



**Economic and Social
Council**

Distr.
GENERAL

HBP/WP.7/2005/3

20 January 2005

ORIGINAL : ENGLISH

ECONOMIC COMMISSION FOR EUROPE

COMMITTEE ON HUMAN SETTLEMENTS
Working Party on Land Administration

LAND (REAL PROPERTY) ADMINISTRATION REVIEW

LITHUANIA

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Preface

1. In 2003, the delegation of Lithuania expressed its interest in implementing a land administration review in its country. Following a formal request by the Government of Lithuania and its progress report on preparations, at the third session of the Working Party on Land Administration in November 2003 (HBP/WP.7/2003/8, para.15), the UNECE secretariat in consultation with the Bureau of the Working Party established a team of international experts: Mr. Martti Hautala (Finland); Mr. Paul van der Molen (Netherlands); Mr. Peter Creuzer and Mr. Ralph Merten (Germany); Mr. Bengt Kjellson (Sweden); Ms. Dorothee Müller (United Kingdom); and Mr. Guennadi Vinogradov (UNECE secretariat). Their mission was prepared by the Lithuanian land administration authorities in consultation with the UNECE secretariat. It took place from 28 February to 6 March 2004. During the mission the international experts had meetings in the Office of the Prime Minister of Lithuania, the Seimas (Parliament), the Ministry of Justice, the Ministry of Finance, the Ministry of Agriculture, the Ministry of the Environment, the Information Society Development Committee, the World Bank office, the Chamber of Notaries, the Central Mortgage Office, banks and private companies. Extensive discussions were held with the staff of the Central Office of the State Enterprise Centre of Registers (SECR).

Executive summary

2. More than a decade ago, Lithuania started the process of radical and complicated transformations and reforms in order to move from a centrally planned economy towards a market economy. After the reestablishment of independence, the development of the new system of land and real property administration started with the restitution and privatization of real property. Basic legal acts were passed to overcome the consequences of a planned economy, restoring ownership rights to citizens, regulating property relations and establishing a system of legal registration of restored property and rights, thereby ensuring the protection and security of tenure. A new legal and institutional infrastructure and business environment have been developed. These developments have created new possibilities for Lithuania and made a great impact on its economy, society and public life. On May 2004 Lithuania became a member of the European Union.

3. Lithuania has selected a modern approach to the development of its land and real property administration system. The system has successfully been developed step by step, in accordance with the UNECE Guidelines on Land Administration. Lithuania took into account the experience gained in other UNECE countries and made effective use of international assistance. The establishment of the system was influenced by new markets, economic development, significant technological progress, social changes and the emerging relationship between State institutions and private businesses.

4. Recently adopted laws on institutional public and private structures ensure security of real property tenure, provide credit possibilities, enable the transfer of real property, improve property use, introduce property taxation and measures to reduce property speculation and disputes on land tenure. The system of real property administration is underpinned by a comprehensive legal framework. Recent legal reforms demonstrate continuing efforts to improve the efficacy of relevant policies and procedures.

5. In recent years Lithuania has made significant progress in the development of information technologies and e-government. There is a clear vision at governmental level and the principle of one-stop shopping is gradually being introduced. The Real Property Register and the Population Register have been successfully introduced, the register of legal entities is being set up and first attempts have been made to establish an address register. At present three basic registers, namely the Real Property Register, the address register and the register of legal entities, are administered by one institution : the State Enterprise Centre of Registers. However, the separately established Mortgage Register and the Register of Property Seizure Acts are inconsistent with the principle of registration of real rights in one register and with the one-stop-shop principle. This is inconvenient for banks, other credit institutions and citizens; the system becomes more expensive and makes the mortgaging process burdensome. A publicly accessible electronic services system should be developed.

6. The newly developed Real Property Cadastre and Register system in Lithuania is quite effective. The system is transparent, public-oriented and based on the concept of a multi-purpose application. The system includes digital, descriptive (textual) and graphical data in one system, which is a very positive development. The use of the Internet is rapidly increasing for servicing customers. The Real Property Cadastre and Register system is administered by a single State agency, whose activities are regulated by legal acts and supervised by the Ministry of Justice. At the same time efforts should be made to exploit more opportunities provided by the system for the benefit of the economy, e-society in the country and abroad. Based on the geographic information system, electronic interaction between all State registers is needed.

7. The Real Property Cadastre and Register system is fully based on the cost-recovery principle, allowing income to be generated to improve of its products, advancing its activities and ensuring a better response to customer needs. The need for improvement and the legal and technological obstacles which still hinder customer-oriented services are listed in the conclusions and recommendations at the end of this document.

8. A computer-assisted market-value-based valuation system has been developed for the whole country and is ready for the introduction of a real property tax based on market value. The present situation, with separate taxes on land and buildings and different bases for the two taxes, is not optimal, fair and equal. The use of the Internet to publish market value information is a very positive approach, which will encourage the development of the real property market.

9. The restoration of property rights to owners and their heirs resulted in the fragmentation of land in rural areas. It will therefore be necessary to consolidate small land plots into rational and economically based parcels so as to establish competitive farming. More consideration is to be given to integrating support measures for agricultural and rural development and to ensuring public participation. Land restitution in urban areas is lagging behind because of the lack of territorial planning documents and of a local planning system. Good governance and more effective participation of municipalities in this process are necessary. A national strategy on land consolidation should be developed as soon as possible.

10. Progress has been made in the area of geodesy and mapping. The cadastral map is compiled on the basis of survey data of land parcels and by applying new geographic information (GI) technologies. During the land reform, simplified methods were used for surveying land parcels, which means that the accuracy of surveys is insufficient and may cause boundary disputes in the future.

11. International cooperation with various organizations has been successfully used to gain the necessary knowledge and skills to meet the urgent demand for real property administration. International cooperation has provided Lithuania with an opportunity to draw comparisons between various solutions and to define the system most suitable to it. Despite all the progress made, it is important to maintain international cooperation in order to look further into ways and methods for improving of the real property administration system, taking into account the national and international needs of the public and private sectors and the general public.

CONCLUSIONS AND RECOMMENDATIONS

A. Real property cadastre and register

12. Lithuania has achieved impressive results in establishing a real property cadastre and registration system based on well-thought-out concepts. The Real Property Cadastre and Register has been developed step-by-step process carried out in accordance with the UNECE Guidelines on Land Administration (1996). A multi-purpose approach was used in the design of the system. The practical experience of the most advanced European countries was taken into account and it was effectively adapted to local needs and to Lithuania's social and economic environment. The combined descriptive and graphical data are a major achievement.

13. The Real Property Cadastre and Register cover the whole country and the system contains comprehensive data on real properties, including land, buildings, premises, apartments and infrastructure. The system provides data on legal possession of real properties, encumbrances, servitudes, legal facts and information about mortgages, thus securing citizens' title to real property.

14. The method chosen for cadastral boundary surveying deserves a particular mention, as it allowed for a quick identification of real properties and their boundaries. However, inadequately surveyed land parcel boundaries sometimes cause difficulties in matching the boundaries of parcels, and consequently result in gaps and overlapping of boundaries. The lack of well-referenced countrywide coordinates of legal boundaries may result in conflicts and boundary disputes.

15. Real property cadastre and register data are collected in the central databank, which contains information about more than 5 million real properties and related rights. Information from the central databank is available to domestic customers and international users. The system is based on cost recovery, which helps to generate income for the improvement of its products and services as well as for a better response to customer needs. With respect to data quality, the aim is to make information as complete and reliable as possible. Currently, the system is sufficiently developed to secure supply of its products and services. To a large extent this has

been achieved through the use of modern information and communication technology.

16. However, the real property conveyancing process seems to be inconvenient and burdensome for customers. To a certain extent this situation has been created by the new Civil Code, which entered into force in 2001. Its provisions do not provide for the compulsory registration of real property and rights thereto and require a number of additional documents to be collected for the completion of a transaction. The current focus of the State Enterprise Centre of Registers is on improving and simplifying the conveyancing process. Data dissemination and customer services are among the most important tasks. Internet-based technologies are increasingly used and the implementation of the one-stop-shop principle is seen as a key priority. In order to improve overall performance and to offer new products to the customers, the State Enterprise Centre of Registers is engaged in a number of international projects, such as the European Union Land Information Service (EULIS). This project aims at establishing common operational procedures and uniform data formats to be accessed on a European scale and, even more important, it could give Lithuania an opportunity to be a part of a future common market of real property in Europe.

17. The current legal framework does include some duplication (for example with the registration of mortgages), uncertainty and procedural obstacles. The pre-registration judicial scrutiny of mortgages and transactions involving family dwellings needs attention, with a view to introducing appropriate legal and procedural changes if necessary. It should be noted that registration of transactions is not compulsory and, thus, the Register does not reflect the real situation.

18. The current registration process needs to be reconsidered. For example, the use of the Internet should be expanded and the process should be simplified. This could be achieved by streamlining the work between the notaries and the State Enterprise Centre of Registers. Since the notaries have direct access to the central databank of the Real Property Register to check the information about real property and its legal status in real time, there should be no need for a customer to apply to the Centre for a certificate for the transaction. This would cut waiting times and obviate the need to come to the offices in person.

19. To improve the overall efficiency of the system, further investments are needed in modern technology and in the renovation of premises and workplaces. The archives are increasing and will soon require much more storage and an effective system to access them. At present, with the lack of investment, budgetary allocations could largely ease the current financial pressures and could promote better customer services and the introduction of e-archiving system.

20. It is recommended that:

(a) The multi-purpose concept of the real property cadastre and register system should be further promoted to exploit new opportunities built into the system at the national and international level, making the Lithuanian real property cadastre and register system a useful tool for all players and participants in the real property market and e-society at home and abroad;

(b) Amendments to the Civil Code should be proposed to make the registration of real property compulsory, and public campaigns should be organized in support of such changes;

(c) Attention should be given to the real property market to investigate if its products and services meet all the requirements and its operations delivery time is reduced as far as possible and its services accessible to the public;

(d) The current conveyancing process should be modified by expanding the use of Internet-based technologies, and streamlining the information exchange between the notary offices and the State Enterprise Centre of Registers;

(e) To achieve optimal performance, State support should be secured for upgrading the premises and establishing e-archives.

