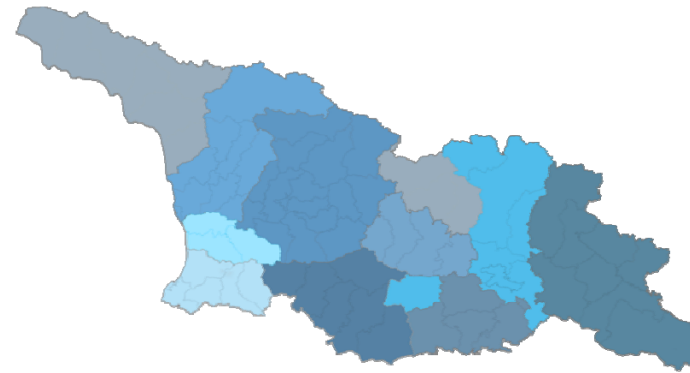




**NATIONAL
AGENCY of
PUBLIC REGISTRY**



Experiences from the Formalization Process in Georgia

Mari Khardziani
Head of International Relations Unit
National Agency of Public Registry

Athens, Greece
November 8, 2018

National Agency of Public Registry

Legal Entity of Public Law under the Ministry of Justice of Georgia, established in 2004

Registry of Immovable
Property Rights



Registry of Lien, Tax
Lien/Mortgage



Business Registry



Pledge Registry



Address Registry



Registry of Political
Parties



Geodesy and Cartography



Cadastre



Formalization Process in Georgia

Property Market Development → National Agency of Public registry (NAPR) created → Land Administration system reform implemented → one-stop-shop service, simplified registration procedures, unified IT infrastructure, legal framework improved → well-functioning, customer-oriented, corruption-free, and transparent registration system → Formalization of illegal real estate implemented

1990s

Privatization → Property ownership rights established → Formalization process started → Land Management State Department created as immovable property rights registering authority; operation of Bureau of Technical Inventory → doubling of functions, corruption, complicated procedures

2004-
2016

State Project of land registration → Full coverage of the country → Data accuracy and quality improved → Clear titles guaranteeing real property ownership rights → Confidence Increased

2016-
2025

Reform and Outcomes



Institutional

Legislative

Administrative

Technological

Customer-oriented, transparent, corruption-free and efficient registration system established

One-stop-shop principle introduced

Registration procedure simplified and streamlined

Front and back offices separated physically and operationally

Registration & cadastre centralized

Customer service decentralized, authorized users' service

Legal framework improved

IT infrastructure and web-based software developed

E-governance principles implemented

Real Property Registration



One Procedure

**Short terms for registrations:
at the same day, 1 business day, 4 business days**

**Fixed costs: 50 GEL (18.5 USD) and 150 /200 GEL
(55.5 / 74USD Reduced)**

Decentralized service: NAPR registration offices (44), Public Service Halls (PSHs - 20), Community Centers (55), notaries, banks and other authorized users (over 400)

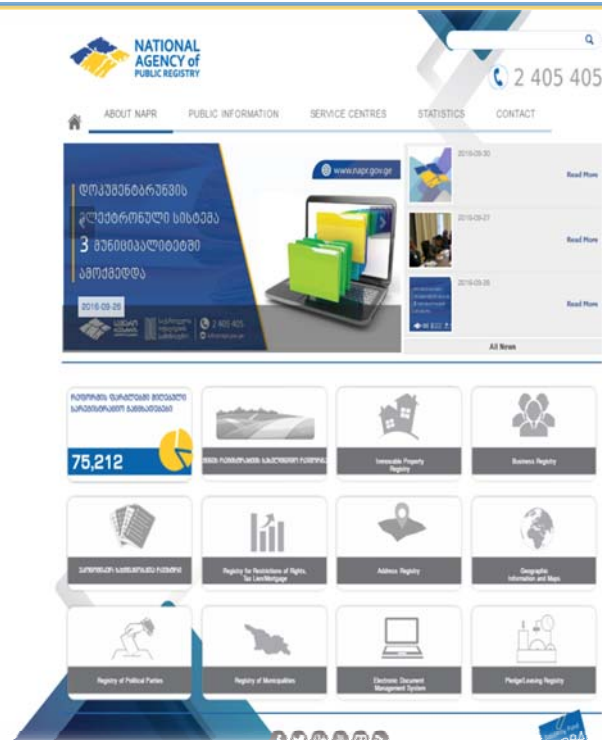
Electronic data exchange between authorities (Chamber of Notaries, Revenue Service, Population registry, etc.)

