

Slovenian State Projects in the Field of Real Estate Registration

Božena LIPEJ, Slovenia

Key words: real estate, land cadastre, land register, modernization.

ABSTRACT

The making of adequate real estate policies requires well-organized real estate records which are one of the basis for the operation of a real estate market.

The Real Estate Registration Modernization Project, co-financed through the loan of the International Bank for Reconstruction and Development, has been operatively implemented since the year 2000. The long-term objectives are as follows: harmonized real estate records, market-based appraisal and taxation of real estate, efficient operation of the real estate market, assistance to various necessities of the state, local communities and individuals. In terms of its contents, the project has been divided into eight subprojects (in five institutions), namely: Land and Building Cadastre, Land Register, Apartment Registration Development, Agriculture Land Use Monitoring, Real Estate Tax and Valuation System Development, Housing Finance and Mortgage Reform, Legal Framework for Property Ownership, and Project Coordination and Strategic Studies.

The Modernization of Real Estate Records Management Project is a joint project run by the Supreme Court and the Surveying and Mapping Authority, mainly financed with the funds from the PHARE donation program. The aim of the project is to improve the IT support to work implemented at both institutions and to improve the institutional framework of their operation. There are other projects as well which are implemented by the Ministry of Agriculture involving the creation of an agricultural information system, and by the Supreme Court which is computerizing the Land Register.

CONTACT

Božena Lipej, Ph.D
Surveying and Mapping Authority of the Republic of Slovenia
Zemljemerska ul. 12
SI-1000 Ljubljana
Slovenia
Tel. + 386 1 4784903
Fax + 386 1 478 4909
E mail: bozena.lipej@gov.si
Web site: <http://www.gov.si/gu/>

Slovenian State Projects in the Field of Real Estate Registration

Božena LIPEJ, Slovenia

1. INTRODUCTION

Implementing a sound real estate policy requires well managed real estate registers, which is one of the basic elements for the functioning of the real estate market and one of the primary conditions for a successful transition to a market oriented economy. Uniform registration of real state and high quality data on real estate are the basis for spatial management, the implementation of real estate policies, evaluation and taxation of real estate, recording of material rights to property, spatial specification of data, statistical statements and other related matters.

The beginning of successful co-ordination of activities is the institution of the Programme Council for the Implementation of Real Estate Registration Modernisation, appointed by the Government of the Republic of Slovenia in October 1998. The Programme Council's role is association and connection in the development of real estate registration. The objectives of the modernisation are to simplify real estate registration in the land register and land cadastre and comprehensive, co-ordinated and quick data entry.

In the beginning of year 2000 the Government of the Republic of Slovenia appointed the Programme Council as the co-ordinator for the implementation of the Real Estate Registration Modernisation Project, co-financed by funds from the International Bank for Reconstruction and Development and the Land Register and Land Cadastre Management Modernisation Project, financially supported from PHARE donations. Both the projects form a part of the current activities in the branched out area of real estate, which involves several activities, such as:

- reengineering of the land cadastral information system
- establishing and maintaining the building cadastre
- informatization of land register
- establishing an agricultural information system with a register of farms, cadastre of permanent plantations, keeping records of regions with limited possibilities of agricultural production
- updating and drawing up a new legislation (Land Registry Act, Code of Obligations, Property Act).

2. MODERNISATION OF REAL ESTATE RECORDS MANAGEMENT

One of the important demands of the European Union in the integration of central and east European countries is the establishment of a market economy, based on the acceptance of the European legal system, Acquis Communautaire. Land privatisation and establishment of an effective real estate market are among the key tasks the candidate countries must fulfil in the

shortest possible time. European Union member countries are contributing vast funds for this purpose, in order to accelerate the processes. This includes funds for supporting real estate management and the development of solutions for the land cadastre and land register.