B. Information society and State registers

21. In recent years, Lithuania has made significant progress in the use and development of information technologies (IT) and e-government. The introduction of e-government is necessary, for instance as a way of overcoming administrative obstacles and introducing a modern government structure based on information networking. At government level there is a clear vision of IT development and of the one-stop-shop concept.

22. Most of public institutions have been computerized and they use various databases. On the other hand, no standard data exchange procedures or data exchange agreements have been established so far. The security requirements of computer networks have not been met, and integration of databases of various agencies and organizations is still lacking. That situation precludes effective information management and operational efficiency.

23. Land (real property) information is a key component in any national database. This information is a resource that is used in many economic sectors and society as such for a large number of applications. Many of the basic registers with information on people, companies and land (real property), have been developed and are functioning quite well. A key element for integration is the address. However, the present system of setting addresses fails to ensure the uniformity and integration of addresses registered in different information databases. Without an address register, it is not possible to combine, systematically, separate elements of the address into the standardized address records specifying the exact location of a registered object.

24. It is very important to charge all customers for the services provided. This creates equal opportunities and conditions to all market participants and does not distort competition. However, some State institutions and private companies are not willing to pay for the services and want information free of charge. Information has its price, therefore all the clients have to pay for it to ensure efficient management of information.

25. The State registers need to be properly coordinated. There seems to be a tendency to regulate in much detail, which can sometimes lead to a situation where there is not enough room to ensure a business-like manner of public/private cooperation. The link between the Mortgage Register and the Real Property Register is a problem. Users and clients cannot access all the data about the entire legal situation of a property in one database. This means that the current situation does not allow the implementation of the one-stop-shop principle in property administration. In

addition, duplication of information stored in two registers makes it difficult to develop and update the information.

26. It is recommended that:

(a) A better balance should be struck between regulations and more business-like agreements between public and private bodies, as well as between public sector organizations, thereby improving efficiency;

(b) The same pricing policy should be applied to both the private and the public sectors so as to ensure efficient use of information, since providing information free of charge leads to an excessive and inefficient use of information;

(c) Following the pattern of most European land registers, all information pertaining to real rights, including mortgages, and encumbrances, should be registered in a single, uniform public register. To avoid overlaps, the system could be redesigned to connect the Mortgage Register, the Register of Property Seizure Acts and the Real Property Register into a single database;

(d) The address register should be developed. Addresses should follow a uniform pattern and should serve as a key cross-reference link between all registers;

(e) Legislation for the formal creation and regulation of an address register should be adopted at the earliest opportunity;

(f) The basis of the electronic interaction between State registers should be designed and implemented, including the use of geo-reference data, enabling the provision of e-services to the public administration, the general public and e-business.

C. Real property market and taxation

27. The real property and credit market has developed fast in recent years. Regardless of the rapid development of the real estate market, its participant in Lithuania are new to it and their roles seem unclear. The transfer of real property, including the acquisition of State-owned land, is still very bureaucratic. The fact that at least some banks have introduced a service to collect the necessary “certificates” from various officials is a clear indication that there is room for simplification. The need for some of these “certificates” is not entirely clear and perhaps they are dispensable.

28. The market for mortgage lending has a huge potential and could be of great importance to the Lithuanian economy. The major banks of Lithuania are integrated in international banking groups and there are plenty of ideas for the further development of the Lithuanian market. Many other players in the market have very limited experience of market operations.

29. The separate Mortgage Register, including mortgages on real property, is unique. Until recently, it was not common to use real property as security in lending, but this is changing. It can be expected that in several years mortgage lending in Lithuania will be similar to that in most other EU countries. This development is supported by a strong interest from the financial institutions in using real property as security for loans.

30. The property valuation business in Lithuania seems quite professional and competent, with a system of certification and professional liability insurance already in place. However, the current certification system in place is too complicated and does not cover all property valuation. Certification of property valuers as well as enterprises performing valuation of property and the annual collection of detailed information on their activities create a complicated bureaucratic mechanism, without promoting any improvement of skills and quality control.

31. A computer-assisted, market-value-based, mass valuation system has been developed for the whole country. In 2002 the first mass land valuation was performed in Lithuania, the whole territory was divided into value zones and valuation models were developed. Pilot mass valuation of buildings was also performed for the entire country. Geographic information systems (GIS) were used to produce land value maps. Computer-assisted real property mass valuation is being developed. However, inadequate legislation restricts the use of mass valuation data for property taxation.

32. The current situation, with market values the basis for market transactions and normative values used for taxation, is not sustainable. Most experts agree that it is necessary to switch to a market value-based taxation of real property and to use computer-assisted mass valuation to establish the values for taxes.

33. The present situation, with separate taxes on land and buildings and not having the same base for the two taxes, is not optimal either. It is difficult to consider this system as either fair or equal. As the taxation system develops further, it will become increasingly difficult to justify the present real property taxation system.

34. As the market grows, there is a bigger need for information on it, its volumes, property values and development trends, and this information is used for other purposes than taxation. Comprehensive and reliable market value information makes the market more transparent and has a number of other benefits. The use of the Internet to publish value information to the general public is very promising, and this is now encouraged in Lithuania.

35. It is recommended that:

(a) To increase general trust in the real estate market, a scheme for the certification of real estate agents and other market actors, based on legislation, should be implemented;

(b) Certification of valuers should be simplified and cover a wider variety of valuation activities. The methodology, practice and quality control of valuation should be harmonized more with EU property valuation practice, standards and professional ethics;

(c) The existing set-up with its separate Mortgage Register should be examined from an efficiency and security point of view;

(d) Regular meetings should be organized with the participation of all parties involved in the land market to clarify and define their roles and expectations in the development of the Lithuanian real property market;

(e) A market-value-based taxation of land and constructions should be introduced as soon as possible to create a fair and more transparent taxation system.

D. Land reform and land development

Land reform in rural areas

36. Since the beginning of the transition, the provisions for the acquisition of agricultural land have changed several times. The current legislation seems to meet the public needs to use agricultural land only for farming and to prevent speculation.

37. It is expected that about 500,000 ha of agricultural land will remain State-owned after the restitution process is completed. The consolidation of land can be used to create competitive farms and contribute to environmental protection. As any purchase of land by farmers is likely to reduce investments in agriculture, long-term leasing would be preferable. The distribution of State-owned forest land to farmers could contribute to their financial security and ensure an activity in the wintertime.

38. It is recommended that:

(a) A policy for managing the stock of free State agricultural and forest land should be worked out. A fair amount of the State land should be kept in reserve in every region for unforeseen future needs, to satisfy future authorized claims, to settle lawsuits, etc. One main precondition for the sale of State forest land should be legal regulations to ensure its sustainable use. Its development should to be monitored;

(b) State and private agricultural land should be sold only to farmers. State-owned agricultural land should not be sold if, according to the territorial planning documents, it is foreseen for other than agricultural needs. To prevent further fragmentation, an agricultural parcel for sale should be a certain size;

(c) The policy should include the leasing of State agricultural land, taking into account the structural priorities of the area specified in the territorial planning documents. The “Good Practice Guidelines for Agricultural Leasing Arrangements” (Food and Agriculture Organization of the United Nations, (FAO), 1999) should be taken into consideration.

Privatization and restitution in urban areas

39. Restitution of land in urban areas seems unlikely to finish soon, owing to the lack of territorial planning documents and administrative procedures in the municipalities. Privatization of the remaining housing units has encountered some difficulties. It is estimated that some 200 million litas will be needed to fulfil all legal obligations towards the sitting tenants to finalize the restitution process by 2009.

Territorial planning

40. The legal framework for territorial planning and the corresponding municipal instruments are in place, but they are not fully operational for a number of reasons, among them the lack of financing and expertise at regional and local levels. The planning procedures and the decision-making process are not transparent, which may open the door to corruption. The fear of risks in such an economic environment deters many people from taking an active part in the emerging

market. Public participation in the decision-making process on the future land use and in the approval of territorial planning schemes is crucial, particularly in view of the legacy of the central planning system.

41. The slow progress on spatial planning in counties and municipalities means that important decisions on the use of land (sale, leasing, building) and future territorial development may be made without the necessary overview, without the participation of all the authorities concerned and the general public. This may lead to non-sustainable patterns of development.

42. It is recommended that:

(a) The Government should take practical measures to facilitate territorial planning especially in the counties and municipalities;

(b) Attention should be given to the training of local planners and possibilities for raising the financial capabilities of municipalities;

(c) Horizontal and vertical coordination with other planning requirements should be strengthened;

(d) Since the privatization process is one of the key factors for urban development, it should be effectively finalized; and the funds required for the remaining restitution activities (compensation of tenants) should be allocated as soon as possible;

(e) Public participation in the territorial planning decision-making should be considered a priority.

Urban land development and housing

43. The housing strategy of Lithuania is based on the recommendation of the Housing Sector Profile implemented in Lithuania by the UNECE Committee on Human Settlements in 1999. The Civil Code provides the necessary regulations to support the housing sector. The problem areas are urban planning, which lacks binding control, and uncertainties with regard to property restitution and private ownership.

44. In general, housing privatization took the form of a transfer of ownership of an individual flat or unit together with shared rights and obligations for common elements of the property. Legal provisions concerning the establishment of housing condominiums (associations) for multi-dwelling buildings are now in place. However, in practice, the majority of multi-dwelling buildings have not formed housing associations. If condominium ownership is to operate efficiently, a sound national land administration system covering the registration of real property rights is a prerequisite. The procedure for changing a specific land use is complicated, hindering the development of a land market.

