

THIRD ASEAN MAYORS' FORUM

WORKING SESSION 7

MAKING SUSTAINABLE LAND RESOURCES WORK FOR CITIES

Thursday July 27, 2017

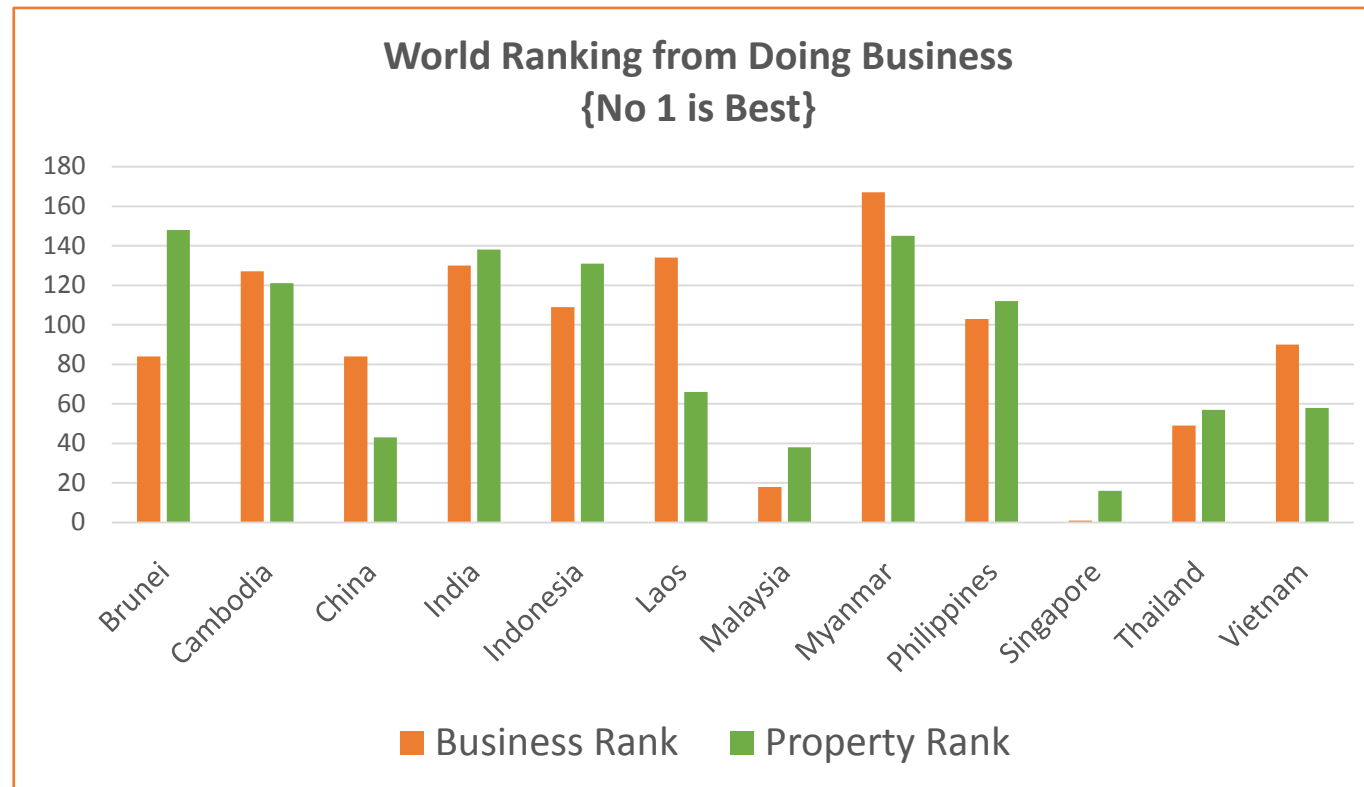
Topic: Land Sector And Local Governance in ASEAN

