN-ECE, 1996). The three components of land management operations are land policies, land information infrastructure, and land administration. Figure 4 shows the land management paradigm. The LAS provides precise information and reliable land administration (Enemark et al., 2005). Access to land is the foundation of economic and social life, particularly in

Figure 1. Map of Ethiopia, Amhara National Regional State and the City of Bahir Dar. Source: http://www; Wikipedia, and modified by author.

Figure 2. Capacity building model. Source: modified from (Howard et al., 2009).
cities. Land policies represent, tacitly or openly, the political choices made regarding the distribution of power among the state, citizens, and local authorities (Yusuf et al., 2009).

**The urban land institution and the need for capacity building**

Land acquisition requires a broader set of tools, powers, and authorities. Land acquisition in developing countries is regularly inefficient and hit-or-miss due to a lack of well-developed institutions and the ability to meet the public's land-acquisition needs (World Bank, 2012). Human resource development is the act of providing individuals with the understanding, skills, and access to information, knowledge, and training that allows them to operate successfully (IGAD, 2011). In other words, organizational development includes the creation of management structures, processes, and procedures.
Capacity building for organizational effectiveness

Organizational capacity building seeks to strengthen the ability of an organization or agency to achieve a desired outcome. Capacity building in this area can be defined as: “Supporting organizations to build and maintain the skills, infrastructure, and resources to achieve their mission” (Claussen, 2011).

2) Management and leadership capacity: Management Capacity: An organization's management capacity refers to its ability to assure the effective and efficient use of its resources (TCC Group, 2010). Leadership is seen as the result of team processes such as cooperation and team learning that provide resources for enhanced team flexibility and performance (Day et al., 2004). Leadership capacity refers to all organizational leaders' abilities to build and sustain a vision, inspire, model, prioritize, make decisions, and provide direction (York, 2005).
3) Knowledge: education reform plan, methods for continuing education, domestic knowledge services, a knowledge management system, and knowledge networks (UNDP, 1998).
4) Technical capacity: the organization has the requisite skills, tools, and facilities to carry out its plans and manage its operations. Program design and evaluation, fundraising abilities, marketing skills, and technology skills, stakeholder feedback systems, and voice mechanisms are among the specific areas of attention (TCC Group, 2010).
5) Accountability: Clarity of accountability systems (e.g. institutionalizing participation frameworks, methods and tools (UNDP, 1998).

Building capacity and professional services

As Grover et al. (2007) noted efficient land management necessitates the involvement of a number of professional services; traditionally, trust has been placed in experts adhering to a code of ethics. Professional ethics is concerned with the relationship that exists between professionals and their clients. The essential themes are competence, honesty, confidentiality, transparency, and accountability. Professional ethics standards occasionally claim that professional groups participating in land administration have societal as well as client-specific responsibility.

Building capacity in land administration

The three layers of capacity building (system, entity, and individual) in the context of land administration systems are as follows (Enemark, 2003):

1) First, in the larger system, Land management is a land policy and legal framework that encompasses all aspects of land management. It attempts to establish, determine, and secure property rights, as well as to establish successful land markets.
2) Second, at the organizational level, land administration is all about establishing a "competent government," which can successfully carry out key obligations and is based on trust and clearly defined roles.
3) Finally, whether in the public or private sectors, land administration is about people, ranging from politicians through senior professionals and managers, intermediate managers and administrators, and office and field staff. Land administration is a multidisciplinary and cross-sectorial field. It includes technical, legal, managerial, and institutional issues. In terms of capacity building initiatives, this fundamental trait must be mirrored in an acceptable response. However, the human relationship to land influences the sort of land administration reaction. This link is dynamic, impacted by global variables such as technology advancements and urbanization. Humankind's relationship with land varies by country and location, and relevant capacity-building solutions must take these underlying realities into account (Enemark, 2003).

