

Cadastre in Romania: Importance, impact, benefits

Case study: Systematic registration

funded by European funds

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Abstract: The purpose of this article is to present a history of cadastre in Romania, its significant contribution to the development and implementation of infrastructure, property development and consolidation of agricultural land, as well as the benefits of the registration of private and public property, thus fulfilling the essential conditions for accessing EU programs in the field of local infrastructure development. The article focuses on presenting the cadastre financed from European funds, the interest in accessing European funds in Romania, the implementation of projects being a very interesting and permanent topic.

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Keywords: Cadastre, systematic registration, property, European projects, financing, European funds, public administration, implementation.

Introduction

Following the Revolution of 1989, Romania made efforts to create a national system for registering property rights. The legislative framework of this new system was created by the Law on cadastre and real estate advertising (Law no. 7/1996). The implementation of the law in began in July 1999. Unlike most EU Member States, Romania has not yet developed a national cadastre containing essential and complete information for the entire country: the borders of administrative-territorial units, land properties, areas used for commercial purposes (including buildings and utilities), housing, land and water ecosystems (including protected areas), historical sites (including archaeological sites) or cultural heritage sites. The process of implementing Law no. 7/1996 is ongoing, being a difficult process due to the lack of human and material resources and the obstacles encountered in the way of aligning the various incident legislative provisions. The registration system based on the old land books and registers of transcriptions and inscriptions is still applied in many areas of Romania, but it will be replaced by the new land books. ANCPPI used the World Bank's (WB) assistance to develop a detailed strategy on sporadic and systematic property registration.

This national strategy for the systematic and sporadic registration of real estate was developed by the WB within the technical assistance project “real estate property – foundation for national and European policies”. The strategy is the result of 15 months of analysis and exploration of options, through which it was sought to achieve a compromise between European best practices and the economic and political realities in Romania. The strategy reflects the political commitment that ANCPPI has made to finalize the first registration

of real estate as a national priority within the National cadastre and Land Register Program. ANCPI, with the support of WB experts, has made significant efforts to strengthen its capacity to develop the policy, regulatory and institutional framework. With the support of WB experts, ANCPI has developed a series of key reports setting out strategies for strengthening institutional capacity and promoting an efficient public administration. BM assisted the government in changing the legislation in the field of cadastre and laid the foundations for the current project. The project focuses on increasing the registration of properties in the targeted rural UATs. The lack of an efficient cadastre system is a major obstacle in the development and implementation of an infrastructure, the development of property and the consolidation of agricultural land. This has consequences for investments funded by European funds. It is expected that the projects included in the Romanian Transport Master Plan, coordinated by the Ministry of Transport (with an estimated total value of approximately EUR 14.7 billion) will benefit directly from the implementation of the proposed project.

Romania has a total area of about 238,400 km² (23.8 million hectares) and a population of about 21.1 million inhabitants. There are 42 counties and 3,181 administrative-territorial units (UAT). Of the 3,181 UATs, municipalities and cities are 320, and 2,861 are rural communes (rural UATs).

The National Cadastre and Land Registry Program (PNCCF) was established, by the cadastre and real estate advertising law no. 7/1996, republished, with subsequent amendments and completions, the purpose of which is the free registration of real estate in the integrated cadastre and land register system, the realization of the cadastral plan of the buildings and the opening of land books in all UAT'S .

The Romanian Government approved the PNCCF by Government Decision no. 294/2015, which establishes the program activities and their estimated budget. The project *“increasing the coverage and inclusion of the property registration system in rural areas in Romania”* was created in response to PNCCF. There are approximately 40 million properties in Romania, 8 million in urban UATs and 32 million in rural UATs, distributed as follows:

- In the rural areas 2861 UATs with an estimated number of buildings of 32,549,212 representing 80% of the total;
- In the urban areas 320 UATs with an estimated number of buildings of 7,862,591 representing 20% of the total.

More than 10 million properties have been registered and introduced into the SICCF, resulting from sporadic and systematic registrations, of which 5.5 million are from rural areas.