Speaker: IAN LLOYD, Consultant to SURGE Project (Philippines)

CHALLENGES IN LAND AND LOCAL GOVERNMENT

1. OVERALL CONFIDENCE AND PERFORMANCE IN LAND SECTOR FOR ATTRACTING INVESTORS

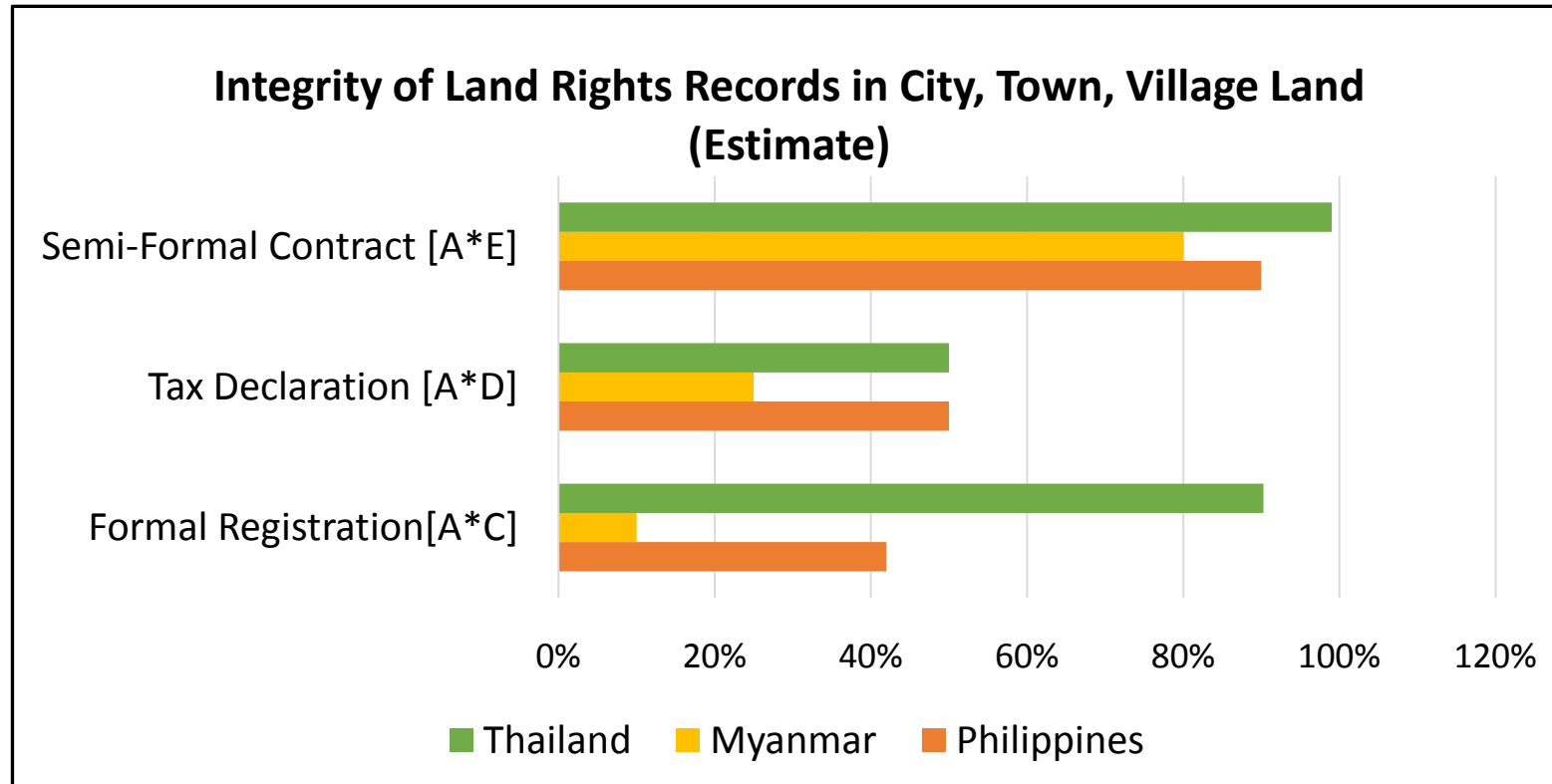
- ❖ DOING BUSINESS RATINGS IN ASEAN
- ❖ PROPERTY RANKING SUPPORTING OR DRAGGING DOWN BUSINESS EFFECIENCY?- SOME ASIAN CASES: {a taller green bar means the land sector is weighing down business environment}