45. It is recommended that:

(a) The UNECE Guidelines on Condominium Ownership of Housing (ECE/HBP/123) should be consulted in advance of the preparation of policy and legal documents and of practical instructions for the organization and management of housing condominiums;

(b) Public awareness campaigns on the advantages of housing associations should be conducted;

(c) The procedure for changing a specific land use should be simplified to promote the land market.

Rural land development

46. The agricultural sector in Lithuania has a significant economic, social and environmental value. However, during the transition period, its productivity and efficiency decreased. Employment in the sector constitutes 18% of total employment, even though it contributes only 10% to total GDP. According to EU standards, the average size of the registered private farms in Lithuania prevents this sector from being efficient and competitive. Over 50% of these farms are smaller than 10 ha. Fragmentation of land aggravates the problem. Arable agricultural land of low productivity is abandoned on a large scale. Not all new owners who acquired the land as a result of the restitution, are capable or willing to engage in farming. The majority of registered farmers are 55–60 years old, while young farmers account only for 14% of all farmers. Depopulation and the general decline of rural areas are a serious threat to their sustainability.

47. The banking sector concentrates on mortgages for buildings and flats in urban areas; and development in rural areas lags conspicuously behind. The risks in rural areas seem much higher because of uncertain expectations and psychological barriers, which still persist among the population. With the accession to the EU, it is expected that direct subsidies and the rural development measures within the Common Agricultural Policy (CAP) will offer possibilities for improving the agricultural sector and the general living conditions in rural areas. A major challenge will be to increase motivation and communicate the possibilities to farmers.

48. It is recommended that:

(a) The main objective of the Government should be efficiency and competitiveness of farming through training programmes and motivation of young farmers;

(b) Rural infrastructure should be considered a priority for EU financial assistance;

(c) Practical programmes should be developed to promote rural farming associations.

The main focus would be on the design of cooperative as a truly democratic and efficient institution to pursue the common economic and social interests of private farmers;

(d) A broad cross-sectoral (land-use, territorial planning, transport and housing, farming, environment and rural tourism) discussion on the national, regional and local levels should be organized to build a common vision for the development of rural areas to preserve their communal identity and prevent further depopulation;

(e) Rural renewal projects should be initiated. They could generate local activities involving all groups of rural inhabitants. Since the current Single Programme Document 2004 – 2006 does not focus on rural renewal, the Government should mobilize funding and launch pilot projects;

(f) The State Enterprise Centre of Registers should intensify market research on lease rates and sales prices, and publicize the basic market information on the Internet, in newspapers, on the radio and TV nationally, regionally and locally. Market consultative services to the rural population could be organized;

(g) The banking sector should be encouraged to expand its business into rural areas. Short-term farm credits should be provided.

Land consolidation

49. The fragmentation of land parcels as a result of the land reform is a definite obstacle to efficient and competitive farming. Consolidation of land could also stimulate the land market.

50. An integrated approach is necessary. The development and protection of environmental assets, the provision of rural infrastructure and the demarcation of new parcels have to be carried out with the broad participation of rural residents. The present pilot projects were carried out on an ad hoc, individual basis. Although they basically aimed to serve farmer's needs and public needs, the objectives concerning the public requirements are usually not entirely achieved. This is the result of uncertainty in territorial planning and the absence of coordination between different programmes and instruments in support of agriculture and rural development.

51. The participation of a notary in a land consolidation plan is not necessary. Subdividing land and distributing it in a complex way causes problems that may become intractable. The same is true when owners suddenly refuse to sign a pre-decided arrangement; in some Western countries, special legislation regulates these issues. According to the Single Programme Document full funding of land consolidation projects should be possible thanks to EU assistance.

52. It is recommended that:

(a) A strategy for land consolidation, including the relevant legal framework, should be developed and adopted; the strategy should be coordinated with territorial planning programmes and actions;

(b) The legal framework should contain provisions to ensure economically efficient land consolidation. A special legislative act should be adopted for the registration of all agreements and regulations in one procedure;

(c) A corporate body composed of all affected landowners should participate in the preparation and implementation of land consolidation projects; it might even be the starting point for the organization of a new kind of rural farming association;

(d) The county administrations should be enabled to prepare and execute a land consolidation project; State acts and decisions concerning land consolidation have to be executed by the public administration, and State control over the implementation could be necessary.

E. Topographic and cadastre mapping

53. Geodesy and cartography in Lithuania have made much progress in their short period of modernization. However, the lack of full topographic map on a scale of 1:10 000 is a problem. At present there are digital topographic maps covering the entire country but which indicate only few features and are supplemented by orthophoto with the names of localities.

54. The municipalities rely mainly on private land surveying companies. The large-scale maps are usually on a scale of 1:2000 or 1:500, and in many cases in local coordinate systems, so it is difficult to use those maps in cadastral activities.

55. At present, the copyright to the cartographic material and digital data produced using public

funds is established in Lithuania. However, the ownership rights of cadastral maps are not clearly defined.

56. Cadastral surveying covers land parcels and describes the technical characteristics of real properties. If the single land parcel map does not match the cadastral map, the State Enterprise Centre of Registers has the right to return the land survey documents to the land surveyor for remeasurement. However, the procedure for resurveying adjacent land parcels has not been established by law. It can be expected that parcel area and boundary disputes may become more common and complicated in future. Land surveyors will have to deal more with legal and technical matters.

57. In Lithuania the infrastructure (roads, railways, pipelines, etc.) is registered as a cadastral object. This practice is different from that in many Western countries, where only the necessary servitude is established and registered in the cadastre.

58. It is recommended that:

(a) Digital and analogue topographic maps should be made publicly available at a price to raise funds for their updating and maintenance;

(b) The new topographic maps could be used for cadastral mapping;

(c) A complete national topographic map series corresponding at least to a suitable accuracy for a scale of 1:10,000 should be created. The topographic maps of cities and urban areas should be prepared at least to a suitable accuracy for a scale of 1:2000 and for selected areas for a scale of 1:500 in one national coordinate system and one national standard, which should be established;

(d) The copyright of the cadastral map should be clarified as soon as possible;

(e) The procedures for obtaining cadastral maps from all institutions should be clarified.

The means to upgrade cadastral maps by increasing the boundary accuracy should be considered. National funds should be allocated for the improvement of the cadastral boundaries in those areas where this is necessary;

(f) The subclassification of agricultural land should also be removed from the cadastral mapping. This information will be reflected in the crop declarations required by the EU. This would simplify cadastral surveying as well as real property registration;

(g) Legislation should establish the priority of the boundaries of surveyed land parcels over their surface, facilitating the solution of disputes between land owners.

F. International cooperation

59. The Lithuanian land administration authorities have successfully used donor assistance from the very beginning of the transition. Bilateral projects with different countries were conducted to meet some of the most urgent needs. The outcome of all projects was subject to internal evaluation and analytical assessment. Project coordinators from the donor and the recipient sides were also involved in the follow-up evaluation process of particular projects.

60. The EU-funded projects deal with very important comprehensive issues. In particular, updated orthophotos will not only serve the Land Parcel Information System and the Integrated

Administration and Control System, but could be used for a variety of applications in cartography and GIS. High priority has been given to all training and educational aspects in land administration. The support of different countries and the exchange of experience with international experts have assisted Lithuanian specialists in land administration to gain the necessary knowledge and skills. International cooperation has created an opportunity for drawing comparisons between various solutions for particular land administration problems and determining the approach most suitable to Lithuania. The development of international standards and data specifications will be useful at the national level and will enable interoperability within the European context.

61. Pre-accession funding by the EU to Lithuania is going to end soon. EU financial assistance to Lithuania will then largely come from the EU structural funds or cohesion funds (based on the Lithuanian Single Programme Document. Building on the success of the already implemented projects in land administration, the State Enterprise Centre of Registers has identified a number of areas that would need further support, such as the improvement of customer services, the introduction of e-government instruments and better integration of registers based on geo-referenced data sets. These aims are also in line with section III 'Development of an information and knowledge-based society' of the 'Programme of the Government of the Republic of Lithuania for 2001-2004', which foresees the creation of an electronic portal for government services and of secure, interrelated State information systems and registers. The average investment still to be made is estimated at approximately €15 million up to the year 2010.

62. It is recommended that:

(a) The land administration authorities and institutions (the State Enterprise Centre of Registers and the National Land Service) should continue to seek international experience and knowledge exchange through collaboration with national and international organizations dealing with land-related problems;

(b) In addition to the recommendations given in other chapters of this review, this international approach could apply to particular problem areas, for instance, data and pricing policies for land administration data and related customer services, and to the marketing and sales of land administration data as such;

(c) Land administration areas that would fit into the priorities specified in the Single Programme Document should be clearly identified so that adequate funding from the EU structural funds can be ensured for further development;

(d) Particular attention should be given to:

- (i) The development of an integrated system based on uniform geo-reference identifiers for all databanks, allowing data from different registers to be digitally combined within a GIS;
- (ii) The introduction of a publicly accessible electronic services system within the framework of the programme for e-government and information society development in Lithuania; and
- (iii) International standards and data specifications in digital GIS data exchange.

I. GENERAL INFORMATION

Geography and demography

63. Lithuania is located at the western end of the East European Plain, on the shores of the Baltic Sea. It borders Latvia to the north (576 km border), Belarus to the east and south (660 km), Poland (103 km) and the Russian Federation (Kaliningrad district – 273 km) to the southwest. Lithuania extends 373 km from east to west and 276 km from north to south, and is 65 301 km², which makes Lithuania the biggest of the three Baltic States.

64. The post-war urban growth in Lithuania was very dynamic. The country has a population 3.46 million, of whom 67% live in urban areas and 33% in rural areas. The major cities are Vilnius (the capital, 542,000 inhabitants), Kaunas (378,000 inhabitants) and Klaipeda (193,000 inhabitants). The strong migration to urban areas and consequent depopulation and decline of rural areas has led to the depopulation and decline of rural areas.

