Exchange Forum on Land Administration for Sustainable Economic Development
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Registers Iceland
Basic facts

Iceland

- Language: Icelandic
- Currency: Krona (ISK)
- Population: 320,000
- Size: 100,000 km²
- Capital: Reykjavík
- Real Property units: 190,000
Financial crisis in Iceland

- **6 October, 2008**
  Threatened with national bankruptcy, the government is given authority over the banks

- **7 October, 2008**
  The country's second largest bank, Landsbanki, is put into receivership

- **8 October, 2008**
  The government buys a 75 per cent stake, worth 600m euros in the country's third-largest bank, Glitnir

- **9 October, 2008**
  The crisis worsens and the government takes control of the nation's biggest bank, Kaupthing

- **20 November, 2008**
  Iceland gets a £1.4bn loan from the IMF, the first western European nation to get one since the UK in 1976

- **26 November, 2008**
  Annual rate of inflation hits a record high of 17.1 per cent
National Economy

Inflation in Iceland and Europe

Unemployment

The ISK exchange rate markets against the euro
National Economy

Economic growth in Iceland and in OECD countries

![Graph showing economic growth in Iceland and OECD countries from 2006 to 2011. The graph indicates periods of growth and decline for both Iceland and the OECD, with Iceland experiencing more dramatic fluctuations.](image)
The importance of Land Administration

• No procedures for planning, controlling and monitoring land use
  – Affects land development, investments

• No valuation or property tax
  – Reduced income for the municipalities and state

• No records of information about land rights and ownerships
  – Affects possibilities for sale, investments, credit

• No procedures governing transaction in land - no security of tenure
  – Affects possibilities for sale, investments, credit, rates of rents, cost of transactions

• No resolution of disputes concerning land rights and boundaries
Statistics from the Land Registry

[Bar chart showing the number of ownership documents, deeds, and mortgages from 2000 to 2011.]

- Number of ownership documents
- Number of deeds
- Number of mortgages
Rights and titles which are covered

• History
  – Integration of Cadaster and the Land Registry in 2001
  – Goal – harmonised data of each real property
  – Project – worked on discrepancies
    • Cadaster, Land Registry and municipalities

• Status Today
• 2012 – harmonised data on 96% of all real properties
• Title register for private property and state property
  – Ownership (history)
  – Mortgages (history)
  – Encumbrances (private)
• Open access to Cadaster – Land Registry open to professional users
Average price per m² by regions
What are the economic issues

![Reykjavík Property Market Graph](image)
What are the economic issues
Challenges

• Improve the quality of the data on parcels
  – Law amendments

• Improve methodology for valuation

• Constant research on LA data along with economic data
  – Payment problems 20% house owners
  – Debt problems 37% house owners
Conclusions

- Demand for residential properties is rising
- How is the supply for residential properties?

- Urban area
  - Distance from the center of the city is constantly growing factor in the market price
  - Capital area has grown 20% in 10 years last 25 years

- Rural area
  - Restrictions on investments of foreigners?

- Successful land administration improves:
  - Governance
  - Transparency
  - Economic wealth
Thank you for your attention