

Land Administration in Europe -new challenges and opportunities-

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Promising times for surveyors

From playing a key role in understanding, exploring and opening the lands and seas of the World;

- everybody can do precise positioning
- machines can make accurate maps

The profession has to change from geodetic engineers to administrators and managers of land and property - thus playing a new key role;

- in eradicating poverty

Time Magazine April 26 2004

Hernando de Soto -
nominated one of the 100 most influential people of the World

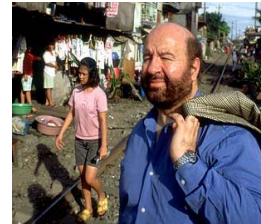
I predict that in the next 150 years the countries in Latin America and elsewhere joining these 25 (countries with a developed economy) will be those that spend their energies ensuring that property rights are widespread and protected by law, rather than those which continue to focus on economic policy.



TIME 100/Scientists & Thinkers

Hernando de Soto Unlocking the Riches of the Poor

Development schemes for Third World countries rarely benefit the poor, largely because aid is too often squandered by corrupt bureaucracies. That makes fresher, commonsense visions like those of Peruvian economist Hernando de Soto all the more welcome. De Soto has spent years looking deep inside the underground economies where poor people—who make up two-thirds of the world's population—eke out a living. He figures the value of their extralegal property, from cinder-block squatter homes to black-market street-vendor sales, at almost \$10 trillion. De Soto insists that bringing the poor and their assets into the formal economy, which is usually closed to them by oligarchies and epic red tape, would eclipse all previous development efforts.



Formalised property rights

- More than a secured right
- Not only freehold, not only individual rights
- Makes real property tradable
- Endpoint for public and private services - giving people addresses
- Resource for capital formation - not only by being used as collateral for mortgage
- Fundament for market economy, capitalism, to work

The Norwegian Prime Minister
on 3rd May 2004:

A NEW AGENDA in fighting poverty

Lack of security of tenure has big negative consequences for the individual poor as well as for entire societies.

To reach the UN goal of halving the number of people living in extreme poverty by 2015 we must address this issue.

Establishing good property systems that are accessible for all will be a cornerstone in Norwegian foreign aid



Few countries have good property systems

What is a good property system ?

People in general can participate in the land market; widespread ownership, "all" can transact, "all" have access to registration

The infrastructure supporting transactions must be simple, fast, relatively cheap, reliable, free from corruption

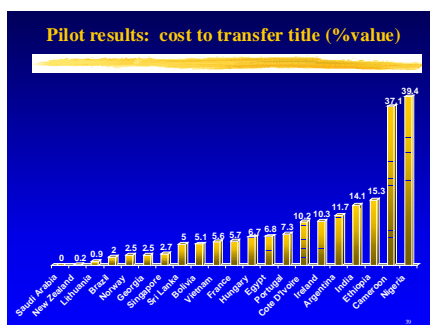
It produces safety for housing and businesses, and capital

Only 25 - 30 countries in the World satisfy these criteria

WB 2004 Doing Business Project



WB 2004 Doing Business Project



The west-European situation

Well functioning property systems;

But not all national systems are optimal;

Most countries have completed electronic registers and maps

Further modernisation is possible and desirable, but it seems difficult to break with old traditions

Some examples of introducing a single agency

No example of removing monopolies of notaries

Very little achieved so far with electronic documents

Inclusion of 3D properties

The east-European situation

Major achievements in countries bordering the west;

Most countries return to old systems, but some countries make radical changes

Fairly easy to transact, but very slow court handling in some countries - mortgage industry coming up

Still large works to complete first cadastre map, need to find better methods - who needs geodetic precision ?

Ownership to urban land not sorted out

Maintenance of multi-apartment blocks a big challenge

Developing countries

Customary tenure systems;

Calls for special solutions, including group rights, gradually improving rights, etc

Huge fast growing informal urban settlements;

