Land Administration Core Comparisons

Anthony BURNS and Kate DALRYMPLE, Australia

Key words: land administration systems, reform, South East Asia

SUMMARY

Recent FIG keynote addresses stated that equity and good governance in access to land and property rights equates to freedom from want, the basis for peace and solving of conflicts, and the basic platform for poverty reduction (Enemark 2006, Töpfer 2006). As a favourable policy for development by a number of major donors and finance institutions, the integration of cadastral surveying and land registration services is recognised as both strategic and essential for improving the livelihoods of societies living in developing countries. Land management and land administration reform is a common approach in the mobilisation of a fundamental resource – land – so that it can provide a foundation for sustainable and socially equitable economic development.

No country’s context and issues are replicated elsewhere and so neither are reform designs and approaches. However, in the complex environment of land administration systems, while solutions may not be the same, a common framework can be applied for assessing the situation and identifying areas of improvement using guiding principles. Using this framework for comparison helps to identify areas of effective and efficient land administration systems and vice versa. Key lessons learnt and trends that appear in these comparisons are useful for shaping reform strategies. Using a set of recently developed comparative indicators and guiding principles this paper analyses regional experiences in South East Asia.
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1. INTRODUCTION

Equity and good governance in access to land and property rights management are central to a country’s development strategies. This idea resonates frequently at meetings and conferences around the globe where access to land and property rights are equated to freedom from want, the basis peace and solving conflict and the basic platform for poverty reduction (Enemark 2006, Töpfer 2006). With these issues in mind, the integration of cadastral surveying and land registration services are increasingly seen as both strategic and essential for improving the livelihoods of societies living in developing countries. Land management and land administration reform is now a common approach in the mobilisation of a fundamental resource – land – so that it can provide a foundation for sustainable and socially equitable economic development. At the UNU Land Administration Decision Makers meeting in December 2006, economist Dr Kakujaha, referring to the Namibian context, commented that “[L]and itself is not wealth, it is only the ingenuity of men and women in devising ways to properly administer and manage land as a productive resource that will create wealth” (Kakujaha 2006).

No country’s context and issues are replicated elsewhere and so neither are reform designs and approaches. Land administration reform deals with a complex range of issues embedded in a host of legal, political, social and economic issues requiring flexible solutions and approaches. However, it can be useful to use a framework to broadly assess the situation and identify problems, inefficiencies, or inoperable areas. The framework used in this review was developed during a detailed global comparative study of countries involved in land administration reform. Key lessons learnt and trends that appear in comparative studies are useful to inform reform strategies. Components of this framework, respective indicators and guiding principles are used in this paper to analyse land administration reform project experiences in South East Asia. In particular, this paper focuses on key reform issues and lesson learnt through institutional arrangements, legislative reform, systematic registration to formalise rights, and a focus on improved service delivery.

2. LAND ADMINISTRATION REFORM IN ASIA

Land reform in Asia has taken on various forms over the last century. Since the early 1980’s efforts have concentrated more on administrative reform to ensure tenure systems are secure, accessible, and operate with transparency in the government sector. This posed a different set of solutions for land development where previous land reform concentrated on the redistribution of property rights. A number of early land reforms were implemented across India with varying degrees of success. A popular land reform trend surfaced in east Asia during the mid 20th century aimed at destroying the landed elite under a Maoist reform agenda.
and redistributing land rights to peasant farmers. This had mixed results, particularly during reconstruction after World War II. Japan’s reform, carried out by US occupied forces, sought to build a democratic future based on peasant proprietors, increasing productivity and trade. Similarly Chiang Kai-shek’s ruling of Taiwan, also under US pressure, followed a similar path of egalitarianism promoting property rights for farmers and agricultural policies favoring trade and production. Land reform of this nature involved significant land redistribution, leaving some landowners impoverished and with little compensation. Many of the landless elite survived using their entrepreneurial skills as industrialization took place.