The Modernization of Real Estate Records Management Project, a Slovene joint project implemented by the Supreme Court of the Republic of Slovenia and the Surveying and Mapping Authority of the Republic of Slovenia, financed mainly from PHARE donations, was concluded in 2001. The project's objectives were to create a comparable and suitable legal, institutional and technical environment for modernising the management of the land register and land cadastre and to provide effective access to land register and land cadastre data for government users and for the public. (National Programme Slovenia 1999). The project consisted of two parts: the institutional support (twinning) for achieving a suitable technical and institutional environment (European Union 2000) and investments in the purchase of information equipment for modernising land cadastre and land register management. The total value of the project was app. EUR 3 million; app. EUR 600,000 for institutional support and app. EUR 2,400,000 for information equipment. The project manager was Božena Lipej, Ph.D.

Activities connected to the project were started towards the end of 1999, when two advisory countries were selected for work in the area of institutional support – Great Britain (with a Swedish associate) and Spain. Implementation of the Phare Twinning project was commenced on 15 August 2000 and continued for a full year. Summarised, the work was done in four sub-projects:

- Re-examination of the current organisational structure of the Surveying and Mapping Authority, at which domestic and foreign associates reviewed the existing situation and proposed a possible organisational form.
- Re-examination of the real estate legislation at which domestic and foreign associates prepared a comparative analysis of the real estate legislation with comparable legislation of selected member countries and came to the conclusion that the Slovenian legislation is good and comparable to the European Union legislation.
- Re-examination of the existing data and the system architecture for exchange of real estate information at which domestic and foreign associates issued instructions for the further development of the systems and for the manner of connection between the land register and the land cadastre.
- An analysis of the connection between the records in the land register and the land cadastre at which domestic and foreign associates precisely defined the data and their description, necessary for data exchange between the two registers.

The twinning project's final report provides guidelines and recommendations for the direction of both the institutions, based on the results of the work on all the four sub-projects (European Union 2001). Some of them are listed below:

- In preparation for Slovenia's Accession to the European Union, the Surveying and Mapping Authority and the Supreme Court will continue to adopt EU best practice and

directives, whilst exchanging information with comparable institutions within EU Member States

- The Supreme Court and the Surveying and Mapping Authority will endeavour to define product pricing, which will cover costs for maintaining, archiving, dissemination and envisaged the possibility for cost recovery approach
- Both organisations will endeavour to balance the need for further outsourcing of project activities, particularly in the IT area, with restrictions imposed on them by national budgetary constraints. Government should consider the allocation of special resources to both the Surveying and Mapping Authority and the Supreme Court, in order to provide support for strategic out-sourcing operations which will be of vital benefit to the state
- Both organisations will ensure access for citizens to limited quantities of data via secure Internet-based applications. They will also provide authorised Government users with controlled access to larger volumes of information, once a critical mass of digital data has been acquired. This will require the Ministry of Justice and Ministry for Environment and Spatial Planning to draft and adopt an appropriate regulation before it can be put into effect.

All the results of the twinning project are published on the web pages:

http://195.246.24.113/gu/projekti/Posodobitev_evidentiranja/eng/

Other parts of the PHARE project were investments in the purchase of computer hardware and software for both institutions.

The PHARE project has undoubtedly contributed to better management and connection in matters involving the land register and land cadastre.

3. REAL ESTATE REGISTRATION MODERNISATION PROJECT



The Real Estate Registration Modernisation Project, which was started in 1999 and formally approved and continued in 2000, is a result of proposed solutions for the subject of real estate registration, proposed by expert groups in Slovenia and expert missions to Slovenia from the International Bank for Reconstruction and Development (Lipej 2001a). The project documentation was prepared by experts from various environments and co-ordinated by the Surveying and Mapping Authority staff with regard for the Programme Council's umbrella decision to modernise real estate registration.

The project encompasses the tasks of four ministries and the Supreme Court of the Republic of Slovenia. The responsible institutions in the project are the following:

- Surveying and Mapping Authority of the Republic of Slovenia (Ministry of Environment and Physical Planning)
- Supreme Court of the Republic of Slovenia
- Ministry of Agriculture, Forestry and Food
- Ministry of Finance
- Ministry of Justice.

