Future perspectives of Land Administration and Cadastre

FIG WORKING WEEK
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Land administration
• Cadastre
• Land registers
• Land consolidation
• Valuation
• LIS

Land administration
includes processes that
• determine rights and other attributes
• the survey and description of these
• their detailed documentation
• provision of information

Land administration rather than just cadastre or land registration!

The WPLA structure
• Open to all ECE countries (ca 55)
• No membership
• No fees - voluntary input
• One or several organisations from each country
• Sounds formal, but is not so

Terms of Reference
• Basic land management legislation
• Land administration measures
• Land information systems
• Organisation and management issues
Who are represented in WPLA activities?

- Formally nations, but...
- Cadastral organisations (technical and fiscal)
- Land registries and Land information organisations
- Ministries
- Private organisations, universities

What has been achieved?

- Established meeting place and network
- Both technical and legal
- Exchange of information, knowledge and experiences
- Valuable documents and reviews
- From boundary precision to customer satisfaction

From 1993 to now!

- Then - support to transition countries with similar situations
- Then - few contacts and little knowledge among western countries
- Now - most share the same agenda
- Now - many contacts, much knowledge sharing
- Now - much to learn from transition countries

Results

- Provides a meeting-place
- Brings together the whole sector
- Policy oriented documents (LA Guidelines now being up-dated)
- And very practical experiences and advice

Where to put the focus in LA?

Discussions on

- Technical matters and technology
- Include many details in registers
- Organisation
- Financing
- Customer needs

Some basic facts/assumptions

Real estate is an asset like any other

- It is a source of wealth
- It can be traded
- It can increase economic activity
- Market economy requires land rights to be organised so that they can be privately traded
- Real estate to large extent under-utilised resource in transition and developing economies
Benefits

- Security of tenure and to other rights
- Efficient and optimal use of land
- Environmental consideration
- Growth of economic activity (real estate activities 25-30 % of GDP, 40 % of all wealth)
- Provide capital with which economy can grow and develop
- Provides a tax base
- Facilitate and attract foreign investments
- Facilitates the development of financial markets

Land as a source of wealth

- Land/real property is one of the most valuable assets and an important base for the development of the wealth of a nation
- Good land administration is essential for the development of an effective land market and a secure financial sector and will provide a basis for land management and land taxation

The financial sector in Sweden

Figures from 2004, SEK

- Total mortgage value: 2,355 billion
- Total assessed property value: 3,511 billion
- Total real property value: 4,800 billion
- Total value of Stockholm SE: 4,108 billion (4,739 in 2000, 1,780 in 2002!)
- GDP of Sweden (2003): 2,440

Housing Financing Loans vs. GDP, 2002

<table>
<thead>
<tr>
<th>Country</th>
<th>% of GDP</th>
</tr>
</thead>
<tbody>
<tr>
<td>EU</td>
<td>39%</td>
</tr>
<tr>
<td>USA</td>
<td>53%</td>
</tr>
<tr>
<td>Russia</td>
<td>0.1 – 0.2%</td>
</tr>
</tbody>
</table>

Alexey Overchuk: Mortgage as an important tool for real property market development: Russian Federation Case - WPLA Workshop Armenia May 6-7 2004


**Land administration must**

- contribute to economic development and wealth
- contribute to development of efficient market
- and to a secure financial market
- but don’t worry so much about the technical aspects!

**What is happening now?**

The end for national agencies?

- Examples in Europe can make you wonder!!
- EU - single financial market
- INSPIRE - ESDI
- EULIS
- Passive or active role?

**Two different examples**

- Deutsche Post
- EULIS

**Role of government - the way it used to be**

National airline company
National telecom agency
National electricity board
National Post Office
National mapping agency, cadastre, land registry

Cambridge Conference 2003

**Deutsche Post - an example from today of the active way**

Partly privatised
Owns several logistics companies, including DHL
Wants to buy Austrian Post service
Interested in 25% of Danish Post service
What next?

Cambridge Conference 2003
**What else is happening?**

**Services across borders**
- Business can't afford too many differences
- Perhaps not standards or harmonisation, but convergence due to market demands?
- Customers start making comparisons
- Who takes the lead?

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**Costs - USA (USD)**

<table>
<thead>
<tr>
<th>Points</th>
<th>4,000</th>
</tr>
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<tbody>
<tr>
<td>Processing fee</td>
<td>300</td>
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<tr>
<td>Appraisal fee</td>
<td>300</td>
</tr>
<tr>
<td>Credit report</td>
<td>16</td>
</tr>
<tr>
<td>Flood cert</td>
<td>24</td>
</tr>
<tr>
<td>Title insurance</td>
<td>906</td>
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<tr>
<td>Settlement fee</td>
<td>450</td>
</tr>
<tr>
<td>Document prep</td>
<td>150</td>
</tr>
<tr>
<td>Notary fee</td>
<td>50</td>
</tr>
<tr>
<td>Tax, recording</td>
<td>350</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>6,546</td>
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</tbody>
</table>

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**Costs - Europe**

<table>
<thead>
<tr>
<th></th>
<th>Sweden</th>
<th>Holland</th>
<th>Germany</th>
<th>England</th>
<th>Finland</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valuation fee</td>
<td>0</td>
<td>400</td>
<td>1,300</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Bank's fees</td>
<td>0</td>
<td>1,000</td>
<td>0</td>
<td>215</td>
<td>157</td>
</tr>
<tr>
<td>Notary fee</td>
<td>n a</td>
<td>599</td>
<td>350</td>
<td>n a</td>
<td>60</td>
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<tr>
<td>Legal fees</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Stamp tax</td>
<td>1,000</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Reg. fees</td>
<td>35</td>
<td>72</td>
<td>350</td>
<td>71</td>
<td>30</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,035</td>
<td>2,071</td>
<td>2,000</td>
<td>286</td>
<td>247</td>
</tr>
</tbody>
</table>

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**What else is happening?**

eGovernment
- Changing role for government
- Citizens expect more
- But will also have to do more
- Less tax money

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**Conclusions**

- The world is changing faster and faster
- LA not separate from trends in society
- Must produce benefits
- Must contribute to growth
- Must meet customer demands
- Make better use of resources
- Focus on rights and generation of capital
And finally ...

- Image - what's in a name?