Transaction registration costs reduced - notarization of agreements not mandatory (March, 2007), Approval of signatures of the agreements parties by a front officer: 5 GEL (2\$)

Online services

Transparency and Accessibility

www.napr.gov.ge



The screenshot shows the homepage of the National Agency of Public Registry. At the top, there is a search bar and a phone number 2 405 405. Below the header, there are navigation tabs: ABOUT NAPR, PUBLIC INFORMATION, SERVICE CENTRES, STATISTICS, and CONTACT. The main content area features a large blue banner with text in Georgian and an image of a laptop displaying a website. Below this, there are several service icons: '75,212' (likely a statistic), 'Immovable Property Registry', 'Business Registry', 'Registry for Restrictions of Rights for Land Mortgage', 'Address Registry', 'Geographic Information and Maps', 'Registry of Political Parties', 'Registry of Municipalities', 'Electronic Document Management System', and 'Patent/Lending Registry'.



Title from Public Registry

Registration of Application
#882010550544 – 06/04/2010 16:30:48

Date of Title Preparation:
12/03/2010 19:16:19

Ownership Object

Zone Sector Quarter Parcel Ownership type of Parcel: co-ownership
Tbilisi Isani 01 17 02 042/021 Purpose of Parcel: non-agricultural
Address: City Tbilisi, #48-50, Gantiadi street Area (specified): 99 sq.m.
Old Parcel Number: 42
List of the Buildings: #1

Owner's Part

Registration of Application: №88201054983, date: 06/04/2010 13:39:35
Ownership Registration Date: 22/04/2010

Deed Proving Ownership:

- Sales-Purchase Agreement #100301551, date of approval 06/04/2010 13:39:35, Notary – L. Robakidze
- Ownership certificate #3073, date of approval 03/11/2009, Tbilisi Municipality

Owners:

Ertaoz Ekizashvili, ID 01010101000
Salome Cherkezishvili, ID 01022233445

Hypothec

Tax Mortgage/Hypothec: ---
Not registered

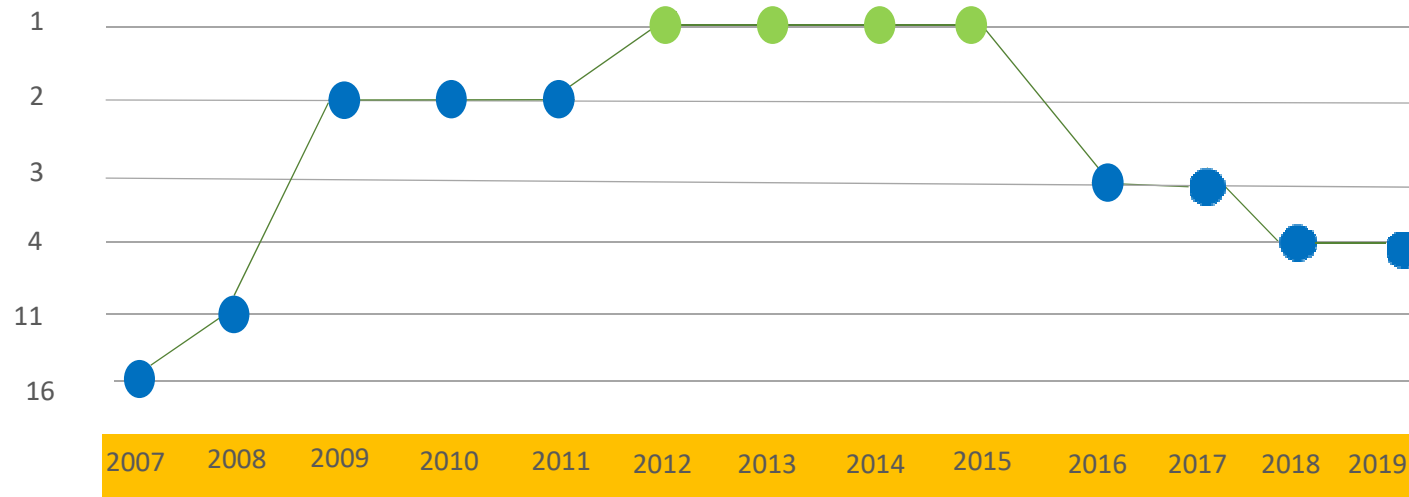
Encumbrances

Lien/Arrest:
Not registered

Debtor's Registry:
Not registered

- Check authenticity of the document on the NAPR official website: www.napr.gov.ge;
- Title can be renewed via www.napr.gov.ge, at any territorial registration offices, Public Service Halls or authorized users of NAPR;
- In case of any errors in the title, call at 2 405 405 or file an e-application for correction;
- Call for consultation at the hotline of the Public Service Hall 2 405 405.

Registering Property



Challenges for Formalization



Formalization Process Simplification – Legislative Framework

Law of Georgia on Recognition of Ownership Rights to Land in Use of Physical Persons and Legal Entities of Private Law (11.07.2007)

**Law of Georgia on Property Legalization (22.06.2007)
Law of Georgia on Public Registry (19.12.2008) and Regulations**

Presidential Decree No. 660 on Approval of Procedure for Making Decision on Legalization of Objects or Their Parts Built without Permission of the Authority Responsible for Approval of the Project and Granting Building Permits, or Built in violation of the Project (24.11.2007)

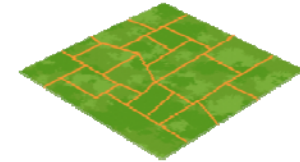
Resolution No. 57 of the Government of Georgia, on Procedure for Granting Construction Permit and Permit Conditions (24.03.2009)

Legalization of Immovable Property

Land in legitimate use – National Agency of Public Registry



Land occupied without permission – local self-governmental authorities through special commission



