The necessity of a modern cadastral system



A well-functioning land administration system, or cadastre, is the foundation of national stability and social welfare, writes Wim van Wegen in this article. A government can make a thousand promises or grandly announce a comprehensive vision to boost the country's economy, but without an efficient and effective cadastral system the authorities will never be able to deliver. When considering the economic status of a country, it is wise to zoom in on the progress of its land administration policy. The relationship between land administration and prosperity/growth is evident.

In 2000 the renowned Peruvian economist <u>Hernando de Soto</u>, globally recognised for his work on the informal economy and an evangelist of property rights, published a book titled *The Mystery of the Capital*. In his book, he outlines the struggle of poor people in

developing countries to obtain legal titles to property. De Soto, who *Time* magazine named as one of the 100 most influential people in the world, considers land titling as a fundamental factor in shaping household capital for people living in poverty. Former UN Secretary-General Kofi Annan praised him for his new insights into how we capture economic growth and development.

As Klaus Deininger, Harris Selod and Anthony Burns describe in their excellent publication titled *The Land Governance Assessment Framework*, there are plenty of reasons that justify land administration and policy responses to strengthen tenure security and to create the preconditions for investments and economic development. Ongoing migration from rural areas to cities is resulting in overpopulated slums with little perspective for the dwellers, for example. Meanwhile, unclear land rights are causing escalating disputes on land ownership. How can this cycle of poverty and conflicts be broken? There is no one-size-fits-all solution, but establishing a well-functioning land administration system is a proven concept.

Ownership and tenure

But why is a modern cadastral system so vital? Why should a good land administration policy be regarded as the backbone of a nation that wants to end poverty and shake off the label of 'developing' or 'less-developed' country? The answer: because land administration systems manage ownership and secure tenure. Another key reason is that a cadastre supports the land and property tax system, which is a precondition of running a modern country efficiently. Greece provides a recent example of the importance of a well-functioning cadastre for a country's economy. Greece is the only European country without a digital land ownership registry. The lack of a good land administration system strongly affects the country's attempts to modernise its economy and forms a major obstacle for the Greek government in finding a way out of the debt crisis.

There are plentiful examples of countries that have recently managed to take a substantial step forwards (e.g. Chile, Ghana, Jamaica, Mongolia, <u>Namibia</u> and Nigeria). It is important to note that not every solution can be directly applied in another country, since factors such as the population and social and cultural norms may differ. However, some kind of framework is certainly a necessity when developing a cadastral system that meets the country's needs. The World Bank and the International Federation of Surveyors (FIG) have developed the fit-for-purpose approach as a pragmatic, flexible and accessible way of implementing a land administration system – one that starts with a simple yet sensible structure and gradually evolves through a dynamic process.

Good land governance

Good land governance is a catalyst for economic development, for creating sustainable growth and a better outlook for future generations. The fit-for-purpose methodology entails building and sustaining land administration systems that are basically good enough to achieve the ultimate objective, instead of involving top-end technological solutions and complying with rigid regulations for accuracy. What many countries need is a solution that enables them to build affordable, flexible systems that can be completed within a reasonable time frame. The Land Administration Domain Model (LADM) is a helpful instrument in realising this. It combines social drivers and the opportunities created by technological advances, and provides a standardised global vocabulary for land administration. The Social Tenure Domain Model (STDM) is a sub-version of the LADM that presents a generic and inclusive solution for building flexible land administration systems. The next step is then to develop the established system into a more sophisticated cadastral system.

Land registration offers countries a means of escape from poverty, and the fit-for-purpose approach enables them to start taking decisive action by building a cadastre sooner rather than later. Or, in the words of De Soto: "All developing countries will achieve a land recording system over the next 80 years, but why don't we do it in 20?"



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