

PRESENTATION OF THE



**BY THE
PRESIDENTIAL TECHNICAL COMMITTEE
ON LAND REFORM (PTCLR)**

**TO THE
NATIONAL ECONOMIC COUNCIL**

ON AUGUST 14, 2014



**PRESIDENTIAL TECHNICAL COMMITTEE ON LAND REFORM
OFFICE OF THE SECRETARY TO THE GOVERNMENT OF THE FEDERATION**

PRESENTATION OUTLINE

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- **Introduction**
 - Appreciation for the opportunity
 - Land: Key requirements for making it to contribute to national development
- **Mandate of the PTCLR**
- **The Imperatives of Land Use Act Regulations (LUAR)**
- **Key Benefits of the LUAR**
- **List of the Draft Regulations**
- **Description/Purpose, Key Provisions and Benefits of each of the 11 Draft Regulations**
- **Prayers to the National Economic Council**
- **Conclusion**
- **Acknowledgement**

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INTRODUCTION

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- **Appreciation for the opportunity to make this presentation**
 - The Presidential Technical Committee on Land Reform (PTCLR) wishes to thank the Vice-President, His Excellency, Arc. Namadi Sambo, GCON for creating this unique opportunity to present the draft regulations on Land Use Act, 2013 to the National Economic Council.



INTRODUCTION (Cont'd)

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- **Land: Key requirements for making it contribute to national development**
 - Next to humans, land is the most important resource to a nation
 - For land to substantially contribute to national development, the following basic requirements must be met:
 - Knowledge of who owns or has interests in property, what those interests are and where the property is, by:
 - the Government at all levels
 - those interested in participating in the land market and building employment and the economy
 - financial institutions interested in providing loans secured against property
 - Transparent, participatory and affordable process for issuing Certificate of Occupancy.
 - Security of tenure for all land owners



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INTRODUCTION (Cont'd)

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- **Key requirements for making land to contribute to national development (Cont'd)**
 - Authoritative information to support effective and efficient land administration where:
 - services are responsive to the needs of citizens and the wider land market;
 - procedures are clear, simple and made public; and
 - costs of acquiring services are made affordable
 - Efficient and effective land administration should be provided at all tiers of government
 - The legislation provides a clear framework to enforce rights and there are effective institutions to implement the legislation



INTRODUCTION (Cont'd)

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- **All these requirements are generally lacking in Nigeria**
 - In consequence:
 - Not more than 3% of the land parcels in Nigeria has been registered
 - Nigeria, in 2014, ranks number 185 out of 185 countries assessed by the World Bank in terms of difficulty of registering land.
 - Cost of registration is generally more than 20% of the value of the property
 - Government at all tiers are unable to manage properly and derive commensurate revenue from their land resources
 - Individual landowners are equally unable to obtain commensurate benefits from their lands because they lack secured title
 - Increased informalities and unabated speculation
 - Increased land dispute

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MANDATE OF THE PTCLR

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- It is perhaps against the existing weak land governance in Nigeria that the Federal Government set up the Presidential Technical Committee on Land Reform (PTCLR) with the following mandate to:
 - collaborate and provide technical assistance to States and Local Governments to undertake land cadastral nationwide;
 - determine individuals' "possessory" rights using best practices and most appropriate technology to determine the process of identification of locations and registration of title holdings;
 - ensure that land cadastral boundaries and title holdings are demarcated in such a way that community, hamlet, village, village area, town, etc, will be recognizable;



MANDATE OF THE PTCLR (Cont'd)

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- encourage and assist States and Local Governments to establish an arbitration mechanism for land ownership conflict resolution;
- make recommendations for the establishment of a National Depository for Land Title Holdings and Records in all States of the Federation and the Federal Capital Territory;
- make recommendations for the establishment of a mechanism for land valuation in both urban and rural areas in all parts of the Federation; and
- make any other recommendations that will ensure effective, simplified, sustained and successful land administration in Nigeria.