Political context and governance

65. Lithuania declared the restoration of its independence on 11 March 1990. The foundations of the political and social system are enforced by the Constitution, adopted on 25 October 1992. Sovereign State power is vested in the people of Lithuania and is exercised by the Seimas (Parliament), the President, the Government and the Courts.

66. Lithuania has a three-level administrative system: the Government, the country administration (apskritis), and the municipalities (savivaldybes). The Government consists of the Prime Minister and 13 ministers, who may be appointed and dismissed by the President. In 1995, the country re-established ten counties headed by governors appointed by the Government. Their responsibilities are: implementation of State policies and programmes, coordination of the activities of government institutions at county level, coordination of local authorities in the implementation of regional programmes and making proposals on county development plans and programmes. Lithuania has 60 municipalities.

Economic transition

67. The Government's economic development strategy aims at developing market institutions, upgrading the economy's infrastructure, attraction foreign direct investment and integrating into the EU political and economic structure. Over the past decade, Lithuania has achieved macroeconomic stability and a positive increase in GDP. On average, real GDP has grown by 3.6% annually and exports by 7.4% annually. The increase in private consumption has been relatively stable (4.6% annually). Low and stable inflation has been one of the main achievements of economic policy. It decreased from 35.7% in 1995 to -1.0% in 2002. The rate of unemployment in 2002 was 13.1%. The two basic macroeconomic challenges are: to maintain fast GDP growth and to create new jobs on the back of this growth.

68. The agricultural sector in Lithuania was substantially affected by the political, economic and social transition. Significant reforms were introduced in the early 1990s to re-establish

private ownership and management in agriculture. The overall purpose was to reconstitute ownership rights to land to the former owners or their heirs. Agricultural production decreased by more than 50% between 1989 and 1994. Collective farms were broken up into small private holdings, averaging 8.8 ha. Many small farms that appeared were inefficient. Conflicts sometimes arose over title to land. Many new owners did not intend to cultivate the restored land or to actively engage in farming, and as a result tens of thousands of hectares were left fallow. At the same time, agriculture remains an important sector of the national economy and currently accounts for 10% of total GDP. The new Law on Agriculture and Rural Development, adopted in June 2002, sets out the main principles of agricultural and rural development to remedy the situation and to bring Lithuania more closely in line with the EU Common Agricultural Policy.

Accession to the European Union

69. Official relations and cooperation between Lithuania and the European Communities started on 27 August 1991, when the European Community recognized the independence of Lithuania. On 8 December 1995, the Government of Lithuania officially applied for membership and on 15 February 2000 Lithuania started negotiations for EU membership. At the European Council in Copenhagen on 13 December 2002, Lithuania successfully concluded accession negotiations with a view to signing the Accession Treaty in Athens on 16 April 2003 and it became a member State on 1 May 2004.

70. The major task ahead for Lithuania is to continue strengthening its administrative capacity, while ensuring the necessary stability of the public administration. Adequate administrative capacity is the key to successful membership, in particular in preparation for the structural funds. Lithuania also needs to maintain the prudent macroeconomic policy that it has been pursuing since 2000.

II. LEGAL AND INSTITUTIONAL FRAMEWORK

Legal framework

71. After the re-establishment of independence, Lithuania adopted all basic laws necessary to establish a framework of real property administration that would create favourable conditions for the economy, market and business development, and made significant efforts to harmonize national laws with EU legislation before accession.

72. The Constitution lays down the basic principles for the organization of institutions and their interrelationship. It enshrines basic freedoms and rights, among them legal protection for the rights of ownership of property. The Constitution specifies to whom the rights of ownership may apply. The right of exclusive ownership of certain objects and facilities of national significance is reserved to Lithuania.

73. All civil legal relations, including those relating to real property, are governed by the new Civil Code, which came into force on 1 July 2001. The Civil Code introduces real rights, specifically: rights of possession, ownership, trust, servitude, usufruct, development, long-term lease, mortgage, pledge and administration of another person's property. It establishes that

ownership of a land parcel can include buildings and other constructions on it. The new Civil Code repealed the compulsory registration of real property and rights, but unregistered transactions may not be enforced against third parties. In the event of competing claims to real rights in the same property, it is the first person to register the transaction who is considered to be vested with the rights in question.

74. The Law on Land, adopted in 1994, is the primary general law on the regulation of ownership, management and use of land, and it has recently been amended to avoid duplication with provisions in the Civil Code and other laws. The Law on Land Reform and the Law on the Procedure and Conditions for the Restitution of Citizens' Rights to Real Property established a framework for land reform and the restoration to Lithuanian citizens of rights of ownership to land and aimed at introducing a new system of land management and ownership based on free-market principles. The Law on Land Reform governs the implementation of land reform. It includes general provisions on the restitution of land, criteria for entitlement to private landownership and the procedure for the privatization of land. The Law on the Procedure and Conditions for the Restitution of Citizens' Rights to Real Property sets out the conditions applicable to the restitution process; it specifies the types of land that are subject to purchase by the State rather than restitution to former owners, such as roads, land intended for State defence, State forests and national water bodies, and outlines the procedure for applying for restitution and recourse to the courts.

75. The Law on State Registers stipulates the procedure for establishing, maintaining, using and abolishing public registers, lays down the rights and obligations of the institutions responsible for maintaining them, and the rights and obligations of their users. Laws specific to each register specify the objects to be registered, the composition of each register, and provisions for the maintenance and supply of data on, for example, legal entities, individuals and real property.

76. The Law on the Real Property Register governs the registration of land, buildings, other immovables, rights thereto and legal facts. It regulates the status of the Real Property Register, its establishment and management, and the provision of data and information. It stipulates that the Real Property Register is public; it guarantees the protection of registered rights and property, and the accuracy of the data in the register; and it makes provision for correcting the register and paying of compensation in the event of loss, subject to certain exceptions.

77. The Law on the Real Property Cadastre regulates the maintenance of the cadastre of land parcels, buildings and other real property, the procedure for recording real property data in its databases, and defines its legal status.

78. The Law on Cartography and Geodesy regulates the management of geodetic, topographic and cartographic activities, the principles of creating databases of geographic information systems and their integrity, geodetic control and ownership of cartographic material, the main rights and duties of the State and municipal institutions and enterprises involved in map production, geodetic surveying, gathering of data, record-keeping and use in geodesy and cartography.

79. Since 1998, the registration of mortgages on immovable property has been subject to what appears to be a unique statutory regime of double registration. The Law on the Mortgage Register specifies the objects subject to mortgage, the types of mortgages, the registration procedure and the removal of mortgages from the register, and the recovery of debts. First, it provides for the maintenance of the Mortgage Register by the Central Mortgage Office and subject to prior judicial approval. Second, following transmission of the relevant information from the Central Mortgage Office to the State Enterprise Centre of Registers, responsible for administering the Real Property Register, the mortgage will be entered in the Real Property Register.

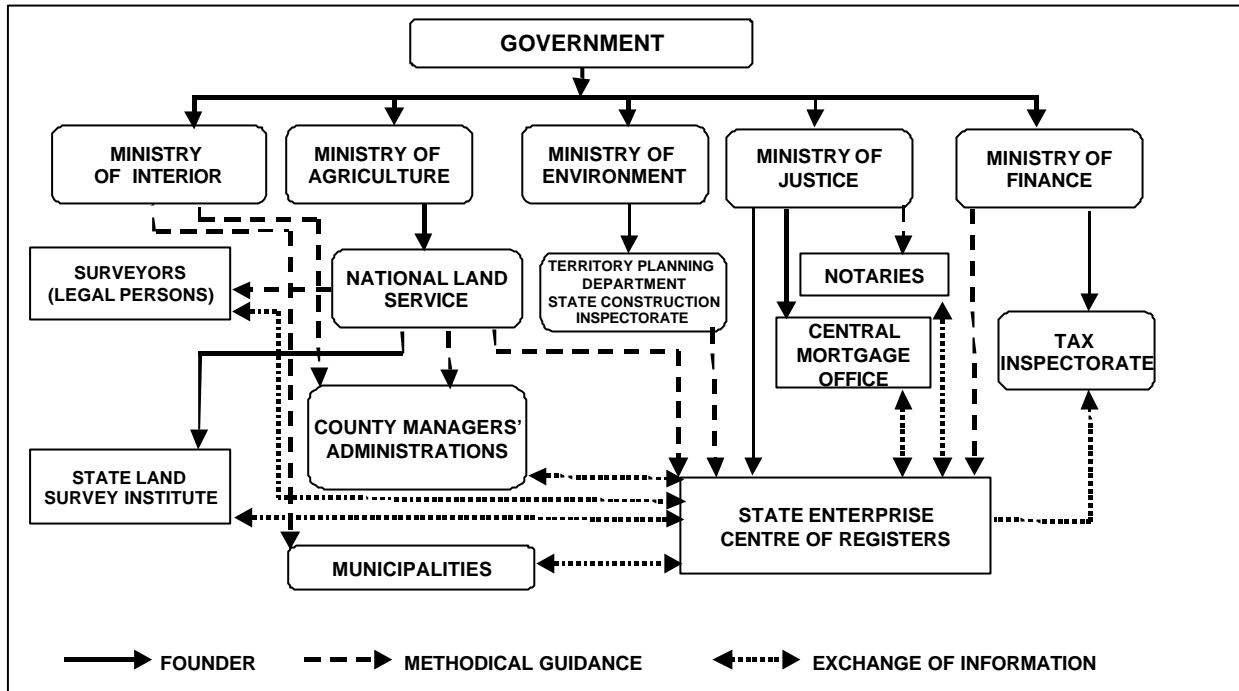
80. The Law on the Notariate governs the function and performance of the notary, as well as the regulation of the profession. Duly appointed notaries are authorized to act on behalf of the State in establishing the undisputed subjective rights and legal facts of natural and legal persons, and to ensure the protection of their legal interests and those of the State.

