Sri Lankan Economy
Outlook

**Economic Indicators:**
- Population: 20 ml.
- Total land area: 6.5 ml. ht.
- Usable lands: 5.5 ml. ht.
- State lands: 82%
- Private lands: 18%
- Per capita land usage: 0.29 ht.

**Economic Indicators:**
- GDP (US$): 49.5 bl.
  - Services: 57.7%
  - Industrial: 29.5%
  - Agriculture: 12.7%
- Per Capita Income (US$): 2600
- GDP growth: 8%
  - Services: 8%
  - Industrial: 8.4%
  - Agriculture: 7%
- Trade balance (US$): (5205 ml.)
- Unemployment rate: 4.9%
- Inflation rate: 5.5%
Sri Lankan Economy
Outlook

Current Issues & Problems

Shortage of infrastructure facilities and public utilities in conflict affected areas (North & East)

Increase of oil prices affected to the cost of living and cost of production

Expectations of the country

Poverty alleviation

Development of sea ports & airports to be an international center for transportation

Promotion of investments to be an international commercial centre & the best tourist destination

Enhancing educational facilities and use of I.T. to be an international center for knowledge

Development of infrastructure facilities

Improving living condition of the people in conflict affected areas
Imagination of our economy where Land Administration is not existing

- **Discourage of investments**
  Investments based on lands would be unprofitable due to unavailable of LIS, low security on title, high risk on land transaction etc.
  Lands might not be allocated to better operators or users and hence resources are not utilized to gain high productivity.
  Lands will not contribute for high productive sectors when the land market is not functioned well.
  Transactions of lands are discouraged due to low tenure security.

- **Undeveloped credit market**
  Although the land is the most popular security, it will not help to the credit market when absence of proper information.
  Since lenders have a risk they try to introduce collateral pledges.
  If lands have not been allocated to better operators lenders of such lands will lose profit.
Imagination of our economy where Land Administration is not existing cont..

- **Low living condition due to bad usage of lands**
  Under a situation of non-existing a proper land use planning system lands are not utilized in better way environmentally, scientifically, and economically.

- **Creation of unequal property ownership**
  People of wealthier and powerful classes of the society are able to acquire majority of lands due to unprotected land rights.
Some statistics on registration of land documents

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<th>Year</th>
<th>Number of deeds registered (old system)</th>
<th>Number of land titles registered (new system)</th>
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Property rights covered

Property rights on private lands

- Right to use the land (provided that excavation of minerals and conversion of paddy lands are restricted)
- Right to earn income from the land
- Right to transfer the ownership or to mortgage the land
- Right to access to enforcement procedure on protection of property rights
- Right to divide the land into portions (provided that large scale tea, rubber, and coconut plantations are restricted)
Property rights covered cont..

**Property rights on alienated state lands**

- Right to use the land for given purpose (provided that excavation of minerals is restricted)
- Right to earn income from the land through given purpose
- Right to transfer the ownership or to mortgage the land with prior approval of the relevant authority
- Right to access to enforcement procedure on protection of property rights
- Right to divide the land into portions (small blocks are restricted)
Land titles covered

- Land titles on private lands:
  - Registration of land deeds
  - Registration of land titles
  - Mortgages
  - Covenants
  - Caveats

- Land titles on alienated state lands:
  - Registration of land grants
  - Land permits
  - Mortgages
  - Long-term leases
  - Covenants
  - Caveats
Economic issues related to Land Administration

- **Land grabbing**
  Increase of state land encroachments with high demand for lands with economic growth

- **Poor access to credit facilities**
  Titles are not clear due to shortcoming of deed registration system and due to informal tenure patterns

- **Low yield**
  Due to poor land use patterns, the unit of land becomes small, and low investment
Economic issues related to Land Administration cont..

- **Undeveloped land market**

  Restrictions for transfers, leases etc. on state lands and unavailability of proper land information system on state and private lands caused to limit the land market.

  Traditional thinking of the people on land rights limits the transactions.

- **Lower contribution to the government revenue**

  Tax income is not generated properly due to inefficient utilization of lands and poor valuation system on private lands.

- **Problems on land titles in conflict affected areas**

  Lost of land title documents, disputes on land rights, shortage of information, low public utilities, and shortage of funds etc.
Our Challenges

- Preparing cadastres for all land blocks (12 ml.) under Land Title Project within 10 years (with limited skilled human resources)
- Completion of conversion of deed registrations into the new land title registration system within 10 years (with limited skilled human resources)
- Overcome inefficiency (delay) in law enforcement activities of land rights
- Releasing restrictions related to moving state lands in the open market while protecting property rights of the low privileged classes of the society
- Solving land problems of the resettled people in conflict affected areas with special attention within a short period
- Implementation of present land use policy plans in a situation of absence of enforcement powers
Influence of Land Administration in Sri Lankan Economy

- Growth of credit market has been limited due to poor land titles. Investments are affected thereby.
- Land market is not growing fast because of the title problems, poor deed registration system, and absence of accurate information.
- Rural people who earn from the land are in poverty level due to low productivity.
Influence of Land Administration in Sri Lankan Economy cont..

- Investments are discouraged due to restrictions on alienated state lands (long process for change the given purpose) and absence of information on available lands for investments.

- People are very concerned on individual land ownership and land rights and therefore available lands for development projects and large scale investments are limited.

- Conversion of agricultural lands from traditional low yield crops to high yield crops is difficult due to peoples attitudes.
THANK YOU!

Appreciate Your queries and comments