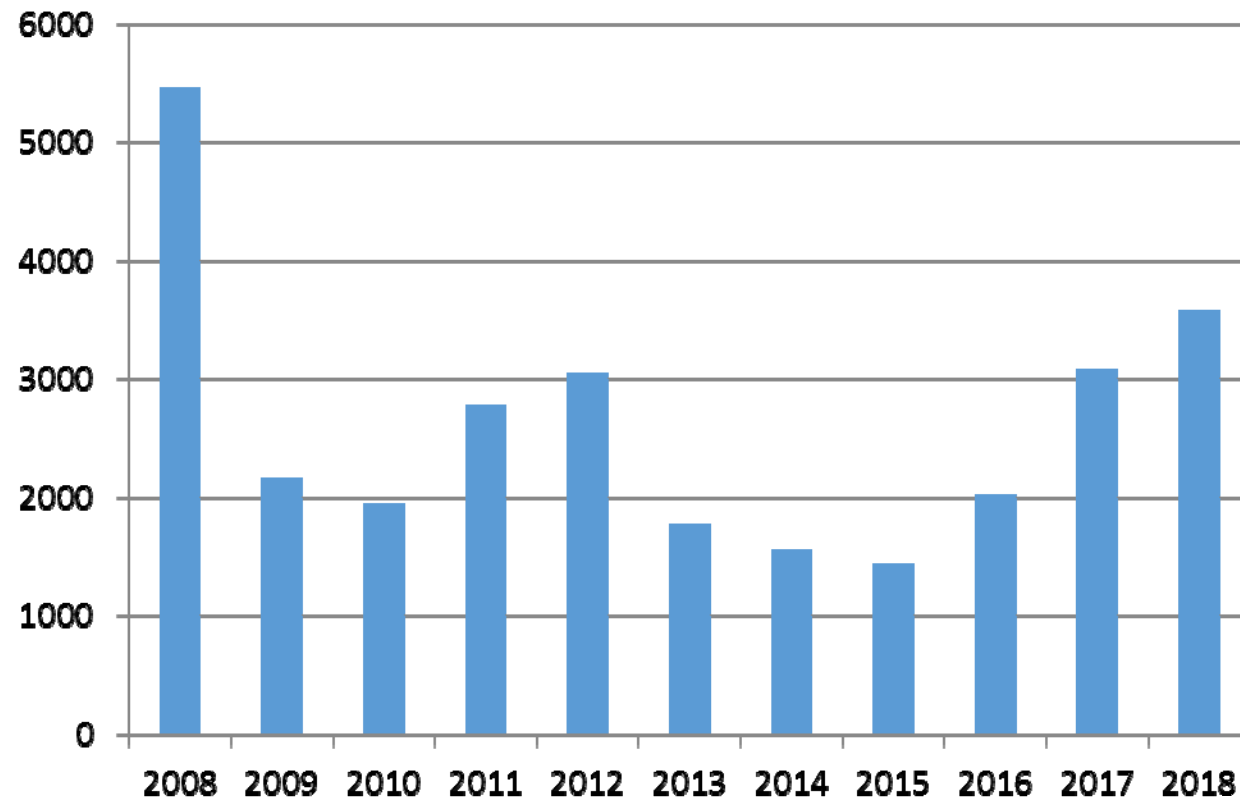
Fees for Legalization

Legalization	Fees for Agricultural land (1 ha)		Fees for Non-agricultural land (1 sq. m)	
	Physical persons	Legal entities of Private Law	Physical persons	Legal entities of Private Law
Recognition of ownership right to land in legitimate possession	Free of Charge	5 times the annual agricultural land tax	Free of charge	5 times the non- agricultural land tax
Recognition of ownership right to land occupied without permission	10 times the annual non-agricultural land tax	100 times the annual agricultural land tax	20 times the annual non-agricultural land tax	normative price of such land

