

Land Registry
Consultation Paper on a Proposed Central Registration System

INTRODUCTION

The objective of this paper is to consult **interested parties** on a proposal to introduce a **Central Registration System (CRS)** for the Hong Kong Land Registry. **The object of Central Registration is to benefit our principal customers**, particularly conveyancing solicitors, **by making registration procedures quicker and simpler**. Other customers will also benefit from **the parallel proposal to introduce cross-district search facilities**.

BACKGROUND

2. The Land Registry was established under the Land Registration Ordinance (Cap 128) to provide a land registration service for Hong Kong. Since the 1980s, when it took over the land registration function in the New Territories from the District Offices, the Registry has maintained registration offices in nine districts, namely, Urban, Islands, Tsuen Wan, Tuen Mun, Yuen Long, North, Tai Po, Shatin and Sai Kung. Each office is independent and self-contained, each maintains a separate set of records for its own registration district, and each provides, for properties within its registration district, the following services:

- registration of documents
- search of land records and documents
- owners incorporation

3. Conveyancing solicitors are therefore required to deliver documents of the property under transaction to the respective registration offices for registration. On occasions, and if a transaction involves properties located in different registration districts, the document in question will need to be delivered to different land registries where the same registration procedure will be repeated. **In view of the fact that nearly**

98% of all legal conveyancing firms are located in the urban area, this arrangement is inconvenient, time-consuming, and unnecessarily expensive for conveyancing solicitors.

4. **Since July 1996, the Land Registry has been automating its system of storing, searching and reproducing land records via a fully computerized Document Imaging System (DIS). Under the DIS, newly registered documents are scanned and recorded on optical disks. Conversion into electronic images of previously registered paper land documents in the New Territories Land Registries began in July 1996, and conversion of the Urban microfilm records in June 1997. The conversion exercise will be completed by the end of 1998 when all land documents will be stored under a unified DIS. [Land Registry Circular Memorandum 4/97]**

5. **With the full implementation of the DIS by the end of 1998, all land records will be accessible via the computer network without any geographic restriction. This will enable the Land Registry to replace the inefficient and uneconomical arrangements for district-based registration and to improve its registration service generally with quicker, simpler and more user-friendly land registration procedures.**

PROPOSALS

Central Registration System

6. **The Land Registrar therefore proposes to implement a Central Registration System (CRS) whereby the geographic boundaries of the registration districts will be removed so that all documents for registration are lodged at a central registration office in the urban area. The new central registration office in the Urban area will be at the Land Registry's headquarters, in Queensway Government Offices, 66 Queensway.**

7. Under the new CRS, **the registration function at the existing nine registration districts will be amalgamated into one centralized office**, for which there will be kept one consolidated registration record to determine the priority of interest of each registered document. This registration service will be provided to the members of the public via the conveyancing solicitors representing them. Please note that postal deliveries will continue to be accepted.

New Territories Offices

8. However, to satisfy local customers' needs, **the Land Registry will retain offices in the New Territories districts to provide enhanced search services for properties throughout Hong Kong and owners incorporation services**. In other words, **the various services presently provided by the Land Registry direct to its local district based customers will be maintained, and only the registration service will be centralized**.

BENEFITS

9. The CRS will bring substantial benefits to the Land Registry's customers:

- (a) **simplified registration procedures**, as it will not be necessary to distribute documents according to the relevant registration districts;
- (b) **reduced transaction times**, as there will be no repetition of the registration process for transactions involving properties located in different registration districts;
- (c) **a clear customer contact point**, as there will be no more confusion over choice of lodgement offices;
- (d) **easier tracking of the registration process**, as there will be only one single queue of registration sequence; and

- (e) **lower operating costs**, for both legal firms and the Land Registry

Upon implementation, our **customers will therefore enjoy more convenient, speedy and cost-effective registration and search services.**

TIMING

10. To implement the Central Registration System, the Land Registry will need to develop a new and integrated computer system to fully automate the registration process. Some changes in procedures and forms will be necessary and minor enabling legislative amendments will be required. **It is expected that the new computer system and associated procedures will be ready by November 2001.**

COST

11. Despite the need to introduce a new computer system to facilitate the CRS, **it is not anticipated at this stage that it will be necessary to finance the CRS proposal by increasing existing fees.**

VISION

12. The Land Registry is about to embark on a period of substantial change with the object of improving services to its customers. Our new vision is:

“To establish by 2001 a fully computerized and integrated land registration and search system that will offer convenient, speedy and cost-effective services, including central registration, guaranteed land title, and a one-stop search service without geographic restriction.”

BRIEFINGS

13. The following briefings are proposed:

- Briefings for the Customer Liaison Groups in the public and private sectors, and for the Lands Department
- Briefing for the Land Registry Joint Standing Committee
- Briefings for the Heung Yee Kuk and the New Territories District Boards

Representatives of the above groups will be contacted shortly to confirm the briefing arrangements.

COMMENTS

14. The above briefings will begin shortly to explain the CRS proposal and to answer questions in detail. On completion of the briefings, any comments on the proposed CRS should be sent, no later than 18 November 1998, to

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In the meantime, initial comments and suggestions on the proposal are welcome and should be directed to the same address.

The Land Registry
30 September 1998