

REGISTERING PROPERTY QUESTIONNAIRE – Macedonia, FYR

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Dear Ljubica Ruben,

We would like to thank you for your participation in the *Doing Business* project. Your expertise in the area of Registering Property in Skopje is essential to the success of the *Doing Business* report, one of the flagship publications of the World Bank Group that benchmarks business regulations in 190 economies worldwide. The Registering Property indicator, which measures the quality and efficiency of land administration, is one of the 11 indicator sets published by the *Doing Business* report.

The report attracts much attention around the world. The latest edition, *Doing Business 2017: Equal Opportunity for All*, introduced improvements in the Paying Taxes and Protecting Minority Investors indicators, and included a gender component in 3 of 11 *Doing Business* indicator sets. It received over 7,000 media citations within just a week of its publication on October 25, 2016 and the report was downloaded almost 40,000 times within that same period. A record 137 economies implemented a total of 283 reforms. Low and middle income countries carried out more than 75% of these reforms, with Sub-Saharan Africa accounting for 80 of them.

Governments worldwide read the report with interest every year, and your contribution makes it possible for the *Doing Business* project to disseminate the regulatory best practices that continue to inspire their regulatory reform efforts. Since 2010, 101 economies have implemented 157 reforms making it easier to transfer property. In 2015/16, 22 economies implemented reforms such as digitizing land records, integrating electronic platforms, introducing expedited procedures and improving the reliability and transparency of the land administration system.

We are honored to be able to count on your expertise for *Doing Business 2018*. Please do the following in completing the questionnaire:

- Review the assumptions of the case study before updating last year's information in the questionnaire.
- Describe in detail any reform that has affected the process of transferring a property since June 1, 2016.
- Please pay special attention to the questions on the overall quality of the land administration systems and to the research questions at the end of the questionnaire.
- Be sure to update your name and address if necessary, so that we can mail you a complimentary copy of the report.
- Kindly return the questionnaire to dbregisteringproperty@worldbank.org.
- We thank you again for your invaluable contribution to the work of the World Bank Group.

Sincerely,

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Referrals: Please help us expand our list of contributors by referring us to other experts in the private or public sector (lawyers, notaries, public officials or any expert in this field) who can respond to the questionnaire.

First name	Last name	Position	Firm	Address	Phone	E-mail
[]	[]	[]	[]	[]	[]	[]
[]	[]	[]	[]	[]	[]	[]

1. CASE STUDY ASSUMPTIONS

The Registering Property indicator records the full sequence of procedures necessary for a business to purchase a property from another business and to transfer the property title to the buyer's name. In addition, it measures the overall quality of the land administration systems. In order to assess the time, cost and number of procedures required to complete the process of property transfer, a specific set of assumptions needs to be considered.

1.1 Scenario

You are helping your client, a limited liability company, purchase a commercial warehouse that is registered at the Agency for Real Estate Cadastre in Skopje. This case is a transfer of property, not the first-time registration of a property.

Assumptions	
Parties	<ul style="list-style-type: none"> The buyer and seller are local limited liability companies located in Skopje. They are owned by private nationals (with no foreign or state ownership) and perform general commercial activities.
Property	<ul style="list-style-type: none"> The property consists of land and a 2-story building (warehouse): the land area is 557.4 square meters (6,000 square feet), and the warehouse has a total area of 929 square meters (10,000 square feet). The value of the property is MKD 13,157,529 (equivalent to USD 257,000), equal to 50 times income per capita. The property is registered in the land registry; it is free of title disputes and has no mortgages attached to it. The seller company has owned the property for the past 10 years.
Transaction	<ul style="list-style-type: none"> The seller company has accepted the buyer company's offer to purchase the property. The parties will undertake every procedure that is officially required or needed in practice to transfer the ownership of the property.

1.2 Definitions

The questionnaire divides the process for transferring a property into distinct procedures and collects information on the time and cost of completing each procedure according to the following definitions:

Definitions	
Procedures	<ul style="list-style-type: none"> A procedure is an interaction of the buyer or the seller, their agents (if an agent is legally or in practice required) with external parties, including government agencies, inspectors, notaries and lawyers. Procedures that take place simultaneously are marked with an asterisk (*).
Time	<ul style="list-style-type: none"> Time is measured in calendar days. The minimum time for a procedure is 1 day. For procedures that can be completed online in less than 1 day, the duration is noted as "Less than one day (online procedure)."
Cost	<ul style="list-style-type: none"> Cost reflects only official fees and taxes; bribes are excluded. Value added tax (VAT) and capital gains should not be included in the cost.

Please **always** refer to the case study assumptions and definitions when describing the property transfer process.

2. REFORM UPDATE

2.1 Has there been any administrative or legal change since June 1, 2016 affecting the process for transferring a property or the land administration system?

