

Informal Notice 1

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PROGRAMME OF WORK FOR 2010–2011

LAND ADMINISTRATION POLICIES

**REPORT ON THE WORKSHOP ON EXPERIENCES WITH DATA MANAGEMENT
TO IMPROVE LAND ADMINISTRATION IN ECE COUNTRIES**

Note by the secretariat

Summary

This workshop was part of the Working Party on Land Administration's programme of work for 2008–2009 (ECE/HBP/WP.7/2007/2, item 10.1.3). This report summarizes the main outcomes of the workshop and provides an overview of how the Working Party's work is contributing to the improvement of data management in cadastre and registration systems in the UNECE region as they relate to land reform, land consolidation, the upgrading of spatial data infrastructure and real estate valuation methods.

I. BACKGROUND

1. The workshop was organized in the context of recent reforms of the real estate cadastre and registration systems in Bulgaria. It discussed the recommendations included in a recent land administration review, which was launched during the event¹. The reforms imply a comprehensive change towards a multi-function cadastre system that will be accessible with digital technologies. Participants from other countries in the UNECE² region also explained current policy innovations in their respective national contexts.

2. The workshop also discussed relevant land administration matters linked to the current world financial crisis, which has had an impact on the financial stability of countries in the region. Some speakers made references to the significance of adequate regulatory frameworks for the real estate sector (e.g. the need for international valuation standards) and its impact in the general stability of the economy.

II. SUMMARY OF THE DISCUSSION AND RECOMMENDATIONS

3. The workshop (“Experiences with Data Management in UNECE countries”) was held on 23 and 24 April 2009 in Sofia, Bulgaria. It was organized and hosted by the Geodesy, Cartography and Cadastre Agency of the Republic of Bulgaria under the aegis of UNECE.

4. The workshop aimed at:

- (a) Identifying the challenges faced by Bulgaria in the context of current reforms to its cadastre and land registration system.
- (b) Discussing recent experiences on improved spatial data infrastructure with a focus on the role of new technologies;
- (c) Assessing the need for institutional reforms and improved public-private partnerships to promote enhanced transparency in land markets.

5. The workshop was attended by representatives of and participants from the following UNECE member States: Armenia, Austria, Azerbaijan, Belarus, Bosnia and Herzegovina, Bulgaria, Croatia, Czech Republic, Cyprus, Denmark, Georgia, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Netherlands, Norway, Romania, Slovenia, Spain, Sweden, the former Yugoslav Republic of Macedonia, Turkey, United Kingdom of Great Britain and Northern Ireland and United States of America.

6. Representatives of the World Bank and the UNECE Real Estate Market Advisory Group were also present.

7. The workshop was opened by Mr. Asen Gagauzov, Minister of Regional Development and Public Works of Bulgaria, who welcomed participants on behalf of the Government of Bulgaria and delivered opening statements. These were followed by remarks from Ms. Christina von Schweinichen, Deputy Director of the Environment, Housing and Land Management Division (UNECE Secretariat), and Mr. Peter Kreuzer, Chairman of the Working Party’s Bureau and Director-General, Agency for Geoinformation, Land Development and Real Estate,

¹ The programme can be found on the workshop website: <http://www.cadastre.bg/programme.html>

² United Nations Economic Commission for Europe.

Germany. A keynote speech was delivered by Mr. Tsveten Boev, Director of the State Geodetic Administration, on the “Bulgarian experience in the establishment and maintenance of data and the role of politicians responsible for planning and land administration.” The presentation focused on the land administration review of Bulgaria and the country's current situation.

8. Workshop participants recognized that institutional reforms addressing transparency in land markets were essential to supporting efficient cadastre and registration services. They also assessed the extent to which the Working Party's recommendations were being taken into account in efforts to ensure security of tenure. Examples were provided from country case studies in the UNECE region.

9. Regarding the land administration review of Bulgaria, three speakers emphasized the complexity of the reforms for transition countries, given the long history and different local practices of land administration which hinders the harmonization of databases. In the case of Bulgaria, land reform took over ten years to be accomplished and land policy choices were difficult. The process required legal and institutional reforms, complex coordination and cooperation among public officials and posed staffing challenges for many agencies

10. Overall, it was suggested that a rural development strategy is to be developed in Bulgaria to address processes of land consolidation. A well prepared strategy of land management will also call for legislative and organizational reforms to increase efficiency, especially regarding the allocation of responsibilities among public officials.

11. In what concerns the problems related to land market development and land fragmentation, it was noted that many tools are already available to the government (including strengthening agricultural cooperatives and improving taxation). However, there is still a need for well maintained cadastral and registration data through improved governance and continuous capacity building, including training of public officials.

12. Land consolidation processes impose a political challenge to be addressed by democratic and good governance tools, especially in what regards to decisions on voluntary and compulsory mechanisms to promote the merging of parcels, which could be allocated through market driven forces or through government regulation. In any case, it was referred that the involvement of rural population in participatory and democratic decision making process is a key to success.