In response to agricultural changes and productivity increases, Singapore developed their economy and established an effective property system based on British colonial administration. Malaysia introduced a strong land administration system based on colonial system after independence in the 1960’s. A National Land Code consolidated land laws and policies across the states of Malaysia (then Malaya). A uniform system emerged with respect to land tenure, registration of title, transfer of land, leases and charges, easements, and other rights and interests in land. These four country’s economies, Japan, Taiwan, Singapore, and Malaysia, benefited from early land reforms that strongly supported market-based economic development by improving tenure status coupled with production investment incentives.

Vietnam’s post war land reform redistributed land to more than 2 million poor peasants in the North under harsh conditions which lead to many fatalities. The South attempted the Land to the Tiller program in 1970 placing ceilings on land ownership, extending titles to peasants while compensating rather than abandoning expropriated owners. New land laws drafted in 1993 and amended in 2003 are now the centre of concerted efforts to modernize the land administration system in Vietnam. The Government of Vietnam is committed to market-oriented land reform by granting greater land tenure security, recognizing customary land-use and practices, and providing access to land to all sectors. A number of donors are assisting in the implementation of these reforms.

Over the past two or more decades land reforms, as land redistribution programs, have lost their popularity against increasing recognition of land administration system reform that considers both core institutional arrangements and property rights issues. The Thailand Land Titling Project is the most common reference point for this approach. Designed in 1982 and implemented successfully over 20 years from 1984, studies of the first phase of the project (1984-1990) showed that titling increased farmers’ access to credit, encouraged on-farm investment, raised output and rural incomes, and increased land values (Feder et al, 1988). These findings made a significant impact on the importance of land administration as a development strategy. The underlying theory of bringing land into a market economy through formalization was further popularized for the urban and business environment by the work of de Soto (1989, 2000).

In 1993 the Indonesian Government in partnership with the Australian Agency for International Development (AusAID) and the World Bank financed the inception stages of a Land Administration Project (LAP). This was designed as the first five year phase of a planned 25 year program to reform the land administration system in Indonesia. The goal of
the long term program was to facilitate the emergence of efficient land markets and alleviate social conflict over land rights through acceleration of land titling and registration, providing legal security to land tenure, and increasing the effectiveness of the institutional framework. Phase one was designed and implemented in three parts. The first two involved titling, registration and institutional strengthening activities, while the third separately focused on policy. The titling activities operated very effectively during the first phase from 1994 - 2001, however a lack of cohesion with the policy component produced difficult management issues. The project was less successful in developing a focus on service delivery and the registration on subsequent dealings in land rights. Phase 2 operations recommenced in 2004 with World Bank funding.

The Laos Land Titling Project (LLTP) was also designed in 1993 with objectives of developing a market economy and fostering the development of efficient land markets by providing a system of clear and enforceable land use rights. A comprehensive pilot program ran for two years before Phase 1 was implemented. The project has successfully moved into Phase 2, (2003 – 2008) with extensive titling activities, strengthened capacity in decentralized land offices and improved standards of surveying and records management. Similar issues are being confronted due to the segregated management of the policy component from other components involved in the operation of major titling activities, legal drafting and institutional arrangements.

The Philippines Land Administration and Management Project (LAMP) started with the preparation of an informal policy note in 1998. LAMP was then designed in 2000 and LAMP I implemented through a Learning and Innovation Loan from 2001 to 2005. The second phase, LAMP II, commenced in late 2005/early 2006 with significant legislative reform and institutional arrangements that are awaiting final determination. Establishing decentralized offices and up-skilling technical levels is improving the capacity for titling and registration activities. Whilst awaiting a long-term institutional reform, the services are being implemented through pilot one-stop-shop arrangements.

3. COMPARATIVE FRAMEWORK

In all of the above reforms, land projects have had a critical role to play in economic development. More recent projects achieve this by engaging more people in the formal property market and increasing accessibility to secured investment and credit. Within the diverse operating environment of land administration projects the following objectives are commonly included:

− Clearly defined and enforceable land rights
− Accessible, efficient dispute resolution
− Efficient and secure processes to transfer rights
− Confidence of users, particularly the public, and their participation in the land administration system
− Regulation of land use in the public interest
− Management of public lands and the commons
− Equitable taxation of property
Equitable access to land information
Poverty alleviation.

