



# Responsible Land Governance: Towards an Evidence Based Approach

ANNUAL WORLD BANK CONFERENCE ON LAND AND POVERTY  
WASHINGTON DC, MARCH 20-24, 2017



## Strategic Business Plans as the method to implement the Government Development Agenda– The case of Republic of Macedonia-

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**Paper prepared for presentation at the  
“2017 WORLD BANK CONFERENCE ON LAND AND POVERTY”  
The World Bank - Washington DC, March 20-24, 2017**

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## Abstract

AREC was established in 1947. AREC is an integrated system of geodesy, law and IT, Self-Financing Model – Market oriented. According the Law for REC, the work and the performance of AREC is based on the Strategic Business Plan as well as on the Annual Work Plans. Establishment of REC, fast and quality maintenance of REC, resulted on improving of legal security for domain and international investors and making decisions to invest in RM. Increased number of foreign and domestic investments, such as greenfield investments, have a direct influence on the Government Development Agenda, improvement of the economic growth and competitiveness on a permanent basis, higher employment, higher living standards and quality of life.

In the Strategic Plan 2017-2019, the mission statement is “ AREC is service oriented institution providing secure and effective approach to digital data from Geodetic Cadastral Information System (GCIS), through e-services, electronically maintain the REC and the cadaster of infrastructure objects, establishing register of addresses and register of contractual land, establishment of mass valuation and 3D cadaster, maintenance of Geodetic Reference Infrastructure according international standards, strengthening the human resources and capacities’, which will fit the requests of the new programs, systems and methods, aiming to self-financing agency.”

## Key Words:

strategic planning, business models for service delivery; addressing capacity gaps, fit-for-purpose, institutional development, land based investments



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## 1. General information about the Agency for real estate cadastre

AREC was established in 1947. Till now the name and the organizational structure are changed several times according the Law for REC. This institution is an integrated system of geodesy, law and IT, Self Financing Model – Market oriented. According the Law for REC, the work and the performance of the AREC is based on the Strategic Business Plan as well as on the Annual Work Plans/Programs. Like all modern institutions, the AREC has own mission and vision 2019. AREC is authorized for: Establishment and management of geodetic-cadastre information system, Performance of basic geodetic works, Real estate survey, Registration of real estate rights, Establishment and maintenance of real estate cadastre, Geodetic works for special purposes, Production of state topographic maps, Administration of a Spatial Units Register, Establishment, maintenance and public access to the National Spatial Data Infrastructure (NSDI), Establishment and management of graphic registry of construction land, Administration of graphic registry of streets and house numbers, Supervision over the work of the private surveyors, establishment and maintenance of cadastre of infrastructure objects as a part of real estate cadastre, mass valuation of real estates registered in REC. Also, according the Law for REC , AREC can perform consultant services and trainings. It is an independence agency, the General Director is directly reporting to the prime minister of Republic of Macedonia. Performance according the law, High expert standards, Efficiency, Transparency, Service orientation, Professionalism and Responsibility for the work and the achieved results are the main principles of work.

## 2. Projects and achievements

In the past years several projects were implemented with unique goal to build an efficient and effective real estate cadastre and registration system, contributing to the development of efficient land and real estate markets in the RM.

The main objectives of the reforms were: Establishment of real estate cadastre throughout the whole territory of the Republic of Macedonia; Improvement of the procedures for registration and creating opportunities for introducing IT for providing efficient services for the rights' registration; Strengthening the institutional capacities regarding the human resources and the strategic development; Development of government capacities for establishing efficient real property markets; Digitalization and vectorisation of the current paper cadastre maps; Establishment of geographic information system (GIS) for better access to the digital graphical data by the citizen, the private sector and the public sector; Upgrading of the geo-reference infrastructure for improvement of the accuracy and the efficiency during the registration; Preparation and implementation of the NSDI Strategy.



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Today, all transactions are registered within the standards stipulated in the Law for REC; AREC is on direction to become self-financing agency and works according to the modern business practices; The survey is performed by the private surveyors; trust within the customer's services is improved; administrative barriers for entrance of foreign investments are surpassed; property market is developing; Digitalization and vectorisation of the current maps and Quality Control-completed; The database of digital cadastre maps and improvement of the software for maintenance of the digital cadastre maps and training are updated; platform for sharing and distribution of data to the public, the private sector and other governmental institutions is created; national reference infrastructure-Upgraded. AREC is transformed into a modern and efficient Agency. Services in all local offices for REC are improved. AREC is constantly working on Institutional development; Transparency and Accountability; Improvement of registration services intended for the public; Development of automated cadastre and registration system; Training and education. Integrated financial management, human resources management and monitoring, analysis and reporting system are implemented. AREC also is focusing on upgrading the software systems in order to improve the delivery of registration services, as well as providing the required software, software adaptation, data migration, Training and technical assistance and Development of regional and international cooperation.