METHODOLOGY OF RESEARCH

The conceptual basis of the paper is the analysis of the financing contract signed by the National Agency for Cadastre and Real Estate Advertising the Beneficiary of project *“increasing the coverage and inclusion of the property registration system in rural areas in Romania”*, as well as the national and European legislation regulating the European structural funds. The legislation was purchased from the official website of the European Union , and the information was gathered from the ANCPI website.

ANALYSIS AND RESULTS

The proposed project focuses on increasing the registration of properties in rural UATs, as the current situation has an impact on the preparation and implementation of structural investments financed by the European Union, as well as other development and infrastructure investment programs. As a result of the registration of private and public property, rural communes will meet one of the essential conditions for accessing EU programs in the field of local infrastructure development: The ability to undertake the development of public utility networks, street networks and the rehabilitation of buildings of public interest, etc.

In this context, the National Agency for Cadastre and real Estate Advertising has taken steps in order to obtain European funds for financing the project. In this respect, after fulfilling all the conditions imposed by the European Commission, on 26.09.2018 was signed the financing contract related to the project “*increasing the coverage and inclusion of the property registration system in rural areas in Romania*”, with funding from the Regional Operational Program 2014-2020 – priority Axis 11 – “*geographical extension of the registration system of land registry and land register properties*”.

Given the complexity of the project, it could not be completed by 30.12.2023, therefore steps were taken to arrange it for two programming periods. Therefore, in accordance with the provisions of Government Emergency Ordinance no. 36/2023 *on establishing the general framework for the closure of operational programs financed during the programming period 2014-2023, as well as other normative acts in the field of non-reimbursable European funds*, the project will be continued within the Smart growth Program, digitalisation and financial instruments 2021-2027.

The aim of the project is the systematic registration of 5.758 million hectares of land from 660 rural UATs located in the 7 less developed regions of Romania. The project complements the objectives of the National cadastre and Land Register Program on the registration of all properties in Romania.¹

The overall objective of the project is to increase the geographical coverage and ownership of the integrated national cadastre and land books system in the target rural areas of Romania and to complete the implementation of a national cadastral system in Romania, enabling mapping and digitization of property and land ownership in a national cadastral database. The systematic registration of the proposed area in the project in the rural areas of Romania is of particular priority because of their characteristics as exposed areas in the rural and social environment and because of their importance for infrastructure projects. The accelerated cadastring of these areas will contribute to the faster implementation of infrastructure projects, with economic benefits for the entire country.²

The completion of the national cadastre will guarantee property rights in Romania (including state property rights), public authorities will be able to monitor and tax land and build properties, which will facilitate the design and implementation of policies, including the requirements of the INSPIRE Directive (2007/2/EC)³.

¹Law no. 7/1996 – Law of cadastre and real estate advertising with subsequent amendments and completions.

²Financing contract no. 3250/26.09.2018 concluded between the Ministry of Regional Development and public Administration (MDRAP) and the partnership between the National Agency for Cadastre and real Estate Advertising, Cadastre and real Estate Advertising offices and the National Centre for Cartography.

³Directive 2007/2/EC of the European Parliament and of the Council of 14 March 2007 establishing an infrastructure for spatial information in the European Community (INSPIRE)

The project involves the systematic registration of approximately 7.9 million buildings, which helps to ensure the legality of property transactions, to simplify and streamline the real estate trading processes.

The project is a priority for the Romanian government. Its objective will be achieved through a systematic process of registering properties in selected rural areas, along with scanning analogue land books, strengthening institutional capacity and project management. The project focuses on accelerating the registration of properties in rural UATs, as their current situation has consequences on the preparation and implementation of investments financed from European funds. As a result of the registration of properties, rural UATs will be eligible and will be able to access funds for infrastructure development, such as: Development of public utilities networks, street networks, rehabilitation of public interest buildings, etc. The objectives of the project are aligned with the National Strategy for Sustainable Development of Romania 2013-2020-2030, which establishes as a national objective the completion in general, of the general cadastre of Romania and ensuring the transparency and accessibility of the system:

- completion of the general cadastre and the real database, including the opening of property registers for 100% of the national territory;
- implementation of the geographical information system for urban and rural real estate; for surface waters (water cadastre), including natural conditions and engineering work for water use and quality protection; for forested areas (forest cadastre) through accurate inventory and record of forest cover to ensure the rational exploitation and continued vitality of forests and associated ecosystems;
- completion of the geographical information system for the terrestrial transport network (cadastre of county and common public roads, cadastre of secondary railways) and delimitation of areas of special ecological, historical and cultural interest;
- maintaining (updating and managing) the cadastre and specific geographic information systems by type of land use (specialized cadastre) as open systems to ensure that the records will not become obsolete.