Inadequate institutional capacity of land administration

The "old approach was founded on the mistaken assumption... that it was ignore existing capacities in developing nations and replace them with knowledge and systems developed abroad, resulting in development as displacement rather than as transformation (UNDP, 1998). Evidence from a range of countries shows that the majority of the inefficiency ascribed to land administration systems is due to a lack of institutional capability. Practical experience in many industrialized nations reveals that adequate institutional capacity and successful land administration systems go hand in hand (Arjjumend and Seid, 2018).

Many land administration organizations perform poorly owing to a lack of transparency, accountability, pervasive corruption and power abuse, a lack of human resources and technology, costly and bureaucratic procedures, and service delivery delays (Arjjumend and Seid, 2018 cited Burns, 2006; Wijetunga, 2008; van der Molen and Tuladhar, 2006).

These could be resource-related capacity challenges or management and administrative capacity issues. It is widely accepted that a system lacking adequate processes, a legal framework, openness, inclusion, honesty, and accountability has a negative impact on
the efficient use of urban land (Ibd).

Measuring capacity development

One of the most difficult challenges in the field of capacity building, according to UNDP (1998), is assessing change and results in quantitative terms. Understanding sophisticated interventions involved in changing incentive systems, leadership, knowledge, accountability systems, value systems, and other change levers is easier when viewed from a system ‘or’ institution's standpoint, as depicted in the accompanying diagram (Figure 5).

Every institution in the public, civil, and commercial sectors performs a certain function. They use inputs such as human, financial, and physical resources to transform into outputs like policies, service delivery, regulatory enforcement, or knowledge products in order to achieve objectives (UNDP, 1998).

METHODOLOGY

A research design is a way for conducting a study with the most control over aspects that may affect the results' validity (Burns and Grove, 2009). The case of Bahir Dar City was investigated in this study and the theoretical significance of housing and land institution capacity components is discussed in this work. It will next give empirical data on the challenges of implementing urban land delivery in terms of land preparation and supply for housing. This section discusses the methodology and techniques utilized in the study, as well as the data sources, types, and analyses used, according to Parahoo (2006), a study design.

The qualitative data utilized in the study came from both primary and secondary sources. The current status of urban land institutional capacity and its implications for urban land supply for residential housing development were assessed using a descriptive study technique. The evaluation is primarily concerned with the efficiency of the urban land administration's organizational system. Specifically, organizational structure, leadership ability, professional intellectual capability, and appraisal of urban land supply performance for housing under current land legislation. All primary data was collected via questionnaires (both structured and open-ended) from BUDHC, as well as Bahir Dar City municipality, management bodies and professionals. After conducting a background investigation, respondents were selected via purposeful sampling, because of the study's unique nature, which required experienced land sector expertise to evaluate the policy interaction and implementation capacity in relation to land delivery. Participants simply placed in groups (Bureau and municipality) related to criteria that best match the research question.

Secondary data were also gathered from written documents such as the FDRE constitution (1995), urban development policy (2005), urban land policies (FDRE 2013 and revised 2016a), urban housing development policy and strategy (FDRE, revised 2016b), revised land lease proclamation 721/2011, and BUDHC, and the Bahir Dar City five-year (2016-2020) report. To achieve the objectives, both field survey data and desk review were used and analyzed with a qualitative approach.

RESULTS AND DISCUSSION

Housing land delivery and capacity challenges in Ethiopia

Ethiopia has a unique history when it comes to land
management, with both the Federal and Regional Constitutions allowing for public ownership of urban land (FDRE, 1995). Based on this broad concern, the discussion focuses on the organizational structure of the urban land sector, administrative capacity (leader’s ability), intellectual capacity (knowledge), and the performance of the housing land supply in light of existing urban land regulations (accountability).

### Institutional capacity

Institutional capacity is the use of authoritative and effective "rules of the game" to govern economic and political relations, and the ability to establish the primacy of national policies, legal traditions, and social and political norms over those of other social groups (Jenkins et al., 2017 cited Grindle 1996:8). This section examines organizational issues such as organizational structure, roles and responsibilities, work processes, and enforcement mechanisms. It also examines the sector's current institutional competency, coordination concerns, monitoring and evaluation.

