

2007 2012 2011  
 2005 2009 2004  
 2008 2006 2010 2013

## Registering property

- As measured by *Doing Business*, registering property is easiest in Georgia.
- From June 2011 to June 2012 *Doing Business* recorded 17 reforms making it easier to register property.
- Malaysia made the biggest improvement in the ease of registering property in the past year.
- Angola, Burkina Faso, Côte d'Ivoire, Mauritius, Rwanda and Sierra Leone rank among the 10 economies making the biggest improvements since 2005, giving Sub-Saharan Africa the largest representation in this group.
- Economies making effective cuts in the procedures to register property have centralized procedures in a single agency. And they use information and communication technology or better caseload management systems to make the process faster and less costly.

For more information on good practices and research related to registering property, visit <http://www.doingbusiness.org/data/exploretopics/registering-property>. For more on the methodology, see the section on registering property in the data notes.

*Doing Business* records the procedures necessary for a business to purchase a property from another business and to formally transfer the property title to the buyer's name. The process starts with obtaining the necessary documents, such as a copy of the seller's title, and ends when the buyer is registered as the new owner of the property. Every procedure required by law or necessary in practice is included, whether it is the responsibility of the seller or the buyer and even if it must be completed by a third party on their behalf. As measured by *Doing Business*, formally transferring and registering property is easiest in Georgia (table 12.1).

### WHO REFORMED IN REGISTERING PROPERTY IN 2011/12?

In 2011/12, 17 economies made it easier for local businesses to register property by reducing the procedures, time or cost required (table 12.2). The most common improvements were introducing time limits or expedited procedures, increasing administrative efficiency, streamlining procedures and computerizing cadastres and registries. Nine other economies made it more difficult to transfer property by increasing the procedures, time or cost involved.

Malaysia made the biggest improvement in the ease of registering property in the past year by introducing a new caseload management system at the land registry. Inspired by Toyota's effective supply chain management strategy, the registry reduced registration time from 41 days in 2011 to 7 days in 2012 for nonstrata properties (those that are not part of a

subdivision or common-interest community). Malaysia is now working to bring registration times for strata properties, still in the range of 90-100 days, down to a similar time frame.

The OECD high-income group had both the largest share of economies with a property registration reform and the largest number of such reforms in 2011/12, accounting for 6 of the 17 such reforms recorded worldwide (figure 12.1). Poland, with the biggest improvement in the group, increased the efficiency of its land and mortgage registries through a series of coordinated changes. These included creating 2 new registration districts in Warsaw, introducing a new caseload management system and digitizing the records of the registries. Thanks to the changes, the time to process property applications at the registries fell from 3-6

TABLE 12.1 Where is registering property easiest—and where most difficult?

Easiest	RANK	Most difficult	RANK
Georgia	1	Belgium	176
New Zealand	2	Trinidad and Tobago	177
Belarus	3	Liberia	178
Armenia	4	Bahamas, The	179
Lithuania	5	Guinea-Bissau	180
Denmark	6	Eritrea	181
Norway	7	Nigeria	182
Slovak Republic	8	Marshall Islands	185
Azerbaijan	9	Micronesia, Fed. Sts.	185
Iceland	9	Timor-Leste	185

Note: Rankings are the average of the economy's rankings on the procedures, time and cost to register property. See the data notes for details. Economies shown with the same number are tied in the ranking.

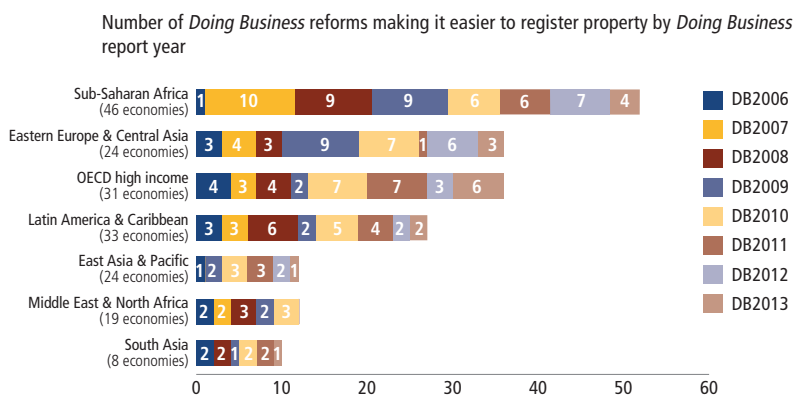
Source: *Doing Business* database.