Yes

IF YES:

2.1.1 Please indicate the name and date of the law or regulation:	Notary Law (Official Gazette of RM. no.72/2016 and 142/2016)
2.1.2 Please provide the link to the law or regulation if possible:	http://www.slvesnik.com.mk/Issues/7e2ad780ba694c9e824358157c9ea995.pdf and http://www.slvesnik.com.mk/Issues/6f8d996e802342e0ae27878062c8ecff.pdf
2.1.3 Please describe the administrative or legal change:	According to the legal changes in the provisions of the Notary Law, applicable from January 1st, 2017, in the procedure for transfer of a property in which the legal matter is in value more than 10,000 Euros in MKD according to the average rate of the National Bank of Republic of Macedonia, the contracting parties are obliged to provide agreement prepared by a lawyer (including lawyers seal and signature), prior to its notarization and verification in front of the Notary Public. Regarding the above, there is exemption when one of the contracting parties is the Republic of Macedonia. Also, in the procedure in which the legal matter (subject of the agreement for transfer of the property) is in value under 10.000 Euros in MKD and one of the contracting parties is bank, saving bank, financial company, provider of financial leasing or insurance company, there is no obligation for preparation of the agreement by a lawyer (including lawyers seal and signature), but if the value of that legal matter is more than 10,000 Euros in MKD, one of the contracting parties is obliged to provide prepared agreement by a lawyer (including lawyers seal and signature).
2.1.4 Has this change simplified or complicated your daily work related to property transfers? Please explain:	The abovementioned legal change it complicates the procedure regarding the obligation for hiring a lawyer for preparation of the agreement for transfer of property. But as significant advantage arising of this obligation, is the legal certainty for the contracting parties, resulting from the preparation of the agreement by a lawyer.

2.2 Last year *Doing Business* recorded the following project that was expected to have an impact on the property transfer process or the land administration system (if no information is shown here, please go to question 2.3):

Expected reforms	Is it now in place?	If yes, since when?	Is the transfer process now easier or more complex?	Please explain:
<p>Scan center - Through this activity, AREC will scan all archive documents of permanent value that are in paper form. Currently AREC uses the archive documents in paper form. With this reform, AREC will decrease the time needed for processing the applications submitted by the clients.</p>	Yes	<p>In the records of the AREC there is scanned book of changes - a digital history for the cadastral plots through pictures since 1929 till today. The process of digitalization is started since the end of 2013. According to the prescribed deadline for finalization of the project for digitalization in the official program and decision, is stated that the process is completed.</p>	Easier	<p>The public can acquire accurate, updated, highquality, well structured and accessible spatial data in local, regional and state administrative bodies through electronic way of obtaining information from the Agency for Real Estate Cadastre.</p>

2.3 Are you aware of any reform (change in practice or in laws or regulations) related to the process for transferring a property or the land administration system that is ongoing:

		Please describe
2.3.1. BEFORE June 1, 2017?	No	
2.3.2. AFTER June 1, 2017?	No	

3. LIST OF PROCEDURES FOR TRANSFERRING PROPERTY

For your convenience, last year's answers are included in this questionnaire. They represent a unified response, based on all the answers received from various contributors. Because they represent the responses from all *Doing Business* contributors in your economy, they may not match the specific answers that you or your colleagues in your firm provided last year.

Please update the data for property transfers taking into account the assumptions of the case study presented in section 1.

Please describe any change to the data in detail and indicate since when the change took effect. Please specify whether the changes you make are because of:

- A **reform** — any modification to the property transfer process (in practice or in law) after June 1, 2016;
- A **correction**— meaning that the unified answer was erroneous and did not reflect the reality in your country;
- **Other**—relating to other external factors affecting the property transfer process.

3.1 Data Update

Procedure 1	Obtain a non-encumbrance certificate on the property		
Cost	Cost last year: MKD 180 (Title deed) + MKD 50 (administrative tax)		
	Cost update:		
Time	Time last year: Less than a day (online procedure)		
	Time update:		
Online procedure	Can it be completed online? Yes	If yes, since when? 2014	Website: http://www.katastar.gov.mk/en/Page.aspx?Id=577
	Update: -Click to Select-	Update:	Link update:
Agency	Agency last year: Agency for Real Estate Cadastre, Notary		
	Agency update:		
Procedure details:	Details: With the Law on Amendments and Addenda to the Law on Real Estate Cadastre ('Official Gazette of RM' No. 74/12 - 13.06.2012) all the information on encumbrances over land and property are included in the Title Deed. Thus, parties need to obtain only a copy of the Title deed in order to check for encumbrances. The Title deed except from the Cadastre Agency, also can be obtained at the notary offices, municipalities and geodetic companies.		
	With an upgrade of the electronic services provided by the Agency for Real Estate Cadastre (e-counter), apart from the availability to obtain a title deed from the Department of Cadastre and registration of real estate, the title deed can be obtained from the closest municipality, notary office or in the offices of private geodetic firms.		
	Your comments:		
	If you made changes to last year's information, what is it due to? -Click to Select-		
	Please explain the change(s) and provide the legal basis when applicable:		

Procedure 2	Lawyer drafts the sale-purchase agreement
Cost	Cost last year: Lawyers charges can vary from MKD 7000 to MKD 17,500 (equivalent of EUR 200-500)