The difficulties caused by the lack of a functional cadastre are as follows:

- lack of information on properties often leads to delays in confirming the validity of land data for infrastructure projects, significantly affecting the preparation and access of EU structural funds, with a negative impact on access to Community and national funds and regional development;
 - the development and submission of investment projects to obtain European funds, the consolidation of agricultural land and the marketing of agricultural products are blocked by the absence of reliable evidence of real estate properties and their owners and further steps are required to find out the land rights for the submitted projects;
 - the high cost of property registration and succession keeps the current real estate market blocked, limiting access to loans, discouraging investments;
- clarification of the technical and legal situation of land is indispensable for eliminating land market constraints, access to credit, encouraging investment and increasing revenues.

By registering all properties in rural areas in the integrated cadastre and land register system, the national cadastral system and land registration system will be developed, which will support the increase of

institutional capacity of public authorities, as well as the increase of efficiency of public administration, manifested by increasing the efficiency and transparency of land transactions, stimulating land consolidation, better management of agricultural land and encouraging local and regional investment, as well as efficient use of funds.

The expected results of the project will have a positive impact on the economic and social environment of the country in various fields, such as:

- Stimulating investment in basic rural infrastructure: Transport, energy, environment, health and social areas;
- Increasing the accessibility of EU funds to rural communities;
- Promoting employment and supporting labor mobility from urban to rural areas;
- Promoting harmonious development by reducing differences in the level of development in rural versus urban regions and promoting development in disadvantaged regions;
- Reducing difficulties in low-populated mountain areas whose geographical location slows down development, with a view to encouraging their sustainable development;
- Promoting social inclusion and combating poverty;
- Encourage sustainable development, environmental protection and resource efficiency.

Thus, in line with the priority objectives and investments of the ERDF, the improvement of the cadastral system achieved through the project is envisaged in the context of the planning of investments in infrastructure in rural areas, from the 7 development regions of Romania.

The cadastral data of these areas will be complete and will represent the legal reference data on real estate rights at national level. In addition, all parcels will have georeferenced limits in the national geodetic reference system and there will be no overlapping of buildings.

The main selection criteria that were the basis for the selection of Uats from the project were: UATs that are subject to the development of infrastructure projects provided in the General Transport Master Plan of Romania, UATs that implement or are included in infrastructure development projects within other programs, as well as UATs where areas with particular social vulnerabilities regarding informal access to property are identified.

The selection of UATs is the result of the activity of the inter-ministerial Commission established by the Prime Minister's Decision no. 621/21.09.2017, having as objective the nomination of the list of eligible administrative-territorial units, in which works of systematic registration of buildings will be carried out within the project. The Commission was composed of representatives of the Ministry of Regional Development, public Administration and European Funds, the Ministry of Agriculture and Rural Development, the Ministry of Transport and ANCP. The Commission has carried out its activity on the basis of the Regulation on the organization and functioning of the inter-ministerial Commission, with an advisory role, to establish the list of administrative-territorial units in rural areas where will be carried out systematic registration works of buildings, financed by European Structural and Investment Funds, approved by GD no. 788/26.10.2017 *for the completion of Government Decision no. 294/2015 on the approval of the National cadastre and Land Book Program 2015-2023*, published in the Official Gazette no. 863/01.11.2017. The Commission has approved the

procedure for describing the application of the prioritization criteria for establishing the list of territorial administrative units in rural areas where systematic registration works for buildings financed by European Structural and Investment Funds will be carried out. By Joint order no. 6962/1743/389/1522/2017⁴ the Deputy Prime Minister, Minister of Regional Development, public Administration and European Funds, Minister of Transport, Minister of Agriculture and Rural Development and Director General of ANCPI, published in the Official Gazette of Romania, part I, no 962/05.12.2017 has been approved the list of rural UATs in which will be carried out systematic registration works of buildings that will benefit from financing from European Structural and Investment Funds.