### Institutional structure and challenges

Institutional structure is one of the most important factors influencing the effectiveness of land administration systems through the transformation of legal tools and policies into reality (World Bank, 2016). Land institutions in Ethiopia are separated into rural and urban land institutions. The urban land sector is shared by the federal and regional governments, and MUDHC is the leading provider of technical support for urban areas (SDC, 2017), and regional BUDHCs are also in charge (FDRE, 2005).

MUDHC has been criticized for placing less emphasis on land administration than other departments (Orgut, 2010). A new land administration system has been proposed for the MUDHC. However, existing institutional arrangements at the local government level do not clearly distinguish between state and municipal tasks, as seen in Figure 6. According to an assessment, the municipal administration of Bahir Dar lacks a defined mission, there are concerns regarding role overlap, and customer satisfaction is declining. In terms of housing land supply, 93% of respondents say that the city's land institutions are inadequately structured and operationally unclear to carry out urban land leases. As a result, challenges such as function classification and clarity make a streamlined work process impossible, and inadequate law enforcement frameworks, as well as poor public complaint management, have resulted in a low degree of institutional capability. Furthermore, 54 and 73% of municipal top-management and professionals, respectively, believe there is a weak monitoring and evaluation system in place, as well as no partnership in place to improve the efficiency of the residential housing land supply service.

The organizational structures for land management differ widely between countries and regions throughout the world. The institutional arrangements may change over time to better support the implementation of land policies and good governance (Enemark, 2006). As a result, 94% of municipal management and expertise believe that a comprehensive coordination structure needs to be in place to ensure efficient service delivery. The field survey result is illustrated in Table 1.

### Institutional capacity of the land sector

Ethiopia's land management system does not provide sufficient land for housing and public uses (EUR, 2015). Land development in Ethiopian cities can take four to seven years, with handovers occurring regularly before services are completed (World Bank, 2019 cited in MUDHC, 2017). Furthermore, in many developed countries, practical experience shows that adequate institutional capacity and robust land administration systems go hand in hand, but a lack of institutional
Based on this general principle, the survey conducted in Bahir Dar municipality shows that nearly 60% to 87% of respondents believe there is a lack of land information and skill development, as well as a lack of incentive mechanisms and intervention to encourage effective work ethics and attitude adjustment. Much inefficiency in land preparation, expropriation, transfer, and management has been attributed to land administration systems. Table 2 summarizes the results of a survey.

In the land sector, just 36 (19%) of the 190 municipal positions are allowed. The percentage of human resources covered is insufficient (BUDHC, 2019). This shows how little attention the city government gives to the land. As a consequence, the city government is required to play a significant role in capacity building and reform of land sector institutions.

**Administrative capacity**

Team practices that provide resources for increased team adaptation and performance are considered as a source of leadership (Day et al., 2004). The ability of all organizational leaders to create and sustain a vision, inspire, model, prioritize, make decisions, and innovate is referred to as leadership capacity (York, 2005). This includes governance, internal leadership, and sustainability; avoiding overreliance on a single leader; and preparing for leadership succession (TCC Group, 2010).

An empirical survey is being conducted to investigate the issue of government capacity in relation to residential housing land delivery in the city. A more specific topic is whether the municipality's administrative capacity has developed or declined, and how this has expressed itself in alternative land preparation and delivery methods for residential housing. Concerns such as having a clear vision and stated goal and mission statements, internal and external communication standards to make work easier, and the use of management tools in the city to oversee residential land delivery were also investigated. The analysis yielded the following results:

The land sector needs a clear vision as well as specific goal and mission statements in order to fulfill its objectives. However, in the study area, the majority (67%) of regional and municipal top-management and land-sector professionals felt that it was not well defined. Furthermore, as shown in Table 3, 87 and 80% of respondents, respectively, understand that the organization's goal is not well recognized both within and outside its walls, as well as the lack of a clear plan in place for implementing land delivery for housing.