	<p>Cost update: The lawyers award for preparation of agreements as is stated in the official lawyers tariff, is determined according to the value of the subject of sale and in the following manner:</p> <p>For value of 3.000.000,00 MKD the fee for preparation is 3.900,00 MKD For value from 3.000.001,00 MKD to 5.000.000,00 MKD the fee is 5.000,00 MKD For value from 5.000.001,00 MKD to 9.000.000,00 the fee is 6.000,00 MKD For value from 9.000.001,00 MKD to 20.000.000,00 the fee is 10.000,00 MKD For value from 20.000.001,00 MKD to 60.000.000,00 the fee is 15.000,00 MKD For value of 60.000.001,00 MKD the fee for preparation is 30.000,00 MKD</p>		
Time	Time last year: 1 day		
	Time update:		
Online procedure	Can it be completed online? No	If yes, since when?	Website:
	Update: No	Update:	Link update:
Agency	Agency last year: Lawyer		
	Agency update:		
Procedure details:	<p>Details: Although hiring a lawyer for the purpose of property transfer in Macedonia is not required under the law, in order to avoid any unwanted legal consequences use of lawyers services is a common practice. Furthermore, assistance of the lawyer in this process is very important when drafting sales contract is done for a complex cases with multiple parties involved for a property with encumbrances.</p>		
	<p>Your comments: Regarding the legal changes in the Notary Law, for legal matter- (subject of an agreement for transfer of property) which is valued more than 10,000 Euros in MKD according to the average rate of the National Bank of Republic of Macedonia, the contracting parties are obliged to provide agreement prepared by a lawyer (including lawyers seal and signature) except if one of the parties is the Republic of Macedonia. In a legal matter in which its value of the subject for transfer is under 10.000 Euros in MKD, but one of the contracting parties is bank, saving bank, financial company, a provider of financial leasing or insurance company, there is no obligation for preparation of the agreement by lawyer (including his legal seal and signature), but if the value of that legal matter is more than 10,000 Euros in MKD, one of the contracting parties is obliged to provide agreement prepared by a lawyer (including lawyers seal and signature) .</p>		
If you made changes to last year's information, what is it due to? Reform			
<p>Please explain the change(s) and provide the legal basis when applicable: The legal change is stated in the Notary Law (Official Gazette of Republic of Macedonia no. 72/2016 and no.142/2016), regarding the preparation of the agreements by a lawyer, with lawyers seal and signature, for legal matters which values more than 10.000 euros in MKD according to the average rate of the National Bank of Republic of Macedonia, except if one of the parties is Republic of Macedonia. Also, for legal matters in with the value is under 10.000 Euros and one of the contracting parties is bank, saving bank, financial company, provider of financial leasing or insurance company, there is no obligation for the abovementioned, but if the legal matter is more than 10.000 Euros in MKD one of the parties is obliged to provide agreement prepared by a lawyer (including lawyers seal and signature). The contracting parties are obliged to hire a lawyer in procedure for the transfer of property, for legal matters in which the value of the subject of transfer amounts as is abovementioned. This is prior to the notarization and verification of the agreements in front of the Notary Public.</p>			

Procedure 3	Obtain Certificates for current condition, Certificates of bankruptcy and Certificates of liquidation from the Central Registry
Cost	Cost last year: MKD 256 (Certificate for current conditions) + MKD 257 (Certificate of bankruptcy) + MKD 257 (Certificate of liquidation)
	Cost update: None
Time	Time last year: Less than a day (online procedure)
	Time update:

Online procedure	Can it be completed online? Yes	If yes, since when? 2013	Website: http://www.crm.com.mk/CRIS/ReDefault.aspx
	Update: No	Update:	Link update: \
Agency	Agency last year: Central Registry		
	Agency update:		
Procedure details:	<p>Details: Prior to referring to a public notary for verification and notarization parties are required to obtain three certificates from the Central Registry. These Certificates are required by the Notary in order to compile the Notary act. Pursuant to article 47 of the Notary Law the notary public shall determine the identity of the parties (seller and buyer) - legal entities based on a certificate issued by a competent authority (Certificate for current standing). Further, pursuant to article 44 of the same Law "while compiling a notary act, the notary public must examine whether the parties are capable and authorized for undertaking such activities (transfer of a property)....." (Certificate of bankruptcy and Certificate of liquidation).</p>		
	Your comments:		
If you made changes to last year's information, what is it due to? -Click to Select-			
Please explain the change(s) and provide the legal basis when applicable:			

Procedure 4	Submit application for assessment of sale property tax and obtain the tax decision		
Cost	Cost last year: MKD 300 (administration fee)		
	Cost update: None		
Time	Time last year: 3 weeks		
	Time update: 2-3 weeks.		
Online procedure	Can it be completed online? No	If yes, since when?	Website:
	Update: No	Update:	Link update:
Agency	Agency last year: Municipality		
	Agency update:		
Procedure details:	<p>Details: Tax liability incurs on the date of conclusion of the agreement for transfer of ownership. The base of tax on sales of real estate is the market value of the real estate at the moment of the tax liability. Previously paid to the Public Revenue Authority, the payment of this tax moved from the Revenue Authority to the Municipalities in 2005. According to the Law on Property Taxes (Official Gazette of the Republic of Macedonia, No. 61, dated September 13th 2004), the tax rates are determined by each Municipality, and the Municipality administration is authorized to determine and collect the property taxes as per the location of the real property. The Mayor should pass and deliver the decision for the amount of property tax within 10 days from the day when the taxpayer submitted the application. The rate of tax on sale of real estate is proportional and equals 2-4% of the determined market value of the property. If the two parties are companies registered for VAT, the seller will pay 18% VAT on the determined purchase price.</p>		
	Your comments:		
If you made changes to last year's information, what is it due to? -Click to Select-			
Please explain the change(s) and provide the legal basis when applicable:			