### **3. The Reasons and results**

Establishment of REC in whole territory of RM, fast and quality maintenance of REC, resulted on improving of legal security for domain and international investors and making decisions to invest in RM. Increased number of foreign and domestic investments, such as greenfield investments, have a direct influence on the Government Development Agenda, improvement of the economic growth and competitiveness on a permanent basis, higher employment, higher living standards and quality of life.

The establishment of REC throughout the Republic of Macedonia created growth and development of the property market, growing number of applications for registration of properties, increasing number of registered mortgages as well as increasing the values of the mortgages. These data clearly indicate the impact of this reform on the growth of the market in general and especially on the properties financed by mortgage loans, where the speed of processing the applications for registration of mortgage and legal security in general are considered to be very important. Influenced by this positive impact, most of the commercial banks have renounced the traditionally adopted approach of providing/securing housing loans through the system of providers and recipients of the loan, so today property collateral is an acceptable option for most banks as the only instrument for securing/providing loans.



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## 4. Strategic business plans of AREC

Since 2007, the Agency has been working successfully with Strategic Business Plans as the method to improve its activities. According the Law for REC, the work and the performance of the AREC is based on the Strategic Business Plan as well as on the Annual Work Plans/Programs.

In the Strategic Plan of the Real Estate Cadastre Agency 2017-2019, produced in July 2016, the vision is described as ***“AREC is modern self-financing agency with completely established primary and secondary business processes which aloud exchange on high quality data and services on national and regional level, contributing to economic growth and development of the society “.***

The mission statement is ***“AREC is service oriented institution providing secure and effective approach to digital data from Geodetic Cadastral Information System (GCIS), through e-services, electronically maintain the REC and the cadaster of infrastructure objects, establishing register of addresses and register of contractual land, making conditions for establishment of mass valuation and 3D cadaster, establishing and maintenance of Geodetic Reference Infrastructure according international standards, strengthening the human resources and capacities’, which will fit the requests of the new programs, systems and methods, aiming to self-financing agency.”***

The purpose of this document is to develop a strategy for the improvement of the strategy of the Agency during the period 2017 – 2019, which is to focus towards the users/clients, towards creating an efficient, secure and safe electronic Geodetic- cadastre Information System as well as towards strengthening the institutional capacities.

The document itself is elaborated on the basis of a logical and stepwise method.

- Description of AREC current organization as well as its products and services mapped against identified stakeholder needs. This step also includes a SWOT analysis, identifying Strengths, Weaknesses, Opportunities and Threats where this elements were identified.
- Description of the surrounding business environment and trends – including governing laws, policies, directives and plans and identification of customers and other stakeholders and their situation and requirements..
- Definition of the achieved results as well as desired future situation for AREC, including vision and strategies and – most importantly – identification of long and short term objectives, activities (including identification of who does what and when), resources needed, organization and reporting requirements.

For realization of the strategic plan AREC developed and annual work plan for 2017.

The Agency is looking forward to the implementation of new projects for the purpose of reaching the strategically determined objectives. The future activities are:

- Systematic registration of the data at 1250 CM



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- Systematic registration of data on 267 CMs who have been with inventory cadastre - Updating ex officio for 267 CM
- Conversion of data in 660 CM from the land cadastre in the REC.
- Survey of infrastructure objects (state and municipal property)
- Improving data in real estate cadastre
- Extension of database in REC with new features
- Registration of the certificate for energy performance of buildings in REC
- Registration of insurance policy for the property in REC
- Registration of warranty of construction in REC
- Upgrading the geodetic reference infrastructure
- Orthophoto and laser scanning of the territory of RM
- Making digital topographic maps and other cartographic products
- Graphic registry of construction land
- 3D cadastre of buildings, separate and common parts of the buildings and other facilities
- Register of addresses
- Mass assessment
- Strengthening institutional capacity and cooperation at national and international level
- Exchange of information and services at national and international level
- Data exchange with the municipalities
- E-construction permits
- National spatial data infrastructure (NSDI)
- Regionalization of AREC
- Establishment of Center for consultant services and Education

## 5. Conclusions

In the Strategic Plan of the Real Estate Cadastre Agency 2017-2019 and in an Annual work plan for 2017, all planned activities are in line with the priorities of the Government of RM. The purpose of this document is to develop a strategy of the Agency during the period 2017 – 2019, which is to focus towards the users/clients, creating an efficient, secure and safe electronic Geodetic- cadastre Information System as well as towards strengthening the institutional capacities, working on its own development and improving the functionalities of the Contact (call) Center and the quality of the services received by the Contact (call) Center.

## 6. References

<http://www.katastar.gov.mk> – Official web site of the Agency for Real Estate Cadastre