THE IMPERATIVES OF THE LAND USE ACT REGULATIONS (LUAR), 2013

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- For the successful implementation of the LUA the necessary Regulations were anticipated to be passed and this is clearly expressed in section 46, section 3, section 28 (2) (a) and impliedly throughout the Act.
- Section 46(1) grants the general power to make general regulations for the effective implementation of the LUA in the National Council of States while section 46(2) grants the specific powers to regulate on the costs to be charged on the state governors.
- Since 1978 when the LUA was passed till date:
 - Land Administration has become more tedious.
 - Tenure insecurity is increasing in alarming proportion by the day.
 - The Land Registration process is becoming more uncertain, opaque and corrupt.
 - Public confidence in land management affairs is waning.
 - Human capital development and resources in the land management sector of the public service is presently near absent.



THE IMPERATIVES OF THE LAND USE ACT REGULATIONS (LUAR), 2013 (Cont'd)

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- Functional and transparent land management processes are presently absent throughout the country.
- Though land has been brought under the management and control of Governors and local governments, the real socio-economic benefits of land to the government has not been fully harnessed.
- Although Nigerians are expected to be able to enjoy the enhanced benefits of secured land rights, fewer Nigerians today are obtaining the Certificate of Occupancy.
- The World Bank 'Land Governance Assessment Framework' (LGAF) low ranking of Nigeria's land administration processes needs to be urgently addressed.
- There is a need for consistency and standardization of land management and control throughout the nation under LUA.



KEY BENEFITS OF THESE LAND USE ACT REGULATIONS (LUAR), 2013

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- The adoption and passage of the LUAR will, for the first time since the LUA 1978 was passed, significantly enhance the implementation of the LUA and secure the following benefits:
 - The process of land administration will be more transparent and accessible.
 - A new vista of land management, careers, employment and economic potentials in land will be created.
 - The volume of land records, registration and title creation will be astronomically increased.
 - Security of title will become a reality



KEY BENEFITS OF THESE LAND USE ACT REGULATIONS (LUAR), 2013 (Cont'd)

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- Land conflicts and disputes will be reduced to the minimal and the attendant cost eliminated
- Land management and planning become easier for the benefit of the government and the people.
- The rural poor will become more economically empowered with easier and better access to credit on the availability of secured land titles for Customary Right of Occupancy holders.
- Increase in tax rolls and identifiable taxable properties
- Increase in the number of land registries and improved data base for national planning
- Accessibility and proximity of local government land registries to landholders at reduced costs



LIST OF THE DRAFT REGULATIONS

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1. Systematic Land Titling and Registration
2. Designation of Urban Areas
3. Land Registries
4. Certificates of occupancy
5. Assignment of Rights
6. Lease Regulations
7. Devolution of Interests
8. Mortgage Regulations
9. Regulations for Revocation and Government Acquisition of Land
10. Land Advisory and Allocation Committee Regulations
11. Sectional Title Regulations

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SYSTEMATIC LAND TITLING AND REGISTRATION

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- **Description**

- Systematic Land Titling and Registration (SLTR) is a modern method of recording and registering title to land in a cheaper, quicker, transparent and participatory manner.
- SLTR is the method being adopted since the 1980s by many countries who see the need to register their vast portion of unregistered land.
- The process requires the participation of all landowners collaborating to identify their boundaries with the endorsement of their neighbouring landowners giving credence to the transparency and validity of the outcome.
- SLTR incorporates a community-based process to resolve disputes.



