
**REVIEW OF THE INSTITUTIONAL AND
ORGANIZATIONAL ARRANGEMENTS OF THE
OFFICES OF THE IPRS AND THE PMU IN ALBANIA**

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Terra Institute, Ltd., has provided technical assistance in Albania since 1994. Under both the Land Legislation and Policy Project (LLPP) and the Land Markets in Albania Project (LMAP), the Institute has archived almost 50 reports, papers, draft legislation, and commentaries on land legislation, land registration, land tenure, and other land market-related activities in Albania.

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GLOSSARY

IPRS	Immovable Property Registration System
LTC	Land Tenure Center
MOLA	Meeting of Officials on Land Administration
PMU	Project Management Unit
UNECE	United Nations Economic Commission for Europe

REVIEW OF THE INSTITUTIONAL AND ORGANIZATIONAL ARRANGEMENTS OF THE OFFICES OF THE IPRS AND THE PMU IN ALBANIA

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John Manthorpe*

There would be no functioning Immovable Property Registration System (IPRS) in Albania without the operation of the Project Management Unit (PMU). The PMU serves as the management mechanism for coordinating the complex set of activities required for the IPRS to perform successfully. Yet the ultimate measure of success of the PMU will be the creation of an effective and self-standing IPRS, that is, a system of property registration that provides the security and stability necessary for creating a dynamic land market. An operative and independent Albanian registration system will be the enduring evidence of the major contribution to the country of the PMU and its leadership.

1. BACKGROUND TO THE REVIEW

The initial Action Plan for introducing an Immoveable Property Registration System in Albania was reassessed by the Land Tenure Center (LTC) of the University of Wisconsin–Madison because of internal difficulties in the nation and the consequent disruption to the program’s implementation. An extended Land Market Action Plan (LMAP) was prepared by the LTC in early 1998.

The LTC believed it proper, however, to invite independent specialists in the field of land registration and cadastral mapping to assess the advances that had been made in setting up the Immovable Property Registration System (IPRS). Also in 1998, therefore, it asked the Meeting of Officials on Land Administration (MOLA) of the United Nations Economic Commission for Europe (UNECE) to carry out another, independent technical review of the progress achieved in developing an IPRS for Albania. This group, composed of representatives from UNECE countries, fielded a team to make the assessment. Three specialists—in land registration law, in geodesy and computing, and in the organization and management of land registration systems—visited Tiranë; their first draft report was completed in July 1998 and finalized later that year.

Each specialist was then invited to return to Albania to explore more specific aspects of the earlier investigation. These three separate reviews were completed between December 1998 and February 1999. The present report, produced by one of the specialists making this further review, addresses organizational and administrative issues that arose in the initial technical review[†] with the following terms of reference.

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The author had the opportunity to discuss institutional and organizational arrangements of LMAP with the staff of the Central Office and the PMU and to visit three District Registry offices. He is grateful to Albert Dubali, the Chief Registrar, and Ahmet Jazoj, the General Manager of the PMU, and all their staff, who gave him so much help, explained procedures, and answered many questions. He especially thanks Fatos Lazimi who provided the indispensable interpretation services and Romeo Sherko who made the necessary administrative arrangements.

[†] The present report does not repeat the analyses and recommendations contained in the earlier report. Readers are referred to sections 1, 4, and 9 of “Technical Review relating to Institutional and Organizational Issues,” prepared for the Land Tenure Center, University of Wisconsin–Madison, 1998.

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- ◆ advise the Chief Registrar on the administrative structure of the Central Office and the administrative arrangements between the Central Office and the district registration offices;
 - ◆ visit two district registration offices, meeting with registration office staff and advising them about the problems they are having with administration of the office and registration of transactions; and
 - ◆ meet with the General Manager of the PMU, advising him and the Chief Registrar on how to maintain their good working relations and integrate the work of the PMU within the structure of the IPRS.

2. SCOPE OF WORK

Developing the Immovable Property Registration System (the IPRS), extending the role of its district offices, and increasing the scope of its Central Office require a clear forward plan to ensure that these components respond to the greater demands made upon them as more and more land is registered and the number of inquiries and transactions increases.