Procedure 5	Pay property sales tax and obtain a stamped payment order at the bank		
Cost	Cost last year: 2-4% from the market value of the real estate at the moment the obligation occurred		
	Cost update: None		
Time	Time last year: 1 day		
	Time update:		

Online procedure	Can it be completed online? No	If yes, since when?	Website:
	Update: No	Update:	Link update:
Agency	Agency last year: Commercial bank and Municipality		
	Agency update:		
Procedure details:	Details: Seller makes a wire transfer or pays in person at the bank. To confirm the tax payment seller obtains stamped payment order from the bank and submits this document to the Municipality. Given that Municipalities cannot verify whether money have reached their account, stamped payment order must be submitted to get Municipality's seal on the draft sales-purchase agreement.		
	Your comments:		
If you made changes to last year's information, what is it due to? -Click to Select-			
Please explain the change(s) and provide the legal basis when applicable:			

Procedure 6	Notary solemnizes draft sales-purchase agreement or prepares a Notary act		
Cost	Cost last year: Sale/purchase agreement according to the new notary fee that is on force: -if the property value is from MKD 300,001 up to MKD 3,000,000 the fee is MKD 2,000; -from 3.000.001 MKD to 5.000.000,00 MKD, the fee is 10.000,00 MKD; -from 5.000.001,00 MKD to 9.000.000,00 MKD, the fee is 12.000,00 MKD; -from 9.000.001,00 MKD to 20.000.000,00 MKD, the fee is 20.000,00 MKD; -from 20.000.001,00 MKD to 60.000.000,00 MKD, the fee is 30.000,00 MKD; and -up to 60.000.000,00 MKD, the fee is 60.000,00 MKD.		
	This fee applies if the Notary prepares the contract in form of Notary Act and also verifies it. In case if the sale contract is prepared by Attorney at Law and the Notary Public only verifies the contract (makes Solemnization-confirmation of the contract) the fee is 50% of the above amounts. The changes in the fee are due to a reform of the Tariff for the Notary services dated from 22.01.2011 However, according to Article 16 of the Notary Tariff Act the notary fee is 50% of the fee stipulated in Article 11.		
Time	Cost update: None		
	Time last year: 3 days		
Online procedure	Time update:		
	Can it be completed online? No	If yes, since when?	Website:
Agency	Update: No		
	Update:		
Agency	Link update:		
	Agency last year: Public Notary		
Procedure details:	Agency update:		
	Details: The notary prepares and notarizes the sale contract agreement. The following documents are required by the notary: • Title Deed from AREC; • Current condition of the legal entities (where the names and data of the legal representative(s) of the Companies authorized to sign the agreement are stipulated)- obtained by the notary online • Decision for sale of the warehouse adopted by the owner(s) of the Company - Seller; • Decision for buying of the warehouse adopted by the owner(s) of the Company - Buyer; • Certificates that both Companies are not under bankruptcy and liquidation Procedure; • Certificate for non-encumbrance for the warehouse. According to the Law on Notary Public, a notary public is obliged to submit these documents to the Cadastre in order to inform the Cadastre about the change in ownership; • Seller: must produce a certificate showing that the Company has not initiated the bankruptcy Procedure; Purchaser: must issue a Decision for buying the warehouse, signed by the Company's Manager.		

Your comments: According to the legal changes of the Notary Law, the contracting parties are obliged to hire a lawyer for preparation of sale-purchase agreement (including his lawyers seal and signature) in which the value of the subject is more than 10,000 Euros in MKD according to the average rate of the National Bank of Republic of Macedonia, except in case in which one of the contracting parties is the Republic of Macedonia. The agreement in which the value of the legal matter is under 10.000 Euros in MKD and if one of the contracting parties is bank, saving bank, financial company, provider of financial leasing or insurance company, there is no legal obligation for preparation of it by a lawyer (including its lawyers seal and signature), but if the value of that legal matter is more than 10,000 Euros in MKD, one of the contracting parties is obliged to provide agreement prepared by a lawyer (including lawyers seal and signature).

If you made changes to last year's information, what is it due to? Reform

Please explain the change(s) and provide the legal basis when applicable: The obligation for preparation of the agreement for transfer of ownership by lawyer (including lawyers seal and signature) if the value of the subject of transfer is more than 10.000 Euros in MKD (stipulated in the provisions of the Law on Notary, Official Gazette of RM.no.72/2016 and 142/2016) and it is applicable from January 1st, 2017. The lawyer is hired for preparing of the required agreement, and the Notary Public makes the notarization and verification.