The management tool is incredibly important for three key tasks: supervising and being responsible for the work of others; allocating labor, resources, and capital to maximize return; and decision making (UNDP, 1998). While the study's findings are controversial, 33% of the BUDHC's top management and professionals, as well as the Bahir Dar municipality, acknowledged that supervision and accountability for others' work are used as management methods in the city to oversee the supply of residential housing land. 27% believe that dedicating time and resources to encouraging work is the
The best way for the city to use management techniques. Only 20% of respondents stated that the municipality employs explicit follow-up and decision-making as management strategies (Table 4).

The capacity of the city government to produce and deliver residential housing land has fallen short of the required level. Only 20% of bureau and municipal management and employees agreed on the importance of the three fundamental management tools. Explicit follow-up and decision-making activities, in particular, are not getting enough attention. This needs government policy action in the land sector.

**Intellectual capacity**

The knowledge involves who, how, what, and why to build housing units as well as how to resolve conflicts and issues (Foo, 2015; cited in Healey, 1992). Research shows that knowledge resources are the shaping force in the development process. In this section a survey is being conducted to investigate the issue of intellectual capacity in relation to land delivery for residential housing in Bahir Dar city, based on capacity development core issues for identifying and solving problems such as: (1) research supply and demand connection system, (2) tactics for staying professional's in the same position for a long time, and (3) the instruments and methods used for exchanging knowledge. There is no mechanism in place to identify or act as the principal driver of land supply by households and real estate developers. The majority of municipal management and professionals (46 percent) agreed that there is no demand identification technique in place to address the issue, but the institution's current land preparation and delivery concerns are resolved when the regional government exerts pressure. Even 27% believe that the municipality provides housing landbased on the number of people who request it. However, while 27% of respondents agreed that institutions plan ahead of time as a demand identification mechanism, all respondents agreed that there is no research supply and demand connection system for identifying and solving problems with research and development institutes or universities (Table 5 show survey result).

Land administration, whether in the public or private sector, is about people, from politicians to senior professionals and managers, intermediate managers, and office and field staff. At the senior level, a broad viewpoint and understanding are required (Enemark, 2003).

Land administration is a professional path for public employees as well as politicians. Professionals' brain-gain and retention tactics for staying in the same position for a long period of time are not successful in the study area, according to this basic concept. Human resource staff are poorly managed and motivated, promotions and appointments are not made on merit, and, surprisingly, 100% of municipal and BUDHC management bodies and experts included in the survey believe that the approved salary scales for workers are insufficient. The findings of the survey are displayed in Table 6. Human resource development is the process of providing individuals with the knowledge, skills, and access to information, education, and training that they require to perform effectively (IGAD, 2011). Surprisingly, all

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**Table 3. The issue of government capacity in relation to land delivery (n= 20).**

<table>
<thead>
<tr>
<th>No.</th>
<th>Issue</th>
<th>Yes</th>
<th>No</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>a</td>
<td>Have your organization a clear vision and explicit goal and mission statements?</td>
<td>33</td>
<td>67</td>
<td>100</td>
</tr>
<tr>
<td>b</td>
<td>Is the organization's goal broadly understood both within and outside its walls?</td>
<td>13</td>
<td>87</td>
<td>100</td>
</tr>
<tr>
<td>c</td>
<td>Is there a clear plan in place for implementation?</td>
<td>20</td>
<td>80</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: questionnaire (July, 2021).

**Table 4. Management tools (n= 20).**

<table>
<thead>
<tr>
<th>No.</th>
<th>What management tools are employed in the city to manage the delivery of residential land</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>a</td>
<td>supervision and accountability for others’ work</td>
<td>33</td>
</tr>
<tr>
<td>b</td>
<td>time and resource allocation to facilitate work;</td>
<td>27</td>
</tr>
<tr>
<td>c</td>
<td>explicit follow-up and decision-making</td>
<td>20</td>
</tr>
<tr>
<td>d</td>
<td>by connection with three (a, b and c)</td>
<td>20</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>100</td>
</tr>
</tbody>
</table>

Source: questionnaire (July, 2021).
respondents in the research area feel that the land sector has a skills gap. Knowledge sharing techniques and procedures such as education, training, and experience sharing are not employed to reduce the skill gap. However, 67% have no plans to educate and train personnel in partnership with land sector training institutes or universities. Finally, the survey results show that there is no mechanism in place to identify or act as the key driver of land supply by households and real estate developers. Through urban municipal governments, the state government has full control over land supply. This implies that the allotment of land use rights for housing in Bahir Dar is opaque.