It is recognized that the role of the Project Management Unit (the PMU) will change as its task of first registration moves toward completion. Many of its strategic and technical inputs to the IPRS will migrate from being externally provided to forming an integral element of the Central and District Office structure under the direction of the Chief Registrar.

Planning and managing this migration of skills and functions, both organizationally and in terms of PMU and IPRS personnel, is the basis of this report. At the same time, the institutional position of the IPRS within government and the implications for donor financing of any restructuring are addressed.

During my fact-finding mission, I had the opportunity to talk to the district registrars at a meeting with the Chief Registrar and Central Office staff in Tiranë on 8 February 1999. The registrars were given every opportunity to raise matters of concern, and this proved particularly useful in understanding the problems they confront. I have dealt with the issues raised under the relevant sections of this report.

3. CENTRAL OFFICE OF THE IPRS AND THE PMU: DEVELOPMENT, COORDINATION, AND INTEGRATION

The administrative structure of the Central Office of the IPRS must support the following aims and objectives:

- ◆ achieving the requirements placed upon the IPRS by the Council of Ministers;
- ◆ ensuring the proper administration of the immovable property laws;
- ◆ delivering efficient registration services to the people and institutions of Albania;
- ◆ supporting the district registries in carrying out their responsibilities; and
- ◆ developing the registration system to achieve continual improvement.

The Immovable Property Registration System in Albania has been developed through the joint action of the donor agencies and the Albanian government. This has been a successful partnership of external financial aid and expertise, on the one hand, with developing “ownership” by Albanian professionals and administrative practitioners, on the other.

On any historical and international comparison, the pace of implementation, particularly the creation of the District Registry structure and the program of first registration, has been rapid. This has ensured that the initial momentum of the land privatization program has been maintained.

Throughout the development stage, the Chief Registrar of the IPRS, as the statutory official responsible under law for administering the registration system, has continued to depend on the specialist skills and administrative drive of the Project Management Unit. The PMU, recipient and deployer of aid funds, has managed the first registration process and, through its coordinators, monitored the way the system has been implemented in the district offices. It provides the resources and manages the contracts that deliver essential technical support services.

It is clear that without the achievements of the PMU there would be no functioning IPRS in Albania. Yet as the program of first registration moves toward the halfway mark and the volume of registered transactions increases, so

the IPRS must extend its control over its own development and administration. It must ultimately be able to manage its own activities and determine its own development using its own expert resources.

This would not mean that it could not commission or contract specialist assistance from outside the IPRS on any activity or program. Such assistance might be from within Albania or from international experts and aid agencies. The critical point is that the IPRS, and specifically its Chief Registrar, must prepare to be in command of property registration activities and planning, answerable only to the Council of Ministers and to the laws that it administers.

This will require a timely but carefully planned migration of responsibilities and functions from the PMU to the Central Office of the IPRS. However, before any such practical transition can be effected, the continuing flow and direction of donor funding arrangements must be secured.

Because of the criteria on which donor funding is based (i.e., through aid budgets or project and development work and not directly to the Government of Albania), the deployment of future funding into the evolving IPRS must be clarified and assured in advance. It seems that the donor “rationale” should recognize not only the need to complete the first registration program under the auspices of the PMU but also the need to build administrative and technical know-how directly into the Central Office of the IPRS. Such development is necessary to equip the Central Office with the capacity to build its own pool of expertise and to strengthen the IPRS from within.

With continuing donor funding assured, three areas in particular, each central to the effective functioning of a land registration system, should be developed within the Central Office:

- ◆ developing instructions and regulations and contributing to new legislation, for every day the IPRS confronts new technical issues arising from the land market;
- ◆ maintaining regular training in practical procedures for registrars and registration officers so standard practices can be used across Albania.
- ◆ ensuring that the mapping, update, and support systems are controlled by the IPRS.

These three areas of development—instructions, training, and mapping—must take place within the Central Office structure if the IPRS is to evolve toward full maturity.