The project is thematically divided into eight subprojects:

- A. Land and Building Cadastre
- B. Land Register
- C. Apartment Registration Development
- D. Agriculture Land Use Monitoring
- E. Real Estate Tax and Valuation System Development
- F. Housing Finance and Mortgage Reform
- G. Legal Framework for Property Ownership
- H. Project Coordination and Strategic Studies.

The value of the project is US\$ 28.9 million:

- of this, PHARE programme funds contributed US\$ 3.2 million
- the IBRD share equals US\$ 15.0 million
- and the Slovenian (national budget) contribution is US\$ 10.7 million.

In line with a decision brought by the government of the Republic of Slovenia the following persons are responsible for the implementation of the project: Janez Kopač, MSc, Head of the Programme Council for the implementation of Real Estate Registration Modernisation, Aleš Seliškar, Project Director, Božena Lipej, PhD, Executive Director and Project Manager and heads of eight subprojects. The project is expected to continue for a period of five years, from January 2000 to 31 December 2004.

Various preparation activities connected to the project were started already in 1999, especially preparation of the documentation for tendering works and assignments in conformity with the demanding content and schedule regulations prescribed by the International Bank for Reconstruction and Development. Preparations were started for detailed contextual and financial project plans for the duration of the project and for the project organisation for project management, planning, organisation, coordination and control. The project consists of 69 subproject components of thematically specific topics (MEPP-SMA et al. 2000a). At the moment 44 are active, which is 62% of the entire project. Seventeen subproject components (24%) of the entire project have been concluded and 10 components (14%) are planned.

The results obtained during the Project and in relation with other accompanying projects and activities should lead to the realisation of the following long-term objectives:

- harmonised real estate records (connectible real estate data will enable the creation of harmonised real estate records available to users as homogenous and integral databases);
- market-based valuation and taxation of real estate (the methodology for the market-based valuation of real estate for taxation purposes will enable the calculation of the market value of a real estate; this will contribute to a higher degree of objectiveness in real estate taxation);
- a more efficient operation of the real estate market (regulated and maintained records will enable more transactions on the market; the knowledge of the market value of real estate will contribute to the balanced operation of the market; there will be less speculations for similar and identical types of real estate, for both Slovenian citizens and foreigners);
- efficient support to the needs of the government, local communities and individuals (reliable, adequate and quality data will provide efficient support to decision-making and management on the government level and on the level of local communities; such data will also meet the interests of individuals);
- acquisition and monitoring of the use of agricultural land and forests (first the acquisition and later on the monitoring of the changes in land use will make an important building block of the information system related to the fields of agriculture and forestry; the said information system will be a sound basis for implementing adequate agricultural policies);
- implementation of spatial, environmental and housing policies (quality and linked real estate data provide the foundation for the implementation of various policies being of key importance for the development of any national economy).

Some of the results which are to be achieved during the duration of the project are the following: digital ortophoto maps for the entire territory of Slovenia (achieved in 2001), digital cadastral maps in a uniform coordinate system for the entire territory of Slovenia; acquisition of all buildings and the set-up of building cadastre – registry part, backlog mitigation at Land Register Courts in compliance with the adopted timeframe, the longest implementation period of the registration procedure being 6 working days; preparation procedures and partial apartment registration; amended legislation in the area of ownership and other material rights and mortgage banking; the system of gathering data and monitoring the land use in an operational form.

For a better review of the realisation of implemented results, graphic illustrations of data acquisition are shown below.