CHALLENGES IN LAND AND LOCAL GOVERNMENT

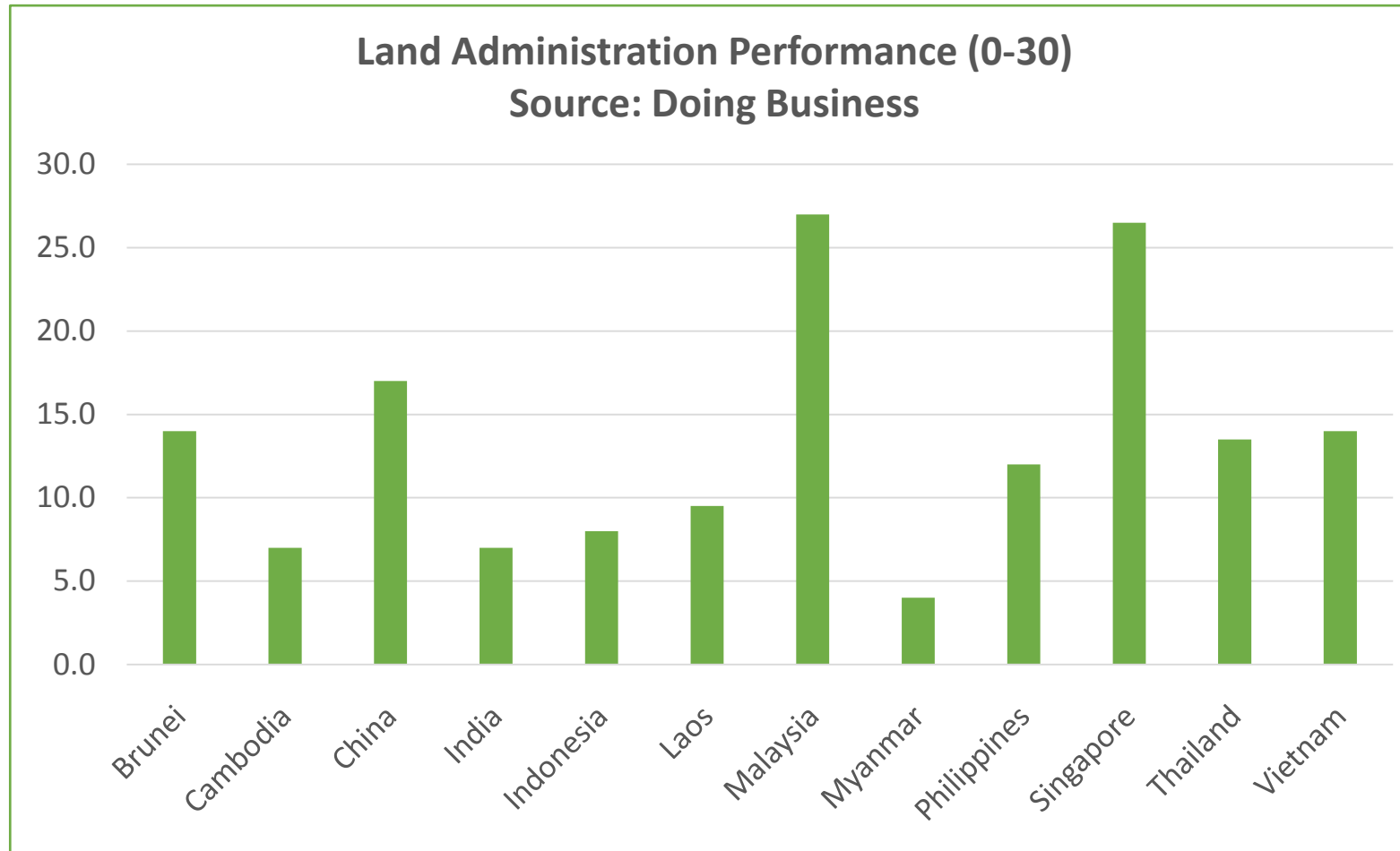
2. SECURITY OF TENURE

- ❖ IS SECURITY OF TENURE IMPORTANT? WHO HAS GOT SECURITY OF TENURE?
- ❖ DOES INCLUSIVENESS MATTER?
 - ❖ LOSS OF FORMAL SECURITY OF TENURE BY