

**PROJECT INFORMATION DOCUMENT (PID)
APPRAISAL STAGE**

Report No.: PIDA35785

Project Name	Modernization of Real Property Registration and Cadastre (P151746)
Region	EUROPE AND CENTRAL ASIA
Country	Uzbekistan
Sector(s)	General agriculture, fishing and forestry sector (10%), Law and justice (15%), Public administration- Information and communications (25%), Information technology (50%)
Theme(s)	Land administration and management (40%), Personal and property rights (20%), e-Government (40%)
Lending Instrument	Investment Project Financing
Project ID	P151746
Borrower(s)	Ministry of Finance
Implementing Agency	State Committee for Land Resources, Geodesy, Cartography and State Cadastre, Gosgomzemgeodescadastre
Environmental Category	B-Partial Assessment
Date PID Prepared/Updated	08-Oct-2015
Date PID Approved/Disclosed	12-Oct-2015
Estimated Date of Appraisal Completion	26-Oct-2015
Estimated Date of Board Approval	18-Feb-2016
Appraisal Review Decision (from Decision Note)	N/A. The project is being processed on a Track 1.

I. Project Context

Country Context

Uzbekistan, a resource rich and landlocked country, is the third largest country in Central Asia by land mass (447,400 km²) and the largest in population (30.5 million). In the past ten years, the country has sustained stable growth and poverty reduction driven mainly by favorable terms of trade, public investments in education, health and infrastructure development, increases in public sector salaries, and increased remittances. In 2014, GDP growth expanded by 8.1 percent and was reflected across all sectors, with construction (18.3 percent), services (15.4 percent), and agriculture (6.9 percent) the most dynamic. The headcount poverty rate declined from 27.5 percent in 2001 to 14.1 percent in 2013. However, reforms to address economic inefficiencies and structural impediments to growth are still in the early stages.

Despite Uzbekistan's fast macroeconomic growth, the country needs to increase efforts to protect private property, reduce government controls, and minimize the costs of doing business for the

private sector to evolve further and create jobs. The Government of Uzbekistan seeks to modernize its real property registration and cadastre system in order to realize the economic and social benefits of up-to-date accessible information for future development. The eGovernment Master Plan initiative, of which the registry and cadastre is a central part, is one of the Government's priorities to improve investment climate in Uzbekistan. In fact, the Real Property Registry and Cadastre is recognized as one among the country's six key e-registries (together with the National Geographical Information System and the Census, Legal Entity, Vehicle and Address Registries). The current system operates almost exclusively on paper (outside Tashkent and Samarkand city offices). The transition from a paper-based to a computer-based integrated land registry and cadastre will enable the country to improve transparency of real property ownership and transactions, to improve customer services, support eGovernment initiatives, and make information available to other government agencies and private users.

Sectoral and institutional Context

4. Real property registry and cadastre reform in Uzbekistan dates back to 1997 when the National Real Property Cadastral and Rights Registration System was established following adoption of the new Civil Code. This reform was initially to serve taxation purposes, but the 2000 Law on State Cadastre shifted the focus to the registration of real property rights with the aim of promoting the development of a real property market in the country. In 2005, a sectorial reorganization brought together the State Land Committee (Goskomzem), the Land Registry and Cadastre (Uzgeodescadastre), and the Cadastral Bureau of Technical Inventory (Building Registry) to form GKZGDK as the agency responsible for the state cadastre (land, buildings, and apartments) and spatial databases (Real Property Registry and Cadastre and National Geographical Information System). However, the institutional consolidation has not been accompanied by a full consolidation of records and services, and a number of challenges for property registration remain. By 2007, GKZGDK, with technical assistance from the European Union (EU), had introduced a computerized real property registration application named "Uzbek Land Registry 2.2" (UZLR) in the Samarkand, Tashkent and Khorezm regions. In 2009, conversion from manual to computerized records started also in other regions, but progress has been slow. UZLR initially improved the registration system, but the application is now outdated, its coverage has not expanded to the rest of the country, and maintenance of the system is non-existent. In 2012-2013, with the approval of the eGovernment Master Plan, endorsement was given for the development of a new system at the national level. Presidential resolution (No.PP-1989, 27 June 2013) established the Integrated Information System for Real Property Registration and Cadastre (IISRPRC) and the National Geographical Information System (NGIS) as two of the six basic components of the e-Government platform and assigned responsibility to GKZGDK to establish and manage them. In a parallel initiative, a new Law on State Registration of Rights to Immovable Property was drafted to reflect the transfer to fully computerized real property registration and services, and is currently under review by the Cabinet of Ministers. These initiatives demonstrate Government's keen interest in reforms in this sector and the commitment to bring the country into line with the others in the region, including many of the transition economies that have already moved from paper-based to computer-based land registry and cadastre systems.