81. The Law on Electronic Signature had, in line with government policy, already come into force in 2000, and was amended in 2002 to comply fully with the EU Directive on Electronic Signature. The Law recognizes and gives legal validity to electronic (digital) signatures; defines requirements for the creation, verification and validity of electronic (digital) signatures; defines the rights and obligations of users of digital signatures; regulates digital signature certification services and defines legal requirements for providers of such services; defines the main functions and rights of an electronic signature regulation authority.

82. A number of tax laws are in force. The Law on Tax Administration governs the submission of information about economic activities to the National Tax Inspectorate. The Law on the Tax on the Immovable Property of Enterprises and Organizations is self-explanatory. The Law on Land Tax specifies the tax rate imposed on landowners. The Law on Property and Business Valuation lays down valuation principles and methods, as well as valuers' rights, obligations and responsibilities. The Law on Inheritance Tax regulates the tax regime applicable to inherited property, depending on the residential status of the taxpayer.

Institutional framework

83. Important economic reforms, restitution of ownership rights, privatization and the ongoing development of a modern real property administration system have completely changed the institutional framework of the real property administration. Today, the following institutions carry out basic real property administration:



84. The Ministry of Agriculture exercises State administration functions related to land, food, fishery and rural development, and implements State policy in these fields. Its National Land Service pursues State policy in land management and administration as well as land reform, land cadastre, geodesy and cartography. The following organizations and agencies are also involved in geodetic and mapping activities: the Department of Geodesy (Vilnius Gediminas Technical University) develops methodologies for the geodetic networks; the National Centre of Remote Sensing and Geoinformatics "GIS- Centras" performs the small and medium-scale base mapping; the State Enterprise Centre of Registers creates and maintains the cadastral maps; the Institute of Aerial Geodesy is responsible for topographic mapping in Lithuania; private land survey offices together with the temporary land restitution organizations are engaged in mapping the returned land and demarcation of parcels.

85. Cadastral surveying of land and buildings is carried out by the public sector and the private sector represented by surveying companies operating only through licences issued by the National Land Service. They undertake various surveying activities: cadastral surveying of land, inventory of constructions, development of detailed plans, topographic and engineering photos, consultations on real property issues, etc.

86. The Ministry of Environment formulates national policies for environmental protection, forestry, use of natural resources, geology and hydrometeorology, territorial planning, construction, provision of housing, and utilities, and coordinates their implementation. Its State Territorial Planning and Construction Inspectorate, exercises State supervision and control over territorial planning and construction. It is responsible for drafting documents related to the State's supervision and enforcement of their provisions.

87. The Ministry of Justice drafts laws and governmental resolutions, organizes the implementation of legal reform, oversees institutions such as the State Enterprise Centre of Registers and the Central Mortgage Office, and supervises the activities of notaries.

88. The Central Mortgage Office administers the Mortgage Register, the Register of Property Seizure Acts, the Register of Marriage Settlements, the Register of Leasing and Sale and Purchase by Installments Contracts and the Register of Wills, and also provides information from those registers. Hypothec registers of the local courts register of mortgages and property seizure acts.

89. Lithuania has a private notary system. Notaries attest transactions and mortgages, issue inheritance certificates, authenticate copies and extracts from documents, certify signatures on deeds, and draw documents up or certify the authenticity of information transferred to the register of legal persons.

90. The State Enterprise Centre of Registers is engaged in: the administration of the Real Property Cadastre and Register and the fledging registers of legal entities addresses, and of the appraisal of real property, cadastral surveying, providing official information stored in the registers, and updating the cadastral map.

91. The Ministry of the Interior is in charge of public security, guarding State borders, civil defence, control of migration, public administration and government reform, development of local self-governance and regional development. The Ministry is responsible for the Population Register.

92. The Ministry of Finance drafts the State budget and the municipal budgets; it is in charge of State investments, taxes, duties, national coordination of EU financial support, tax and tax administration policy, etc. Its State Tax Inspectorate is the central tax administrator. It estimates tax payments and other contributions to the State (municipal) budget, recovers unpaid taxes, imposes fines on taxpayers pursuant to tax laws, etc.

93. The county governors, who head the county Administrations, implement State policy on regional development, social security, education, culture, health care, territorial planning, land use, environmental protection and other areas. They are responsible for State and interregional programme in their counties, for land reform, and for the privatization and sale of State-owned land.

94. The self-governing municipalities are responsible for issuing construction permits, territorial planning, setting addresses and making any changes to them.

III. REAL PROPERTY CADASTRE AND REGISTER

95. Lithuania has established an integrated multi-purpose real property cadastre and register system containing the cadastre and register data in one central database. The system has been developed in line with the ECE recommendations on land administration, taking into account the advice and recommendations from international experts and the experience gained by Western

countries and adapted to Lithuania's economic situation and traditions.

96. The development of the real property cadastre and register system started in 1992, when the digital registration of land began. In 1997, the State Enterprise Centre of Registers was established and tasked with integrating all real property records and cadastral data into one organization and taking over the maintenance of the real property cadastral map. Data from the Real Property Register as well as data on land, buildings, constructions, offices and apartments were integrated into a single real property information system. Since then legal, technical and geographical records have been managed in a single system under a single organization, which is an advanced approach. The system secures the registered rights to real property, supports the lawful conveyance of real property and serves fiscal purposes, i.e. land taxation. It is also an instrument for national real property policy and a tool to help the real property and credit markets develop in the country.

97. Lithuania's integrated Real Property Cadastre and Register distinguishes the following main segments:

- (a) Descriptive data, i.e. description of a property, its location and main qualitative and quantitative characteristics, type of use, its value and price;
- (b) Legal data, i.e. records the owner, possessor or manager of a property and specifies the type of possession (ownership, lease, trust or other right), also indicates the encumbrances on the right of possession and other relevant data;
- (c) Legal facts;
- (d) Graphical description, i.e. cadastral map.

98. The State Enterprise Centre of Registers is responsible for the registration of real property and related rights and runs the Real Property Cadastre and Register. Currently, about 20,000 – 25,000 real properties and rights related to them are registered per month on average. Around 1.3 million land parcels and over 4 million buildings, apartments, constructions, infrastructures and related rights have already been registered in the Real Property Register.

99. Archiving is an important part of the Real Property Cadastre and Register system. The archives include documents on real property registration, documents on the real property cadastre, cadastral maps, documents on real property valuation and market research, organizational, regulatory and informational documents. Each year, the archives grow by 7%. Their volume and importance make it necessary to create new storage facilities, rearrange the archives and start an electronic archive.

Cadastral system

100. Lithuania's cadastre system is based on surveyed land parcels, and records graphical and attribute data pertaining to real properties. The main unit within the real property cadastre and register that is surveyed and registered is the property, i.e. land, buildings, flats, offices, infrastructures. Only surveyed real property may be recorded in the Real Property Cadastre and Register, and then only registered property may be transacted.

101. The public and private sectors represented by licensed surveying companies carry out cadastral surveying of land and buildings. The National Land Service issues licences for such surveying. Surveying data and other cadastral data are recorded in the Real Property Cadastre according to the location of the property. Every property has a unique identifier, which stays unchanged during its entire life.

Registration of real property objects and rights

102. Real property and real property rights and legal facts are registered in 11 branch offices of the State Enterprise Centre of Registers, which are established in every county and in one city. Branch offices have local divisions, which ensures convenient customer service. A proper legal framework is in place, the responsibilities in the public administration are clear and registrations are processed.

103. From a juridical point of view all real rights are registered in the Real Property Register, except for mortgage rights, which are registered in the Mortgage Register. Property seizures are registered in the Register of Property Seizure Acts. Such a situation evidences an ineffective operation of the integrated system of State registers and duplication of data. Since the introduction of the new Civil Code in 2001, registration of ownership is no longer compulsory. Ownership rights arise after the signing of a notary-approved title deed and after the property is transferred. Nevertheless, registration is necessary to protect those rights against third parties. If the property and rights thereto are not registered, they may not be further transferred, and the parties to an unregistered transaction may not invoke the facts of transaction against third persons and argue their rights against third persons by relying on other proof. However, it is estimated that about 5-7% of transactions are not registered.

104. Before the adoption of the new Civil Code the registration of property was compulsory. This provided a better guarantee of full coverage of all real property in the country. Non-compulsory registration also has a negative effect on taxation: when levying tax it is necessary to know all taxable properties.

Coverage and currency

105. The Real Property Cadastre and Register system covers the whole country and owners enjoy security of their title to real property, wherever it is located. Registration of properties and real rights is made directly to the central databank of the Real Property Register, which guarantees up-to-date information. The cadastral map is also updated by the branch offices.

106. The cadastral survey of land parcel boundaries has to be completed prior to the registration of the transfer of real rights. This ensures that the geometric data are as current as the registration of real rights. This is a common procedure in many countries. However, while the real property market is moving faster, the period needed for the cadastral survey of land parcels might hamper progress, because parties have to wait while the cadastral survey is carried out. Of course, this applies only to cases where a cadastral survey is needed, for example when land parcels are subdivided. The process of requiring a cadastral survey prior to the transaction is sound with respect to the currency of the system. The waiting time for the

cadastral survey is not considered an obstacle to the further development of the real property market.

107. Due to the incomplete land restitution process, not all land parcels are formed and restored to their former owners or their heirs with registration and recording of ownership rights. Given the history of the country it is, however, a remarkable achievement that so many objects, rights and right-holders have been registered so far.

108. Judging from the experience of other countries, the decision to survey boundaries during the restitution process using simplified methods was a good solution, and the country's cadastral map was completed quickly. In some countries restitution takes too long, which hinders real property market development. It was wise to start in a not too accurate a manner.

Conveyancing

109. Real property conveyancing consists of three main steps: (a) the preparation of documents necessary for the transaction, including cadastral surveys, if necessary, ordering of a certificate for transaction, estimation of an up-to-date average market value, and other required documents; (b) conclusion and approval of a transaction by a notary; notification sent by notary to the State Enterprise Centre of Registers within 24 hours; and (c) the registration of the property and real rights.

