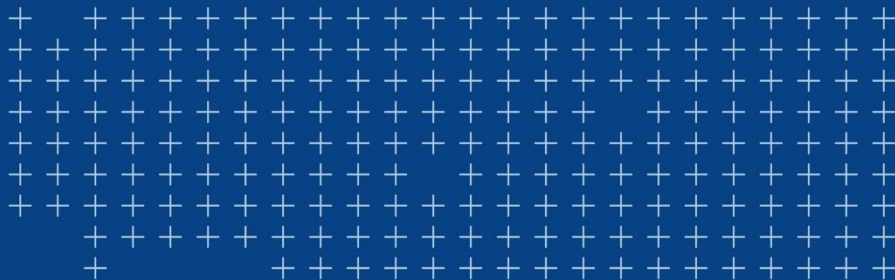




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# Leveraging Land Administration for Transparent, Diversified and Predictable Internally Generated Revenue (IGR)

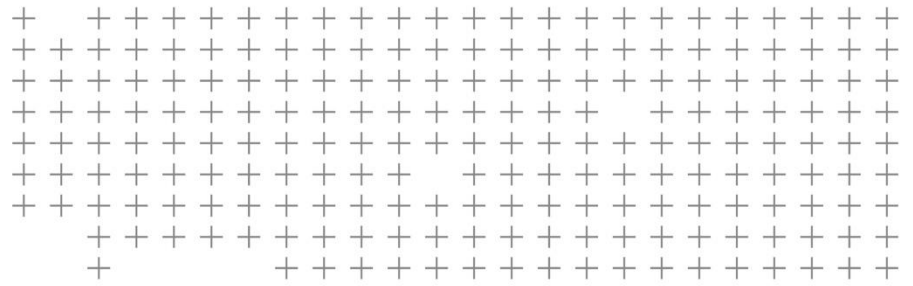




# Overview



- Discussion: Land as a key to IGR
- Supporting examples of land as a viable IGR source
- Concluding remarks



# Land as a Key to IGR

# Internally Generated Revenue (IGR) from Real Property Assets

Revenue  
Management

Today, most governments have some IGR from land registry, cadastre, and property taxes, but still rely heavily on other non-real property sources for revenue.


Revenue  
Generation

All governments are seeking new or expanded IGR from within their own resources – how to leverage what they have for greater fiscal benefit?

Revenue  
Growth

Only by leveraging their single biggest asset (land) will significant IGR growth be realized and sustained.

# Land: A Key IGR Opportunity

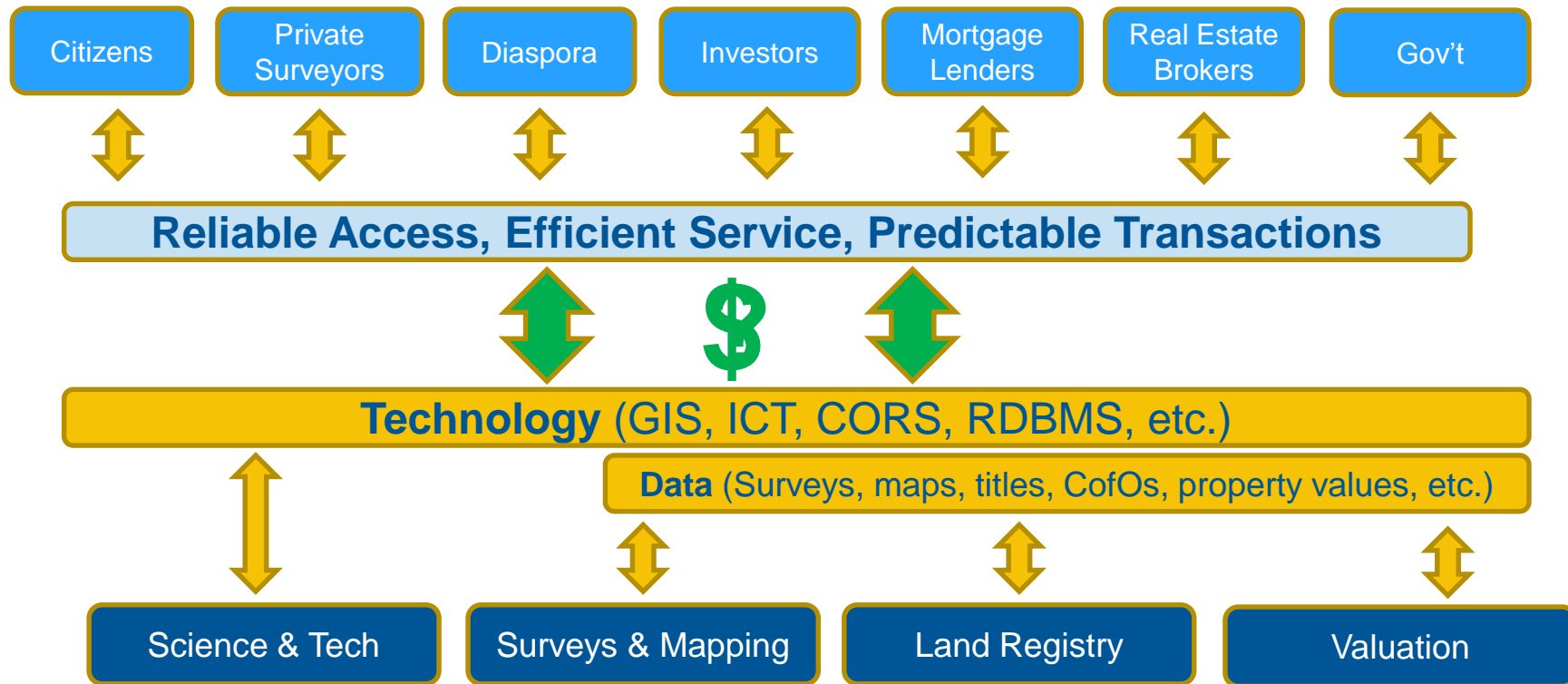
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- Land or land rights are typically the single biggest asset for both the government and the individual person
  - Land is the foundation for managing sub-assets and rights allocations within a government jurisdiction such as natural resources, transportation corridors, agriculture/food security and many others
  - Land/land rights is the technical, legal, financial and security foundation for the on-going success of the government