This does not mean that the donor aid, funding, and assistance can be discontinued. But it does mean that the focus for this financial support must move closer to the center of the IPRS organization. In practical terms, it means that some of the staff and activities that take place within the PMU office must transfer to the Central Office location and organization. To achieve this, transitional arrangements should be made to ensure a cooperative migration of particular development functions from the PMU to the Central Office of the IPRS.

This is no easy task, and it will be essential that all those concerned in both organizations understand the longer-term reasons for such a change and are not perturbed by the process. There are, for instance, issues of pay and responsibility to be considered as staff members from the PMU take up positions in the enlarged Central Office. As the program of first registration moves toward its conclusion, the continued cooperation of the Chief Registrar and the General Manager of the PMU will be central to the success of the transition.

This transition can best be managed by identifying the particular tasks presently undertaken by the PMU and planning the sequence of transfer. These tasks fall into three sectors.

◆ **First registration**

The PMU would retain responsibility for first registration, that is, receiving, deploying, and accounting for external donor funding, for international liaison, and for those wider policy studies that go beyond the specific role of the IPRS. It would retain its coordinator function but only to the extent needed to monitor the remaining and diminishing program of first registration.*

◆ **Infrastructure and mapping**

As a contracted agency of the IPRS, the PMU would continue to be responsible for information technology, equipment purchase, accommodation, and delivery of up-to-date mapping at required intervals. Subject to the terms of any subcontracts that exist between the PMU and the suppliers of goods and services, these

* The PMU would continue as a separate unit until the first registration program is complete.

responsibilities, and the staff concerned, should transfer to the Central Office from, say, April 2000. From this date, this entire area should continue to be classified for donor-funding purposes as “developmental,” at least until the PMU has completed the first registration program. Although aid funds may not be able to go directly into the Albanian government budgets, from this date, and for the duration of the project, this sector should be recognized as providing the technical and physical development needed to build the IPRS system. The transfer of these activities to the direct control of the Chief Registrar will ensure the development of necessary skills within the IPRS. The budgets for this area would need to be “ring fenced”^{*} within the Central Office and separately monitored to enable identifiable aid funding to be properly controlled and audited.

◆ **Regulations, instructions, and training**

The PMU would, say, from October 1999, transfer responsibility for all matters relating to legislation, internal regulations and instructions, training of registrars and registration officers, and monitoring and management of district offices to the Central Office of the IPRS. The Central Office would acquire those staff currently responsible for this work in the PMU. It could, where appropriate, take on those coordinators able to contribute to this work in the Central Office. This area of activity would also absorb those few staff members already carrying technical and legal responsibilities within the Central Office. This sector, properly located within the IPRS for the duration of the project, will be heavily concerned with developing the IPRS system through the creation of standards, precedents, regulations, and instructions and with the equally crucial development task of staff training and education. As with the infrastructure, this sector would continue to be classified as developmental, with its ring-fenced budgets met by donor funding. Known as the “Control and Development Group,” it would be headed by a senior official directly responsible to the Chief Registrar.

These proposed developments depend on:

- confirmation that aid funding can be directed at identified developmental activities that must take place within the Central Office;
- structured budgets for the Central Office, which enable clear identification of activities funded by donors;
- a timetable scheduled for the organizational and physical transfer of staff and activities;[†]
- development of the internal organization of the Central Office to enable acquired responsibilities to be integrated and successfully managed;
- continued effective coordination between the PMU, external experts, and the Central Office; and
- the key contribution of the specialist staff of the Land Tenure Center of the University of Wisconsin–Madison.

4. THE CENTRAL OFFICE AND THE DISTRICT REGISTRY OFFICES: ADMINISTRATIVE ARRANGEMENTS AND DEVELOPMENT

Meeting with all the registrars at the Central Office on 8 February 1999, I presented a talk concentrating on why immovable property registration was important for Albania, the important part they as registrars play in building and managing a system of secure property rights, and how registration systems support a developing market economy based on secure land rights and property transfer. I also described developments in systems elsewhere in Europe and particularly in England. The registrars responded with a good number of questions.

