

Results from the ECA Region: World Bank Financed Projects Supporting Land Administration Reform

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Administration on People and Business
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WB financed Projects in ECA

- Europe and Central Asia (ECA) region includes the countries of eastern and southeastern Europe and the CIS countries.
- The World Bank has financed more than 30 land administration projects (or major components of projects) in the ECA region.

- 37 Projects since 1995 worth US\$1.03 bn
- Currently WB financed land administration projects in Albania, Croatia, Macedonia, Montenegro, Serbia, Bosnia-Herzegovina, Romania, Bulgaria, Kosovo, Turkey, Azerbaijan, Russia, Ukraine, Kyrgyz Republic, Tajikistan...

Why are we engaged?

- Throughout the ECA region insecure and uncertain property rights have been and in many countries continue to be a barrier to investment and a constraint on economic development.
- The World Bank is supporting many countries in the region to build more effective and efficient land administration systems for citizens and business.... to help countries further develop their land and property market.
- Beyond this there are future requirements related to land management – of state land and property, planning and municipal land management and other issues.

Evolution of WB-financed Projects in ECA

- Stage 1- Assign Property Rights to individuals and companies
 - Business and enterprise privatization
 - Farm privatization – mainly CIS countries
- Stage 2- Protect Property Rights and Encourage Real Estate Markets to Operate Efficiently
 - Establish/update cadastres and property registers
 - Institutional development – training and HR; supporting private sector development
 - Systematic registration of property rights
 - Efficiency in registration (IT systems, service standards, sustainability)
 - Legal aide, public awareness, customer orientation
- Stage 3- Efficiency in the management and administration of property
 - Improved planning systems
 - Municipal finances and property taxes
 - Efficient management of state and municipal property

What has been achieved?

- What have been the benefits to citizens and society in terms of:
 - enhanced tenure security and access to credit
 - increased investment in land
 - Increased revenue
 - efficiency of the land administration system
 - Increased transparency and public awareness

Results – investing in the land

- In Kyrgyz Republic Bank financing supported improved tenure security through the Land Real Estate Registration Project and on-farm investments through the On-Farm Irrigation Project:
 - Registration of 2.4 million parcels and objects, of which 872,000 were completed in villages.
 - Secure and timely delivery of irrigation water to 250,000 ha. of land and improved agriculture benefiting 50,000 households.
 - Productivity gain of up to 50% increase in crop yields.

Investing in the land...

- Through the WB-financed Georgia Agriculture Development Project:
 - Land titles issued: 88,955 land registration and 28,324 mortgage registrations.
 - The National Agency for Public Registry collected GEL 4.2 million in registration fees and registered 269,857 immovable transactions, registered 150,516 land titles and conducted 72,527 other registration transactions.
 - 48 loans were made to agribusiness enterprises serving rural areas for a total amount \$8.56 million through 8 participating commercial banks.
 - Post-loan average sales of these enterprises increased by 64%; average number of employees increased by 41%; and average salaries by 16%.

Results – access to credit

- In Armenia during and after the Bank financed Title Registration Project property registrations more than doubled in 3 years; and mortgage registrations increased by 47% in the last two years of the project.
- In Kyrgyz Republic (Land and Real Estate Registration Project) the annual number of mortgages registered doubled between 2002 and 2006 and the value of those mortgages rose from US\$85 million to US\$724 million.
- In Macedonia under the Real Estate Cadastre and Registration Project mortgage registrations have increased by more than 40% between 2005 and 2006.

Results – Increased Efficiency

- Increasing property transactions can be seen throughout the region...

Country	PY1	PY2	PY3
Armenia	30,228	40,803	60,874
Croatia	357,914	416,228	457,075
Kosovo	n/a	19,054	23,040
Kyrgyz	177,192	204,512	243,533
Macedonia	42,115	53,682	67,922
Moldova	23,649	53,266	104,784
Serbia	298,309	330,503	401,905

- But also less time taken to register....

Country	2005	2009
BiH	331	128
Croatia	956	174
Kyrgyz	8	8
Macedonia	74	66
Romania	103	83
Serbia	186	111

Result – revenue collection

- In Slovenia during the period of the Real Estate Registration Modernization Project real estate taxes increased by 15% (between 1999 and 2004).
- Under the LARIS Project in Russia the income from land taxes almost doubled between 2000 and 2002 – an increase of about US\$35 million per year.
- In Armenia income from state duties increased 37% in 2002 and 19% in 2003 despite the fact that the registration fees had been reduced by 50%.

Transparency and Public Awareness

- Many countries now have information accessible online improving transparency and access by the public and businesses.
- In Croatia under the Real Property Registration and Cadastre Project land registry and cadastre data (alpha-numeric) is online and the number of queries for 2007:
 - For the land registry, 14.7 million
 - For the cadastre, 6.3 million
- Public awareness campaigns also contribute to improving transparency and access to information. In Macedonia after the public awareness campaign surveys found that 91% of the public and 98% of professionals understood the land administration agency and its role; at the same time perceptions of corruption decreased from 24% in 2006 to 17% in 2008.

- These are just a few results from a few projects and to show how how these projects are supporting land administration reform and having an impact on citizens and the economy.