Whilst a number of land administration projects have been implemented around the globe there were no real measures for what constitutes effective and efficient land administration. A comparative analysis was instigated by the World Bank to draw on the successes and challenges of projects across different regions. The comparative study of land administration systems provided the basis for a more informed assessment of land administration initiatives by systematically reviewing the characteristics, accessibility, costs, and sustainability of different land titling and registration options. The analysis was based on information compiled from 17 country case studies which were characterized by the presence of either project interventions or specific innovative approaches towards land administration system reform.

The study framework was designed in three categories:
1. A top-level category that assessed the nature of the policy/legal framework that supports land administration systems and in particular the relative importance of formal and customary tenure systems;
2. Where customary tenure systems operated, a second category qualitatively assessed the effectiveness of these systems;
3. A third category was the set of quantitative indicators measuring the effectiveness of the formal land administration systems.

Diagram 1 shows qualitative and quantitative indicators used for each category.

**Diagram 1 – Framework to Assess Land Administration Efficiency and Effectiveness**

**Policy/Legal Framework for Land Administration**
- Types of rights recognised formally
- Types of rights recognised informally
- % of country and population with formal rights
- Characteristics of population without formal rights
- Level of disputes over land
- Time taken to resolve land disputes
- Safeguards for vulnerable groups

**Qualitative Indicators for Customary Tenure**
- Legal recognition of customary rights
- Clarity in identity of customary authority
- Clarity in boundaries of customary authority
- Clarity in customary rights

**Quantitative Indicators for Formal Land Administration System**
- Security
- Clarity and simplicity
- Timeliness
- Fairness
- Accessibility
- Cost
- Sustainability

Source: Burns 2007

Quantitative and qualitative indicators measured processes within formal and informal or customary land administration systems respectively. A subset of 9 quantitative indicators were selected to assess the overall efficiency of a land administration system from five different perspectives. These were:
− **policy/context perspective**: percentage of country covered by formal rights recognition; level of disputes over land; time taken to resolve land disputes;
− **customer perspective**: time required to register a transfer; cost to register a transfer as a percentage of property value;
− **community acceptance/market activity perspective**: number of registered transactions as a percentage of registered parcels;
− **internal efficiency perspective**: number of staff days per registered transaction; annual running costs per registered parcel;
− **sustainability perspective**: ratio of revenue to expenditure.

Indicative ‘mean’ values were given to each indicator based on case study data and author experience. Rating country results against the ‘mean’ value provides a simple and useful assessment of efficiency as well as providing some metrics that can be used in the design of land administration projects.

The comparative results showed regional variation. Specifically the analysis of Asia highlighted difficulties in the policy, customer and community/market activity even though the systems showed strong internal efficiency and sustainability. Thailand was an exception to these findings where it performed better than the ‘mean’ for most indicators. In the case of Karnataka and the Philippines the percentage cost of transfer was much higher than others. Another source of problems for the four Asian country studies was the estimated length of time to resolve disputes. The availability of quantitative data for the Asian countries was more comprehensive than all other regions, however reporting on the percentage of rights coverage was difficult to obtain with any certainty for all case studies.

The process of registering property was recognised as an important indicator for investigating business activity and reform among countries around the globe and was included in 2005 to the World Bank *Doing Business* series. Two of the three indicators used in *Doing Business* are among the ones selected above, the time required to register a transfer (days) and transfer cost involved as a percentage of property value, the third property registration indicator being the number of procedures required to complete a transfer. The Doing Business analysis takes a hypothetical example looking at a business seeking to register a single, undisputed property at the periphery of the major city. The ranking provides a basic guide of relative performance for up to 172 countries (World Bank/IBRD 2007) both developed and developing.