The performance of housing land delivery in view of existing urban land laws

Current urban land tenure system in Ethiopia

Ethiopia established the leasehold system in 1993, revised it in 2002, and revised it again in 2011. The recently revised proclamation makes a significant shift, declaring that no one may own urban land other than under the lease holding system outlined in this proclamation (Pro. 721/2011.Art 4 (1)). Auction and allotment are the only methods for obtaining a lease right on any urban land (Pro. 721/2011.Art. 6.2). The second way of leasehold purchase is allotment, which is restricted to specified urban land uses. Allotment requires "decisions of the concerned region’s cabinet or the city administration” (Art.12 (1-3).

In Ethiopia, the major shift in approach has been to emphasize that the government bears complete responsibility for residential housing land supply, while the private sector plays no part in housing land supply. The FDRE's urban housing policy aims to alleviate housing shortages in urban areas by collaborating with the government and private sector to bring about fundamental reforms through the use of innovative housing concepts and methods. In contrast, the new urban land management and development revised policy (FDRE, 2016) stated that Ethiopia has a significant imbalance between housing demand and supply. These two policies address housing shortages and land availability challenges. The policy for urban housing development emphasizes the need for the private sector to collaborate with the government to address the housing shortage. However, urban land management and development policies neglect the importance of private sector involvement in land delivery. This illustrates that, in terms of problem-solving methodologies, the urban land management and development policy does not interact with the urban housing development policy.

Land supply performance in the region and in Bahir Dar City

The leasehold tenure system is applied in parts of the ANRS. The region’s leasehold policy contains regulations aimed at regulating urban land holding and development,
and the execution requirements are unattractive to the private sector (Melaku et al., 2016 cited in Asfew, 2014). The Region's cities' formal land preparation and transfer falls short of demand, with only 19,420.7 hectares and 8,061.575 hectares planned (84 and 54.3%) respectively, while 113,307 buildings, or 2,266.14 hectares of land, are illegally possessed in five years, as demonstrated in Table 7 (BUDHC, 2016-2020 report).

Access to land is regarded as a vital component in improving urban people's living conditions and the overall development of towns and cities. Most studies demonstrate that access to land for urban housing is a critical element in creating individuals with economic and social mobility, according to (Arjjumend, 2018, quoted in Doebele, 1987).

Furthermore, the country and region have devised a land leasing system to encourage house development. However, due to a lack of a clear, consistent, and systematic policy and institutional capability, land preparation and transfer in Bahir Dar are insufficient. Indeed, many urban land holdings in Bahir Dar are illegally owned, having been developed and used outside of permit or leasing systems, and the ability to enforce informal holdings has been identified as a major barrier to recognition (BUDHC, 2016-2020 report).

Furthermore, over a five-year period, only 4,431.11 and 1003.33 ha of land were prepared and transferred respectively in Bahir Dar city, meaning that only 22.64% of the land prepared was transferred. They did, however, illegally hold 5,376 buildings on an average of 215.04 hectares of land over a three-year period, as shown in Table 8.

Land preparation and transfer activities can only be made viable if they are planned for and integrated into land development operations. This general principle, however, is controversial in Bahir Dar. It is vital to evaluate the legal and institutional frameworks, as well as to increase awareness and support.

Land ownership and lease restrictions, according to a survey, have an impact on housing developers. The majority of respondents (75%) agreed that land ownership and lease limits should be revised (Table 9). As a result, 69% of respondents said it was necessary to reform the institutional structure and increase the competency of land sector executives and professionals, as a solution to Ethiopia's current problems, particularly the situation in Bahir Dar. According to 56% of municipal officials, the optimum intervention area for overcoming present land leasing implementation challenges is private and government joint land ownership, with the government acting as a policy enabler (Table 9).