TABLE 12.2 Who made registering property easier in 2011/12—and what did they do?

Feature	Economies	Some highlights
Introduced effective time limits	Burundi; Israel; Mauritius; Ukraine	<i>Average time saved: 39 days</i> Israel introduced a 20-day time limit for tax authorities to process capital gains self-assessments on property transfers, saving about 2 months. Burundi, Mauritius and Ukraine introduced time limits at their land registries and, while full compliance has not yet been achieved, have already cut registration time by 30 days, 7 days and 48 days, respectively.
Increased administrative efficiency	Malaysia; Panama; Poland; Sierra Leone; Trinidad and Tobago	<i>Average time saved: 38 days</i> Malaysia implemented a new caseload management system in the land office, enabling clerks to process property transfer applications 34 days faster. The increase of the number of operating hours of the Public Registry of Panama until 11 pm has cut 4 days in time. Poland cut 98 days from the time to register property by introducing a new caseload management system for land registries. Sierra Leone increased efficiency at the Ministry of Lands by digitizing records and hiring more personnel, reducing the time to register property by 19 days. The Water Authority (WASA) of Trinidad and Tobago, reduced the time needed to obtain its clearance certificate by 35 days, from 42 days to 7 days.
Computerized procedures	Bosnia and Herzegovina; Cyprus; Italy; Mauritius; Poland	<i>Average time saved: 32 days</i> Bosnia and Herzegovina computerized its commercial registries, cutting registration time by 8 days. Cyprus reduced time by 14 days by computerizing its land registry. Mauritius implemented an electronic information management system at the Registrar-General's Department to allow different branches of the department to share information, cutting 7 days from the processing of property transfers. Italy merged all due diligence procedures performed by notaries through a secure portal, Notartel, which gives notaries access to the databases of the land registry, cadastre and commercial registry.
Reduced taxes or fees	Comoros; Ireland	<i>Cost reduction: up to 6% of the property value</i> Ireland introduced a single stamp duty rate for transfers of nonresidential properties and reduced the rate by 4% of the property value, from 6% to 2%. The Comoros reduced the transfer tax from 15% of the property value to 9%.
Combined or reduced procedures	Czech Republic; Italy	<i>Procedures cut: 1</i> The Czech Republic cut 1 procedure by giving the cadastral office online access to the database of the commercial registry. Italy gave notaries online access to all cadastral plans, eliminating the need to request the plans from the cadastre.
Put procedures online	Denmark	<i>Time saved: 6 days</i> Denmark's land registry introduced electronic filing of property transfers and now accepts property transfer applications only online, cutting 6 days.

Source: *Doing Business* database.

FIGURE 12.1 Sub-Saharan Africa leads in number of property registration reforms



Note: An economy can be considered to have only 1 *Doing Business* reform per topic and year. The data sample for DB2006 (2005) includes 174 economies. The sample for DB2013 (2012) also includes The Bahamas, Bahrain, Barbados, Brunei Darussalam, Cyprus, Kosovo, Liberia, Luxembourg, Malta, Montenegro and Qatar, for a total of 185 economies.

Source: *Doing Business* database.

months in 2011 to as little as 14–60 days in 2012. Other OECD high-income economies improving their property registration process were the Czech Republic, Denmark, Ireland, Israel and Italy.