13. Another session of the workshop focused on how the private sector can help establish and maintain land administration data. It was stressed that private companies can take far more risk than public sector and could play an important role in activities related to surveying, the provision of expertise, and investment capital, as it was shown in the cases of Bulgaria and Slovenia.

14. The role of the World Bank was also stressed. The institution has disbursed over a billion dollars in loans to the UNECE region since 1995 and continues to play an important role in the reform of cadastre and registration systems, although the focus of its activities has shifted from financing systematic cadastre and registration upgrading towards a new generation of issues. The new agenda promotes an integrated approach to land management and includes such aspects as land policies that reflect environmental and sustainable development objectives, geo-

information, enhanced national spatial data infrastructure and spatially enabled services, property valuation and taxation systems and improvements of service and transparency of transactions. Future loans will also focus on developing infrastructure and support mechanisms for land policy, land regulation and sustainable development.

15. The impact of the INSPIRE initiative (European Union directive) was assessed as it is relevant to land administration practices in Bulgaria. It was emphasized that future needs will require an increase in GIS capacity, training and sharing of best practice experiences. Reliable land administration data also requires effort to correct errors and discrepancies with appropriate legislation, technology, and procedures. A presentation from the Netherlands focused on the Dutch Kadaster example on land consolidation, which contemplates legal considerations, valuation, consultation and planning. The presentation focused on how the aspirations of owners can be incorporated into projects to identify land parcels and come up with rational solutions through planning.

16. The workshop also addressed the importance of public access to information in the context of the transition to a digital era of data management. The government of Lithuania emphasized the advantages in providing e-services based on the “one-stop-shop” principle, which includes: the simplification of administrative procedures and reduction of bureaucracy; more efficient implementation of legal acts; closer co-operation between public institutions, agencies and authorities; lower labor costs; transparency in the provision of public services; time and energy-saving solutions for citizens and quicker communication among businesses.

17. In parallel to these developments, the workshop also highlighted some obstacles from the point of view of fraud in land registration systems. Electronic technology has created new opportunities for breaking the law. The government of the United Kingdom emphasized that further study by Member states should consider whether and how access to data should be restricted as this issue is relevant for discussions on national data protection and laws considering freedom of information.

18. The government of Italy addressed the questions of “equality in the accessibility to information through the internet.” It emphasized the need to create appropriate hardware and software applications, decentralisation of data access, data security maintenance, data base updating through internet, avoidance of obstacles to accessibility, adoption of user friendly solutions, easier access to contents and respect of international standards with respect to guaranteed access for disabled persons. These principles should improve efficiency, effectiveness in use and user friendliness, avoiding unjustified uneasiness. The government of Bulgaria also emphasized the need to have a client and service orientation and support via modern IT systems as well as service desk, secure input, storage and update of data, automated business processes (optimized) for processing of electronic documents (maps, legal acts, etc.).

19. On real estate markets, a presentation on securitisation in Spain highlighted measures undertaken in this country to protect securitized bonds from bankruptcy. Although a secondary market exists for securitized mortgage bonds, they remain in the hands of financial institutions and legislation regulates the percentage of mortgage bonds that can be issued. Also, appraisal firms play a key in order to ensure the loans and credits are adjusted to the value of the property that serves as a guarantee.

20. A presentation by the Real Estate Market Advisory Group emphasized a series of issues dealing with transparency in access to information on land markets. It was emphasized that there is opportunity for growth in the context of the current crisis, but that accurate information is needed on real estate ownership offered for collateral purposes, tax liabilities, etc. For the sake of transparency, all land, including agricultural and non-agricultural, should state purpose of use in the registries (as often different prices are used regarding property transfer taxation). Title information should be available electronically and be complete and reliable. Paper based records should still be available but they should be inexpensive. Finally, all cadastre information should be presented according to international formats. It was informed that many of these issues were to be addressed in REM Forum held in Rome (3-4 June 2009) where a checklist of guidelines for sound real estate markets will be debated.

21. In the conclusion, participants agreed on the need to improve spatial data infrastructure to provide equal access to all citizens. The need to adopt international standards to evaluate land administration systems was also considered in order to make possible inter-country comparisons of costs and benefits of different aspects of it.

22. To improve data management in the future, country authorities should focus on the dynamic interaction of the following aspects of land administration: (a) clear rules for government and private sector and increased flexibility and trust on both sides (b) the need to utilize foreign aid for investments that go beyond the creation of universal cadastre and registration systems, including also transparency and valuation standards (c) facilitation of cooperation among stakeholders involved in processes of land consolidation, for which public-private partnerships are necessary (d) the need to focus on institutional aspects (eg transparency in electronic conveyancing) to guarantee the stability of land markets.