Figure 1: Digital orthophoto map

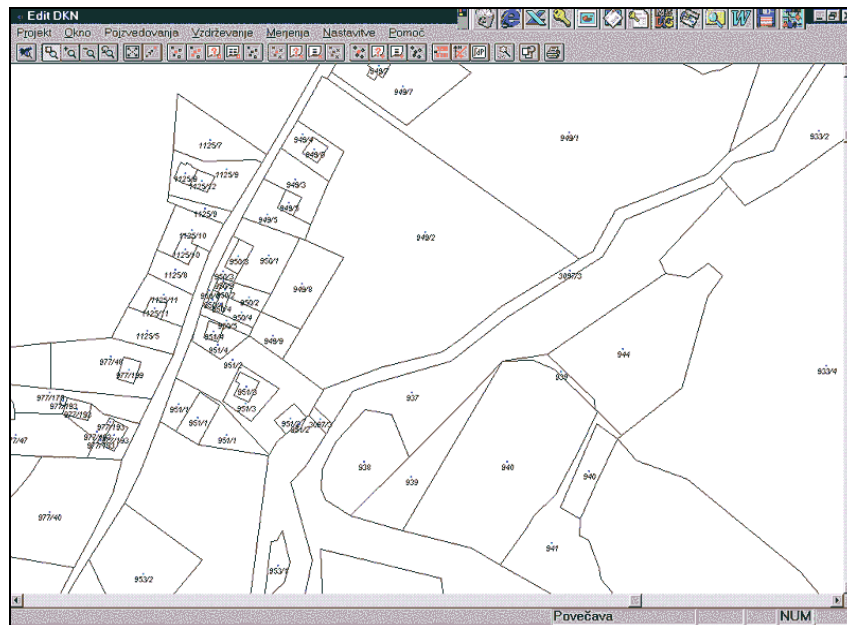


Figure 2: Digital cadastral map - transformed

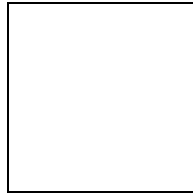


Figure 3: Database on buildings (base: digital ortophoto map)

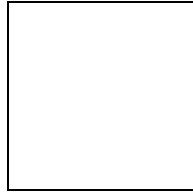


Figure 4: Land use capture (base: digital cadastral map)

A description of the project and all the final consultant products are publicly available at the project web site:

http://195.246.24.113/gu/projekti/Posodobitev_evidentiranja/eng/.

In view of the difficulties of managing this interdisciplinary project, a special project organisation structure was set up, as well as the systems for monitoring, reporting, quality assurance and archiving and documentation (MEPP-SMA et al. 2000b, Stanonik, Kožman, Premec 2001).