I was given the opportunity, by the Chief Registrar, to contribute to general discussion during the main business of the day when registrars were raising issues with the Central Office staff. It was a fruitful meeting, with all registrars contributing and the Chief Registrar providing the opportunity for frank discussion by all present. The main issues that arose related to resources, instructions and guidance, training, communications, and finance. I deal with each of these topics below.

^{*} This term is used in financial areas to mean that the budgeted money cannot be used for any purpose other than that for which it was allocated and authorized.

[†] This will require the existence of adequate office space to accommodate all the Central Office staff; the timings shown are indicative only and will be a matter for discussion.

I visited the two Tiranë district registries and the Lushnjë District Registry, where I was given every assistance by the registrars. I also visited the Hipoteka Office in Tiranë. During the visit to Lushnjë, I had a useful meeting with the office staff and again explained the importance of their role and answered their questions.*

4.1 COMMUNICATIONS

The organizational relationship between the district registrars and Chief Registrar is already in place. The registrars report directly to the Chief Registrar, and this direct accountability should continue. In practice, of course, there is a live working relationship between registrars and their PMU coordinators and, as such, with the PMU itself. Such arrangements need to continue while the process of first registration goes forward in any district, but once the public display period is over and the first registration complete, a single, direct line to the Chief Registrar will be the main conduit for communication.

In practice, the Chief Registrar will not be able to deal personally with all the specific issues that arise in a district during the course of the year. It is here that the senior staff in the Central Office and the specialist officeholders will be the normal points of reference on matters in their respective fields of responsibility. During the normal course of business, the District Registrar may not need much direct contact with the Chief Registrar, who will operate through senior Central Office staff. However, it is important that routines are in place to enable the Chief Registrar to have periodic contact with the district registrars and their offices. This is important not only to give district registrars the opportunity to speak with their “boss” but also to allow the Chief Registrar to see the local operations and to appreciate the work of each registrar.

With 36 district offices it is not realistic to expect the Chief Registrar to visit all in the course of a single year. One arrangement that could be productive would be for the Chief Registrar and key senior staff to visit, say, 6 offices a year for at least a full-day meeting, with the 6 registrars from the particular regions meeting together. This would enable the Central Office staff to see the work of a district office and to meet the staff, and it would enable the Chief Registrar to inform the registrars of developing policy and new initiatives. It would allow the district registrars to raise matters for discussion with the Central Office staff, and it would permit them to discuss problems that they had met and solutions that had been found and to see the organization of the host District Registry office. It would also foster good relationships among the senior staff of the IPRS.

Not all issues could await the visit of the Chief Registrar, so the opportunity must exist for a registrar to come to the Central Office to meet relevant staff to discuss key issues affecting the District Registry office. Similarly, Central Office staff, where advantageous, could visit the district offices.

At the same time, an annual meeting of all registrars, similar to the meeting on 8 February 1999 in Tiranë, would be an important feature of the IPRS calendar. This could be usefully timed to enable the Chief Registrar to make key announcements, for instance, on budgets or targets for the year.

In addition to face-to-face meetings, communication through written media or e-mail is important to ensure quick dissemination of information from the Central Office to the district offices. It may be worthwhile to create a structured series of “Office Instruction Notes” or guidance for each of the specialist areas in the Central Office. For instance, there could be a separate but numbered series for personnel, finance, accommodation, legal and registration procedures, and survey and mapping procedures. Maintaining a chronological and numbered series of instruction notes is good office practice. At the same time, administrative, instruction, and regulation manuals can be developed for all staff.

* During this visit I was interviewed for Albanian television. This provided an opportunity to explain again the importance of the registration system to the people and institutions of Albania and to encourage Albanians to use the system to protect their rights. My answers were translated off-screen and it may be that not all the footage filmed will actually be screened.

4.2 REGULATIONS AND INSTRUCTIONS

Much of the knowledge of the staff at the district level has been acquired from hard-won experience and individual interpretation while confronting problems at the district offices. Although there are common standards of practice throughout the District Registry network in the form of *kartela*, national mapping formats, and the initial material issued from the PMU and Central Office, as the volume of work has increased and new problems have been met, so the need for more comprehensive guidance has grown.