II. Proposed Development Objectives

The Project's Development Objective is to improve the efficiency and accessibility of the real property registry and cadastre system as part of the national e-Government structure and services.

This objective will be achieved through: (i) improving business processes and customer orientation in the real property registry and cadastre; (ii) creating a fully digital real property registry and cadastre system (i.e. IISRPRC) accessible online to the public; (iii) improving the regulatory and policy environment of the real property registry and cadastercadastre; (iv) facilitating spatial data access, exchange and sharing at national level; and (v) raising awareness on the importance of real property rights.

III. Project Description

Component Name

Real Property Registry and Cadastre System Development

Comments (optional)

This component will support the development and roll-out of Integrated Information System for Real Property Registration and Cadastre (IISRPRC), including the development of IISRPRC's infrastructure and the revision and improvement of the operational environment, procedures, service standards and applications.

Component Name

Digitization of Real Property and Cadastre Records and Maps

Comments (optional)

This component will support the provision of the digital attribute and spatial data that will enable the IISRPRC operationalization by: mass digitizing of the essential registration and cadastre documents, prioritizing current versus archive records; compiling uniform countrywide digital datasets for basemap, registered tenure rights with cadastre index map, and land-use cadastre for land and real property valuation; and harmonizing these datasets and populating the IISRPRC unified central database.

Component Name

Use of Real Property RegisterRegistry and Cadastre Data

Comments (optional)

This component will support activities aimed at enhancing public on-line use of IISRPRC data, which form the core dataset of the geospatial data framework and the geospatial base for a variety of market economy services and fiscal purposes.

Component Name

Institutional Development and Project Management

Comments (optional)

This component will ensure effective management of the project and sustainability of its results. It will support the strengthening of the legislative and regulatory framework for real property registration and real property market, as well as the institutional development of the country's real property registry and cadastre. The component will further facilitate international and local technical assistance to support project implementation and transfer best practice knowledge to Uzbekistan. Finally, this component will support a Project Implementation Unit (PIU) under GKZGDK responsible for project management and project's fiduciary functions and monitoring and evaluation.

IV. Financing (in USD Million)

Total Project Cost:	25.00	Total Bank Financing:	20.00
Financing Gap:	0.00		

For Loans/Credits/Others	Amount
BORROWER/RECIPIENT	5.00
International Development Association (IDA)	20.00
Total	25.00

V. Implementation

GKZGDK, the main agency responsible for real property registration in the country, will be the project implementing agency. GKZGDK has good technical capacity at the central level and it is the only state institution with the skills to support real property registration. However, its staff needs training and sensitization to the modern era of registration of rights, e-government and customer orientation, which will be addressed in the project. A project Steering Committee will maintain project oversight and provide policy guidance. GKZGDK will be responsible for overall project implementation and coordination, and will establish a Project Implementation Unit (PIU) responsible for project management and project's fiduciary functions and monitoring and evaluation.

VI. Safeguard Policies (including public consultation)

Safeguard Policies Triggered by the Project	Yes	No
Environmental Assessment OP/BP 4.01	x	
Natural Habitats OP/BP 4.04		x
Forests OP/BP 4.36		x
Pest Management OP 4.09		x
Physical Cultural Resources OP/BP 4.11		x
Indigenous Peoples OP/BP 4.10		x
Involuntary Resettlement OP/BP 4.12		x
Safety of Dams OP/BP 4.37		x
Projects on International Waterways OP/BP 7.50		x
Projects in Disputed Areas OP/BP 7.60		x

Comments (optional)

VII. Contact point

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Implementing Agencies

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