Procedure 7		Registration in the Cadastral Office	
Cost	Cost last year: MKD 300 (for change of ownership) + MKD 50 (administrative tax)		
	Cost update: None		
Time	Time last year: 3 days		
	Time update:		
Online procedure	Can it be completed online? Yes	If yes, since when? 2012	Website: www.katastar.gov.mk
	Update: -Click to Select-	Update:	Link update:
Agency	Agency last year: The Agency for Real Estate Cadastar		
	Agency update:		
Procedure details:	Details: Parties submit a request for changing the title to the Cadastral Office.		
	<p>A lawyer or the buyer obtains from the Cadastre a new Title Deed in which the new owner will be registered. Ownership right over real estate is established at the moment of registration of that right in the Public Book at the Cadastre, though in practice documentation would be required to resell or use the property to obtain a loan.</p> <p>According to the Article 186 from the Law on Real Estate Cadastre (Official Gazette of RM 55/2013), the time limit for Real Estate Cadastre to register required application is set at 15 working days. The documentation shall include: the sale contract approved by public notary (obtained in Procedure 3).</p> <p>E-lodging is now being introduced in Macedonia: the E-Counter application for professional users (available at www.katastar.gov.mk), enables submission of applications for data and changes electronically, using electronic signature. The fee for the service and the administrative tax can be paid by credit card via the virtual POS terminal. In order to use this service, the professional users must sign a contract with the AREC and must have internet access, scanner, digital signature issued by an authorized body, and payment card. With the E-Counter, the citizen via the Notaries can conduct purchase or sale of the property and can quickly record a mortgage, without coming to the AREC front desk in person.</p>		
Your comments:			
If you made changes to last year's information, what is it due to? -Click to Select-			
Please explain the change(s) and provide the legal basis when applicable:			

3.2 Additional procedures in the process for transferring property

Please provide details below on any new or existing procedures that are not included in the list above. **In case there is no additional procedure to be added, please proceed to the next section.**

Procedure			
Name:			
Cost:			
Time:			
Online procedure	Can this procedure be done online? No	If Yes, since when?	Please provide the link to the website:
Agency:			
Procedure details:			
If you made changes to last year's information, what is it due to? -Click to Select-			
Please explain the changes and provide the legal basis when applicable:			
Please indicate the sequence of this new procedure (for example: between procedures 2 and 3) or describe when it takes place:			
Can this procedure take place simultaneously with another procedure? If so, which one(s)?			

3.3 Please verify the time required for all procedures to transfer property until it becomes opposable to third parties in Skopje:

Question	Answer
Last year , the overall time to transfer a warehouse between two limited liability companies in Skopje – including all the procedures required before, during and after registration - was estimated at:	30.0 days
This year , based on your experience and using the case study assumptions explained in Section 1, what is the overall time for a business to purchase a property from another business and to transfer the property title to the buyer's name?	7-10 days
Based on your experience and the same case study assumptions, what can be the fastest time in practice to transfer a property between two limited liability companies?	7-10 days
Based on your experience and the same case study assumptions, what can be the slowest time in practice to transfer a property between two limited liability companies?	10-14 days
If there is a difference in time, what is the main reason behind it?	The workload of the institutions and the efficiency of its employees.

4. QUALITY OF LAND ADMINISTRATION INDEX

This section is dedicated to the Quality of Land Administration Index, which evaluates 4 main areas: the overall reliability of infrastructure; transparency of information; geographic coverage; and land dispute resolution mechanisms in place. When answering the questions below, kindly disregard the case study assumptions (section 1).

For your convenience, a summary of the responses provided last year to the same questions is included. Because they represent the responses received from all *Doing Business* contributors in your economy, they may not match the specific answers that you or colleagues in your firm provided last year.

If any of your answers are the result of a reform that came into effect after June 1, 2016 please mention it in the sections for changes comparing to the last year. Furthermore, when answering the questions below kindly indicate the name, reference and date of publication of the relevant law, when applicable.

4.1 RELIABILITY OF INFRASTRUCTURE INDEX

4.1.1 Immovable property registration system

	Last Year	This Year	Comments
a) What is the name of the institution in charge of immovable property registration in Skopje?	Agency for Real Estate Cadastre	Agency for Real Estate Cadastre	
b) Is the majority of title/deed records in Skopje held in a paper format or in a computerized format? If they are computerized, are they scanned documents or fully digital documents? (<i>A scanned document is an image of a document, kept in electronic format or microfilm, whose content cannot be used in searches and it is not extractable. Fully digital documents are those that have information input into fields, with content that is searchable and extractable.</i>)	Computer/Fully digital	Computer/Fully digital	
c) Is there an electronic database for checking for encumbrances (liens, mortgages, restrictions, etc.)?	Yes	Yes	

4.1.2 Cadastral/Mapping system

	Last Year	This Year	Comments
a) What is the name of the institution in charge of the plans showing legal boundaries in Skopje (cadastre, parcel index, etc.)	Agency for Real Estate Cadastre	Agency for Real Estate Cadastre	
b) Is the majority of plans in Skopje held in a paper format or in a computerized format? If they are computerized, are they scanned documents or fully digital documents?	Computer/Fully digital	Computer/Fully d	
c) Is there an electronic database for recording boundaries, checking plans and providing cadastral information (Geographic Information System)?	Yes	Yes	

4.1.3 Interconnection

	Last Year	This Year	Comments
a) Is the information recorded by the immovable property registration agency and the mapping agency kept in a single database, different but linked databases, or separate databases?	Single database	Single database	
b) Do the immovable property registration agency and cadastral/mapping agency use the same identification number for properties?	Yes	Yes	

This Year

If yes, please explain:

Since June 1, 2016, has there been any change in the areas above?	No	
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4.2 TRANSPARENCY OF INFORMATION INDEX

4.2.1 Immovable property registration system

	Last Year	This Year	Comments
a) Who is able to obtain information on land ownership at the agency in charge of immovable property registration in Skopje?	Freely accessible by anyone	Freely accessible by	
b) Is the list of documents that are required to complete any type of property transaction made publicly available?	Yes, online	Yes, online	
If online, please provide the link:	http://www.katastar.gov.mk/en/Page.aspx?Id=205	http://www.katastar.gov.mk/mk/Page.aspx?Id=205	
c) Is the applicable fee schedule for any property transaction at the agency in charge of immovable property registration in Skopje made publicly available?	Yes, online	Yes, online	
If online, please provide the link:	http://www.katastar.gov.mk/userfiles/file/tarifnici/TARIFNIK_za_promeni_vo_kn-izmena_15.01.2015-%D0%BF%D1%80%D0%B5%D1%87%D0%B8%D1%81%D1%82%D0%B5%D0%BD_%D1%82%D0%B5%D0%BA%D1%81%D1%82.pdf	http://www.katastar.gov.mk/userfiles/file/tarifnici/TARIFNIK_za_zapisuvawe_na_promeni_vi_kn.pdf	
d) Does the agency in charge of immovable property registration agency commit to deliver a legally binding document that proves property ownership within a specific deadline (service standards- e.g. 5 working days to deliver a new title)?	Yes, online	Yes, online	
If online, please provide the link:	http://www.katastar.gov.mk/en/Page.aspx?Id=206		http://status.katastar.gov.mk/Login.jsp (After submitting a request for registration of a change in the Agency for real estate cadastre, on this link the parties can obtain information for the status of the subject of the procedure.
e) Is there a specific and independent mechanism for filing complaints about a problem that occurred at the agency in charge of immovable property registration through a telephone hotline, a mailing address, e-mail or other means?	No	No	
If yes, please provide the contact information:			
f) Are there official statistics tracking the number of transactions at the immovable property registration agency?	No	No	
If yes, are they made available to the public?	No	No	

What is the source of these statistics?			
What is the total number of property transfers in Skopje that took place in 2016?			

4.2.2 Cadastral/Mapping system

	Last Year	This Year	Comments
a) Who is able to consult plans in Skopje?	Anyone who pays the official fee	Anyone who pays	
b) Is the applicable fee schedule to get access to plans made publicly available?	Yes, online	Yes, online	
If online, please provide the link:	http://www.katastar.gov.mk/mk/Page.aspx?id=155&m=1501		
c) Does the cadastral/mapping agency commit to deliver an updated plan within a specific deadline (service standards- e.g. 5 working days to update the plan)?	No	No	
If online, please provide the link:			
d) Is there a specific and independent mechanism for filing complaints about a problem that occurred at the agency in charge of cadastral plans through a telephone hotline, a mailing address, e-mail or other means?	No	No	
If yes, please provide the contact information:			

	This Year	If yes, please explain:
Since June 1, 2016, has there been any change in the areas above?	-Click to Select-	

4.3 GEOGRAPHIC COVERAGE INDEX

4.3.1 Immovable property registration system

	Last Year	This Year	If not, what percentage of land is registered?	What are the main reasons for the registry not being complete?
a) Is every privately held land plot in Skopje formally registered at the immovable property registry?	Yes	Yes		
b) Is every privately held land plot in the economy (the former Yugoslav Republic of Macedonia) formally registered at the immovable property registry?	No	No		Due to lack of complete documentation by the private owners, some of the land plots are not formally registered at the property registry, but they are only recorded in the separate records as existing land plots without registered property rights.

4.3.2 Cadastral/mapping system

	Last Year	This Year	If not, what percentage of land mass is mapped?	What are the main reasons for the mapping not being complete?
a) Is every privately held land plot in Skopje mapped?	Yes	Yes		
b) Is every privately held land plot in the economy (the former Yugoslav Republic of Macedonia) mapped?	Yes	Yes		

	This Year	If yes, please explain:
Since June 1, 2016, has there been any change in the areas above?	-Click to Select-	

4.4 LAND DISPUTES RESOLUTION INDEX

4.4.1 Legal background

	Last Year	This Year	Comments
a) Does the law require that all property sale transactions be registered at the land registry to make them opposable to third parties?	Yes	Yes	
If yes, please specify the legal basis:	Article 142 and 143 from the Law of real estate cadastre („Official Gazette of RM no. 55/2013, 41/2014, 115/2014, 116/2015, 153/2015 and 192/2015)	Article 142 and 143 from the Law on real estate cadastre (Official Gazette of RM. no 55/2013, 41/2014, 115/2014, 116/2015, 153/2015, 192/2015 and 172/2016)	
b) Is the system of immovable property registration subject to a guarantee?	Yes	Yes	
If yes, what is the type of guarantee?	State guarantee	State guarantee	
Please specify the legal basis:	Article 142 and 143 of the Law on Real Estate Cadastre („Official Gazette of Republic of Macedonia“ No. 55/2013 and 41/2014")	Article 142 and 143 from the Law on real estate cadastre (Official Gazette of RM. no 55/2013, 41/2014, 115/2014, 116/2015, 153/2015, 192/2015 and 172/2016)	
c) Is there any compensation mechanism to cover for losses incurred by parties who engaged in good faith in a property transaction based on erroneous information certified by the land registry?	Yes	Yes	
If yes, what kind of compensation is provided in this case?	Misdemeanour provisions have been provided in the Law on Real Estate ('Official Gazette of RM' no. 55/13, 41/14, 115/14, 116/15, 153/15 and 159/2015) Cadastre of RM, starting from Article 246 to Article 251-b.	The misdemeanor provisions are stated in the Law on real estate cadastre (Official Gazette of RM. no 55/2013, 41/2014, 115/2014, 116/2015, 153/2015, 192/2015 and 172/2016, from Article 246-251) In that case, there are	

