

## **Estonian Experience in Electronic Conveyancing**

My name is Heidi Rätsep and I am going to present you Estonian land registration and our experiences in electronic conveyancing.

I am head of Land Register division and representing Centre of Registers and Information Systems.

Centre of Registers and Information Systems (shortly RIK) is a state agency working under the Ministry of Justice. The main function is to develop and administrate the registers and information systems in the government area of the Ministry of Justice and to provide communication and info technological services. The most important registers and information systems we deal with are land register, commercial register, notary's information system, and court information systems.

RIK guarantees the electronic saving, storing and reproducing of land register information. We are developing the information system and offering an information service and online-services based on the database of the land register of the registration departments of courts.

Now shortly about my presentation:

At the beginning I will tell you what Estonian land register is how it is organized and what information it contains.

Then I will give you a short overview about conveyancing procedure

And finally I will tell you few words about data exchange and services

In Estonia there are 3 registers that in one way or another are connected with land or building registration.

Land Cadastre is a technical register, which contains information about the value, the natural status and the use of land. That register is under the Ministry on Environment.

Register of Buildings holds information about buildings technical issues and documents and is under the ministry of Economic Affairs and Communications

Our organization, deals with land register. In that register there is information about ownership relations and limited real rights.

The land register is maintained by land registry departments of local law courts. There are 13 registration departments in Estonia and they operate under 4 county courts. But they all use the same information system and all the data is stored in one central database.

The land register is composed of:

- Register parts, for each immovable which sets out entries regarding that immovable shall be opened. Real rights in immovable property are created, amended and extinguished by making an entry;
- A land registry archive holds the documents submitted on the immovable.

Information in Register part is divided into four sections.

1. section contains cadastral information - address, area, purpose of land
2. section is about ownership relations
3. section is encumbrances, restrictions, rights of use, other notations
4. section is mortgages

This slide gives an impression how register part looks like. Register is in Estonian but it is also possible to see the English version where section's titles are translated.

Some facts and statistics about Estonia and land register

- Population 1.3 million.
- Land 45 227 km<sup>2</sup>.
- 836 000 Register parts in the land register
- 5 700 000 entry's in total
- 175 000 applications in 2006
- 156 000 owner exchange deals in 2006
- 60 assistant judges
- Over 3 million inquiries through web inquiry system in 2006

The number of applications and operations is growing every year as the real estate market is very active

The conveyancing procedure in Estonia.

If owner wants to sell ones land or real property he or she has to go to the notary

1. Notary performs necessary inquiries and prepares the contract (deed). Information from other state registers also from Land register is possible to import directly into contracts
2. Notary sends digitally signed contract and application electronically to land register
3. Registrar receives electronic application
  - META data (participants, objects, state fee...)
  - Digitally signed contract
4. Registrar checks the application, that all the necessary information is presented.
5. Assistant judge makes an entry to land register.
6. Registrar sends the decision to notary and participants.

So at the moment there are no applications on paper between notary and land register. And registrars do not have to retype information. Previously the information was typed, printed out, sent on paper and retyped. And everyone who needs land register information can see new entries without delay after assistant judge has signed them. And according to law Estonia has a system of a strong land register which means everyone can rely on land register information

Estonian registers change information electronically using government information system called X-Road. In addition to connection with notaries' system land register has electronic

online data interchange besides notary information system with registers like land cadastre, commercial register, population register.

RIK offers an information services and online-services based on the database of the land register

A lot of institutions and companies get information from land register using different channels

- Web-based inquiry systems
- integrated data interchange
  - XML services
  - Services by X-Road
- monthly or daily reports by e-mail or on FTP
  
- The electronic inquiry system started in 2003

It gives an opportunity to find real estates if you know real estate number, address, cadastral number or the name or code of the owner of real estate.

- It is Free of charge to all state institutions, notaries and law – enforcement officers
- Also for owners to see their estates (via X-Road portal)
- Available for everybody for a fee (contract)
- And we also offer opportunity to make queries without contract but authenticating and paying for data via internet bank

In conclusion I would like to sum up why land register information system and data exchange is good and how it has done electronic conveyancing much easier:

- Lot of activities are half-automated which means registration is more efficient and lot of routine work can be done without human intervention.
- Texts of entries are composed automatically as they base on templates
- Thanks to data exchange there are fewer mistakes and less paper.
- Information system is sustainable and can be easily developed further.
- It is easy to get statistics
- You can get land register information everywhere you have internet connection, it is possible to build new online services according to clients' needs
- And information you get from the register has legal power electronically