Countries showing recent reform include New Zealand that moved from a paper based system to a fully electronic system for property registration over 10 years. New Zealand is presently rated as the easiest country to register property with only two online procedures required at a cost of 0.1% of the property value with verification taking less than a few minutes. Developing countries are also showing significant reform. Cote d’Ivoire recently reduced the number of days to register property transfer by 365. Reducing time, costs and procedures are considered important factors for encouraging more people to participate in the formal market, reducing opportunities for corruption, and increasing government revenue (World Bank/IBRD 2007).
Within the South East Asian region the relative ease of registering property ranged considerably from Singapore ranked as 12 to Lao PDR at 148, which corresponds to differences of 3 and 9 procedures, and 9 days compared to 135 days to register property transfer (Table 1). The relative cost of transfer was low for most countries, except Indonesia at 10.5% of the property value. In Malaysia, the time for property transfer indicating 144 days also appears to be an outlier considering their overall ease of business ranking at 25. Singapore rank the best in the region at 12 overall, with Thailand following closely behind at 18. The Philippines ranking at 98, for property registration efficiency, was just ahead of Cambodia, Indonesia and Lao PDR. In terms of overall ease of doing business, these same countries ranked even worse overall, well behind Thailand, Malaysia and Korea.

Table 1 - Doing Business Indicators and Rankings

<table>
<thead>
<tr>
<th>Country</th>
<th>Procedures (number)</th>
<th>Time (days)</th>
<th>Cost (% value)</th>
<th>Registering Property</th>
<th>Ease of Doing Business Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Singapore</td>
<td>3</td>
<td>9</td>
<td>2.8</td>
<td>12</td>
<td>1</td>
</tr>
<tr>
<td>Thailand</td>
<td>2</td>
<td>2</td>
<td>6.3</td>
<td>18</td>
<td>18</td>
</tr>
<tr>
<td>China</td>
<td>3</td>
<td>32</td>
<td>3.1</td>
<td>21</td>
<td>93</td>
</tr>
<tr>
<td>Vietnam</td>
<td>4</td>
<td>67</td>
<td>1.2</td>
<td>34</td>
<td>104</td>
</tr>
<tr>
<td>Malaysia</td>
<td>5</td>
<td>144</td>
<td>2.4</td>
<td>66</td>
<td>25</td>
</tr>
<tr>
<td>Korea</td>
<td>7</td>
<td>11</td>
<td>6.3</td>
<td>67</td>
<td>23</td>
</tr>
<tr>
<td>Philippines</td>
<td>8</td>
<td>33</td>
<td>5.7</td>
<td>98</td>
<td>126</td>
</tr>
<tr>
<td>Cambodia</td>
<td>7</td>
<td>56</td>
<td>4.6</td>
<td>100</td>
<td>143</td>
</tr>
<tr>
<td>Indonesia</td>
<td>7</td>
<td>42</td>
<td>10.5</td>
<td>120</td>
<td>135</td>
</tr>
<tr>
<td>Lao PDR</td>
<td>9</td>
<td>135</td>
<td>4.2</td>
<td>148</td>
<td>159</td>
</tr>
</tbody>
</table>

Source: Doing Business 2007

As a result of analysing the global case studies, development of indicators and ‘means’ ranking and guiding principles were highlighted to help strengthen future efforts in land administration systems. The guiding principles evolved under four main categories: approach to land administration reform, institutional challenges, focus on sustainability, and land tenure policy (Burns 2007). It is recognised that not all the principles apply to each country and the relative importance of individual principles may vary under different circumstances.

4. REGIONAL COMPARISON

The following principles and indicators of the comparative study were adopted for this South East Asia review, and focus on four keys areas:
- Assessing single agency institutional arrangements;
- Evolving legislative frameworks over time;
- Rapid completion of land titling by systematic registration;
- Improved service delivery through a) streamlined procedures for improved delivery of land services; and b) maximising participation and return on government investment through reduced transaction costs.
4.1 Institutional Arrangements

One of the guiding principles developed in the comparative study urges governments to consider “form[ing] a single land administration agency or co-ordinat[ing] policy between existing government agencies, with concrete mechanisms to support and encourage coordination” (Burns 2007).