SYSTEMATIC LAND TITLING AND REGISTRATION (Cont'd)

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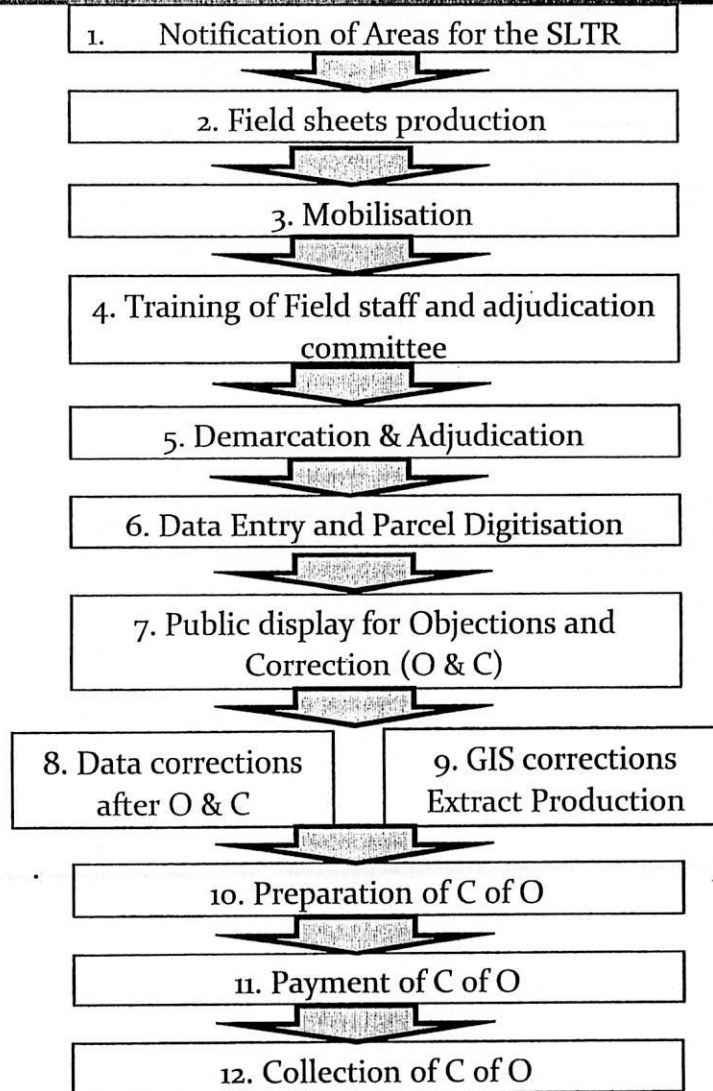
- **Description (Cont'd)**

- This SLTR process ensures that parcels of land are not registered any more in isolation but that the process ensures that all land comprised in the registration area is registered at the time, thereby making the process secure and cost-efficient.
- With the establishment of land registries in every local government area, more data can be accommodated with room for e-link to the state land registries.



SYSTEMATIC LAND TITLING AND REGISTRATION

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- **Benefits**

- The essence of SLTR is to rapidly increase land registration through transparent and participatory process
- It provides a platform for planning
- It increases internally generated revenue
- Reduces litigation in land disputes



DESIGNATION OF URBAN AREAS

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- **Purpose**

- The purpose of this regulation is to prescribe the general criteria for the designation and classification of any area in a State as urban area and the effect of the designation on existing interests in the land in the area

- **Benefit**

- It provides clear guidelines for the designation of areas as urban.
- This provision is also very supportive and helpful for the successful implementation of SLTR process.



LAND REGISTRIES

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- **Description**

- Registries are government offices where records are kept of each parcel of land in a country including information about who owns each parcel.
- Part 3 of this Regulation which is also a necessary follow up of SLTR (Part 1) and Designation of Urban Areas (Part 2) provides for the methods of formal registration of interests in Land Registries in every Local Government as envisaged by the LUA.

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LAND REGISTRIES (Cont'd)

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- **Purpose**

- This Regulation will kick start the formal establishment of land registries in all Local Government Areas in the country.

- **Benefits**

- This will bring the Land Registration concept closer to the people where the records of their titles will be warehoused.
- This will deepen the formal land market and increase employment in the land sector.