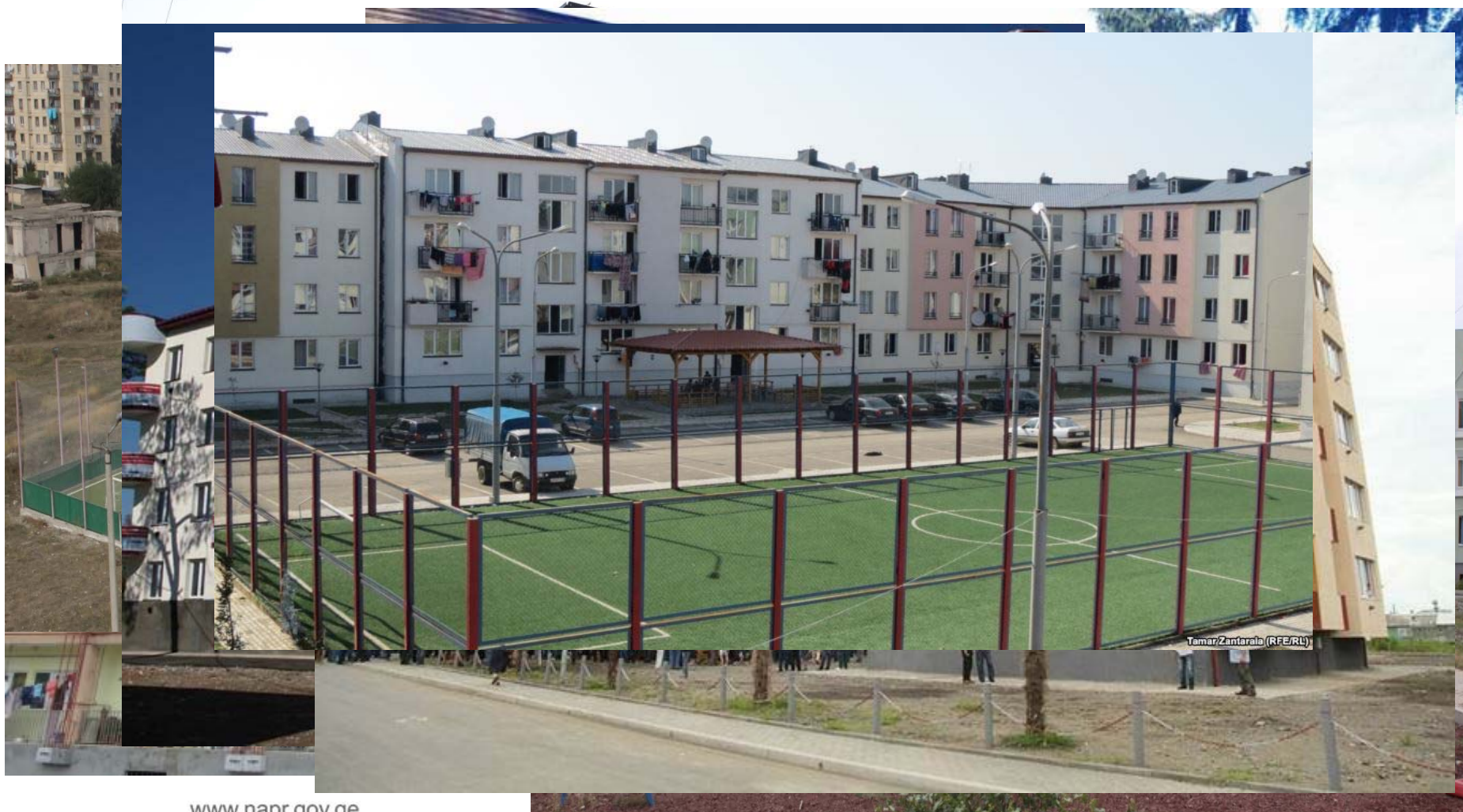
Note: After 01.01.2012 for legal entities of private law, the general rules for state property privatization apply



