

Land Registration as a Part of Activities in National Land Survey of Finland

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SUMMARY

According to the program of Finland's Prime Minister Matti Vanhanen's second cabinet the efficiency of local courts' activities should be increased and their resources concentrated on exercise of the law. As the cabinet program states the current IT-system shall be renewed and the land registry activities moved over to the National Land Survey (NLS). From the citizens' and companies' point of view the information service about real properties plays a central role. Both information service and receipt of applications will be centralized in the survey offices that make up a network that covers the whole country. The Land Information System and all the aspects of the real property system as a whole should be taken into close consideration and use the means of the rapidly developing information technology to improve their functions. Development of the Finnish real property system comprises three development projects and their implementation. The first project deals with administrative transfer of land registry activities from the local courts to the NLS. The second project will renew the land registry part of the LIS and the third project will develop the tools for electronic conveyance of real property. The steps of implementation also have to follow the order mentioned above. Electronic conveyance, for example, cannot be introduced before the land register part has been renewed. The overhaul has been scheduled to take place on January 1, 2010. The exact date will be dependent on when the necessary changes in legislation will come into force. In the beginning of this year the NLS started a project to take the necessary measures for the transfer of land registry activities and the people now doing the actual work in the courts to the NLS. From customer point of view, centralizing the real property related government services in one organization creates the conditions for actual realization of the one-stop-shop principle. By this action the National Land Survey believes it can offer its customers better and more reliable service with lower fees.

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1. GENERAL DEVELOPMENT NEEDS IN PUBLIC ADMINISTRATION

The objectives of Prime Minister Matti Vanhanen's second cabinet include securing a sound basis for economic growth, employment and the welfare society. The number of working-age workforce is decreasing and the global economic development poses new challenges. From the beginning of next decade the yearly attrition of employees will be 11 000 to 12 000 more compared to the size of the next age group reaching the working age. The government seeks to fully use the work input of working age employees, to considerably improve the productivity and quality of work in workplaces over the next few decades and to improve the growth willingness of entrepreneurs and enterprises. In order to secure adequate economic growth, not only the favourable development of productivity in general but also the improvement of labour productivity is of primary importance. The Government Programme suggests that improving the quality of working life and working organizations could be used to increase labour productivity. An example of such a project is the Finnish Workplace Development Programme (Tykes) set for six years (2004 to 2009).

The Government Programme launched some of the major administrative development projects in central and regional administration. In public administration, changes in administrative branches that became effective on 1 January 2008 have been carried out. Changes affecting regional government will become effective by year 2010. In addition the Government continues to reassign transferable executive duties to regional administration. The development of central administration aims to rearrange administrative structures appropriately in order to support the wellbeing of the population and the national competitiveness of Finland and to enable the production of economic and customer-oriented services of good quality. The object of the development project is to allow the central administration to focus on its core tasks. Regional administration will be reorganised to clarify the division of duties between different regional authorities and to eliminate overlapping operations, to harmonize regional divisions, to significantly reduce the number of administrative staff and to reorganize the duties of state provincial offices. The idea of reassigning duties to regional administration is to obtain a more equal division of workplaces in different parts of the country. The targeted number of workplaces to be transferred outside the metropolitan area is 4 000 to 8 000; the plan should be ready by 2011 and implemented in 2015.

The productivity of public service production aims to curb the growth of public expenditure and to increase labour productivity. The benefits of productivity must be systematically allocated. The Government's productivity programme continues. The object is to reduce

workforce by approximately 9 600 man-years during the frame period and to introduce new productivity measures, which starting at the end of the frame period will result in the reduction of approximately 4 800 man-years. Prime Minister Vanhanen's cabinet will decide upon the measures in the frame decision in spring 2008.

In accordance with the Government Programme of Prime Minister Matti Vanhanen's second cabinet the efficiency of district courts will be enhanced and resources will be allocated to law enforcement duties. The legal protection policy aims to maintain the focus in legal proceedings at district courts so that most of their decisions remain final. At district courts resources are focused on extensive civil and criminal cases requiring legal expertise and consideration. By easing the proceedings when handling undisputed demands for payment, property registrations and other simple and routine issues, resources can be used for handling more demanding and time-consuming issues. According to the Government Programme the property registration system will be renewed and the related duties assumed by the National Land Survey of Finland.