Therefore, Bahir Dar's land sector institutions lack the capacity to carry out land leases and related regulations. The implementation process has been hampered by a lack of qualified human resources, a lack of coordination, and an inefficient legal framework. There is a shortage of properly prepared land, according to surveys and secondary sources, meaning that informal land production fills the gaps.

### Table 7. Land needs, production and transfer in Cities of the Amhara Regional State.

<table>
<thead>
<tr>
<th>No.</th>
<th>Budget year</th>
<th>Land preparation in hector</th>
<th>Land transfer in hectors</th>
<th>Annual lease and payment in ETB</th>
<th>Illegal possession (Buildings)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Planned</td>
<td>Excited</td>
<td>%</td>
<td>Auction</td>
</tr>
<tr>
<td>1</td>
<td>2016</td>
<td>3000</td>
<td>5046.96</td>
<td>168</td>
<td>310</td>
</tr>
<tr>
<td>2</td>
<td>2017</td>
<td>5000</td>
<td>3254.26</td>
<td>65</td>
<td>500</td>
</tr>
<tr>
<td>3</td>
<td>2018</td>
<td>6500</td>
<td>3577.66</td>
<td>55</td>
<td>625</td>
</tr>
<tr>
<td>4</td>
<td>2019</td>
<td>4000</td>
<td>4202.33</td>
<td>105</td>
<td>500</td>
</tr>
<tr>
<td>5</td>
<td>2020</td>
<td>4570</td>
<td>3339.47</td>
<td>73</td>
<td>500</td>
</tr>
<tr>
<td></td>
<td>T/av</td>
<td>23,070</td>
<td>19,420.7</td>
<td>84</td>
<td></td>
</tr>
</tbody>
</table>

Table 8. Land preparation and transfer in Bahir Dar City administration.

<table>
<thead>
<tr>
<th>No.</th>
<th>Budget year</th>
<th>Prepared</th>
<th>Transfer in hectors</th>
<th>Annual lease and land rent payment in ETB</th>
<th>Illegal possession (Buildings)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Auction</td>
<td>Allotment</td>
<td>% from prepared</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>2016</td>
<td>2307.7</td>
<td>7.93</td>
<td>135.536</td>
<td>143.466</td>
</tr>
<tr>
<td>2</td>
<td>2017</td>
<td>584.62</td>
<td>38.85</td>
<td>517.752</td>
<td>556.602</td>
</tr>
<tr>
<td>3</td>
<td>2018</td>
<td>552.42</td>
<td>32.08</td>
<td>86.8928</td>
<td>118.9728</td>
</tr>
<tr>
<td>4</td>
<td>2019</td>
<td>540.97</td>
<td>4.26</td>
<td>4.899</td>
<td>9.159</td>
</tr>
<tr>
<td>5</td>
<td>2020</td>
<td>446.11</td>
<td>13.08</td>
<td>162.05</td>
<td>175.13</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>4431.11</td>
<td>96.2</td>
<td>907.1298</td>
<td>1003.33</td>
</tr>
</tbody>
</table>


Table 9. Lease law affect residential housing developers, intervention needed and proposed solutions (n= 20).

<table>
<thead>
<tr>
<th>What affect land issue</th>
<th>%</th>
<th>What interventions needed</th>
<th>%</th>
<th>Required solution</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tenure arrangement</td>
<td>13</td>
<td>Reforming the frameworks</td>
<td>19</td>
<td>Private land ownership</td>
<td>13</td>
</tr>
<tr>
<td>Policy clarity problem</td>
<td>6</td>
<td>Awareness creation only</td>
<td>0</td>
<td>Private-government shared land ownership</td>
<td>56</td>
</tr>
<tr>
<td>Institutional arrangement</td>
<td>0</td>
<td>Institutional and land arrangement</td>
<td>6</td>
<td>Significant portion by private</td>
<td>6</td>
</tr>
<tr>
<td>Legal frameworks</td>
<td>6</td>
<td>Institutional land arrangement and capacity building</td>
<td>6</td>
<td>Significant portion by government</td>
<td>25</td>
</tr>
<tr>
<td>Capacity problem</td>
<td>0</td>
<td>Can (a, c and d) intervention areas</td>
<td>69</td>
<td>other opinion</td>
<td>0</td>
</tr>
<tr>
<td>a, b, c, d and e can affect</td>
<td>75</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
<td>Total</td>
<td>100</td>
<td>Total</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Questionnaire (July, 2021).

in place systems and procedures to engage citizen groups, capture, and utilize their feedback as well as capacity to use such platforms (UNDP, 1998).