Number of Registrations of Illegal Properties through Commissions

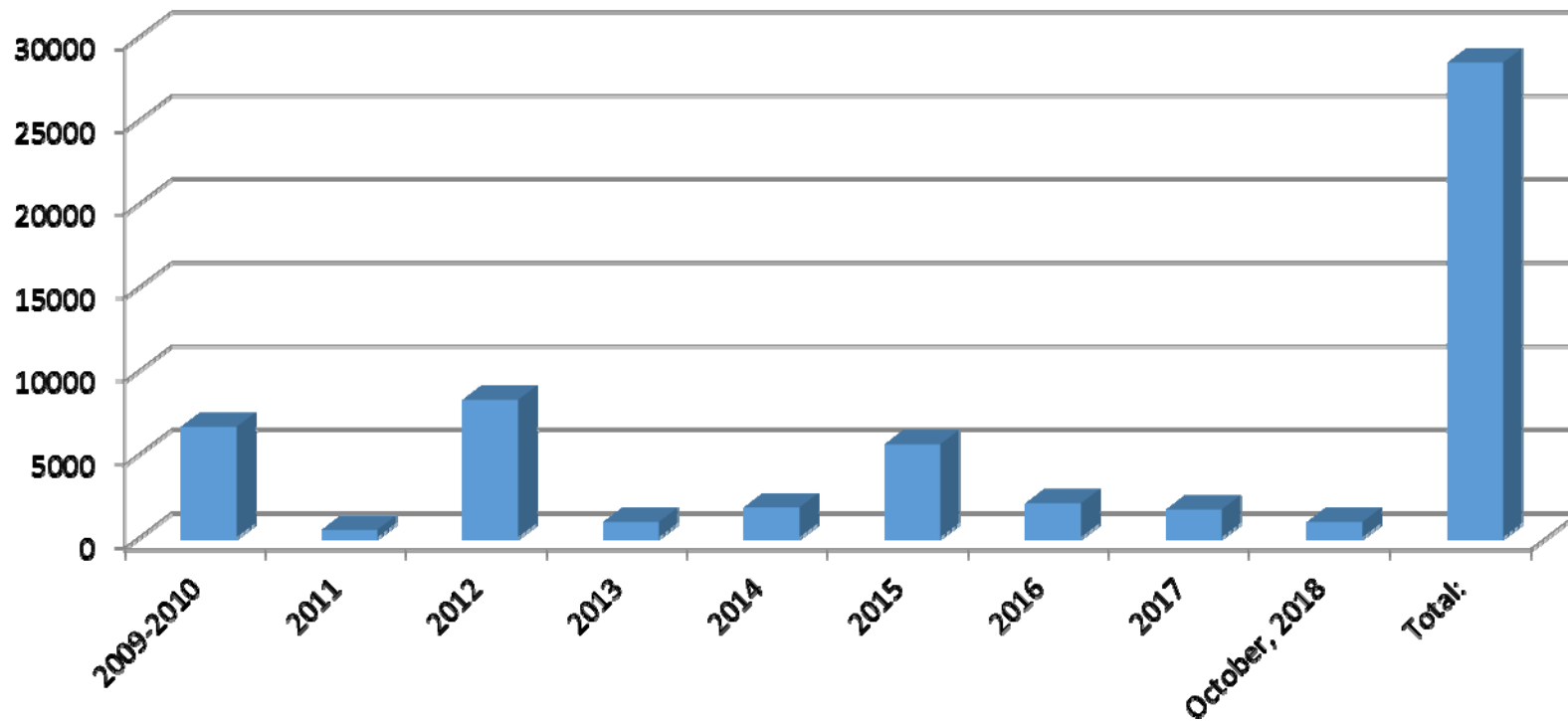


Government Policy on IDPs' Settlements



IDPs Registered Ownership Rights

Registered Immovable Properties (per family)



Challenge for Land Governance Improvement

Full Coverage – completion of first registration of Land

Land Registration Reform - State Project

Launched on 1st August, 2016

- Sporadic Registration throughout Georgia
- Pilot project on systematic registration of land

Legislative Basis:

Law of Georgia on Special Procedures for Systematic and Sporadic Registration of Land Plots and Improvement of Cadastral Data under State Project and sub-legislative acts

Reform Goals:

- Registration of land without barriers
- More registered land parcels and cadastral coverage of private land parcels
- Land market development



New Mechanisms and Services within the Reform

Mediation/Notary mediation

Service of the National Bureau of Enforcement “Statement of Facts”

Ascertainment of ownership of the title document by the special commission

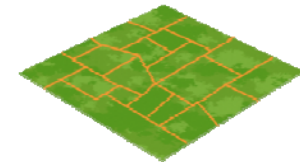
Legalization of deficient documents

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 by the Ownership Rights Recognition Commission