## WHAT HAVE WE LEARNED FROM 8 YEARS OF DATA?

In the past 8 years *Doing Business* recorded 185 reforms, undertaken in 121 economies, which increased the efficiency of procedures for transferring property (see figure 12.1). Globally, the average time to transfer property fell by 35 days, from 90 to 55, and the average cost by 1.2 percentage points, from 7.1% of the property value to 5.9% (figure 12.2).

TABLE 12.3 Who has narrowed the distance to frontier in registering property the most since 2005?

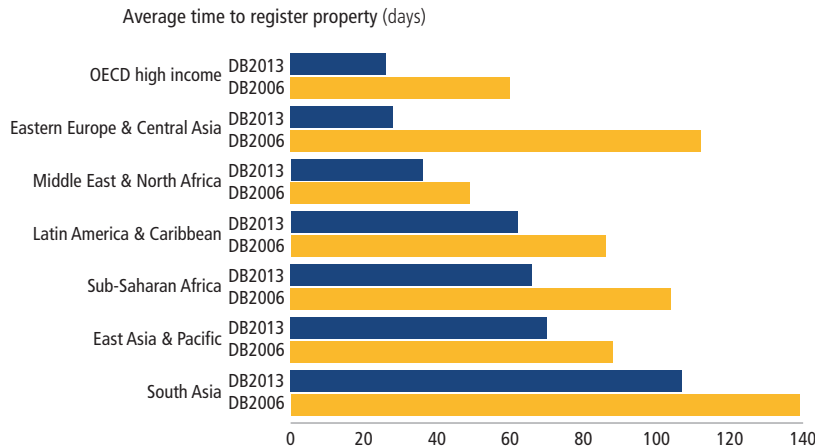
Most improved	Improvement in distance to frontier (percentage points)
Maldives	49 (0→49)
Belarus	42 (54→96)
Burkina Faso	39 (23→62)
Rwanda	38 (36→74)
Mauritius	37 (33→70)
Bosnia and Herzegovina	32 (36→68)
Côte d'Ivoire	30 (22→52)
Angola	27 (27→54)
Sierra Leone	24 (28→52)
Slovenia	24 <sup>a</sup> (47→71)

Note: The distance to frontier measure shows how far on average an economy is from the best performance achieved by any economy on each *Doing Business* indicator since 2005—in this case for the registering property indicators. The measure is normalized to range between 0 and 100, with 100 representing the best performance (the frontier). The data refer to the 174 economies included in *Doing Business 2006* (2005). Eleven economies were added in subsequent years. The first column lists the top 10 most improved economies in order; the second shows the absolute improvement in the distance to frontier between 2005 and 2012.

a. Burundi and the Solomon Islands also have an improvement of 24 percentage points.

Source: *Doing Business* database.

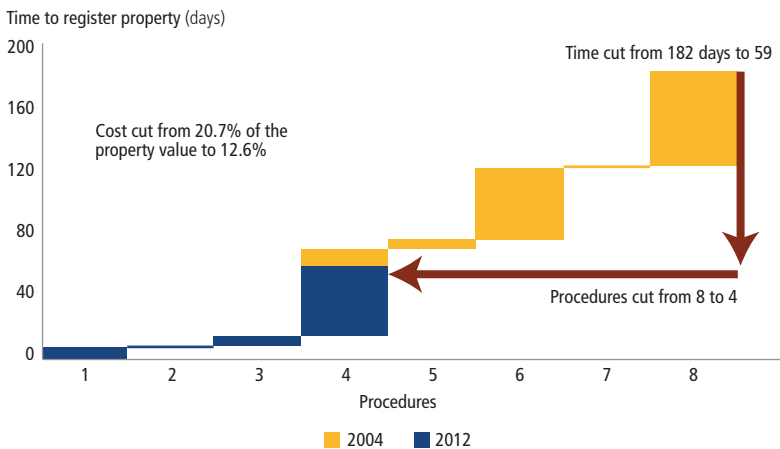
FIGURE 12.2 Property transfers have become faster in all regions



Note: To ensure an accurate comparison, the figure shows data for the same sample of 170 practice economies for both DB2006 (2005) and DB2013 (2012) and uses the regional classifications that apply in 2012. The economies added to the *Doing Business* sample after 2005 and therefore excluded here are The Bahamas, Bahrain, Barbados, Brunei Darussalam, Cyprus, Kosovo, Liberia, Luxembourg, Malta, Montenegro and Qatar. DB2006 data are adjusted for any data revisions and changes in methodology.