The administration and management of land is required from different government sectors as it underpins the mobilisation of most resources. Coordination of the different sector’s interests in land is critical. It is essential that there are clearly defined roles and responsibilities, lines of communication, and strong foundations for the management of agencies with vested interests, whether these are amalgamated or remain separate. While many jurisdictions struggle with a lack of integration at the information and institutional levels, the Thailand Land Titling Project operated through an established single agency, the Department of Lands (DOL) in the Ministry of Interior. A clear mandate established since 1943 placed responsibilities for the registration of rights in land, cadastral surveying and mapping, and collection of most land related fees and charges with this department. Prior to this arrangement, activities had moved between different ministries, and departments were segregated between land registration, survey and mapping, cadastral surveying, and mining.

A sound institutional platform in Thailand was considered a major pillar for the successful implementation of the land titling project and henceforth a single land administration agency approach is often used as a model. Each State or territory in Australia coordinates registration, surveying, regulations and policy within the one department. Other examples of this are Badan Pertanahan Nasional, the National Land Agency in Indonesia established in 1988 and the Department of Lands in Laos which was recently amalgamated into the National Land Management Authority. In Cambodia the Ministry of Land Management, Urban Planning and Construction (est. 1999) largely supports the institutional arrangements for coordinating land administration, as does the Ministry of Natural Resources and Environment in Vietnam, established in 2002.

Where there is no clear national land administration mandate among line agencies, one suggestion at a minimum is to implement clear coordination guidelines supported by memoranda of agreement. Although these work in theory, experience in the developing world suggests that duplication of effort and inconsistencies are best addressed by institutional reorganisation, bringing the core functions together into one organisation.

4.2 Legislative Framework

A clear legislative framework is best developed where sound institutional foundations are established. Thailand is again used as a benchmark. The Thailand Land Code was written 11 years after institutional reform established the one agency in 1943. The Land Code consolidated land legislation in one clear code and has continued to provide a clear legislative framework for land administration over 50 years later. The Land Code retains much of its significance as it primarily enables legislation rather than prescribing it in terms of technology.
and practices. Regulations are instead used to guide implementation and these can be more easily and effectively amended.

Legislation can take a long time to be approved and while this may slow operations initially, developing an unambiguous, logical and clear framework addressing long term policy is essential. Indonesia took 12 years to pass revisions to the 1960 Basic Agrarian Law. During reform in the 1990’s, it took a further three years to revise key land registration Presidential Decree to enable the scaling up of systematic registration. Lao PDR undertook similar reviews of the land law to mobilise private property, with the first version in 1997. This was amended in 2003 with continual review of subordinate Ministerial Directions.

Most countries in the region have managed to scope out an overarching land law, often referred to as a Land Code. However the Philippines lags behind meeting this target as indicated in Table 2.

**Table 2 - Regional Institutional and Legislative Comparisons**

<table>
<thead>
<tr>
<th>COUNTRY</th>
<th>INSTITUTION/s (Registering title/deed certificates)</th>
<th>LEGISLATION (date of latest amendments)</th>
<th>REGISTRATION PROCESS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Thailand</td>
<td>Department of Lands</td>
<td>Land Code (2001)</td>
<td>Administrative</td>
</tr>
<tr>
<td>Laos</td>
<td>National Land Management Authority, incorporating Department of Lands</td>
<td>Land Law (2003)</td>
<td>Administrative</td>
</tr>
<tr>
<td>Philippines</td>
<td>Department of Justice, department of Environment and Natural Resources, department of Agrarian Reform</td>
<td>Overlapping and inconsistent Acts and Decrees</td>
<td>Judicial and Administrative</td>
</tr>
</tbody>
</table>

Another principle developed in the comparative study suggests that where possible, governments should adopt administrative rather than judicial approaches for formally recognizing rights in land. The most difficult yet foundational areas to reform being institutional and legislative are two weaknesses of the Philippines system in comparison to other South East Asian countries (Table 2). Operating a land administration system with a strong legal framework through a single land administration agency preferably using administrative rather than judicial procedures of registration and dispute resolution is implemented or is the intention of most countries in the region. Philippines are currently working to achieve a more streamlined administrative approach among a host of other reform issues.
4.3 Systematic Registration

With the institutional and legislative foundations in order, another key activity is the system of registration. Most land administration system reforms are instigated on the premise of having a commitment to engaging societies in the formal land market. Systematic land titling, heavily subsidised by Governments and donor agencies, is a popular strategy for providing initial formal recognition of land rights. Cost estimates per title highlight differences in approach and help justify the appropriate use of technologies across various landscapes, particularly between urban and rural areas where parcel size, density and access vary most widely.