The PMU has just issued a revised set of draft regulations that provide district registrars and their staff with more guidance on procedures and how to deal with difficult points. The registrars whom I met greatly welcomed this new publication, which has provided a good deal of new information and assistance.

If the proposals mentioned above (see Section 3) relating to the creation of a Control and Development Group in the Central Office are adopted, then it will be this group that will be responsible for maintaining, developing, and issuing practice regulations and considering legislation. It is to this group that district registrars would look for advice and to which they would present novel problems that arise.

This sector should work to an annual program, planning priority subject matter on which it would provide instruction and guidance. The program would be determined by any new procedures needed because of new legislation but particularly from reports from district registrars as to the areas where greater guidance was needed. In this latter case there should be formal means for a District Registrar to submit a proposal identifying topics where guidance was sought, indicating where the registrar had new ideas, and suggesting how such a control group might be directed.

As instructions and guidance notes are issued, the Control Group should progressively bring these adjustments together into a single, updated manual, which can be held by all staff engaged in registration work. The preface to such a manual should include an explanation of the aims of the registration system in Albania, its early history, and its objectives so that the staff has ongoing awareness of the importance of their work.

Among the subject headings of such a manual could be:

History of the IPRS	Aims of the IPRS	First registration
Public display	Mapping	Updating <i>kartela</i>
Inheritance	Provisional registrations	Hipoteka documents
Mortgages and other rights	Public access to information	Issue of certificates
Areas	Property numbers	Fees
Land taxes	Filing of documents	Security

The Control and Development Group would have dual responsibilities. First, it would be the source and provider of information on “how the job should be done”; that is to say, it would convert legislation into workable procedures that can be applied in a practical and secure manner at district registries.

Second, the Control Group would monitor the actual execution of these procedures in the districts. This, of course, is also a first line responsibility of the District Registrar, but the Control Group would be able to apply a consistent and independent yardstick across all districts and identify where new guidance or instruction was needed. The character of this control function should be positive; in other words, the task would be to visit with registrars and discuss how procedures are working in practice, identify problems, and seek solutions. Where appropriate this could mean further training or the temporary loan of an experienced staff member from another district. After any formal visit to a district, the Control Group should produce a short report, in standard form, identifying not only problem areas but also areas where the District Office had developed a good practice that might be of value elsewhere. This report should be submitted to the Chief Registrar and the district registrars.

4.3 TRAINING

No enterprise can flourish without a soundly based ethos of training and development. New and changing external circumstances require response from within the organization. The importance of good training is especially marked in a new organization which itself is developing its role.

Good training is closely allied to the development of good guidance and instruction. This enables staff members to learn how to do their jobs effectively and to develop confidence in their skills, thus equipping them for greater responsibility in their careers.

I propose that a full-time Training Officer be appointed to work directly with the head of the Control and Development Group. This Training Officer would develop training material for registration and administrative jobs in the district registries for both district registrars and registration officers. This training could be given at a formal course at the District Registry or Central Office or, where appropriate, could be offered in self-instruction form. The training staff would work closely with the people responsible for new instructions and guidance under the direction of the head of the Control and Development Group.

A person familiar with modern training techniques and materials would be ideal for preparing course materials and leading training sessions. Knowledge of the subject matter would be essential. Temporarily assigning District Registry staff who are especially well suited for a particular training subject could be considered.

4.4 RESOURCES

It was evident from the representations of registrars that many of them thought they had insufficient staff or insufficient expertise to manage their registries effectively. Although it was not possible to evaluate those claims in the time available to me, it is a cry I have heard many times from regional managers in England, and I have no reason to suppose that the general concern is not well founded in Albania. It is clearly necessary to develop a system of monitoring the resources available and actually used in each District Registry against the volume of work each office receives and completes. From such an analysis it is possible to develop "output-per-post ratios," which would begin to provide a measure of relative workload and productivity for each office. This means that the Central Office would assess the staffing levels for each district and, where it appeared that high productivity was being achieved, the methods adopted by the particular registrar and staff could be assessed for possible application elsewhere.