FAILING TO REGISTER LAND TRANSFERS UNDERMINES GOVERNMENT'S PAST INVESTMENT IN LAND ADMINISTRATION.



CHALLENGES IN LAND AND LOCAL GOVERNMENT

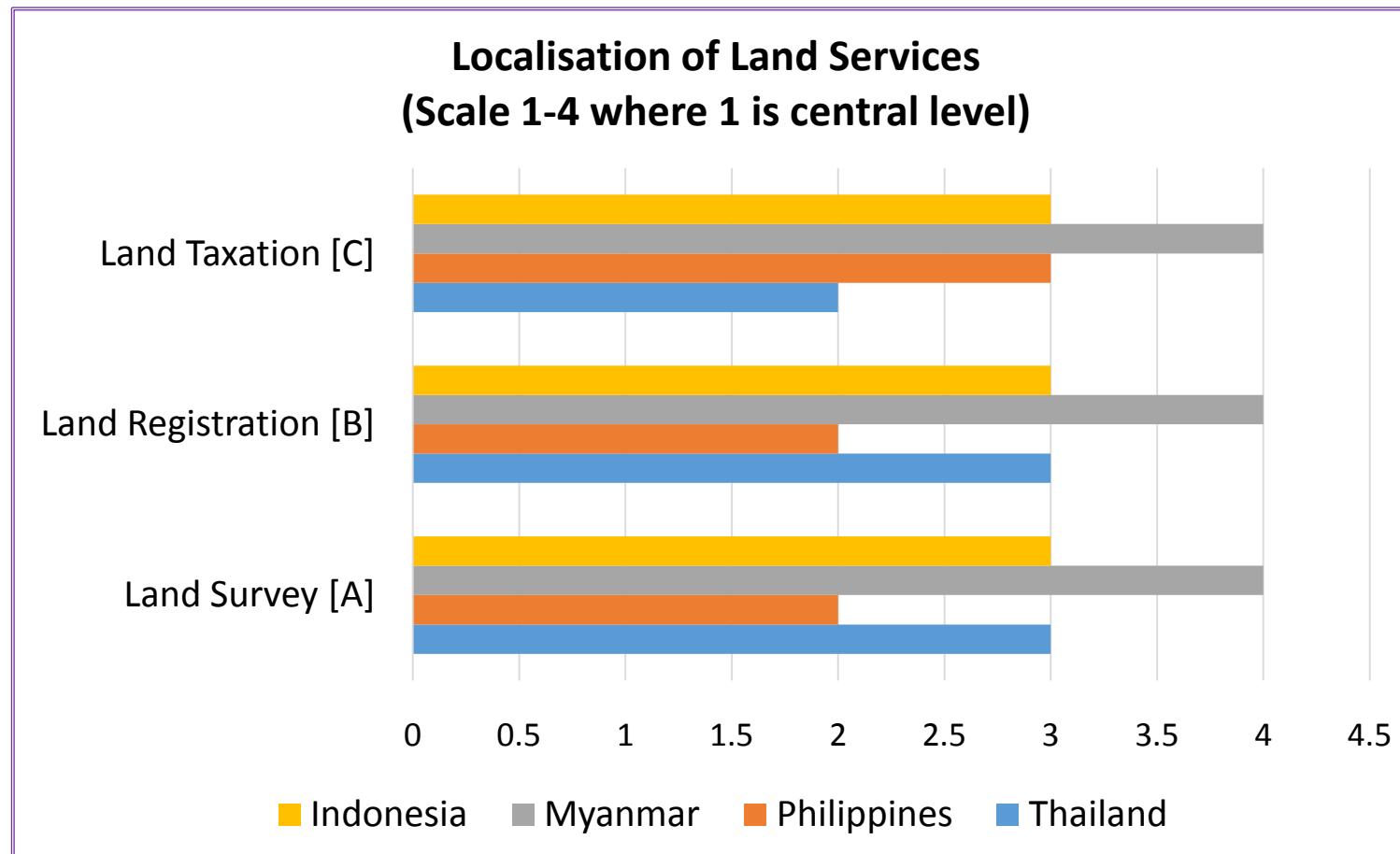
3. LAND ADMINISTRATION PERFORMANCE (ONLY 2 OF 10 ASEAN PASS)