110. The existing conveyancing procedure is time-consuming and inconvenient to customers. The seller has to go to the office of the State Enterprise Centre of Registers to apply for a certificate for transaction. Normally this takes no longer than seven working days, however a customer may receive it in one to five days in return for a fee. The seller must also present a land parcel map to the notary to ensure that the boundaries of the land parcel are marked on the cadastral map. If there is no such record, the seller must deliver a land parcel map for checking and recording in the databases. With the certificate for transaction and the map, the seller can go to the notary office to prepare an agreement for the conveyance of the real property object and rights. The certificate for transaction is valid for 30 days, but the notary is still not sure that the legal situation of the object complies with the situation stated in the certificate because in the meantime another transaction could have taken place (e.g. seizure). Therefore, the notary has to check the situation in the databases before the transaction can take place. For that operation Internet-based technology is currently used.

Mortgaging

111. The mortgage procedure is rather complicated. In addition to the notary and the Central Mortgage Office, a mortgage judge is also involved in the process. If the bank plays an active role, there is even a fourth party involved. Apart from all real rights registered in the Real Property Register, the mortgage right is registered in a separate Mortgage Register, which means that one more institution has to be consulted to have a full picture of the legal status of a property.

112. It is quite confusing and complicated for the participants in the real property market that real rights are treated differently, as the conveyance of real rights of possession (e.g. ownership) is

pursued in a different way than the real right of security (mortgage). The registration of real rights in separate registers has a historical and political background. However, it complicates the smooth supply of information about the legal status of real property.

Information dissemination and availability of data

113. The Real Property Register and Cadastre system is not an end in itself. It serves certain functions in society, such as land tenure security, the real property market, land and other real property taxation, physical planning, etc. and supplies official information for different purposes.

114. One of the most important tasks for the State Enterprise Centre of Registers is information dissemination and customer service, whose quality is based on four indicators, namely, customer orientation, access to information, information quality and delivery times.

115. The State Enterprise Centre of Registers pays due attention to its customers and its services are well appreciated. The pace of innovation is good in all professional aspects. Delivery times are clearly specified by legal acts and meet customer needs. The Law on the Real Property Register states that applications to register the right of ownership to an immovable item must be made within 10 workdays. Registration of other real rights must be done within five workdays.

116. The number of users of the real property information is constantly increasing. There are three main groups of data users, namely, citizens and legal entities, administrators of State registers ensuring the operation of registers that they administer, and the State authorities and agencies. The main users of the Internet services of the State Enterprise Centre of Registers are banking and mortgage institutions, insurance companies, lawyers and notaries, State authorities, security companies, and other private companies and citizens.

117. The State Enterprise Centre of Registers, operating on full cost recovery principle, is especially interested in providing good and efficient services and reliable information to its customers, and in improving its system and services, which requires investment. The legislation provides for a different pricing policy for the supply of information, including the supply to some State authorities free of charge. Such a pricing policy results in an inefficient and excessive use of information by those institutions that obtain data for free. Applying of the same price to all customers could create equal conditions for all data users.

118. Information to the users is provided by the following means: public desk, by post or written requests, e-mail or the Internet (www.kada.lt). Search keys for searching data in the Real Property Register and Cadastre are: property identification number, address of real property, owner's name (limited access), personal code of an owner (limited access) and registration number.

119. Currently, it is possible for customers to obtain not only the necessary information about real properties, but also copies of the cadastral map showing these properties. The State Enterprise Centre of Register has developed a special software application for making the digital cadastral map available on the Internet using ARCIMS technology. The number of requests for title documents grew from 11,713 in 2002 to 29,093 in 2003. The total number of Internet

searches grew from 0.9 million in 2002 to 1.3 million in 2003.

Data quality

120. Data registered in the Real Property Register are open to public. According to the Law on the Real Property Register, the State Enterprise Centre of Register is fully responsible for the accuracy and completeness of the registered data and its liability for mistakes is covered by a special indemnity fund. Loss caused by the Administrator of the Real Property Register to a client has to be compensated following the procedure prescribed by the legislation. To meet the quality specifications of products and services, the strategy of the State Enterprise Centre of Registers comprises objectives to ensure that the data provided are correct, reliable, complete and up to date, that the supply and access to the data are simple, customer-friendly and efficient, that the management of the real property register is transparent, corresponds to customer needs and demands and is technically advanced.

Information and communication technologies

121. The State Enterprise Centre of Registers has been able to make use of modern information and data communication technology. This would not have been possible without an in-depth design and, if necessary, a redesign of work processes, and the development of an information technology (IT) architecture and related system development. The principle of one-stop shopping is being introduced.

122. The State Enterprise Centre of Registers plays a prominent role in the development of e-government. The rationale behind the policy is that linking registers, information systems and cadastres is a fundamental step towards the creation of e-government, leading to improved services for citizens and reduced demand upon public resources and budgets. Integrating registers improves the information infrastructure of the country, ensures better governance and the exchange of data. The Government recognizes the advantages of the development of e-society, and the role of the State Enterprise Centre of Registers in this.

IV. INFORMATION SOCIETY AND STATE REGISTERS

123. Building on information society is a challenge and a key task for modern democracies worldwide. An information society means a better working, living and social environment for all citizens. The objective is to increase the transparency of decisions taken by the government, to increase the speed of the services of public institutions, while improving their quality. Taxpayers want to see an efficiently functioning and cheaper executive power.

124. The use of IT and telecommunications in major areas of activity is an important step in promoting the information society. IT offers ample opportunity for the modernization of public administration work. The application of IT to public administration opens wide possibilities for close cooperation of citizens with public institutions, transparent management and proper decision-making. It gives the citizen and private business new opportunities for cooperating and working with public institutions at times suitable for citizens, anywhere and in many ways.

125. The target set by the Lithuanian Government is to deliver government services through the Internet (whatever services can be delivered by electronic channels) by 2005. Consideration is given to uniform data exchange formats and security requirements in order to receive maximum benefits from the use of information technologies. Lithuania has no high-value natural resources. Therefore, it is very important for it to augment the intellectual potential of its human resources, to increase the number of people using modern technologies and to participate in the implementation of important international projects. The Information Society Development Committee was established under the Government to promote e-government and e-society processes. Priority will be given to setting up and maintaining the State integrated system of registers. Some of the most important State registers are:

- The Population Register, created on the basis of passport data of Lithuanian citizens, supplemented by data from the acts of civil status since 1992;
- The Register of Legal Entities, which is being reorganized and further developed. From 2004, the State Enterprise Centre of Registers is responsible for its administration. The Register aims to establish a unified registration system of legal entities, which would be more convenient for customers;
- The Real Property Register, created to secure ownership and other rights of property owners, and to collect and supply reliable information on registered real properties, real rights and legal facts to stakeholders, State authorities and institutions. The State Enterprise Centre of Registers is its administrator;
- Since the beginning of 1999, the State Enterprise Centre of Registers has been administering the State Register of Administrative Units, Settlements and Streets. In the future, the Register should become an address register, which, in addition to the above-mentioned objects, would store data on addresses, including their position in a general geo-referential space. The address is likely to be made a key data element in the integrated system of State registers. The State Enterprise Centre of Registers will be responsible for the address register;
- The Mortgage Register, which is a public register. Its main goals are: legal registration of mortgage and pledge agreements, safeguarding their legality, forced recovery from mortgaged/pledged assets in non-action procedures, distributing to creditors money from the enforced sales of assets. The Central Mortgage Office, which was established on 29 September 1997, became the administrator of the Mortgage Register. It also manages the Register of Wills, the Register of Property Seizure Acts, the Register of Marriage Settlements, and the Register of Leasing, Sale and Purchase by Instalment Contracts.

126. The Register of Legal Entities, the Real Property Register, the address register, and the Mortgage Register are part of the integrated system of State registers. Resolution No. 1332, approving the Development Strategy for an Integrated System of State Registers, was adopted by the Government on 22 August 2002. It advocates the development of an integrated system of State registers in order to secure a user-friendly environment enabling safe transactions by citizens and promoting customer-oriented and healthy real property and credit markets, facilitating dynamic e-business and fostering the e-government concept.

127. At present, the State cadastres and registers are maintained by separate organizations. This is a unique case in Europe, with data on the registration of real property and rights and data on the registration of mortgages (one of the real rights) stored in two separate registers. It is desirable to create national registers for each major category of entities and combine them into an

integrated system on the basis of actual relations among them. Therefore, it could be appropriate to develop a uniform registration system for the purposes of the record, account and provision of the recorded data on the entities specified by law. Such a system would serve as a single source of official information about the major entities in the country. The integrated system of national registers could also become the principal information source for the information systems of the national institutions and courts as well as for business and public information systems.

V. REAL PROPERTY MARKET AND TAXATION

Real property market

128. In the past decade, the indices of land market activity were related not only to the country's economic and social development, but also to land restitution and privatization, which is still going on. More and more land is being transferred into private ownership, constituting a potential for the development of the land market. In 2004, land in private ownership was 18% higher than in 2003. Overall, private land comprises 50.5% of the country's total.

129. Last year witnesses a high demand for all types of real property. In the second half of 2003 the real property market experienced a rapid increase in demand and a steep rise in the prices of mainly residential dwellings and land for residential construction (up by 10-15% and in some cases even by 25%, among the biggest jumps of the decade). This rise was linked to the anticipation of EU membership (May 2004).

130. Demand was high for residential land close to the cities and in attractive places suitable for recreation. The total number of sales increased by 18.7% during the year. The most active land market was in suburbs, i.e. relatively new residential areas where the land is cheaper than in the city centre. Another trend is dense-residential development. New parcels are formed to build multi-flat blocks or family houses in the city centres or more attractive places within residential neighbourhoods. The legislation, institutional structure and procedures to establish an environment favourable for the development of the real property market are being developed. However many difficulties exist, for example with regard to the acquisition into private ownership of State-owned land.