# Why an “asset inventory” is Key:

- With a comprehensive “asset inventory” comes better management, improved economic development, and integrated planning
- With a complete asset inventory, internally generated revenues increase through better property valuations/tax collections
- With reliable “title” it is easier for foreign investment to secure financing and local rights holders to leverage their assets



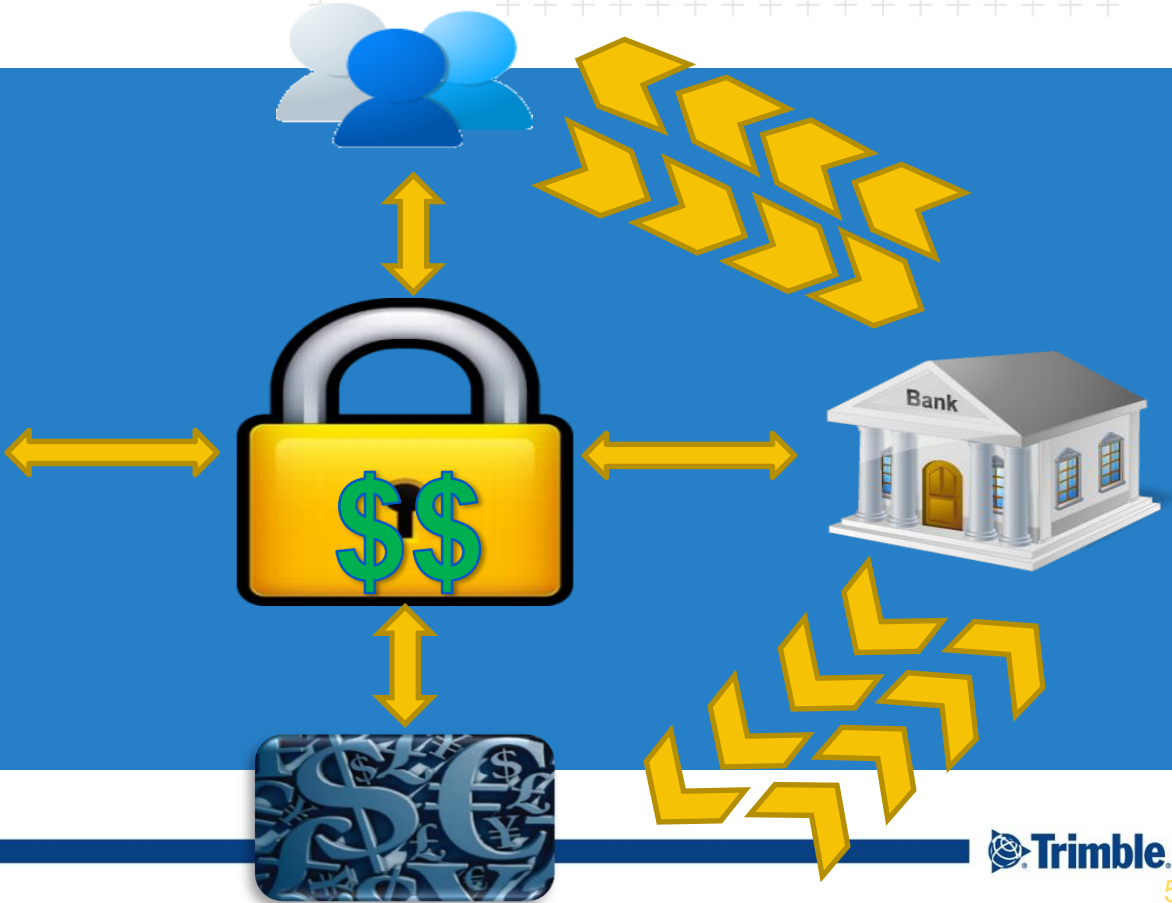
# Asset Leverage = Revenue Generation



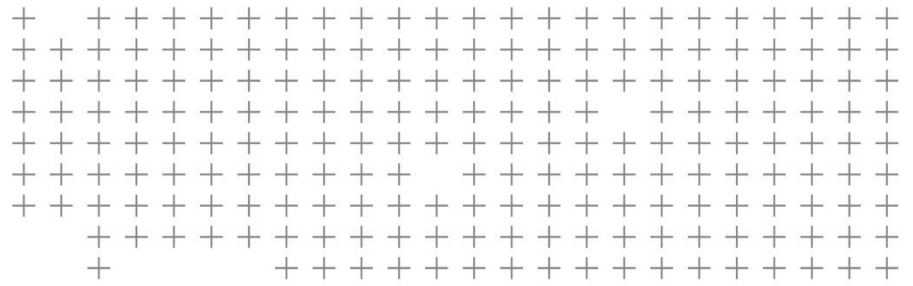
# Asset Security = Revenue Growth

Government

- Auditability, Accountability
- Business Processes
- Technology
- Data
- Capacity Development
- Public Education