CHALLENGES IN LAND AND LOCAL GOVERNMENT

4. LAND ADMINISTRATION LOCAL LAND SERVICE DELIVERY

- ❖ The further the delivery of land services is from the land rights owner the weaker is the land administration system.



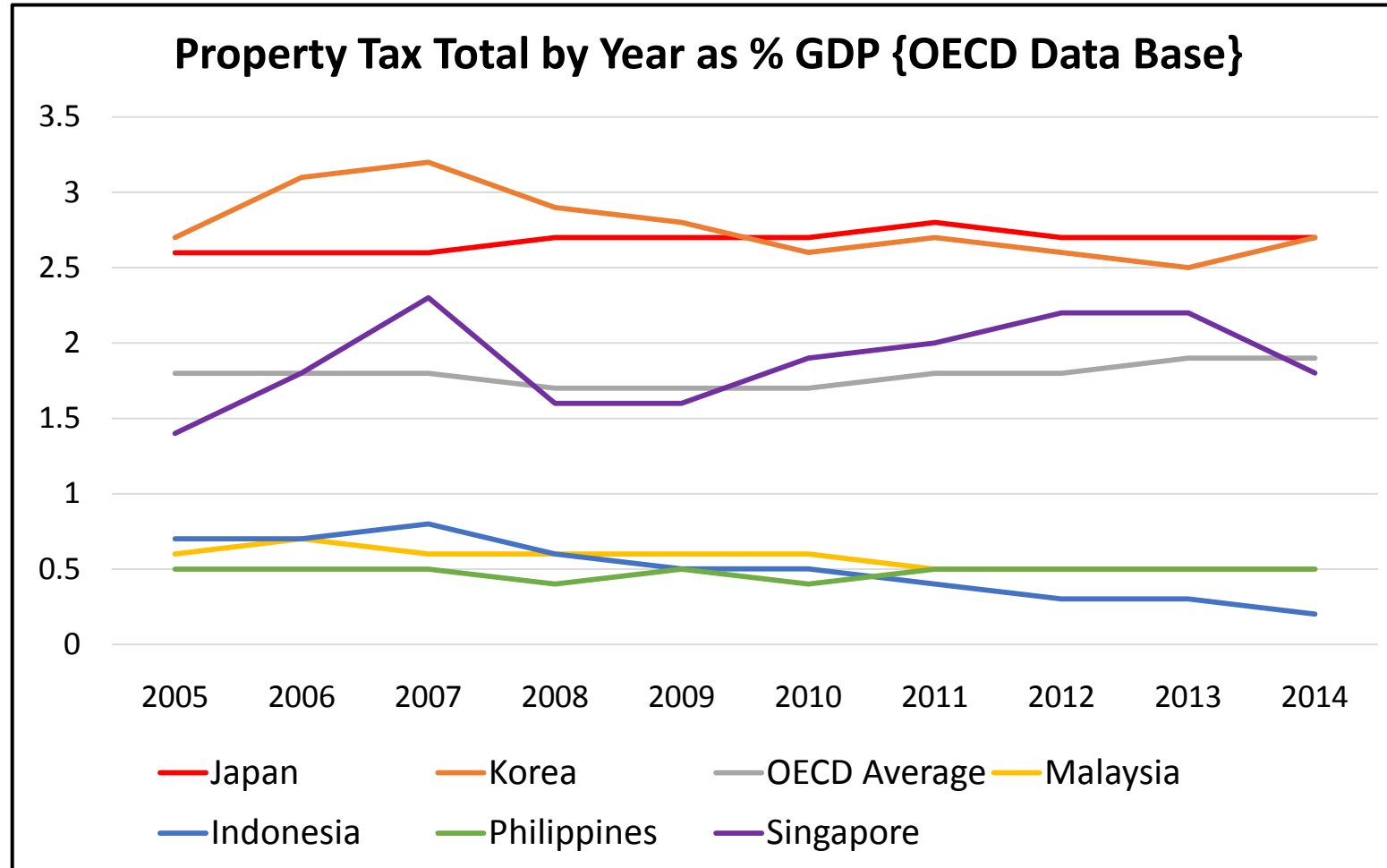
CHALLENGES IN LAND AND LOCAL GOVERNMENT

5. DYSFUNCTIONAL BEHAVIOUR DUE TO HIGH LAND TRANSFER TAX RATES

Country	Formal Land Transfer Tax Rate	Response	Impact
Thailand	2%	Compliance	Register Up to Date
Myanmar	15-30%	Irregular Practices	Register Not Up to Date
Philippines	8%	Irregular Practices	Register Not Up to Date
Singapore	3%	Compliance	Register Up to Date