131. A very important factor for the development of the real property market is the use of real property as collateral for financial credit and lending. At present, banks play an active role in the real property market and offer favourable conditions and low interest rates, which have recently boosted lending. However, the mortgaging procedure is burdensome, inconvenient and time-consuming due to the involvement of many authorities. Financial institutions are interested in simplifying it.

132. In 2003, the number of granted loans further increased and interest rates decreased. The average interest rate per year amounted to about 4.9% and for housing was less than 4%. The increasing average wage and solvency, as well as greater employment guarantees, formed the preconditions for a major part of the population to raise credits for housing to active housing market, but mainly in the major cities. Given the improvement in their financial situation, 29% of Lithuanians intend to use their income to improve their housing condition. Housing credits make

up about 90% of all personal credits. Three banks occupy a leading position in the market in terms of the number of clients. Interest rates for loans fell due to decreasing base interest rates. The active bank crediting policy as well as severe competition among the banks stimulated the decrease in interest rates.

133. Large amounts of data about real property have been accumulated by the State Enterprise Centre of Registers. Besides the legal information on properties, qualitative and quantitative characteristics, there are also data on transactions and values of properties. However, these data are not sufficiently used to monitor the real property market.

Mass valuation and taxation

134. According to legislation, property valuation may be performed by valuers certified by the Accounting and Property Valuation Institute, who work for certified property valuation companies. The function of real property valuation for taxation is delegated to the State Enterprise Centre of Registers, which performed a first mass valuation of land in 2002 and a revaluation in 2003. Mass valuation of buildings was performed in 2002 as a pilot project. Mass valuation results are still not used for land taxation. Municipalities use the data for other purposes, such as setting land rent, carry out land privatization, defining the level of social benefits, etc.

135. Mass valuation and related zoning are based on the regression analysis of the sales data. Zones of the same value are used for all types of real properties. Different value computation formulas (models) are derived for every value zone for different types of real properties and are used for their assessment. The results of mass valuation were presented to interested institutions and the general public. Mass valuation procedures include the main elements of computer-assisted mass appraisal which are used in other countries.

136. The base for the immovable property tax on enterprises and organizations is the taxable value of their real property (except land) subject to legal registration. The State Enterprise Centre of Registers estimates the value of the real property and issues a certificate with the taxable value. The owner submits the certificate to the local tax authority together with its immovable property tax estimate by 1 March.

137. The base for the land tax (excluding buildings) is the taxable value of privately owned land. The land tax is based on data from the Real Property Register and is submitted by the State Enterprise Centre of Registers to the local tax authorities by 1 April. The annual tax rate on the real property of an enterprise or an organization is 1% of the property's taxable value (excluding land). The annual land tax tariff is 1.5% of the land price (or of the price of forest land excluding the timber value).

138. Work on reforming the real property tax is continuing. Basic legislation has been drafted, but fundamental changes in the legal basis are still required to make effective the tax reform.

VI. LAND REFORM AND LAND DEVELOPMENT

Land reform in rural areas

139. Lithuanian agriculture was collectivized during the early years of the Soviet period. All land belonged to the State. New laws adopted in 1991-1992 stipulated the inviolability of ownership and the restitution of land. The purpose was to restore free of charge ownership rights to former owners or their heirs (citizens of Lithuania). The collective farms were dissolved and their land was broken up into small private holdings. Legal acts laid down the three ways that landownership could be restored: returning the original land, allocating an equivalent land parcel in another location, or granting financial compensation.

140. To recover the land, citizens had to submit applications to the nearest Land Management Division. County governors made the final decisions. The procedure was finalized with the registration of ownership in the Real Property Register.

141. Ownership rights have been restored to 3.5 million ha (87% of total land area), of which 2.9 million ha (2.3 million ha agricultural land) were returned (identical or equivalent plot, and 0.6 million ha through compensation in cash. Applications for the restitution of 0.6 million ha have still to be settled. In most areas, the restitution will be finalized by the end of 2004, in others it is to be completed by the end of 2006.

142. It is foreseen that when the restitution is finished, up to 1 million ha of land (of which 0.5 million ha is agricultural land) will still be State-owned. Agricultural land can be sold only to farmers. To unify the ownership of land and adjacent buildings, land parcels will be sold as farmstead parcels to the owners of adjoining buildings. The land is to be sold by auction, if it is not leased.

143. In accordance with EU legislation, Lithuania can keep national provisions to prevent foreigners from acquiring agricultural land until 2011, except those living in Lithuania for more than three years and involved in farming. The exception will also apply to foreign legal entities with registered branches in Lithuania and making more than 50% of their income from farming.

144. The legislation specifies the types of land to be kept for public needs and not subject to restitution. Limitations are imposed on the purchase of forest and protected areas. Special conditions on the use of the land are to be laid down in territorial planning documents. Private surveying companies and tender winners are preparing of land-use plans for the land reform.

Privatization and restitution in urban areas

145. In urban areas, the restitution of land to owners possessing buildings was originally restricted to 1 ha. The restoration of ownership rights to residential houses and flats is within the competence of the mayor (board) of the town or district municipalities. The restitution of residential houses will be finished in 2009. According to a decision of the Constitutional Court in

2002, all non-occupied urban land not intended for public use must be transferred into private ownership. Non-occupied urban land may be obtained by Lithuanian and foreign legal entities for their business activities.

146. The privatization of municipal and State-owned buildings and apartments is complete. Nearly 97% of the urban population lives in privately owned apartments and houses. Local and foreign investors as well as legal and natural persons have equal rights to acquire buildings and apartments.

Territorial planning

147. The Law on Territorial Planning and the Land Law (both amended in 2004) specify procedures for coordination with other planning documents, for public participation and for approval. According to these Laws, general, special or detailed territorial planning documents will be developed within a unified documentation system and be stored in a common territorial planning databank.

148. The master plan for the whole territory of Lithuania was adopted in 2002. Despite the legal requirements the preparation of regional and municipal territorial planning documents is very slow, mainly due to the lack of funds and experienced employees. So far, not a single master plan for the territory of a county has been completed. In rural areas, in particular, preparation of detailed plans is a problem. There are no territorial plans for the prospective use of agricultural land (60% of the country's territory).

Urban land development and housing

149. The state of maintenance of multi-apartment houses is poor. As a result of the analyses of the Lithuanian housing sector, carried out by the UNECE Committee on Human Settlements in 1999, major recommendations were made concerning housing policy, maintenance and renewal of houses and the legal, financial and institutional framework. Since then, many measures have been implemented.

150. The new Civil Code regulates co-ownership of multi-apartment houses and the creation of homeowners' associations. The Civil Code established for the first time that buildings should be considered as land parcel fixtures. All constructions situated on the land parcel belong to the owner of the land unless the law or contract provides otherwise. In 2004, the Lithuanian Government approved a long-term housing strategy. The strategy targets social housing, State aid for the acquisition of housing for households with a low income and the maintenance of multi-apartment houses. In practice, however, residents are not establishing homeowners' associations (condominiums) and only 17% of multi-apartment houses are currently managed by homeowners' associations.

Rural land development

151. Although agricultural employment accounts for 18% of total employment in the country, agricultural productivity has not improved over the past few years and remains lower than in Western Europe. The current agricultural system is based on three types of farms: agricultural

companies, family farms and small household plots (allotments). In comparison with EU farms, private farms in Lithuania are small and unspecialized. The agricultural infrastructure (settlements, roads, buildings) dates from Soviet times; it is designed for big collective farms and does not meet present economic realities and the results of privatization and restitution. There is hardly any possibility for farmers to raise the necessary funds to buy land and machinery. Only few farmers and industrial agricultural businesses can take advantage of the new opportunities for mortgaging land and buildings.

152. The problems in rural areas were identified in the negotiations for EU accession. The Lithuanian Agriculture and Rural Development Plan for the period 2000-2006 channelled €90 million in 2000-2002 from the EU Special Accession Programme for Agricultural and Rural Development (SAPARD) to improve economic, ecological and social living conditions in rural areas. State support to agriculture and fisheries accounted for 5.3% of the 2002 State budget.

153. The Single Programme Document of Lithuania sets out the national strategic socio-economic development plan for 2004 – 2006. In line with the EU Common Agriculture Policy, some of its objectives are farm restructuring, improvement of infrastructure and promotion of alternative activities (e.g. rural tourism). Measures will include land consolidation, helping young farmers, renovation of rural infrastructure, forestry, early retirement of farmers.

Land consolidation

154. The restitution of land that had to be split among the heirs of the previous owner resulted in fragmentation. The overall small size of farms and the fact that some do not have access paths are definite obstacles to competitive farming.

155. The National Land Service of the Ministry of Agriculture is responsible for the development of a national strategy, the implementation of State policy, the methodological guidance and the control of land management and land consolidation. Pilot projects with Danish assistance helped to gain practical experience. Cooperation with Germany to prepare the necessary legal acts has halted due to the slow progress of law-making.

156. The legislation contains the general regulations for land consolidation projects. A land consolidation project is to be based on a special territorial planning document that works as the basis for activities to improve agricultural conditions, to take land for public needs, and to establish land use conditions in accordance with respective schemes prepared for administrative units. Land management (for example the readjustment of land parcels, land consolidation) is foreseen. Activities to improve the structural situation (building of roads, reconstruction/repair of land reclamation systems) are planned. The planning schemes have to be coordinated with the public authorities.

VII. TOPOGRAPHIC AND CADASTRE MAPPING

Geodesy

157. In 1994 Lithuania introduced a new national coordinate system, LKS-94, harmonized

with ETRS89 (European Reference System 1989), for national mapping at all scales (1:500 – 1:50,000). The Lithuanian National GPS Network, consisting of zero, first, second and third order networks, was completed in 2003. The density of the Lithuanian National GPS Network is 1 point per 5 km². The total number of stations in the networks is 9700 points. The network of permanent GPS stations is being developed in the country and will be completed within the next three years.