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CERTIFICATES OF OCCUPANCY

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- **Purpose**

- The main purpose of ensuring that Certificates of Occupancy are issued from the SLTR process and as further required under section 9 of the LUA

- **Benefits**

- The essence of registration of land is that a certificate is issued to the holder to confirm the interest held in land.
- The possession of a Certificate of Occupancy is the vital tool for the holder to transact business with the land for all purposes including its use as security for credit.

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ASSIGNMENT OF RIGHTS

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- **Description**

- The essence of registration of rights in lands is to make the interest in land marketable. The need to regulate the intrinsic rights to alienation of one's interest in land within the law is spelt out in this part of the LUAR.

- **Purpose**

- The lawful ways of transferring ones interest in land is the purpose of this part of the regulation.
- The provision of this regulation has made the process of assignment of interests in land very transparent and accessible to all.

- **Benefits**

- With this regulation, the process of Assignment of Rights is made transparent and certain.

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LEASE REGULATIONS

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- **Purpose**

- This part of the regulations only highlights some matters relating to the registration of leases and terms implied in a lease in order to secure lease transaction as a principal investment on land while addressing current international questions of foreign land grab by stipulating maximum tenure of leases to non-Nigerians or companies registered in Nigeria with foreign ownership.

- **Benefits**

- The creation of various types of interests and lawful activities over land serves as additional method to increase economic activities derivable from land.
- In addition to the increased inflow of revenue from increased land transaction, the activities are also made transparent, enforceable and sustainable.

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DEVOLUTION OF INTERESTS

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- **Purpose**

- The purpose of part 7 of the draft Regulation is to clarify the ways persons can be identified and registered as the successor of a deceased holder of a Right of Occupancy.

- **Benefits**

- This regulation will be of immense benefits for those charged with registering land to note what is required to register the transmission of interest of a deceased title holder to his lawful beneficiary.
- The Rights of beneficiaries or successors of title holders is also made more transparent.
- The clarity in the removal of repugnant or discriminatory customary laws in inheritance is highlighted.



MORTGAGE REGULATIONS

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- **Description**

- The pledge of land as security for credit, the ways of registering the pledge, the rights of the creditor (mortgagee) to recover his credit and the process of enforcing the sale of the land easily by the aid of the court (foreclosure) is the essence of this part.

- **Purpose**

- The purpose of this part is to meet the yearnings of the mortgage finance sector practitioners and codify the rules of mortgage for the benefit of Nigerians and to make the practice of mortgage more transparent within the LUA.

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MORTGAGE REGULATIONS (Cont'd)

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- **Benefits**

- The rules of mortgage now become clearer and easily accessible.
- The practice of mortgage becomes more transparent.
- Mortgage culture is enhanced with clear process for foreclosure.
- Facilitation of the conditions and requirements for foreign capital in mortgage market in Nigeria.

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REGULATIONS FOR REVOCATION AND GOVERNMENT ACQUISITION OF LAND

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• Purpose

- Section 28 and 29 of the LUA empowers the governor to revoke rights of persons to their land for public purpose where the holder has violated the terms of his right of his occupancy or because the government requires the land for public use.
- This regulation is intended to clarify the process involved in the two separate instances and make the process of revocation transparent while the mode of acquisition of land for public use ensures that the landholders are paid compensation.



REGULATIONS FOR REVOCATION AND GOVERNMENT ACQUISITION OF LAND (Cont'd)

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- **Benefits**

- The citizens are able to clearly trust the process of acquisition of land, the compensation process is now to be made promptly and the record of the acquisition kept.
- Government acquisition is made easier and the identity of the beneficiaries of the compensation verifiable.
- The use to which publicly acquired land is to be put to is now clearly stated.



LAND ADVISORY ALLOCATION COMMITTEE REGULATIONS

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- **Description**

- The Land Allocation Advisory Committee created by section 2(5) of the LUA is the body to administer and control land in non urban areas of the Local Government Area.