The Lushnjë registrar expressed the view that more specialist staff was needed. Irrespective of volume of activity, there would seem to be a need to have a specialist in the field of mapping and a specialist in legal matters in each District Registry (this specialist might also be the District Registrar). This would provide the necessary professional expertise to deal with problems that can arise and would strengthen public confidence in the people and institutions dealing with the registry.

With a structure of 36 district registries and a population of 3 million people in Albania (versus 24 offices and 50 million people in England and Wales), a small number of staff members in each District Registry must manage the full range of problems and transactions types. In this situation there is a greater requirement for flexibility in the duties carried out by each individual. This calls for a certain degree of multi-skilling, where specialists in one field learn how to perform duties in another and so contribute in a broader way to the work of the District Registry. The concept to develop here is that an employee of whatever discipline is embarking on a career in "immovable property registration" and wide experience is invaluable in order to advance. This cannot be achieved immediately, but barriers between specialists should not be allowed to become too rigid; the best-equipped registrars of the future will be those who are conversant with all aspects of the work of their offices.

4.5 FINANCE

In Section 3 of this report I discussed the continuing need for donor funding for development and how this should be directed to developmental activities within the Central Office of the IPRS as well as to the continuing first registration program of the PMU. But looking to the future, there is a need to progress toward a fully self-financing IPRS. In a statutory monopoly, one solution is simply to charge a certain fee for registration services that compels the public to pay whatever is necessary to cover the operating costs of the organization. In any fledgling registration system such as that in Albania, this would likely require an unreasonably high level of fees, which many people could probably not afford. This would discourage the public from using the system despite the legal disadvantage that would ensue, and so the register would be unreliable.

It will, therefore, be necessary for some time for the IPRS to be funded partially by fees and partially by central funding from the Albanian government under an agreed annual budget. What would make sense is for the IPRS to

be able to retain the totality of the fees raised by its registration services rather than only a percentage.* This would reduce the balance that needed to be funded directly by the Albanian government.

It may also be worthwhile to consider the way transactions taxes are directed. Although I had insufficient time to investigate the issues further, it is unlikely that the government would want to forgo any tax revenue from whatever source. But by developing the registration system and encouraging the land market, the higher transactions activity could produce greater tax and registration fee levels. This would doubly benefit the government in reducing the level of contribution it would need to make in the years ahead to the IPRS budget and increasing its tax revenues from a more active property market.

Section 54 of the Law on the Registration of Immovable Property, Law No. 7843, dated 13 July 1994, makes no reference to who or what institution has the power to set fees, though §56 does indicate that the Council of Ministers shall issue legal rules for implementation of the IPRS law. One assumes that this council also sets the fees on recommendation of the Chief Registrar. This important area needs to be further examined in conjunction with the longer-term profiles for continuing donor funding for developmental work.

5. SPECIFIC PROBLEMS

5.1 INDEMNITY AND GUARANTEES

Currently being examined by the PMU and the Central Office is how to establish a system of guarantee backed by indemnity or assurance. Certainly a registration system with a state guarantee, and offering mechanisms for appeal against the facts on the register, is the hallmark of a secure system of land and property tenure.

Such a development is to be encouraged for the longer term. However, I would caution against introducing too complicated a system or any guarantee system too early in the creation phase of the IPRS. Ideally, the Chief Registrar should be permitted to build an insurance fund from a percentage of fees received (say, 5% per annum). District registrars should be given a modest level of authority to allow payment where genuine loss has occurred through clear error or omission by the registry. On appeal, the Chief Registrar (or a senior lawyer acting on his behalf) should be able to make payment up to a higher level when satisfied that genuine loss has occurred and that the IPRS is responsible.

The public should always have the right of appeal against the decision of the Chief Registrar, but I would suggest that at this point it should be directly to the court rather than to a new commission created specially for the purpose. This is an area that requires careful consideration and I cannot pretend to have examined all the issues in the short time available. I suggest that some further experience in transactions processing and first registration in the urban areas is necessary before a system of indemnity can be put in place.