Topographic mapping

158. After 1994, new topographic maps M1:10,000 were issued in the LKS-94 coordinate system. The latest Lithuanian aerial photos are used for gathering information. At present, there are two levels of data in the cartographic databases for specific areas: KDB10LT-micro and KDB10LT-midi. The whole of Lithuania is covered by KDB10LT-micro. It consists of information on geodetic background points, roads and railroads, water bodies and place names. It is planned to develop KDB10-micro into KDB10LT-midi to satisfy the requirements of topographic maps at a scale of 1:10,000.

159. Orthophoto maps with a resolution of 0.5 m have been produced in Lithuania since 1996. In the initial phase (1996-2000) the Swedish company Swedesurvey AB produced the orthophoto maps under a bilateral assistance programme. In 2000, production was taken over by the Institute of Aerial Geodesy. The geo-referential vectorial database GDB10LT is the first official detailed geo-referential database compiled for the territory of Lithuania in 2001-2003. The digital raster orthophoto map M 1:10,000 was used as a basis for development of this database. The map was prepared under GIS principles from the aerial photography of 1995-1999 using modern digital mapping technologies. The GDB10LT database stores data to be used as the geo-referential background in graphically oriented registers, cadastres, other databases, etc. The plan is to carry out new aerophotography and produce new digital colour orthophoto maps at a scale of 1:10,000.

160. The topographic map (in digital and analogue format) M 1:50,000 has been compiled on the basis of aerial photos using digital technologies and covers the whole of Lithuania. Large-scale maps (M 1:2,000, M 1:500) for urbanized areas are created by the private surveying companies at the request of the municipality or of other companies, and are stored in analogue and digital form (or in analogue form only) at the municipal urban divisions. Some of them are stored at the land surveying departments of the county administrations.

Cadastral mapping

161. Cadastral surveying is performed for all kinds of real properties, such as land parcels, buildings, engineering infrastructure (roads, energy supply lines, telecommunications lines, water supply system, oil and gas pipelines, etc). Surveyors prepare a map for every land parcel using simplified or accurate surveying methods. This map is the basic legal document, specifying the area of the land parcel and describing the technical parameters, and is the basis for the cadastral map. The background for the cadastral map is the orthophoto map. The quality of the land reform maps, which were created using simplified surveying methods, is too often inadequate to be used in a digital cadastral map. The fact that most properties are drawn on old topographic maps with a scale of 1:10,000 causes accuracy problems. The checking quality of surveying data is part of

the registration process by the State Enterprise Centre of Registers.

162. All land parcels in urban areas and some in rural areas are surveyed using accurate surveying methods. To improve the accuracy of the cadastral map in rural areas a procedure was adopted by which the cadastre organization has the right to return the land survey documents to the land surveyor for remeasurement if the parcel map does not match the cadastral map. If the measurement is accurate, the National Land Service has authority to measure the neighbouring parcels; however, insufficient financial resources are allocated for this work to be done.

163. Cadastral surveying includes calculations of land parcel areas and describes the technical characteristics of the properties. Pursuant to the current laws, the calculated area of the land parcel is binding and may not be changed without good reason. It would be more rational to make the surveyed boundaries of the land parcel binding.

164. The cadastral map is a composite graphical part of the real property database. The cadastre map indicates the location of the real property and its position in the national coordinate system.

VIII. INTERNATIONAL COOPERATION

165. Lithuania started international cooperation activities in 1991, immediately after the re-establishment of independence. The aim was to get support and advice for dealing with economic reforms, including in land administration. Besides the lack of knowledge and experience, human and financial resources, the main drivers for seeking international support in land administration were the introduction of private ownership rights and the restitution of land. The main objectives were the analysis of different real property administration systems and the implementation of best practice applicable in Lithuania.

166. A considerable number of projects were carried out to tackle the most important issues of the land reform (registration, cadastre). Along with these projects, appropriate project management methods and internal project evaluation (monitoring against defined performance indicators, quality control) were introduced. A project steering committee was set up with high-level staff from the Lithuanian administration to ensure coordination and appropriate terms of reference for the international projects.

167. International assistance to Lithuania consisted mainly of knowledge transfer, financial support for the procurement of technical equipment, training of specialists and support for the development of an integrated real property and registration system. Funding and support for international projects have been provided either by donor countries bilaterally or by the European Union.

168. Bilateral projects with international partners concerning Lithuania's land administration started in 1991. Assistance has been either financial or advisory, or given through pilot projects. Some of the important projects are highlighted below.

169. Swedish support for the establishment of a real property cadastre and register consisted of

a case study on Lithuania's real estate cadastre and a feasibility study concerning Lithuania's land administration system. Further, vocational training for Lithuanian experts concerning land legislation, land management and land valuation was provided. The most important part of this cooperation was the support for setting up the legal framework for land administration, the technical support for the execution of the land reform and assistance for the production of paper and digital orthophoto mapping material. In 1997–2000, Sweden assisted in areas such as: institutional development, establishment of a model for real property registration and the development of the central real property databank. A follow-up project for 2001–2003 dealt with real property market development, the information society, customer orientation and cost recovery.

170. With its “Development of the real property cadastral mapping system in Lithuania” project, the Danish Government supported the development of technical methods for dealing with the administration of a cadastre GIS database and its quality improvement through seminars, training courses, advisory services and hard- and software procurement. Furthermore, a pilot project dealing with data integration, data exchange standards, methods for scrutinizing land cadastre and cadastral maps, the creation of an archiving system and an address register was established at the Trakai Client Service Bureau.

171. The “Real property information services” project in cooperation with the Netherlands aims at real property information services and the further improvement of institutional and human resources aspects and electronic services. It includes the implementation of a pilot project dealing with data exchange between the State Enterprise Centre of Registers and the notaries in Vilnius.

172. Bilateral cooperation involved Swiss financial assistance for procurement necessary for updating the Lithuanian base cartography. The main beneficiary was the Institute of Aerial Geodesy in Kaunas. Aerial photography and orthophoto mapping were also supported by Sweden. Ninety-one per cent of the Lithuanian territory was covered by aerial photography taken in the period 1995 to 1998. Orthophotos, digital and paper-based maps were produced in Sweden and later completed at the Institute. Denmark assisted the Institute in establishing the basic GPS network starting in 1992.

173. Land consolidation was supported mainly by Denmark. The aim was to establish a geographic information system (GIS) suitable for dealing with land consolidation. This required both data conversion and updating of the existing paper-based material by the National Land Survey and the State Land Survey Institute. In addition, a pilot land consolidation project was carried out in Dotnuva District followed by a second project dealing with rural community development and the support of local initiatives.

174. Swedish assistance in 1997–2000 also covered the development of the real property market, mass valuation of land and the introduction of a market-value based mass appraisal system. Since 2001 Finland has also been assisting Lithuania with real property valuation. The support has focused on the creation of land value maps for five cities and the development of mass valuation methods for taxation purposes.

175. The overall support of the European Union to Lithuania for land administration amounts to €4.5 million. Cooperation within the framework of EU-funded programmes started in 1995. Major concerns of the various projects were the implementation and acceleration of land reform, the appropriate registration of ownership rights in land and the development of a healthy land market in Lithuania.

176. Whereas the implementation of PHARE will end in general, it has been extended for four ongoing projects in land administration:

(a) A twinning project (beneficiary: National Land Service, duration six months) with Germany is in progress to decide on the best use of the remaining State-owned agricultural land. It covers both legal and practical aspects;

(b) The PHARE project "Aerophotography, Orthophotomaps, Satellite Imagery for Land Parcels Identification System and Block Database Update" (beneficiary: National Land Service of Lithuania) was announced on 31 December 2003 and will start on 1 September 2004. The goal is to improve the land parcel information system with the results of satellite imagery. The required aerial flight campaign will be carried out in spring 2005;

(c) The twinning project "Strengthening the Enterprise Register in compliance with the Acquis" (beneficiaries: Ministry of Justice, the State Enterprise Centre of Registers, notaries with Austria, which started in May 2003, promotes the establishment and maintenance of the Register of Legal Entities of Lithuania and includes technological (IT) and organizational infrastructure aspects;

(d) Another twinning project, which has only recently started, is meant to establish a pilot system for communication between the Central Mortgage Register of Lithuania and the State Enterprise Centre of Registers and to improve customer services.

177. The EU Special Accession Programme for Agriculture and Rural Development (SAPARD) is designed for pre-accession assistance to candidate countries, in particular to overcome problems arising with agriculture and rural development. The Ministry of Agriculture is responsible for managing and monitoring SAPARD assistance. Lithuania received €90 million under SAPARD in 2000-2002. SAPARD financing is continuing.

178. The EU structural funds are used for the implementation of the regional policy priorities of the EU in member countries. In line with EU regulations, the Single Programme Document was prepared to identify the needs of Lithuania for development and set up its long-term development strategy, including clear priorities for support through the structural funds. Among the priorities identified are urban and rural infrastructure and e-government.

179. Lithuania collaborates with international organizations through its State Enterprise Centre of Registers and its National Land Service. Both are members of EuroGeographics, the European association of national mapping agencies. Lithuania is a member of the Permanent Committee on Cadastre. The Lithuanian Association of Surveyors and the Association of Property Valuers are members of the International Federation of Surveyors. Lithuania is actively involved in the work of the Working Party on Land Administration of the United Nations Economic Commission for Europe.

180. In 2002, Lithuania signed up to the European Land Information Service (EULIS) financed by the EU. EULIS aims at the unified access to land information across the borders of the member countries through a portal which needs to take into account differences in national legislation concerning data protection. Lithuania will base the future infrastructure development of its State registers and e-government issues also on the international experience gained in the EULIS project. In the meantime, the State Enterprise Centre of Registers has started to provide expertise on land administration within the framework of consultancy services to other countries, especially of the Commonwealth of Independent States.