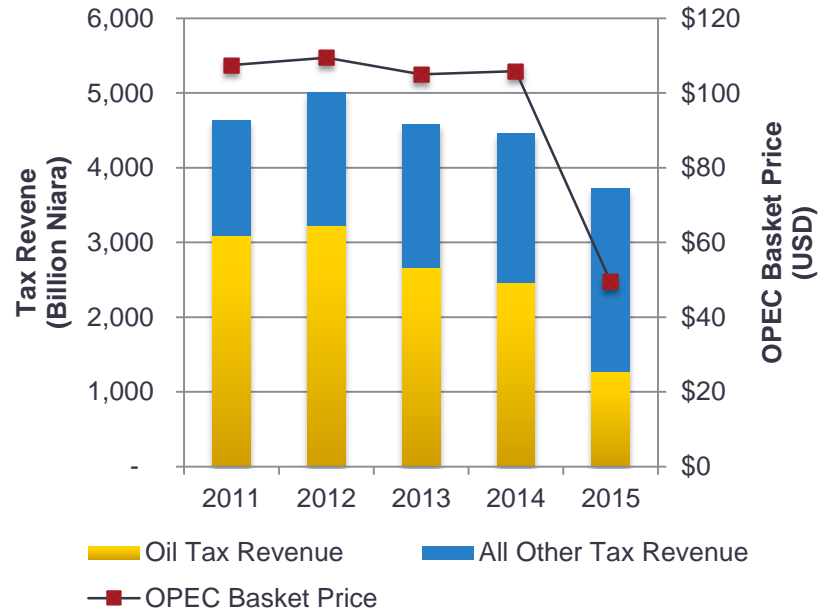


# Examples

# Example the need for diversified IGR

## NIGERIA

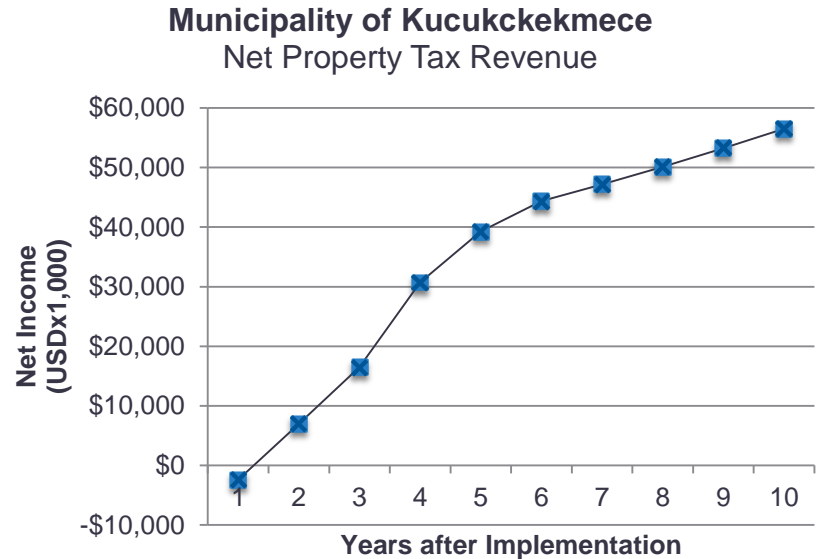
- Raw and refined petroleum products are 93% of the nation's total exports in 2015
- Nigeria Federal Inland Revenue showed that in 2011, 67% of the nat'l gov't revenue came from petroleum
- By 2015, oil tax revenue had dropped to 34% of the total.
- In the 4 year period, overall tax revenues declined by nearly 20%
- Between September 2014 and July 2015, Nigeria's oil and gas revenues dropped by 67%, according to the Nigerian National Petroleum Corporation (NNPC)

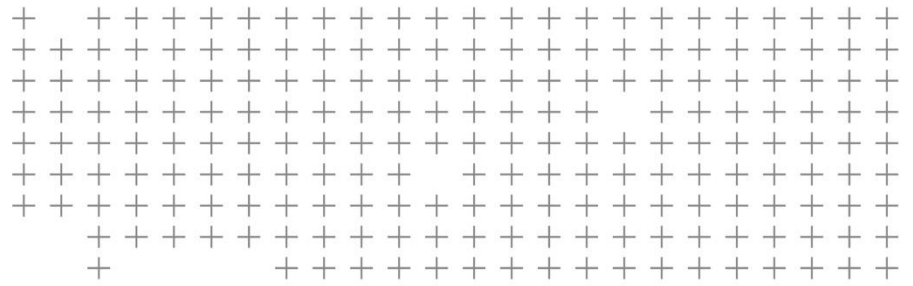


# Potential IGR from land assets

## MUNICIPALITY OF KÜÇÜKÇEKMECE, ISTANBUL

- Municipality was collecting 10% of potential property tax revenues
- Increasing tax collection by only 10 percent per year would provide strong positive effects:
  - The city could conservatively realize an internal rate of return of 395% over a ten-year period





# Concluding Remarks

# Keys to Integrating Land into IGR

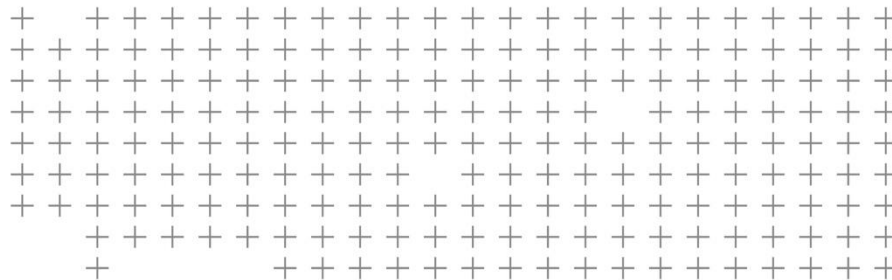
- A complete inventory of assets and a reliable, transparent and equitable environment for managing and reporting on the assets
- A comprehensive plan which identifies the priority needs, priority geographic areas and priority market segments
- An expected return on investment (ROI)
- Integrated education and support – most importantly, political will
- “Visible” results are needed to show citizens the impact of their participation
- Identification of financial approach: PPP, concession, direct financing, etc.



# Sustainable Results

## MODERN LAND ADMINISTRATION DRIVES POSITIVE OUTCOMES

- Land-based IGR provides diversified revenue that is largely insulated from the relatively unpredictable fluctuations of market-dependent sources
- Increased public confidence in the transparency and defendability of the asset: legal validity of the rights, security of the rights, equity of the valuation, etc. = willingness to participate
- Integrated decision-making beyond registry, cadastre, tax = agriculture, environmental protection, physical planning, defense, etc.



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## Questions and Discussion