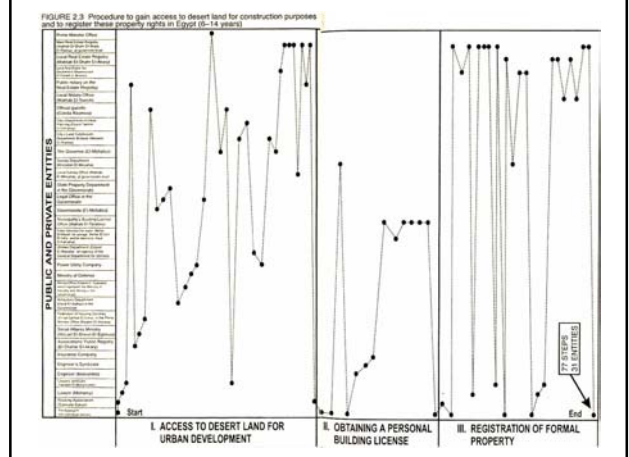
Calls for cheap solutions, tailored to the needs of the poor dwellers and small businesses, also to keep their property inside the formal system once registered

Fundamental land reforms needed in many countries;

Distribution of land to the poor from a rich elite or the state

No lack of title certificates

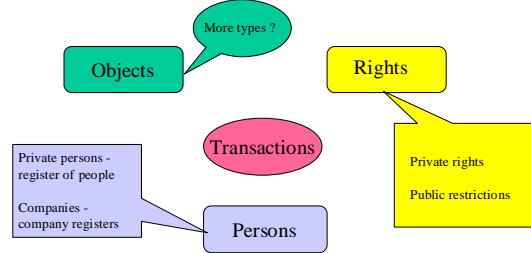
But lack of officially registered rights



The Challenges

- To understand the wider importance of good property systems
- To recognise that we must engage in a wider range of land market related issues
- To recognise that we are in a service business - moving the focus from products to services
- To accept that the land market is continuously changing

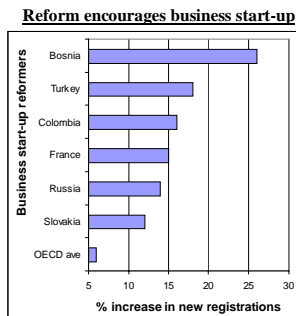
We must engage in more than the green box



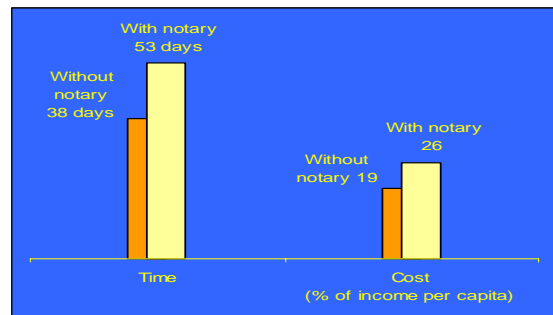
Explaining entrepreneurship

Possible Factors Affecting Entrepreneurship

- Regulation
- Access to finance
- Market features (market size, labor costs, etc)
- Culture
- Personal characteristics



A lesson for everyone: Don't use notaries in company registration



Key issues for all

It is no best system that fits all - but we should learn more from best practises/benchmarking

Move focus from products to services

Remove the land registry from courts - recommended by EU in 1986

Implement one self funded single land and property agency with additional responsibilities

Does a land and property agency naturally belong with geodesy and topographic mapping ?

Remove the monopoly of notaries

It works fine without

Involve private sector when private sector can do the job

Should private investors be welcomed ?

Could private companies operate registers ?

Change the education of land surveyors

Much less on geodesy and mapping

Much more on land law, land management

Prepare for the future;

Take account of the growing number of public restrictions on land and buildings

Look for one stop shopping

Prepare for electronic conveyancing, real time mortgaging and direct registration by authorised agents

Prepare for additional types of property; 3 D etc

Prepare for international land markets and harmonisation of property systems

For transition and developing countries

Accept that major reforms may be needed to service all including the poor

Many land administration projects have faced serious problems

Service individual user driven transactions throughout the country before systematic completion of maps and registers

Prioritise urban issues

Sort out ownership to land in urban areas

Resolve land issues in informal settlements

Resolve problems with multi-apartment blocks

Take more risks in preparing cadastral maps, it works fine without 100 % completeness and very high precision

High precision in establishing cadastral maps costs a lot of money and takes a lot of time

Accept that boundaries mainly are features in the field

Make a first acceptable map as quickly as possible - users are queuing up for digital data

Accept gradual improvements over time and where it is needed

Let people buy property with uncertain boundaries if they so want, let users pay for high precision

Geometric precision needed for cadastral maps

Use	Geometric precision needed		
	High	medium	low
Ownership protection		(x) →	x
Taxation			x
Land management			x
Data integration	X		

The end