- **Purpose**

- This part of regulation seeks to highlight the composition, tenure, functions of this statutory body in the effective management and control of land in the non urban area of the local governments.

- **Benefit**

- The benefit of the regulation is that it provides a platform for the proper administration, management and control of land in the non-urban areas by strengthening the quality of the membership of the Land Advisory Allocation Committee (LAAC).

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SECTIONAL TITLE REGULATIONS

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• Description

- Sectional Title is the modern concept whereby owners are registered and conferred with separate Certificates of Occupancy for the units or sections of multi apartment building schemes, including condominiums and multi storey apartment complexes.
- The owner of every unit is entitled to a title of his separate unit, with a recognised right of joint ownership to the common areas and utilities shared by all.
- The concept crystallizes the rights of the persons to their individual units while prescribing rules for the management and share participation of every owner in the scheme.
- Rules of conduct of every occupier of the complex or scheme is spelt out and made compulsory as part of the terms of the ownership and interest of the separate owners.
- This concept enables the title holder to be able to use their individual C of O for individual pursuits like any other Certificate of Occupancy including pledging it for mortgage.



- **Purpose**

- This part of the Regulation is intended to formalize and guide this already fast-evolving trend of development being practiced in the major cities of the country without any clear understanding of the concept in the absence of a regulation.
- To provide for the acquisition of separate titles in sections and joint title in the common property of any developed land with registered divisions into sections and common property.



- **Benefits**

- The development of sectional titles schemes in the housing sector will become better conceptualized, transparent and legitimate.
- Certificates of Occupancy will now be legitimately extended to owners of apartments with clearer understanding of their enforceable rights and obligation.
- Expansion of this subsector of the Housing finance sector of the economy.



MEMORANDUM TO NATIONAL ECONOMIC COUNCIL (NEC)

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- **Recognising** the importance of land in a nation's development
- **Noting** the current weak land governance in Nigeria
- **Considering** the considerable socioeconomic and political benefits of good land governance to the government and people of Nigeria
- **Further noting** that since 1978, when the Land Use Act was enacted, the regulations that would have assisted its implementation have not been developed
- **Our Prayer** to the National Economic Council is therefore to passionately consider and endorse the above regulations for the consideration and approval of the National Council of State.



CONCLUSION

- In *Alice in Wonderland*, Alice comments that if you do not know where you want to go, any road will get you there. This has been the situation of land administration in Nigeria over the years.
- In contrast to Alice, Columbus knew where he wanted to go (*the Orient*) but ended up somewhere else (*North America*) because he did not know the route to take.
- Lesson here is that while it is important to know where we want to go (*establishment of good land governance through efficient, effective, simplified and sustainable land administration in Nigeria*), it is equally important to know how to get there. The proposed Land Use Act Regulations, 2013 being presented here today is part of the means to establishing good land governance in Nigeria



CONCLUSION (Cont'd)

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- The G8 has approved land partnership with seven (7) African countries. Nigeria is one of the countries.
- The United Kingdom under this land partnership will partner with the government of Nigeria at federal and state level with a focus on strengthening state capacity for land titling through Systematic Land Titling and Registration (SLTR)
- The land partnership is to attract investments into agriculture, industry and housing
- It is a 3-year programme which is planned to build on the reform commitments of the Federal Government as part of the new alliance for food security and nutrition as well as the existing work of the Presidential Technical Committee on Land Reform (PTCLR)

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CONCLUSION (Cont'd)

- The early passage of the draft regulations is required for the optimal benefit of Nigeria in this G8 land partnership
- These regulations are the critical success factors for land reform in Nigeria, hence, our motto is:

Reform Land, Transform Nigeria



ACKNOWLEDGEMENT

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 - The Council on Lands, Housing and Urban Development
 - The participants at the Workshop on Draft Regulations
 - The Legal Drafters from the Federal Ministry of Justice

- Thank you for listening but remember

Reform Land, Transform Nigeria