		prescribed penalties in MKD counter value.	
Please specify the legal basis:	From Article 246 to Article 251 of the Law on Real Estate Cadastre.	The Law on real estate cadastre, from Article 246 to Article 251)	
d) Does the legal system require a control of legality of the documents necessary for a property transaction (e.g. checking of contracts compliance with law requirements)?	Yes	Yes	
If yes, who is held responsible for verifying the contract compliance?	Notary.	<input type="checkbox"/> Registrar <input checked="" type="checkbox"/> Notary <input checked="" type="checkbox"/> Lawyer <input type="checkbox"/> Interested parties <input type="checkbox"/> No one <input type="checkbox"/> Other	
Please specify the legal basis:	Public Notary Law ("Official Gazette of the Republic of Macedonia no. 55/2007 from 04.05.2007)	Notary Law (Official Gazette of RM. no. 55/2007,72/2016 and no.142/2016).	
e) Does the legal system require a verification of the identities who are parties to a property transaction?	Yes	Yes	
If yes, who is held responsible for verifying the identity of the parties to a property transfer?	Notary.	<input type="checkbox"/> Registrar <input checked="" type="checkbox"/> Notary <input type="checkbox"/> Lawyer <input type="checkbox"/> Interested parties <input type="checkbox"/> No one <input type="checkbox"/> Other	
Please specify the legal basis:	Article 47 of the Notary Law ("Official gazette of the Republic of Macedonia"no. 55/2007 from 04.05.2007).	Article 57 of the Notary Law (Official Gazette of RM. no. 142/2016).	
f) Is there a national database to verify the accuracy of identity documents?	Yes	Yes	

4.4.2 Formal land dispute resolution mechanisms

	Last Year	This Year	Comments
a) In case of a standard land dispute between two local businesses over tenure rights of a property worth MKD 13,157,529 located in Skopje, what is the court in charge of the case in first instance?	First instance Court Skopje 2	First Instance Court Skopje 2 Skopje	
How long does it take on average to obtain a decision from the first instance court for such a case (without appeal)?	Between 1 and 2 years	Between 1 and 2 years	
b) Are there any statistics on the number of land disputes in the first instance?	Yes	Yes	
If yes, what is the number of land disputes in 2016 and/or the land dispute rate (i.e. the percentage of land disputes out of the total number of disputes in the first instance)?	78 cases	The total number of solved cases for 2016 is 429, according to the official annual report of the court. The mentioned number	

		of solved cases includes various types of dispute regarding property rights and land law.	
What is the source of these statistics?	http://osbitola.mk/cms/FCKEditor_Upload/File/Sumaren%20%202015.pdf	http://sud.mk/wps/portal/osbitola/sud/izvestai/svi!/ut/p/z1/04_Sj9CPYkssy0xPLMnMz0vMAfljo8ziLQ1czAydna18_L3NLQwcfUNdfULdPb18TE30wwkpiAJKG-AAjgZA_VGEIHjpR6Xn5CdBXOOYI2Rsk a4fVZSallqUWqRXWgQUzigpKSi2UjVQNSgvL9dLz89Pz0nVS87PVTXApiUjv7hEPwJVpX5BboSBbIRSZbmjoilA1FFTAw!!/dz/d5/L2dBISEvZ0FBIS9nQSEh/?uri=nm%3Aoid%3AZ6_90D61BC0LOK780AMUELUGIJL54	

	This Year	If yes, please explain:
Since June 1, 2016, has there been any change in the areas above?	-Click to Select-	

5. Equal access to property rights index

When assessing if the law recognizes equal ownership rights over the property, please consider the capacity to own, use and administer it. Assume the individuals are married and under the default marital property regime or the most commonly used system.

	Last Year	This Year	Comments
a) Do unmarried men and unmarried women have equal ownership rights to property?	Yes	Yes	
Please specify the legal basis:	Law on Ownership and other Real Rights, Arts. 2, 5 and 8	Law on ownership and other real rights (Official Gazette of RM. no.18/2001; 92/2008;139/2009 and no.35/2010)	
b) Do married men and married women have equal ownership rights to property?	Yes	Yes	
Please specify the legal basis:	Law on Ownership and other Real Rights, Arts. 68 - 70 and 75	Law on ownership and other real rights, (Official Gazette of RM. no. 18/2001; 92/2008; 139/2009 and no.35/2010).	