CHALLENGES IN LAND AND LOCAL GOVERNMENT

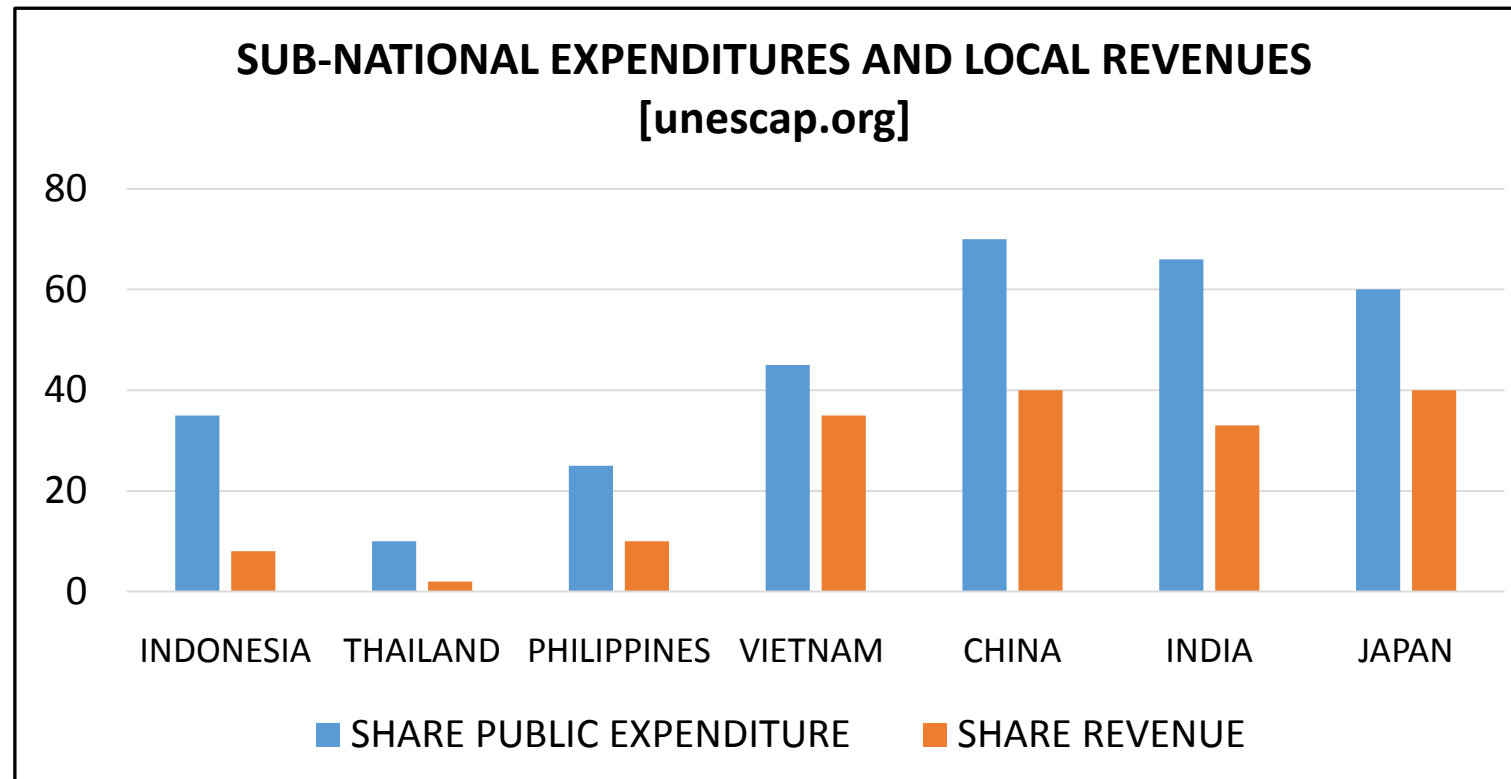
6. LOW REVENUES FROM PROPERTY TAX (See 3 groups)



