

## **Land Registration Reform in Georgia**

Effective land registration system is a critical factor to facilitate effective land administration policy and to ensure the protection of private and public interests related to land ownership and investments. Effective system of land administration and comprehensive land registration represent the basis for the productive functioning of market economies, the development of the agricultural sector, and the sustainable and effective management of land resources, which will contribute to stable economic growth. It is necessary to finally conclude the reforms that started in 1992 to facilitate the development of land markets in Georgia.

Despite the land registration reforms, the majority of rural land parcels outside the urban areas of Georgia are not yet registered and recorded accurately in the national cadastre. Moreover, only about 30% of land parcels in Georgia are registered properly. According to current statistics, the number of registrations of non-agricultural land (which are primarily located in urban areas) significantly exceeds the number of registrations of agricultural land.

The new land reform aims at resolving several overarching challenges to land registration in Georgia through implementation of successful administrative, legislative and technological reform. It ultimately ensures centralization of registration process through “one-stop-shop” principle, time and effort saving, use of alternative dispute resolution mechanism, free-of-charge services of NAPR and other organizations, regulate non-standardized surveying activities, avoid “overlapping” of boundaries of land parcels and secure ownership rights.

The efforts of the Government of Georgia are directed to introduce a comprehensive solution in order to increase the number of registered land parcels, register land without barriers, ensure cadastral coverage of privately held land and develop the land market.

For this purposes, the Law of Georgia "On Special Procedures for Systematic and Sporadic Registration of Land Titles and Improvement of Cadastral Data under the State Project" has been adopted.

The purpose of the present law is to provide complete legal and cadastral data collection under the State Project, namely, ensuring compliance of the cadastral data and the actual location of a land parcel, improvement of the Public Registry data and registration of land titles without barriers.

In order to achieve the goals of the reform, the new mechanisms are introduced in registration process, such as: new model of mediation/notary mediation, service of “Statement of Facts”, new standard of cadastral survey/measurement, certification of surveyors, ascertainment of ownership of the title document by the special commission, legalization of deficient documents, confirmation of location of land parcel by a representative of municipality, fast and free-of-charge consideration of a case on illegally occupied land parcel, possibility to register 15% more of the agricultural land parcel area indicated in a document.

The State Project consists of systematic and sporadic registrations. The sporadic registration involves registration of land titles and changes in the registered data throughout the country on the basis of applications and registration documents submitted by interested persons.

In six months period since the launch of the State Project, 86 242 properties have been successfully registered, which is more than hundred times as much as in the same period of the last year.

The systematic registration of land through a National Program is one of the most substantial initiatives implemented in Georgia in recent years. Prior to the National Rollout, the Pilot Project will conduct surveying and proactive land registration activities in 12 settlements across Georgia selected to represent geographic variety of the country and based on a classification of land tenure situations in the country.

The Pilot Project is financed under the Agreement between Georgia and International Development Association (IDA), which was signed on 21st of November 2014 and entered into force on 13 March 2015. The Agreement provides for a 50 million US\$ loan in order to improve delivery of irrigation and drainage services in selected areas and to develop improved policies and procedures as a basis for national program of land registration. The Irrigation and Drainage Component is implemented by the Ministry of Agriculture of Georgia. The Land Market Development Component is implemented by the Ministry of Justice of Georgia through the Legal Entity of Public Law - National Agency of Public Registry.

The Land Market Development Component envisages implementation of the pilot phase of a land registration program in order to redefine and test the policies and procedures for registration of agricultural land that would allow the majority of existing land ownership rights to be registered.

This component involves three key elements: Policy and Procedural Development, including the development of the Guidelines for pilot land registration, define policies, procedures, methodology and dispute resolution mechanisms for different land possession scenarios to be dealt with under the pilot and, based on lessons learnt from the pilot, these would be improved as a basis for a national program. Pilot registration will be undertaken totally in about 48,000 parcels; the pilot would involve training of staff and surveyors, social mobilization of land owners, land title document collection, surveying land parcels, updating maps and registration documents, dispute resolution, registration and issue of electronic certificates. The Pilot Project involves designing and implementation of a system for monitoring land registration and evaluating its economic impact. It will assess the effectiveness of policies and procedures for pilot land registration, assess the quantitative impact of land registration and progress in implementation of nationwide land registration in future. The Project will ensure the inclusion of female land owners in pilot registration. It will seek to ensure that recommended policies and procedures, in particular those relating to joint ownership and inheritance of land, protect the rights of female land owners.

For private landowners, implementing the Pilot and National Rollout Program will not only provide opportunities for land consolidation and formalization of previously unrecorded transactions, but will also lead to the development of active rural land markets and the use of registered land as collateral for commercial lending, thereby increasing landowners' access to credit.

A successful implementation will also have many significant follow-on benefits for the country, resulting in a more efficient public administration. For example, the complete inventory of land parcels will introduce the opportunity to develop appropriate land administration and land use policies that will promote continual economic growth in the agriculture and agribusiness sectors.

The new land reform will also add to transparency and accountability of Georgian land governance and improve investment attractiveness of the country.

A successful implementation of the reform will have a profound effect, creating numerous benefits for both private citizens and for the state, contributing not only to economic growth but also to the improvement of the livelihoods of the general public.