Performance of housing land supply in light of existing urban land laws, as well as to ensure that performance auditing mechanisms are also monitored based on action categories in which the core issue of accountability is addressed with indicative actions such as: clarification of accountability systems, mechanisms and procedures for stakeholder feedback, and promotion of participatory monitoring practices (Voice mechanisms).

To investigate municipal capacity in relation to land policy and delivery for residential housing development in the city, and to assess how this can contribute to an understanding of institutional capacity, particularly in the study area, as well as the national context in general. Based on the basic accountability analytical framework described above, the survey conducted in Bahir Dar city on the municipality’s performance auditing systems in the land production and transfer department, on the basis of the plan, is very weak. There is no performance audit in place, according to 73% of top-management and experts, as well as regional bureau expertise. Furthermore, 87% of respondents believed that no performance audit of land delivery for residential housing had been conducted in the last five years (2016-2020). As a result, the vast majority of respondents (80%) stated that the system lacked clear lines of accountability.

From the theoretical point of view, many land administration organizations perform poorly owing to a lack of transparency, accountability, pervasive corruption and power abuse, a lack of human resources and technology, costly and bureaucratic procedures, and service delivery delays (Arijumend, 2018 cited in Burns, 2006). This is also supported by empirical evidence. Nearly 60% of the municipal and bureau top-management and professionals believe that the participatory planning and stakeholder feedback system is very weak to participate during the preparation and delivery of land for residential housing, as indicated in Table 10.

Finally, land preparation and transfer for residential housing in Bahir Dar is best by difficulties. This is also demonstrated by the fact that there are over 783 legally approved housing cooperatives, with an average of 16,842 households on the housing waiting list. Because there are unresolved issues of tenure arrangement, policy clarity, institutional arrangement, legal frameworks, and capacity problems, the city government is required to devise a plan to enhance the living conditions of the poor in the city.
Table 10. Accountability based Performance evaluation in the City (n=20).

<table>
<thead>
<tr>
<th>No.</th>
<th>Issues</th>
<th>Yes</th>
<th>No</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>a</td>
<td>Have performance auditing of land production and supply institution, basis on plan?</td>
<td>27</td>
<td>73</td>
<td>100</td>
</tr>
<tr>
<td>b</td>
<td>Have an audit of land delivery for housing in the last five years (2016-2020)?</td>
<td>13</td>
<td>87</td>
<td>100</td>
</tr>
<tr>
<td>c</td>
<td>Are there clear lines of accountability and responsibility as a system?</td>
<td>20</td>
<td>80</td>
<td>100</td>
</tr>
<tr>
<td>d</td>
<td>Is there a participatory planning and stakeholder feedback system?</td>
<td>40</td>
<td>60</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Questionnaire (July, 2021).

Conclusions

In the case of Bahir Dar City, the study seeks to evaluate Ethiopia’s institutional capacity in the urban land sector. Four research questions were formulated to guide the approach to the study’s findings and discussion: The first research question is to assess the institutional structure of urban land in the municipality of Bahir Dar. There is a lack of land knowledge and skills, as well as incentives and involvement in good work ethics; there is a deficiency in coordination, monitoring, and assessment mechanisms. Furthermore, land institutions are poorly organized to carry out urban land delivery, and no collaboration exists to improve the efficiency of the residential housing delivery service. Manpower has filled only 19% of the 190 professional positions in the municipal land sector.