As for citizens and enterprises the property information service plays an important part. Information service and application issues will be concentrated to the District Survey Offices, which have an extensive agency network. The cadastral system must be developed rapidly using the means provided by current information technology. It has been estimated that improvements can best be carried out if the operation remains within a unified organization and is handled by authorities specialized in maintaining and developing registers/cadastrals in the field. The registration proceedings and information services can be improved. Currently the legal security and the level of legal expertise are of high quality and the aim is to maintain the same standard after the transfer.

2. SOLUTIONS IN OTHER NORDIC COUNTRIES

In all Nordic countries the property registration systems and specifically the organization thereof have undergone changes in recent years. Unprejudiced and extensive changes have been carried out in the Nordic countries. The need for change has been similar and simultaneous. The other Nordic countries have therefore also had to make similar choices to Finland. Compared with a long coherent tradition the solutions may be considered to be radical. Then again, the changes follow a similar pattern. Likewise the reasons for change and the objectives set are very much alike. Most important features include centralization and transferring the registration issues to be handled by the survey administration. In all Nordic countries the lower court network has been renewed simultaneously. Registration has been eliminated or is being eliminated from the lower courts and at the same time the number of lower courts is reduced.

3. IMPLEMENTATION OF THE RENEWAL OF THE FINNISH CADASTRAL AND REGISTRATION SYSTEM IN THE NATIONAL LAND SURVEY

The Government Programme of Prime Minister Matti Vanhanen's second cabinet has unambiguously committed itself to develop the Finnish cadastral system and to entrust the registration issues to the NLS. When we talk about renewals affecting the cadastral system, three different development tasks and the implementation thereof have to be distinguished. Firstly, the administrative transfer of registrations from district courts to the NLS, secondly the renewal of the registration part included in the land information system and thirdly the development of Internet-based property exchange.

The registration part of the land information system was renewed in 2003-2005 after an extensive collaboration process with municipalities maintaining cadastral registers, the Ministry of Justice and the NLS. As a result a new unified cadastral register that covers the whole country was introduced on 1 June 2005. Both municipalities and District Survey Offices update the cadastre. At the same time the renewed information services were introduced, whereof the most important one was to provide customers with the required property location information through the information service. In addition the search for data was made possible using a map user interface. At that time the registration part of the land information system was left unchanged, as a decision on a possible administrative transfer concerning registrations was expected. A need to renew the somewhat outdated registration system was then already known. The data system solution of the registration part in the land information system goes back to 1980's and it is separated from the cadastral register. The cadastral register has to be copied to the registration system on a daily basis in order for the separate solution to function. Double maintenance of data means overlapping administration and may cause reliability problems. The Act on the Land Information System and Related Information Service came into effect on 1 January 2003 and the agency responsible for the administration of the system is the NLS.

A committee appointed by the Ministry of Justice has studied and defined Internet-based property exchange in its committee report KM 2006:1. The development of Internet-based property exchange is of primary importance when revising registration. The issue is currently discussed all over Western Europe. Assimilating the Internet-based register of registrations (land and encumbrance register), the cadastral register and the land information system created the basis for a unified and nation-wide information system. An essential feature in the European Internet-based property exchange systems that are being planned is that they are provided with an immediate connection to digital registers. In other words converting the registers into digital mode will be an intermediate phase while transferring to digital exchange. It is obvious that combining the register of registrations and the cadastral register creates far better prerequisites for Internet-based property exchange than separate registers. The registration procedure can be automated significantly. It is not merely a question of registrations in real-time so that proceedings can be started immediately or registration authorities are able to handle the application digitally as suggested by the committee that studied Internet-based exchange; instead the procedure can be arranged in such a manner that

the application immediately and automatically results in a registration without a separate investigation provided by the registration authorities.