Pre-field activities to support coordinated survey and mapping for systematic land titling involve the often costly set up of geodetic control networks and/or aerial photogrammetry or satellite imagery. Once this primary control is in place systematic registration can take place with mobile field teams typically adjudicating, surveying and registering peoples’ land rights on a village-by-village basis. This labour intensive activity is most often implemented through the government’s land agency, although in some countries survey work is done in the private sector. Field teams attract a significant cost to the registration process and therefore it is critical that efficient yet quality procedures are adopted. As found in the comparative study (Burns 2007) most significant costs are encountered in pre-field and field activities, with rural titling in Peru yielding the highest cost per parcel. In Thailand pre-field activity costs reduced across the different phases of the project as the number of overall titles registered increased and minimal update to the surveying control was required. Phase 1 reported pre-field costs of $14.86 with 1.6 million titles, Phase 2 at a cost of $9.73 with 2.1 million titles, and by Phase 3 the cost reduced to $4.89 with over 4.77 million titles produced.

In the comparative study, the overall costs of systematic registration range from $10-$30US per title. At the end of the first phase of the Philippines project unit cost estimates were in the order of $60 per title, which included the cost of technical assistance. As more titles are produced this is predicted to decrease significantly. Phase 1 of the Indonesian project calculated per parcel systematic registration costs at $16. Laos Land Titling Project Phase 2 estimated the cost of surveying per parcel for a range of technologies, where photomapping in urban areas of the capital city were less than $8, while taping from a control point in a rural urban centre cost approximately $22. An average estimate by the Government was $18. The land owner is only required to pay 12,000 Kip (=1.11US) per title plus a small fee for photocopies of family book records and taxation receipts. As most land administration and titling projects subsidise initial registration, reducing costs is important for governments if they are to sustain registration activities within the project time frame and with the greatest national coverage. There is therefore an emphasis on developing efficient, low-cost and scalable procedures that require minimal training and maintainable resources.

Systematic registration relies heavily on the peaceful negotiation of boundaries and land occupation. Experience shows that where there are clear rules for entitlements to rights in land and well trained field teams in dispute resolution, the majority of disputes can be resolved in
the field. Resolution in the field defers the necessity of using courts or civil tribunals for resolution which are often lengthy and costly.

4.4 Service Delivery

‘…in every country we investigated, we found that it is very nearly as difficult to stay legal as it is to become legal. Inevitably, migrants do not so much break the law as the law breaks them – and they opt out of the system.’ (de Soto 2000:21).

Systematic titling is only the first stage of providing tenure security. This costly investment is only worthwhile if the tenure status remains up-to-date and accountable in the formal registry system. This depends on two key factors: firstly, that beneficiaries understand and appreciate the benefits of formal registration; and secondly, that the cost and ease of registering subsequent transactions encourages people to use the system. The ease of registration involves efficient, logical and transparent procedures to register changes in land rights with affordable fees and at accessible lodgement points. Obstacles incurred during registration will deter people from using the system and open opportunities for intermediaries to engage in extra-legal activities. A key principle developed in the comparative study suggests that adopting a customer rather than process focus is necessary and where possible it is important to make clear promises on quality, time and cost of key procedures.

Standardising procedures through regulations has been implemented in Thailand, where it states in the regulations that any legal transaction must be registered on the day of application, making a clear promise on timely service delivery. To assist in this timely delivery, a ‘one-stop-shop’ approach ensures that both registration and survey staff have access to records in the one office. Thailand also collect all the fees and taxes required for other agencies. A similar, but less streamlined approach exists in Taiwan with one-stop-shops. They are able to process a transfer in 5 days, including the payment of taxes at the municipal office before approaching the land registry (World Bank/IBRD 2007). The Philippines are working on the development of model land offices that act as ‘one-stop-shops’. The first office inaugurated in Leyte in April 2002 and there are proposals for a further two to be developed under LAMP II. Land registration in Laos also operate from nine provincial land offices that accommodate both survey and registration records, primarily operating with manual procedures. By streamlining procedures people can access the market quicker, are less frustrated and more likely to remain confident in the system providing protection of their asset.