5.2 EXTRACTING INFORMATION FROM THE HIPOTEKA FOR FIRST REGISTRATION IN URBAN AREAS

In the urban areas, documents recording ownership, mortgages, and other legal interests are presented to the Hipoteka for registration. A shortened summary of the document is entered in the Hipoteka record book. This documentation is entered chronologically, given a unique number, and cross-referenced to earlier documents relating to the property so that, in theory, a search can be effected by any interested party. The documents are not related to any map, so searching the Hipoteka books in any geographical way is not possible.

In order to compile the *kartela* for the District Registry areas, it is necessary to systematically extract information from the Hipoteka indexes, examining, where appropriate, the relevant document creating the entry.

There are a number of problems to be considered to ensure that this copying is done effectively. The Hipoteka indexes cover a far larger area than the District Registry. Sequential entries in the index (for instance, in Tiranë) may

* This is what I understand to be the procedure at the present time.

relate to properties in more than one District Registry office. The index books are continually in active use. The purpose of registering a document in the Hipoteka is to give “proof to the world” of its existence.

In theory, intending purchasers and lenders can make inquiries of the Hipoteka before committing themselves to contract. However, the inherent weaknesses of the system mean that searching the index books and documents is extremely difficult and unreliable. There is the risk that fraudulent documents may have been recorded. The Hipoteka staff is not required to carry out any investigation into the validity of a document other than to see that it is properly presented and the tax is paid.

Of course for the IPRS, the development of a map-based *kartela* for each property in Albania is designed to overcome the limitations of the Hipoteka. The problem, and the challenge, is reliably transferring the information held in the chronological Hipoteka files into the new *kartela*.

The most complete and thorough method of reliable transfer would be to sweep back systematically through the documentation, tracing the chain of ownership from the most recent document until the registration officer is satisfied that the most recent entry does indeed indicate true ownership. Then this information can be transferred to the *kartela* with appropriate deletions and notations being made in the Hipoteka records to show that the information has been superseded by the draft *kartela*. At this stage, of course, prior to public display, the *kartela* is provisional and arrangements would have to be made to permit updating if any transactions arose before the 90-day public-display period was completed.

The PMU, in consultation with colleagues in the Central Office, LTC, and MOLA, is currently studying how this difficult task can best be tackled. On the one hand, there is a desire to make good progress in the rate of conversion, not least because it is now realized that the task of completing the first registration program by 2001 is going to be extremely difficult. On the other hand, there is concern that the examination and extraction of information be thorough because it is known that the records are not always reliable and may, in some cases, reflect fraudulent documents; also, most importantly, the reputation and standing of the developing IPRS will rest substantially on the reliability of its records and the information presented to the public at the public display and thereafter.

It is clear that the information from the current study is important and will assist in determining how best to carry out the conversion. However, I do not think that any compromises should be made in accuracy. It should be sufficient to trace any current entry back at least to the preceding document to ascertain that there is a continual chain of ownership. If this research takes the registration officer back to before 1991, then the information could be accepted for entry on the *kartela* and public display. If an apparent conflict arises, it could be investigated further, if necessary, prompting further searching to earlier documents in the chain.

Of equal importance is the establishment of working arrangements whereby those staff carrying out the research and compiling the *kartela* have continual and uninterrupted access to the records. If copying indexes or documents is necessary—or working during hours when the Hipoteka Office is closed for business—then this should be arranged. Generally the procedures to be followed in this conversion should be tightly controlled, with progress recorded so that the extent to which records have been scrutinized in any Hipoteka Office is known.

5.3 FIRST REGISTRATION PROGRAM AND PUBLIC DISPLAY

One further point arises in the context of completion of the first registration program. There appears to be an increasing realization that completing the first registration of every property in Albania by the end of 2001 is unlikely to be achieved because of the difficulties and complexities of the urban areas and their records. If this were so, there would appear to be alternative options:

- ◆ Accept that the program would have to be extended.
- ◆ Adopt the concept of compulsory registration on sale backed up with a longer-term systematic conversion from the Hipoteka.
- ◆ Create, up front, qualified or temporary *kartela* where provisional information is recorded but does not get officially substantiated until the Hipoteka research program is complete or transactions take place at a later date. In this situation any entry in the *kartela* can carry an indication that it is qualified or temporary.