CHALLENGES IN LAND AND LOCAL GOVERNMENT

7. LOCAL REVENUES DO NOT COVER LOCAL EXPENDITURES

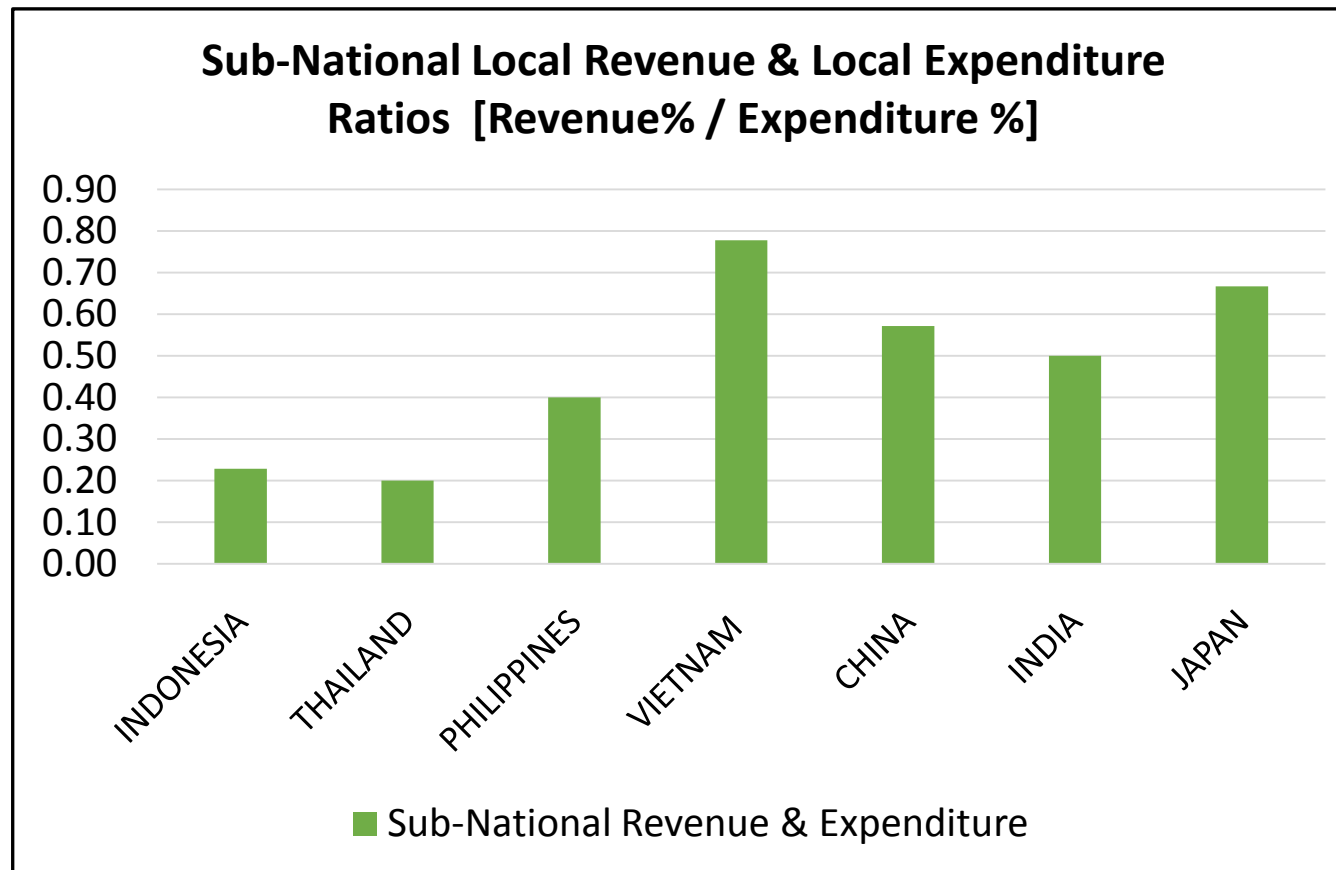
- ❖ Politics at central and sub-national levels strongly influence performance of fiscal diligence.



CHALLENGES IN LAND AND LOCAL GOVERNMENT

8. LOCAL REVENUES DO NOT COVER LOCAL EXPENDITURES

❖ The same data shown as ratios:



CHALLENGES IN LAND AND LOCAL GOVERNMENT

CONCLUSION:

LOCAL GOVERNMENT NEEDS A BETTER PERFORMING NATIONAL LAND SYSTEM AS AN EFFECTIVE ENTRY POINT FOR: MORE INCLUSIVE ECONOMIC GROWTH & INVESTMENT & LOCAL JOBS; BETTER REVENUES; LOWER LAND DISPUTES; AND BETTER ENABLING OF SPATIAL PLANNING & DISASTER RISK MANAGEMENT:

- ❖ The initial wave of strengthened security of tenure and land governance has faltered in last 10 years. In some countries land grabbing is rife and many people do not have secure tenure;
- ❖ Land is the most efficient basis for Government tax revenue but Asian countries are not using it effectively;
- ❖ Land information is expensive to create but policies in many countries of the Region do not discourage duplication of services or data collection or require sharing of data- this places local government at a big disadvantage due to the effort to obtain spatial ownership and valuation and land use data;
- ❖ Land ownership disputes are high and do sometimes result in violence;
- ❖ Excellent tools and systems exist to assist local government on these tasks but are only slowly being transferred and implemented.