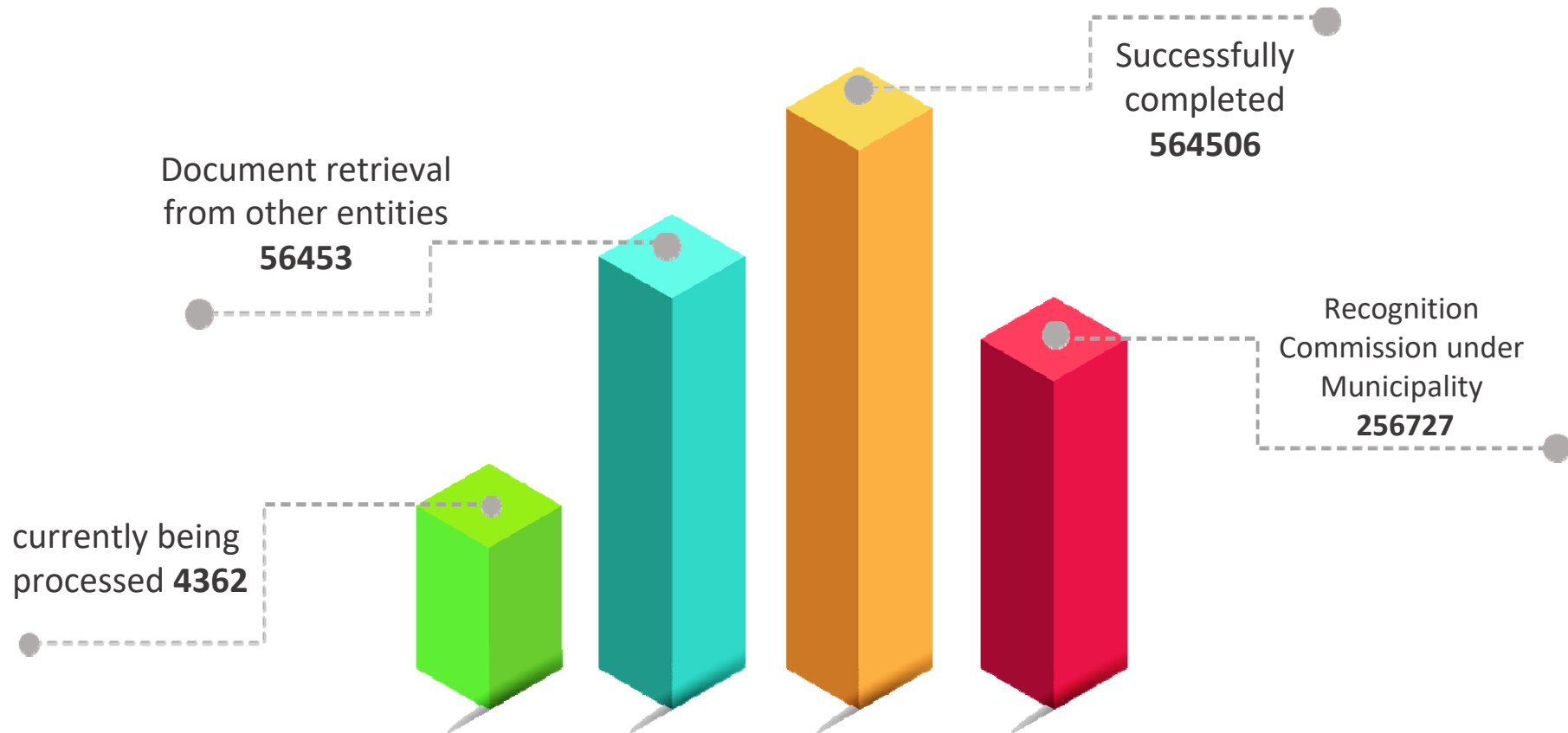
Possibility to register 15% more of the land parcel area indicated in a document

New cadastre standard



Latest results of the Reform

01.08.2016 – 07.11.2018



Reform Outcomes

Increased cadastral and registration coverage of privately held land parcels

Secured ownership rights and sustainable land market development supported

Increased accessibility to registration through free services

Further streamlined centralized registration process – “One-Stop-Shop”

Solid basis provided for development of national strategy for full coverage



Next Steps

Completion of formalization process in Georgia

Further simplification and streamlining of legislative framework and technical arrangements based on the reform outcomes

Development of relevant reporting, monitoring and evaluation system , ensuring involvement of all interested parties through clearly defined procedures and public outreach campaigns



Elaboration of National Strategy and detailed Action Plan (AP)

Implementation stage and reaching the outcome: full cadastral and registration coverage with high quality, accurate data

Lessons learnt, Findings and Recommendations

Formalization is a complex process, it should reflect the reality & practical aspects, address equally to all population, leaving no one behind



Appropriate institutional, administrative, technological and legislative frameworks shall be in place to implement formalization successfully



Formalization supports land market development and protection of ownership right



Formalization of property rights needs to be completed to offer better public services and develop and implement effective government policies in agriculture, taxation, land management, infrastructure and other fields



Thank you for your attention!