The second question is how institutional leaders in Bahir Dar’s urban land sector can enable the provision of housing land. Recognizing that the organization’s objective is poorly understood both within and outside its walls, as well as the vision and mission statements are not well-defined. Furthermore, there is no clear plan in place to ensure land delivery for housing. This indicates that the municipal administration’s ability to provide residential housing falls short of the required standard. As a result, policy intervention by the government in the land sector is essential.

The third issue is a survey being conducted in Bahir Dar to look into the question of intellectual capacity in relation to the provision of housing land. The land sector is suffering from a capacity gap as a result of a lack of instruments and techniques for exchanging knowledge to bridge the gap. Employees are poorly managed and under-motivated, and approved salary scales are insufficient to meet the workforce’s needs. As a result, professional brain-gain and retention strategies for staying in the same position for a long period of time are unsuccessful. As a result, identifying households and developers as the key drivers of land supply is impossible. Instead, the state government has exclusive control of the land issue.

The fourth question addresses the performance of the housing land supply in light of existing urban land lease laws. There is a large gap between land preparation and transfer and land demand for residential housing. Land preparation and transfer activities can only be viable if they are planned and integrated into land development activities. However, in Bahir Dar, it is controversial and demands policy intervention. On the other hand, there are on average more than 16,482 households on the city’s housing waiting list. In this regard, it is critical for cities to give special attention to addressing the wide gap in land preparation and transfer for residential housing.

Finally, the study found a significant mismatch between land preparation and transfer and land demand for residential housing in Bahir Dar City, as well as a capacity gap in the land sector due to a lack of instruments and methods to bridge the gap. As a result, cities must address institutional challenges such as capacity development, well-structured institutions, and legal framework revision while bridging the large gap in land preparation and transfer for residential development. To guarantee successful service delivery, the municipal administration, regional state, and federal MUDHC should reform institutional and legal frameworks, as well as develop institutional competence.

Recommendations

Land administration can be improved by instituting universal service standards that are monitored, staff codes of conduct and disciplinary procedures, and incentives such as awards for outstanding employees (UNDP, 1998).

However, the survey conducted in Bahir Dar city on the municipality’s performance functionality testing in land production and transfer for residential housing is quite weak. Significant effort is required to assure efficiency, effectiveness, fairness, and accessibility in urban land management. As a result, the following policy directions will be implemented to address the issues associated with the urban land sector’s lack of capacity:

1) In order to make the land management operation more efficient and effective, as well as to accelerate land
delivery for housing development, and to benefit citizens from the results, the new institutional structure must be staffed with trained, knowledgeable, and skilled professionals, as well as developing the coordination, monitoring and evaluation system in place for effective, and should be updated in line with international and national conditions.

2) To ensure a time-saving, efficient, transparent land administration one-stop-shop service delivery system like business enterprise, the city and regional governments should give due attention to land sector reform to realize land policy and institutional coordination.

3) The regional and city governments should committed how to change the current situation in the municipality of Bahir Dar in providing a clear vision, objective, and mission statement in the municipality, as well as how to apply management tools to developing capacity of institutional leaders to develop clear plan for achieving effective land delivery for housing.

4) The city government should facilitate connections with capacity development institutions or universities to fill the professionals' intellectual capacity gap in order to grasp the demand for addressing the institution's present land preparation and delivery challenges, as well as the municipality’s top-management must use instruments like education, training, and experience sharing to bridge the gap and to improve management and motivation mechanisms, such as salary scales, which are critical for keeping professionals in the same position for a long period of time.

5) Land preparation and transfer activities should only be feasible if they are planned and linked with land development activities. To address this problem, federal and regional governments should commit to policy changes that allow for private and government shared land ownership, with the government having to serve as a policy enabler, as an alternative solution to Ethiopia’s current problems in general, and the situation in Bahir Dar in particular.

6) Regional and city governments should create a private-public partnership (PPP) structure as a key solution to delivering developed land for residential housing, as well as to ensure that housing land facilities are delivered in a cost-effective, accessible, and dependable manner.

7) Community engagement should play a significant role in holding officials and professionals accountable for their misdeeds and requiring the government to take corrective action during the structural reform process.

CONFLICT OF INTERESTS

The author has not declared any conflicts of interests.

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