SUBPROJECT A	LAND AND BUILDING CADASTRE	SMA_3.1G_NCB	Implementation of Apartment Registration	SUBPROJECT F	HOUSING FINANCE AND MORTGAGE REFORM
SMA_1.1.B_NS	Equipment and Software for Map Archiving and Retrieval	SMA_3.1G_NS	The Setup of the Register of Buildings and Parts of Buildings – Pilot Project	MOF_6.1A_SS	Mortgage Finance Workshop
SMA_1.1.C_IS	Data Interface Software Development			MOF_6.1B_Ind	Legal Consultant for Mortgage Banking (International announcement)
SMA_1.1.D1_ICB1	Production of Digital Orthophotomaps - 1	SMA_3.1H_ICB	The Setup of the Building Cadastre - Registry Data	MOF_6.1C_Ind	Legal Consultant for Mortgage Legislation (National announcement)
SMA_1.1.D1_ICB2	Production of Digital Orthophotomaps - 2	SMA_3.1I_IS	Methodological Bases and IT Solutions Related to the Register of Buildings and Parts of Buildings	MOF_6.1D_Ind	Economic Consultant for Mortgage Banking (International announcement)
SMA_1.1.D2_ICB1	Digitization of Cadastre Maps - 1				Consultant for Mortgage Banking
SMA_1.1.D2_ICB2	Digitization of Cadastre Maps - 2	SUBPROJECT D	AGRICULTURE LAND USE MONITORING	MOF_6.1E_Ind	LEGAL FRAMEWORK FOR PROPERTY OWNERSHIP
SMA_1.1.D2_ICB3	Digitization of Cadastre Maps - 3	MAFF_4.1A_ICB1	Map Interpretation for Land Use - 1	SUBPROJECT G	LEGAL FRAMEWORK FOR PROPERTY OWNERSHIP
SMA_1.1.D3_ICB1	Building Cadastre - 1	MAFF_4.1A_ICB2	Map Interpretation for Land Use - 2	MOJ_7.1A_Ind	Legal Consultant for Property Ownership (International announcement)
SMA_1.1.D3_ICB2	Building Cadastre - 2	MAFF_4.1B_QCBS	Land Use Monitoring Contract Staff	MOJ_7.1B_Ind	Legal Consultants for Property Ownership (National announcement)
SMA_1.1.D3_ICB3	Building Cadastre - 3	MAFF_4.1C_Ind	Land Use Monitoring Advisors (International announcement)	MOJ_7.1C_SS	Workshops for Discussing Legal Issues of Property Ownership
SMA_1.1.E_SS	Training and Study Tours	MAFF_4.1D_QCBS	Quality Control Specialist for Land Use Monitoring		Issues of Property Ownership
SMA_1.1F_ICB	Modernization of Real Estate Information System	MAFF_4.1E_NCB1	Overlay Cadastral Layer - 1	SUBPROJECT H	PROJECT COORDINATION AND STRATEGIC STUDIES
SUBPROJECT B	LAND REGISTER	MAFF_4.1E_DC2	Overlay Cadastral Layer - 2	PCO_8.1A_ZJN	Office Equipment
SC_2.1B_IS	Data Interface Software Development	MAFF_4.1F_IS1	Computer Systems - 1	PCO_8.1B_QCBS	IT/IM Strategy
SC_2.1C_IND1	Backlog Mitigation - Coordinator	MAFF_4.1F_NS2	Computer Systems - 2	PCO_8.1C_QCBS	Cost Recovery Strategy
SC_2.1C_IND2	Backlog Mitigation - Manager	MAFF_4.1F_DNS1	Computer Systems - 3	PCO_8.1D_ZJN	Financial System
SC_2.1C_IND3	Backlog Mitigation - Lawyer	MAFF_4.1F_DNS2	Computer Systems - 4	PCO_8.1E_LCS	Annual Audit
SC_2.1C_IND4	Backlog Mitigation – Assistant Registrars			PCO_8.1F_SS	Project Workshop
SC_2.1C_QCBS	Backlog Mitigation	SUBPROJECT E	REAL ESTATE TAX AND VALUATION SYSTEM DEVELOPMENT	PCO_8.1G_SS	Procurement Training
SC_2.1D_Ind	Re-engineering Consultant	MOF_5.1A_Ind	Legal Consultant for Property Tax System (National announcement)	PCO_8.1H_SS	Training Budget
SC_2.1E_Ind	Advisor for Data Entry and Scanning Pilot	MOF_5.1B_Ind	Legal Consultant for Property Tax System (International announcement)	PCO_8.1I_ZJN	Maintaining WEB Pages
SC_2.1F_Ind	Land Records Strategy Advisor	MOF_5.1D_QCBS	Development and Piloting of Valuation System	PCO_8.1J_ZJN	Project Promotion
SUBPROJECT C	APARTMENT REGISTRATION DEVELOPMENT	MOF_5.1E_IS1	Office Equipment for Property Tax System - 1	PCO_8.1K_ZJN	Project Investment Report
SMA_3.1A_SS	Training and Study Tours	MOF_5.1E_IS2	Office Equipment for Property Tax System - 2	PCO_8.2M_ZJN	Office Rent and Utilities
SMA_3.1B_SS	Workshops for Discussing Legal Issues	MOF_5.1F_SS	Study Tours and Training for Property Tax	PCO_8.2N_ZJN	Advertisements, (Photo)copying, Translations, Delivery.....
SMA_3.1C_Ind	Advisor for development of the Legal Framework for Apartments (National announcement)	MOF_5.1G_QCBS	Public Relations for Property Tax	PCO_8.2O_QCBS	Project Coordination Office, Technical Tasks
SMA_3.1D_Ind	Advisor for development of the Legal Framework for Apartments (International announcement)	MOF_5.1H_QCBS	Property Tax System Contract Staff		
SMA_3.1E_QCBS	Apartment Registration	MOF_5.1I_Ind	Property Tax System Advisor (International announcement)		
SMA_3.1F_Ind	Apartment Registration (International announcement)				

Figure 5: Project structure – Subprojects and subproject components

The project plan comprises more than 3,000 activities of which 1,400 are currently active. The project plan is prepared, coordinated and maintained by the Project coordination office staff with an MS-Project program based on the weekly progress reports. The project monitoring system is thus closely linked with the reporting system. The current project plan is published on the web page with access limited to the project and subproject management teams.

