

**“LAND REGISTRATION INFORMATION SYSTEM (LRIS)
AND ONE-WINDOW TITLE CONFIRMATION”**



Real Estate for Your Worldsm

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HAG SBP – LRIS FINAL\Office Presentations

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**AT
HOUSING ADVISORY GROUP, 21ST MEETING
STATE BANK OF PAKISTAN**

**ON
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AND
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Preface

LRIS is new concept for Pakistan, however this is well in use in developed countries. It has also been introduced now in Thailand, Karnataka state of India, Peru, El Salvador and several other countries with the help of World Bank, IFC and other organizations.

It is interesting to note that World Bank has done a Project Information Document Report No.AB1469 for Pakistan Government, dated: March 16, 2005 as a project for Punjab.

Acknowledgement

State Bank of Pakistan in General and Housing Advisory Group (HAG) in particular have initiated the process to revolutionize and shape up the **Pakistan Economy** by using Housing Finance, Land Registration Information System (LRIS) and One Window Title Confirmation Planning practically for exciting better living standards, social elevation, poverty alleviation, dreams of home, life styles, tangible and the best product of savings for today and tomorrow for a **Common Pakistani. By providing them a HOME.**

It is hoped that under the Chairmanship of Mr. Shaukat Tarin the direction would be precise and time capsuled.

Present Scenario

Pakistan has a Land Administration System evolved from British times for rules, regulations of Sale, Purchase and other instruments mainly for the collection of Land Tax. Records of land rights and title to the land is in a very haphazard condition – written on papers either kept by individuals or at offices at many tiers and levels – without any authenticity, transparency, registration and one window receipt by the applicant.

The institutional setup of the Land Recording System is fragmented and involves many different agencies i.e. for Karachi - CDGK, Cantonment Board, DHA, Railways, BOR, KPT, Port Qasim, SITE, Katchi Abadis, and many other dwellings, bodies/organizations.

Present Scenario

It is difficult even for such bodies to standby for their documentation. In some cases 2 or 3 different Land recording and titles were issued for the same piece of land.

For the agriculture land (which is now converted very fast into Residential, Industrial and Commercial by authorities) the entire record is kept by the Patwaries at lowest administrative level of record system, for instances in Pakistan 14000 Patwaries maintain around 190 Million Land records pertaining to 50 Millions Land Owners.

Present Scenario

Almost 80% transactions, valuations, etc. are done between the parties, in cash and without any transparent and public document.

It is estimated that only 10% to 20% property transactions are registered with the authorities, however these registrations are also subject to tedious procedures even for the related parties.

Search and record of the property is provided by the Registrars without any responsibility for authenticity.

Land Record-Problems

- Obsolete and opaque procedures
- Irresponsive and inaccessible revenue machinery
- Exacerbated disputes over rights and delays in courts
- Increased tenure insecurity
- Multiple institutions and dispersed responsibilities
- Weak institutional capacity to address and solve problems
- Lack of public awareness of their land rights and related procedures

The Need of LRIS

- Banks are targeting a select segment
- Banks are maintaining a Negative List
- Lack of efficient and reliable systems for ascertaining the clear title of the property.
- LRIS is required to broaden and deepen the target market
 - Unlocking the equity
 - Provide information about the defective titles of properties
- Absence of LRIS and Non Performing Loans of HBFC in particular and other institutions.

LRIS-Objectives

- To consolidate a decentralized and sustainable quality real property rights system that facilitates access for general public population.
- To enhance the welfare of real property owners and facilitate access to economic opportunities.
- To reduce the negative impacts of informality and discourage further informality through strategic partnerships of various levels of Government and key stakeholders in the private sector and civil society.
- To support the ongoing decentralization program of GoP through the institutional strengthening of Participating Districts/City Governments.

LRIS-Objectives

- To generate comprehensive real property rights policies through diagnostic studies, and legal and regulatory reform proposals;
- To address the remnant demand for property formalization through a national strategy and district/provincial strengthening;
- To establish a modern real property registry system based on reliable information and demarcation systems; and
- To support investment and credit promotion initiatives to empower the poor and facilitate the use of the poor's real property rights in a formal economy.

LRIS-Objectives

- Data Center, Connectivity and Web access
- Establishment of Service Centers for the Delivery of Land Record Services
- Details of Land Rights and Records and the Geographical/Spatial Data.
- Service Delivery and information campaigns

LRIS-Implementation Main Issues

- Errors in the records: title validity, encumbrances, lack of formal title;
- Capacity-building of local revenue staff;
- Removing various administrative, technical and operational constraints;
- Need to educate the public;
- Overcoming resistance from existing staff;
- Addressing questions about the legality of the computerized record;
- Ensure sustained commitment from the federal/provincial/district governments.

Proper Implementation Requires

- A strong emphasis on Commercial aspect
- Human resource reform;
- Organizational and legal changes;
- Public awareness campaigns;
- Public-private sector partnership for long-term technical improvements,
- Development of a business model that warrants some financial sustainability to generate (genuine and economically justified) interest from district governments

Proper Implementation Requires

- Development and Deployment of LRIS
- The software and expertise is available, Government writ and cooperation of all concerned is required.
- Case in point are NADRA, CDC, Utility companies, Aga Khan Hospital, One-Link ATM System, etc, etc.
- Management Monitoring and Evaluation
- Project Management Unit
- Project Evaluation and Impact Assessment

System Overhaul to facilitate Housing Finance

- Documentation and protection of rights in land to expand access to housing finance.
- A prerequisite for the development of a secondary mortgage market, which involves the transfer of loans to investors.
- LRIS has the potential for large net revenues under the automated systems.
- Already WB has proposed a Land Records Management and Information Systems Program (LRMIS-P) for Province of Punjab.

Sequencing

- First phase focus on modernization of the land records system
 - Computerization
 - Service Delivery
- Over the long-term to move to a title-based system of land registration
 - Institutional, legal and policy changes

One Window Title Confirmation

- After implementation of affordable LRIS, one window title confirmation can be obtained.
- Practical Case study - Wise Country, Virginia, USA, more than 80 Layers are available to find a property on the map, owner/title, tax assessment, 60 year property history, water, sewer, school zone, etc. etc.

Happy Conclusion

In today's time of Google Earth, the topic is usable in Pakistan may be in next 5 to 8 years – provided there is a will and determination by the concerned to own and implement for the multiplication of financial benefits to all viz common man, country, banks, etc.

**THANK YOU FOR YOUR TIME
AND PATIENCE**