An indicator used in the comparative study to assess the efficiency of the registration process was to measure the number of staff days required per registration transaction. Most countries operated with less than one staff day per transaction indicating adequate staffing levels and process efficiency.

Reducing long procedures is not only time efficient but also coincides with affordability of the system. Higher rates for taxes, fees and charges can be an important factor of public participation. Diagram 1 from a Fees and Finance study conducted on the first phase of the Philippines project (LAMPI) in 2002 illustrates the implications of high fees and charges.
Notably high costs lower participation rates in the formal sector, encourage under-declaring of property values and foster corrupt practices through the negotiation of ‘sale values’. This not only weakens governance but also reduces public confidence and government revenue from the collection of fewer taxes.

Diagram 1 - Impact of High Tax Rates

Sustainable service delivery practices for the service provider and user can be summarised using both the revenue and expenditure ratio of surveying and registration activities and the transfer cost to the user as a percentage of the property value. While most developed systems aim to only maintain cost recovery in the system, other governments have been able to profit from the revenue. The Thailand example is almost an exception because while their ratio of 5:1 is quite high, the cost to the user remains low according to the property transfer cost indicator. This contrasts with the comparative case study country example in Karnataka (State of India) where the ratio is greater than 20:1 and transfer costs are 13% of the property value. These figures, combined with the low percentage of registered transactions, 3.9%, may be used to assume cost impediments for users of the system.

Indicators measuring the activity of the land registry through the number of transactions per registered parcel and number of transfers per registered parcel help to identify formal land market activity. This is particularly useful after the first phase of a project to partially understand market activity and determine whether the concept of registering subsequent transactions has been accepted. Although some of the difference could be due to market activity, much was considered to be a strong indication of the level of public participation.

In addition to service delivery it is also essential that an efficient, community-accepted system is developed for registering subsequent dealings in rights in land. A number of land administration projects (Indonesia, Cambodia and Lao PDR) during early implementation failed to emphasise the importance of implementing in parallel an efficient, community-
accepted system for subsequent dealings in land, despite the fact that projects often exceeded first time title issuance targets. Without subsequent dealings registered sustainability and integrity of the registration system cannot be achieved.

A comparison between Thailand and Philippine’s registered transactions and transfer revenue per month shows that at the inception of the land titling project more titles were being registered than are currently registered in the Philippines. Over the first three phases of the Thailand project the revenue gathered per transfer increased less than 2%, (after recovering from the Asian financial crisis), while the Philippines revenue per transfer is four fold higher at $600 on average per transfer. Assuming there is similar market activity in Thailand, the Philippines register less than one third of the potential transfers per month.

### Table 3 - Registration of Transfers

<table>
<thead>
<tr>
<th></th>
<th>Thailand 1985</th>
<th>Thailand 2001</th>
<th>Philippines 2001</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. of Titles</td>
<td>~4.6 million</td>
<td>~19 million</td>
<td>~10 million</td>
</tr>
<tr>
<td>No. of registered transfers / month</td>
<td>~80,000</td>
<td>~203,000</td>
<td>~30,000</td>
</tr>
<tr>
<td>Revenue from transfers / month</td>
<td>US$12 million</td>
<td>US$31 million</td>
<td>US$18 million</td>
</tr>
<tr>
<td>Revenue per transfer</td>
<td>US$150</td>
<td>US$153</td>
<td>US$600</td>
</tr>
</tbody>
</table>

Source: Bloch 2002

Statistics from Karnataka from a land records computerisation project, showed significant performance results in response to decreased taxes. In April 2003 stamp duty decreased from 10% to 8%, and the following year (2003-2004) 22.3% more documents were recorded and 24.4% more revenue was collected. Subsequent years have continued to show an increase in revenue collection far exceeding what was collected prior to the reduction in stamp duty. This supports the results of the study of the implications of fees and charges found in the Philippines by Bloch (2001).

