

# DOING BUSINESS (2018) – PAKISTAN

## Lahore

### Registering Property

#### Introduction

1. This briefing paper considers the current position of the DB topic of Registering Property in Pakistan.
2. Specific commentary is made herein only to data relating to Lahore.
3. Pakistan's overall rank is 141 out of 190 countries, as measured by the Doing Business 2017 report with a Distance to Frontier (DTF) of 51.77%<sup>1</sup>.
4. In relation to Registering Property, Pakistan ranks 169/190 in 2017 with a DTF of 40.70%.
5. The DB data (2017) for Lahore shows attainment of 55.51% against the four respective indicators (Time, cost of property value, procedures, and land administration quality index).
6. In relation to the various elements of the building quality control index<sup>2</sup>, Lahore scores 10 out of a possible 30 points.
7. The reasons for Lahore's comparative low score may be explained by the following factors:
  - Advertisement in newspaper inviting objections to verify authenticity of the documents presented by the seller as well his authority to act on behalf of the company to sell this property. This procedure is legally not mandatory; however, it is a common practice and takes eight days.
  - Absence of standard sale deed impacts efficiency. Hiring a deed writer or a lawyer is common practice which can be eliminated by introducing standardized deeds.
  - Execution of the deed is done before the area's Sub-Registrar of Conveyance/Assurances - the official responsible under the Registration Act. Registration of the deeds automatically follows the execution of the deed. However, deed is delivered a few weeks later and takes longer time.

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<sup>1</sup> The Distance to Frontier score captures the gap between an economy's performance and 100 – a measure of best practice.

<sup>2</sup> The quality of land administration index has five dimensions: reliability of infrastructure, transparency of information, geographic coverage, land dispute resolution, and equal access to property rights.

- Land dispute mechanism needs detailed review to improve quality index.
8. The balance of this paper highlights both short-term solutions (to be considered capable of implementation within 100 days) and long-term goals to benefit Lahore and increase its DTF score.

**Table A - Steps to be considered to improve Lahore’s DTF score within 100 days**

*It is suggested that measures are considered and adopted to allow short-term goals to be introduced within the course of 100 days.*

<b>Indicator</b>	<b>Suggested measure</b>	<b>Action Taken / Planned</b>
Advertisement in newspaper inviting objections	<p>Punjab LRMIS, BOR to revise advertisement of the required document’s checklist for public through websites.</p> <p>Notification to be issued by BOR stating that advertisement in newspapers is not a legal requirement and will not be accepted by BOR.</p> <p>In addition to the existing checklist (<a href="http://221.120.222.72/Images/img.PNG">http://221.120.222.72/Images/img.PNG</a>), it is recommended to develop a simple table with procedures, time and cost for each step for each major transaction type, including links to required forms.</p>	<p>Completed: The revised checklist has been uploaded at website <a href="http://rodportal.punjab-zameen.gov.pk/Images/img.PNG">http://rodportal.punjab-zameen.gov.pk/Images/img.PNG</a></p> <p>Completed: Process of registering a document has also been notified by the PLRA-BOR. Same is attached for ready reference.</p> <p>Completed: Simple table has also been uploaded at website. <a href="http://rodportal.punjab-zameen.gov.pk/Search/GetProcesses">http://rodportal.punjab-zameen.gov.pk/Search/GetProcesses</a></p>
Development of standardized sale deeds	LRIMS to introduce standardized sale deed and make it available online.	In Process. Development of standardized template is in process and will be uploaded by Dec-2017.
LRMIS to link with urban unit	LRIMS to develop linkages with urban unit for verification of maps.	There is no need to develop linkages with Urban Unit for the maps as all the maps of Lahore have been

		digitized by the Urban Unit. The data sharing between Urban Unit & PLRA is being carried out on need basis.
Enhance complaint mechanism and develop feedback loops	LRMIS to consider improving complaint mechanisms and introduce feedback loops for public services.	Completed: M/S Abacus Consulting firm has been hired for the complaint management & Grievance redressal system. A dedicated call center having UAN: 042-111-22-22-77 has been established which is being run by the said 3 <sup>rd</sup> party. A dashboard for the complaint management has also been developed for the timely resolution of complaints.
Improved communication	LRMIS to consider: Arranging large-scale and ongoing communication campaigns to ensure that firms are aware of and can benefit from reforms.	One stakeholder conference has already been held in May, 2017. Others are planned in November and December, 2017. Dissemination campaign will also be launched in Nov, 2017.

***Table B – Long-term goals to be attained to improve Lahore’s DTF score within one year***

*It is suggested that measures are considered and adopted to allow long-term goals to be introduced within one year.*

<b>Goal</b>	<b>Task</b>	<b>Action Taken / Planned</b>
Automation of sub-registrar offices	For online deed execution sub-registrar offices to be automated and linked with LRMIS.	Completed: All three offices of Kacheries (9 Sub-Registrars) have been linked with the LRMIS centers.
Land disputes database	BOR to consider developing a database for land disputes pending in the courts and devise	Ongoing: Database for the land disputes has already been

	<p>a mechanism to help resolve these through special benches. Develop linkages with commercial courts.</p>	<p>developed and all the land disputes can be searched on a single click. The linkages with the courts can be developed and is dependent on the request from the courts.</p>
<p>Archiving of old registered deeds</p>	<p>LRMIS to consider archiving of all old registered deeds. This will help reduce the time for verification and minimize the chances of land disputes and increase transparency.</p>	<p>In process: PLRA has already awarded a contract to the M/S Systems Limited for the archiving &amp; indexing of legacy record. In this regard, four (4) sites have been established in the record rooms. It is expected that same activity will be completed by Dec, 2018. However, the completed archived record will be uploaded time to time at website by Dec, 2017.</p>