It may also be necessary to introduce some form of partial display where, say, once a year, such properties that have been examined are put on public display so that the scale of the *kartela* conversion can be broken down into manageable stages. Because of the structure of the Hipoteka, achieving this by small self-contained geographical areas does not seem possible.

6. SUMMARY OF RECOMMENDATIONS

- ◆ A forward plan should be developed to control the migration of responsibilities from the PMU to the Central Office of the IPRS.
- ◆ Expert resources should be located within the Central Office.
- ◆ The Chief Registrar must have the means to be in command of the activities of the IPRS and its future development.
- ◆ The PMU is to continue to be responsible for first registration, management of donor funding, and international liaison.
- ◆ Realignment of focus and deployment of donor funding is to be pursued, the rationale being that to enable the IPRS to become self-standing, some *developmental* activities need to be closely associated with the operation of the functioning IPRS under the direction of the Chief Registrar.

Subject to this:

- ◆ The PMU is to retain responsibility, until April 2000, for information technology, equipment procurement, accommodation, and delivery of up-to-date mapping.
- ◆ From April 2000, the Central Office is to take over responsibilities and staff involved in information technology, equipment procurement, accommodation, and delivery of up-to-date mapping. Budgets for this area are to be ring fenced and to qualify for donor funding at least until such time as the first registration program is complete.
- ◆ From October 1999, the Central Office is to take over responsibility for all matters relating to legislation, regulation, instruction, and training. The staff involved within the PMU is to transfer to the Central Office. Budgets for this area are also to be ring fenced and to qualify for donor funding.
- ◆ This section is to be known as the “Control and Development Group” and would have responsibilities not only for monitoring actual activities in the districts but also for developing the registration system and training the staff.
- ◆ The head of the Control and Development Group is to report directly to the Chief Registrar.
- ◆ A full-time Training Officer is to be appointed and is to report directly to the head of the Control and Development Group.
- ◆ The Chief Registrar and his senior staff are to meet with groups of six regional district registrars six times a year at a chosen District Registry in order to discuss current issues and problems and to see the registry work firsthand.
- ◆ Registrars are to have the opportunity, by arrangement, to visit the Central Office to discuss issues of particular importance.
- ◆ Annual meetings of all district registrars with senior staff of the Central Office are to take place.
- ◆ A series of instruction manuals on legal and registration procedures, mapping procedures, and administrative matters is to be developed by the Central Office for issue to all staff.
- ◆ Systems are to be developed to measure the volume of business handled at each District Registry and the staff used to establish relative workload and resource needs.
- ◆ Discussions are to be taken forward with the Council of Ministers on the basis of budgeting for the work of the IPRS. Retention of all fees with a central subsidy for balance of expenditure is to be pursued.

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- ◆ There should be no early introduction of a guarantee or indemnity scheme until the IPRS is further established and the first registration program is further advanced.
 - ◆ The study on extracting information from the Hipoteka is to be completed. The accuracy of *kartela* is not to be compromised by the desire to accelerate the rate of first registration to meet the 2001 target.
 - ◆ Feasibility of (and need for) completing the first registration program by 2001 is to be reviewed and, if necessary, alternative strategies and priorities developed.
 - ◆ Partial public display is to be considered as an option in order to maintain an increase in live *kartela*.*
 - ◆ Adequately equipped accommodations are to be available for the enlarged Central Office of the IPRS.

* *Kartela* is the Albanian term for land register. “Live” *kartela* are those that can be used by the IPRS because they have been approved following the period of public display. The public display, which allows people to challenge the proposed registrations, takes place once the research work on the properties for an area is complete. In the City of Tirana, for instance, where these investigations would take a long time to complete because of the large number of properties, there could be a long period between when individual properties were actually investigated and the public display. This would delay the point in time when the *kartela* for those properties could be prepared and brought into “live” use. A “partial” display (of the properties completed at intervals) could take place in order to sustain the flow of “approved” properties so that the production of *kartela* could also be sustained. This is an alternative to a protracted wait for a large public display once an extensive area of the city had been completed.