### 5. CONCLUSION

The comparisons made in this paper provide a reference point for land administration reform analysis. The comparative indicators chosen in this review are four of the most pertinent when evaluating the efficiency and effectiveness of a land administration system. Institutional and legislative reviews are considered part of a long term framework for building a sound platform for good governance and policy implementation. Transparency and unambiguous lines of communication, authority and procedures are essential for ensuring confidence in the management of public land records. With sound foundations and a reliable administrative system, not involving unnecessary judicial proceedings, a quality system then relies on cost effective operations and reasonable levels of formal market participation. As stressed in this review “…there are no quick fixes to land tenure problems. Except in particularly favourable circumstances, improvements in this field can only be achieved in the long run.” (Wachter and English, 1992:17) Continued support for a project that has a framework spanning 15 to 25 years will play a large role in achieving the long term objectives.
Indicative costs of systematic registration activities are only provided as a guide, as many factors influence how the activities are best conducted, what infrastructure is required and what staffing structure would be implemented. Importantly the large capital required to conduct systematic land titling and registration must be justified by ensuring sustainable methodologies capture a large number of parcels and consistent use in the formal registration system. The latter is a matter of public awareness and service delivery.

Performance indicators often focus on fees and charges as experience shows that there is a critical balance required to ensure financial costs and security benefits for the user participating in the formal market outweigh the temptation to disengage from the formal system. The Karnataka experience is a good example of reform to find a balance between user fees, participation and revenue. In addition to confidence and cost, timeliness and accessibility are also essential in an active land market. Streamlining procedures by reducing the number of procedures and time taken to approve registration dealings are key strategies for implementing reform.

Comparative studies using identifiable and quantitative indicators can provide useful information when considering reform. Further indicators could be developed, however the current set available provides a snapshot of the overall system with a realistic assessment based on the availability and accessibility of data for analysis. Guiding principles in addition to indicators provide more room for qualitative analysis and direction for reform designs.

REFERENCES

Kakujuha O, 2006, Speech delivered at the UNU Land Administration Decision Makers Meeting, Windhoek, 6-9 December.


**BIOGRAPHICAL NOTES**

**Tony Burns** is a land administration and land titling specialist with over 20 years international experience. He is the Managing Director at Land Equity International, a company focused on supporting land administration projects worldwide. Tony is currently the Australian Project Coordinator for the Philippines-Australia Land Administration and Management Project, is involved in the supervision of the design of the Vietnam Forestry Development Project and was the Lead Consultant who prepared the World Bank comparative study, “Land Administration Reform: Indicators for Success and Future Challenges”.

With a background in surveying, Tony became involved in the AusAID/IBRD financed Thailand Land Titling Project at the start of Phase I and subsequently spent ten years working on the project holding various technical and management positions, including systematic adjudication, project design and 5 years as Director of the technical assistance program. He has also been involved in land projects in numerous other countries including; Bolivia, Cambodia, Ghana, India, Indonesia, Lao PDR, Macedonia, Pakistan, Papua New Guinea, Perú, Philippines, Russia, Tanzania, Thailand, Turkey, Vietnam and West Bank and Gaza. Tony’s experience, built on the above projects, encompasses; land policy review and formulation; review and evaluation of cadastral survey and mapping procedures; land titling; land administration, and spatial information systems.

**Kate Dalrymple** is a land administration professional and was awarded a PhD in land administration from the University of Melbourne 2006. Kate commenced working with Land Equity in September 2006 after a year in Laos volunteering on the Land Titling Project as an Australian Youth Ambassador for Development. Her doctoral studies concentrated on land administration project design and rural land tenures using case study research in Cambodia. Kate’s research experience ranges from land administration poverty reduction studies, issues in modern registration and cadastral systems within the local Australian government context, and most recently she was involved in the updating the comparative study report for the World Bank on land administration reform. Kate has worked and researched overseas in Laos, Cambodia, Thailand, and China. Kate recently attended the World Bank Land Policy and Legal Empowerment of the Poor conference, Washington D.C, 3-4th November 2006 with Tony Burns, and participated in the International Workshop on Urban Land Titling, Oxford, 13-15th December 2006.