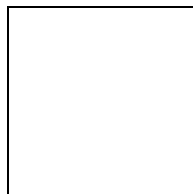


Figure 6: Project data management access on Internet

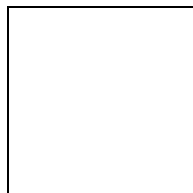


Figure 7: Management of subproject components with the MS - Project

Archive records of the project documentation were developed at the Project coordination office specifically for keeping the archive of project documentation of this project, with as many as 6,000 documents recorded since 2000. The Project coordination office staff enter and change the documents in the records, while the management teams of the project and subprojects can only read the archived documents.

The Real Estate Registration Modernisation Project is, with good co-operation of responsible institutions and individuals within or outside the former, progressing in the direction of the set contextual and time framework. The execution in most part and most often depends on the success of international tenders and the timely availability of the needed funds from the budgets of the responsible institutions.

4. CONCLUSION

The subject of management of real estate records is among the more important activities in Slovenia in the past few years, and takes place simultaneously at several departments and in diverse institutional environments. The tasks are extensive and demand a high level of expert knowledge, co-operation and communication. Real estate records are an important element in the spatial data infrastructure, which supports the development of land information systems and through this, contributes to more comprehensive decision making concerning the environment, balanced and sustainable development, improved management of natural resources and acceleration of economic development.

REFERENCES

- European Union, 2000, PHARE Programme, Twinning Covenant between Slovenia and United Kingdom in Co-operation with Kingdom of Spain, Twinning SL99/IB/FI-04, FM No. SL9905.02, Modernisation of the Real Estate Records Management System in the Republic of Slovenia, Southampton, Ljubljana
- European Union, 2001, PHARE Programme, Twinning, Project SL9905.02, Final Report, Modernisation of the Real Estate Records Management System in the Republic of Slovenia
- Lipej, B., 2000, Real Estate Registration – Review of the situation at the end of 2000, Geodetski vestnik 4, year 44, pp. 335-340, Ljubljana
- Lipej, B., 2001a, Introduction into the Real Estate Registration Modernisation Project, Information brochure for the press conference for the project, pp. 5-8, Ljubljana
- Lipej, B., 2001b, The Real Estate Registration Modernisation Programme in Slovenia, FIG Commission 7 – Cadastre and Land Management International Symposium, Gaeve
- Ministry of the Environment and Physical Planning – Surveying and Mapping Authority of the Republic of Slovenia et al., 2000a, Real Estate Registration Modernisation Project – Project Implementation Plan, Ljubljana
- Ministry of the Environment and Physical Planning – Surveying and Mapping Authority of the Republic of Slovenia et al., 2000b, Organisational Act for the Real Estate Registration and Modernisation Project, Monitoring, Reporting, Quality Assurance, Archiving and Documentation Systems, Ljubljana

National Programme Slovenia 1999, 1999, Financing Memorandum between The European Commission on Behalf of the European Community and The Government of Slovenia, Ljubljana

Stanonik B., Kožman M., Premec D., 2001, Dèja recontè, dèja vu in dèja pensè? (Že povedano, že videno in že mišljeno), Indo: E-management in public administration, Miscellany of papers, pp. 240-249, Portorož

BIBLIOGRAPHICAL NOTES

Božena Lipej, Ph.D is the deputy director of the Surveying and Mapping Authority of the Republic of Slovenia and also the project manager of the interdisciplinary Real Estate Registration Modernisation Project and its executive director. Her past activities were connected to research, development, operative and management work in the area of surveying. In the years 1999-2001 she was the Chairperson of the UN/ECE Working Party on Land Administration and in the current mandate she is a member of the association's management board (bureau). She is active in Eurogeographics and used to be involved in activities of the ICA (International Cartographic Association) and FIG (International Federation of Surveyors). She is the author of more than 100 professional articles, researches and publications.