6. RESEARCH QUESTIONS

This section focuses on research topics related to the Registering Property indicator that will be used to promote deeper research in the field of property rights by the *Doing Business* team. The purpose of land records is to provide interested parties with up to date and authoritative information on all rights, encumbrances, liens, and charges pertaining to a particular piece of land. Failure to synchronize information between different institutions will prevent this, thus reducing the value of records, increasing the transaction cost of land transfers, and creating potential opportunities for insecurity, fraud and potential conflict. When answering the questions below, please disregard the case study assumptions presented in Section 1.

6.1 Land Registry record keeping

	Response	What is the legal basis?	Comments
a) Is the registration of mortgages required by law?	Yes	Law on Contractual Pledge (Official Gazette of RM. no.5/2003, 4/2005, 87/2007, 51/2011, 74/2012, 115/2014 and 98/2015) and the Law on real estate cadastre (Official Gazette of RM. no 55/2013, 41/2014,115/2014, 116/2015, 153/2015, 192/2015 and 172/2016)	

6.1.2 Which of the following encumbrances are recorded in the Land Registry. Can they be accessed by interested parties?

	Encumbrances registration	Available to interested parties	If there is any status change, how many days does it normally take to update the new information (indicate 0 for automatic online update)?	Comments
a) Civil disputes that affect a registered property	Yes	Yes	After the registration of for e.g. temporary measure in the system of the Agency for real estate cadastre, the information shall be updated and available for the interested parties.	If during the civil dispute that affect a registered property, there is a temporary measure registered in the Agency for real estate cadastre.
b) Mortgages secured against a property	Yes	Yes	After the registration of the mortgage in the system of the Agency for real estate cadastre the information shall be updated and available for the interested parties.	
c) Public encumbrances (e.g. acquisition notice)	Yes	Yes	After the registration of the public encumbrances in the system of the Agency for real estate cadastre the information shall be updated and available for the interested parties.	
d) Registered long term leases	Yes	Yes	After the registration of the long term leases in the system of the Agency for real estate cadastre the information shall be updated and available for the interested parties.	

6.2 Geographic coverage of State Owned Land

	Response	If not, what percentage of land is registered/mapped?
a) Is more than 90% of State Owned Land in the former Yugoslav	Yes	

Republic of Macedonia formally registered at the immovable property registry?		
b) Is more than 90% of State Owned Land in the former Yugoslav Republic of Macedonia mapped?	Yes	
c) Are the boundaries in the maps of the mapping agency updated according to the ownership records?	Yes	

6.3 State Owned Land database

	Response	Comments
a) Are cadastral maps indicating the location of State Owned Land publicly accessible?	Yes, online	
If online, please provide the link:	http://www.katastar.gov.mk/mk/Default.aspx	
b) Are cadastral records used by local governments for tax planning?	Yes	

6.4 Private sector use of State Owned Land

	Response	What is the legal basis?	Comments
a) If alienable State Owned Land is transferred for private use, does it have to be awarded through a public tender?	Yes, always	Law on sale of agricultural land in state ownership (Official Gazette of RM.no 87/2013, 106/2013,37/2013,61/2015, 97/2015,215/2015 and 53/2016), Law on Construction Land (Official Gazette of RM.no.15/2015, 98/2015, 193/2015, 226/2015, 31/2016, 142/2016 and 190/2016)	
b) Are contractual obligations included in State Owned Land transfer for private use made public?	Yes, always	Law on sale of agricultural land in state ownership (Official Gazette of RM. no 87/2013, 106/2013,37/2013,61/2015, 97/2015,215/2015 and 53/2016) Law on Construction Land (Official Gazette of RM.no.15/2015, 98/2015, 193/2015, 226/2015, 31/2016, 142/2016 and 190/2016)	
c) Are contractual obligations of those receiving public land for private use monitored through a third party evaluation?	No, never	Law on sale of agricultural land in state ownership (Official Gazette of RM. no 87/2013, 106/2013,37/2013,61/2015, 97/2015,215/2015 and 53/2016) Law on Construction Land (Official Gazette of RM.no.15/2015, 98/2015, 193/2015, 226/2015, 31/2016, 142/2016 and 190/2016)	

6.5 Public use of private land

This section measures the due process in place to compensate parties affected by compulsory land acquisition by the government for the provision of public goods or the public interest as defined by country level policies and laws.

	Response	What is the legal basis?	Comments
a) Can privately held land be taken by the government before compensation is paid in full?	Yes	Law on Expropriation (Official Gazette of RM. no.95/2012,131/2012, 24/2013,27/2014, 104/2015,192/2015, 23/2016 and 178/2016, Article 33, paragraph 2)	In exceptional circumstances if the Government of RM. considers that is necessary because of the urgency of building structures or performing works, or in order to eliminate significant damage and danger to human health and the environment, may adopt a decision for transfer of the possession of the private property, before the effectiveness of the resolution for expropriation. The compensation, the amount, and the deadline for paying are determined in agreement between the proposer of expropriation and the owner of the property. The right to request compensation for expropriated property does not expire.

Thank you very much for completing the Registering Property questionnaire!

We sincerely appreciate your contribution to the *Doing Business* project.

The results will appear in *Doing Business 2018* and on our website: www.doingbusiness.org.

Your work will be gratefully acknowledged in both, if you wish.