CONCLUSIONS AND SUGGESTIONS

As a result of the project implementation, the increase of the geographical coverage of the registration of properties in the integrated national cadastre and land books system in the target rural areas in Romania will be achieved and the completion of the implementation of a national cadastral system in Romania, enabling mapping and digitization of property and land ownership in a national central cadastral database. The implementation of the national cadastre will contribute to the security of property rights in Romania (including state property rights), will allow public authorities to monitor and tax land and constructions and will facilitate the design and implementation of development policies and activities. The project involves the systematic registration of about 7.9 million properties, which will be achieved so that the legality of property transactions is ensured and property transactions are simple and efficient. As a result of the registration of private and public property, rural communes will meet one of the essential conditions for accessing EU programs in the field of local infrastructure development: The ability to undertake the development of public utility networks, streets and the rehabilitation of buildings of public interest.

Moreover, among the categories of groups that will benefit from the results of the property registration, directly or indirectly, in the nominated rural UATs from the 40 counties, we can mention:

A) citizens from the project areas, who are the direct beneficiaries of the project and who will have the properties registered free of charge in the integrated cadastre and land register system, which will lead both to personal budget savings and to the facilitation of operations regarding properties (transactions, access to the credit market, land lease, land consolidation on farms, etc.);

B) the central and local administration, through ministries, public institutions, county and local public administrations, will benefit from the identification and registration of private and public state property, more efficient administration of the public and private domain of the state and administrative-territorial units, creating the conditions for the implementation of national, regional and local development strategies, promoting infrastructure projects of national, regional and local importance, as well as developing projects in other areas of interest;

⁴ Order no. 6962/1743/389/1522/2017 regarding the approval of the list of territorial administrative units in the rural area in which will be carried out works for the systematic registration of buildings, which will benefit from financing from European Structural Funds and investments under priority axis 11 of the Regional Operational Program 2014-2020, in force since 05 December 2017, published in the Official Gazette, part I no. 962 of 05 December 2017.

C) private companies will benefit from property registration, by reducing the time of trading properties and decreasing transaction costs, and as a result of the creation of a centralized database, it will increase transparency in the economy and will attract companies that pay taxes.

The existence of a land register is a prerequisite for the development of infrastructure projects, for construction, for the transfer of ownership of buildings, for urban development, etc.

The analysis carried out shows that although ANCPI has taken steps to optimize and accelerate the systematic registration process, it is a complex, multidisciplinary and with the participation of several entities that are not always in subordinate relationships. One example is the municipalities involved in the project whose participation in the cadastre works is crucial for the execution of cadastre works and some of the rural municipalities do not have a database, logistics and personnel to participate effectively.

In conclusion, this process can be improved by:

- Streamlining the systematic registration works by empowering and involving in this activity the representatives participating in the process: City Hall, OCPI, the executor of the works, citizen;
- to continue public information campaigns at local and national level aimed at informing citizens about the start of systematic registration works, the stages of the process requiring the involvement of the owners of buildings, as well as the importance of carrying out the works and recording the properties in the records of the system;
- improving the collaboration relations with the municipalities that were in certain difficult situations, both due to the lack of staff at the level of the city hall in general and of specialized personnel in particular.

REFERENCES

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4. Directive 2007/2/EC of the European Parliament and of the Council of 14 March 2007 establishing an infrastructure for spatial information in the European Community (INSPIRE)

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5. Decision no. 621/2017 on the appointment of the members of the inter-ministerial commission provided for by Government Decision no. 294/2015 on the approval of the National cadastre and Land Registry Program 2015-2023
 6. Decision no. 788/2017 for the completion of Government Decision no. 294/2015 on the approval of the National cadastre and Land Registry Program 2015-2023
 7. Order no. 6962/1743/389/1522/2017 regarding the approval of the list of administrative-territorial units in the rural area in which the works of systematic registration of buildings will be carried out, which will benefit from financing from European Structural and Investment Funds under priority axis 11 of the Regional Operational Program 2014-2020