In the beginning of this year the NLS started to implement the two development projects mentioned above by establishing what is known as a requirement development project, defining the requirements which are to be carried out in the coming system/s. The development of the information systems is scheduled to be such that the new registration part of the land information system can be introduced at the end of 2012 and thereafter the Internet-based property exchange system. The process proceeds in such a manner that the Internet-based property exchange system cannot be introduced before the renewal of the registration part is completed. Whether the Internet-based property exchange system will be introduced in stages or in parts becomes clear as the development project proceeds. However, it should be noted that an entirely new property exchange system including new operational processes is being created, whereas the registration part is merely being renewed using the latest information technology to meet present requirements.

The transfer of registration issues from the district courts to the NLS has preliminary been scheduled to take place on 1 January 2010. The date has been approved in a joint coordination working group for the Ministry of Justice and the Ministry of Agriculture and Forestry. The final date of the transfer depends on when the legislative changes will become effective.

The following essential principles have preliminary been defined for the implementation of the transfer plan while compiling the plan for transferring registration issues:

- The entire operation of the NLS is organized on the basis of customer-oriented core processes. The registration duties will be integrated as a part of this totality of core processes. A new core process will be established in the NLS, i.e. the core process for registration issues. Each core process has an owner, who is responsible for guiding the process together with a nation-wide core process team. The core process is in charge of uniform approaches, instructions, training, support, measurement and development.
- The forum for registration issues is the District Survey Office closest to the location of the properties, which also handles and solves the registrations. At present, the NLS has 13 District Survey Offices and agencies in 35 different places.
- Legal support is arranged by establishing an adequate number of new positions in the District Survey Offices. The lawyers will be available to all District Survey Office's agencies and will support the solutions made by the registration staff of the agency and will resolve himself the most difficult and broad issues which are open to interpretations.
- Nowadays lawyers (notaries) serving their court trainee period at district courts take part in handling and solving registration issues as a part of their training. Presently the Ministry of Justice is conducting a survey on how to improve the court training in the future. The transfer of registration duties to the NLS is planned without shifting the notaries to the NLS to train solving registrations.

- The current data system for land and encumbrance register will still be used for registration issues after the transfer. The user support is secured during the transfer.
- The Government's productivity programme will be taken into account when planning and implementing the transfer.
- The project for implementing the transfer of registration issues (KIRSI) carries out the measures which have been recognized and found to be necessary for the plan in order to realize the transfer of registrations without any disturbance. All necessary duties will be carried out in five sub-projects. First, the legislative sub-project prepares all legislative changes, which have to be implemented in order to enable the transfer of duties. In the second phase the sub-project comprising process, archive and economic affairs attends to defining for instance the new core process and takes care of economic affairs, pricing and duties relating to archiving. Thirdly the sub-project for staff, premises and customer service arrangements attends to matters associated with planning and implementing personnel management as well as arranging premises and customer service. Fourthly the sub-project for data administration is responsible for data systems and the faultless operation thereof not only during but also after the transfer. Finally the fifth step is the sub-project for communications that makes sure that all parties are constantly informed about the progress of the project and that the customers are aware of the occurring change.

4. CONCLUSION

The renewal of the cadastral system is included in the development of public administration. An efficient and reliable cadastral system allows creating a solid basis for increasing productivity and employment and for improving the wellbeing of citizens. Three significant development projects have been initiated as a part of the project to renew the cadastral system. After the implementation of these projects the Finnish cadastral system will be at an entire new level. The development projects are all large and require good and smooth cooperation not only of the different administrative branches but also a new kind of partnership between the public and private sector. However, we must simultaneously make sure that the current system operates reliably so as to be able to serve our customers and citizens during the development. So far the cooperation between the parties has been successful.

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BIOGRAPHICAL NOTES

Arvo Kokkonen, born 1956. Graduated in 1981 as M.Sc. (surveying) in the Helsinki University of Technology. Head of surveying unit in Haapajärvi town 1982-1986. Chief District Surveyor of Kalajokilaakson District Office 1987-1996. Since August 1996 Deputy Director General, Cadastre in National Land Survey of Finland. Survey Councillor in the Ministry of Agriculture and Forestry of Finland 2003-2005.

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