Source: *Doing Business* database.

FIGURE 12.3 Burkina Faso made transferring property faster and easier



Source: *Doing Business* database.

Among regions, Sub-Saharan Africa had the largest number of property registration reforms in the past 8 years. As a result, it also cut the cost to register property the most, though the regional average remains the highest. Among the biggest cost cutters was Angola, whose government slashed the property transfer cost from 11.5% of the property value to 3.2% in 2011 by reducing both the transfer tax, or *sisá* (from 10% to 2%), and the stamp duty (from 0.8% to 0.3%).

Thanks to effective efforts to increase efficiency, Burkina Faso ranks among the 10

economies making the biggest improvements in property registration since 2005 (table 12.3). By introducing a one-stop shop for property issues and eliminating the need to obtain a consent to the transfer from the municipality, Burkina Faso cut the number of procedures from 8 to 4 and the time from 182 days to 59 (figure 12.3). It also reduced the property transfer tax 2 years in a row—from 15% of the property value to 10% in 2008, then to 8% in 2009. This helped bring down the total cost from 20.7% of the property value in 2004 to 12.6% in 2012.

TABLE 12.4 Who makes registering property easy—and who does not?

Procedures (number)			
Fewest		Most	
Georgia	1	Algeria	10
Norway	1	Ethiopia	10
Portugal	1	Liberia	10
Sweden	1	Ukraine	10
Bahrain	2	Eritrea	11
Belarus	2	Greece	11
New Zealand	2	Uganda	12
Oman	2	Nigeria	13
Thailand	2	Brazil	14
United Arab Emirates	2	Uzbekistan	15

Time (days)			
Fastest		Slowest	
Portugal	1	Angola	184
Georgia	2	Puerto Rico (U.S.)	194
New Zealand	2	Suriname	197
Thailand	2	Guinea-Bissau	210
Lithuania	3	Bangladesh	245
Norway	3	Afghanistan	250
Iceland	4	Togo	295
Kyrgyz Republic	5	Brunei Darussalam	298
Nepal	5	Haiti	301
Taiwan, China	5	Kiribati	513

Cost (% of property value)			
Least		Most	
Saudi Arabia	0.00	Côte d'Ivoire	13.9
Belarus	0.03	Guinea	14.2
Kiribati	0.04	Tonga	15.1
Slovak Republic	0.05	Maldives	16.1
Georgia	0.06	Chad	17.9
New Zealand	0.08	Cameroon	19.1
Kazakhstan	0.08	Senegal	20.2
Armenia	0.16	Nigeria	20.8
Russian Federation	0.18	Congo, Rep.	21.3
Qatar	0.25	Syrian Arab Republic	27.8

Source: *Doing Business* database.

Worldwide, economies making effective cuts in the number of procedures have reviewed the efficiency of their property transfer process, then designed regulatory reforms that centralized procedures in a single agency—such as due diligence, signing of the contract, payment of taxes and registration. One is Italy, which centralized most procedures at the notary office by introducing an electronic platform

(Notartel). Now notaries can electronically access the databases of all agencies involved in property transfers.

Economies making effective reductions in time have reorganized the workflow of their registries, introduced time limits (taking into account the capacity of the institutions involved) or paired the computerization of their registries with the introduction of efficient caseload management systems. Portugal made its land registry one of the world's most efficient by introducing an effective 1-day time limit for urgent transfers and a 10-day time limit for others (table 12.4).

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**NOTE**

This topic note was written by Dariga Chukmaitova, Nuria de Oca and Moussa Traoré.