

# COFOPRI, an Experience of Land Tenure Regularization in Informal Settlements in Perú

Regularisation process at the Saul Cantoral Settlement: A case study

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## 1. Introduction

During the last decades rural migration and increased urban poverty have originated a high urban population growth in the principal cities of Perú. Urban expansion and new ways of land access and land holdings for dwelling purposes and shelter needs have also increased dramatically, with no compliance with current urban regulations. “Informality” and illegal settlements replaced planned urbanisation of cities, causing a new urban growth pattern with no compliance with current urban regulations.

Informal settlements mostly occupied lands not suitable for residential uses. Although in many cases the “informal” legitimacy of their land ownership would not be disputed, these tenants became owners of the so-called “informal property”. These property were held but not vested with legal ownership rights to be used in the real estate market and therefore were not eligible for formal financial transactions.

In the last 15 years, government and local authorities have done great efforts to regularise informal settlements. However, works done by local authorities or non-governmental organisations were frequently rejected because their technical and legal work foundations were not sound due to personal or political reasons. High costs were charged to the tenants to obtain a formal title; but different legal problems (such as double property registration) and technical or physical unresolved issues were found afterwards. There were many cases in which formal titles were issued without being registered or did not meet all the formalities needed for their registration.

COFOPRI (Comisión de Formalización de la Propiedad Informal), Commission for the Regularisation of Informal Property, was created in 1996 by the State as the agency in charge of the design and implementation of a massive Land Tenure Regularisation Program.

The aim of the COFOPRI was “...to promote the access to ownership, guarantee the rights of the citizens and foster initiative under a social market economy...”<sup>1</sup>.

The author, who currently works as an Architect and Consultant to COFOPRI, considers as very important to present and share this experience for a massive urban land tenure regularisation in informal settlements. This issue should be seen as a major foundation for shaping urban development policies in many cities from developing countries. A main concern is also to suggest guidelines for an urban land policy. Furthermore, recommendations will be suggested based on the insights gained from the surveys carried on, and the data obtained during the land tenure regularisation.

The creation of COFOPRI should be seen as part of the Government’s socio-economic policy against poverty and its particular concern to introduce the concept and the practice of “Formality” in all the activities of the citizens.

One of the major expected benefits of this land regularisation program is that securing urban property rights will enable dwellers to improve their standards of living.

COFOPRI’s strategy to secure a fast, comprehensive and sustainable implementation of the Program for Land tenure regularisation was based on two principles:

- the implementation of the necessary institutional reforms to create the simplified and ad-hoc systems for the legal, technical and administrative procedures needed for the regularisation process,

<sup>1</sup> Article 2 of Legislative Decree 803

- The promotion of the community participation before and during all the regularisation process, to secure the validity of the titles delivered and the regularisation done.

After two years of work, COFOPRI has successfully regularised and registered 450 informal settlements in the Propriety Registry, and delivered 265,433 titles to qualified householders. This sustainable legal regularisation has enabled owners to access to loans in financial institutions. The regularisation process is totally subsidised by the State.

The case study presented in this paper is the Human Settlement Saúl Cantoral, which was regularised in September 1998. It is located in the biggest district of Lima, San Juan de Lurigancho. This case study was chosen to illustrate the regularisation process implemented by COFOPRI.

The paper is organised in five sections,

- The Introduction in section 1 summarises main concerns and objectives of the paper.
- Section 2, General Considerations, introduces the concepts to focus and understand the land tenure issue and the case study.
- The third section summarily explains the objectives, goals, methodology and results of COFOPRI, the institution in charge of the urban land tenure program.
- The case study Saúl Cantoral is described in section four to illustrate the implementation of the regularisation process,
- Finally, proposals and recommendations are suggested, highlighting considerations and guidelines for a global land policy.

## 2. General Considerations

### 2.1. Perú and the capital Lima

#### Perú<sup>2</sup>

Perú is located in the western South America, bordering the South Pacific Ocean, between Ecuador and Chile, and on the eastern border of Brasil. It has an area of 1,285,216 km<sup>2</sup> and a population of 25.2 million inhabitants, with a density of 19.6 inhab/km<sup>2</sup> and a population growth rate of 1.7%. The urban population is 71.7% of the total population of the country.

The official language is Spanish, other languages spoken are quechua and aymara in rural areas. The literacy population is 88%.

Ethnic groups are divided in: Indian 45%; mixed Indian and European ancestry 37%; white 15%; black, Japanese and others, 3%,

Main cities are: Lima, the capital (6,884,000 inhab.); Arequipa (681,000); Trujillo (557,000); Chiclayo (458,000); Iquitos (314,000); Piura (297,000).

The labor force is 9 million, (29% female) with an average annual growth rate of labour force: 3.1%., Perú is divided into 24 departments and 1 constitutional province.

The type of government is a Republic, with a Presidential regime. General elections for the Presidency and Congress are held every 5 years. Majors are elected for a three year-term.

The Legislative Branch is unicameral; with 120 Congressmen.

The gross national product (GNP) is 60.7 billion US\$ (1997), with an average annual growth rate of 1.7% (1996-1997); the GNP per capita: US\$ 2,460 (1997). The inflation rate: 6.0% (1998). Table 1 shows the rate of poverty in the total population of Perú from 1991 to 1995.

	1991	1994	1995
Total population	100.0	100.0	100.0
Non poor population	44.7	50.4	54.7
Poor population	55.3	49.6	45.3
Extremely poor population	24.2	20.2	19.3

Table 1: Distribution of poverty rate. Source<sup>3</sup>

Table 2 suggests that the income of the lowest 40% of the families is less than US\$400.00 per month.

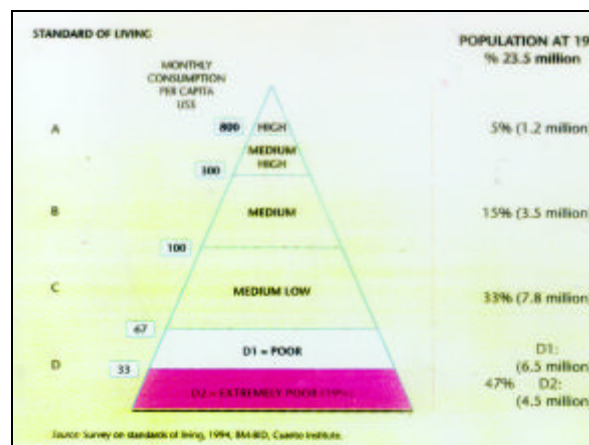


Table 2: Distribution of Income. Source<sup>4</sup>

Perú presents an open unemployment rate of 8.3%. In the city of Lima the under employment is 41.9%, and the open unemployment 7.1. %.

<sup>3</sup> Source: INEI. 1997

<sup>4</sup> Source: Survey on Standards of living, 1994, BM-BID, Cuanto Institute.

<sup>2</sup> Source, INEI, 1999.

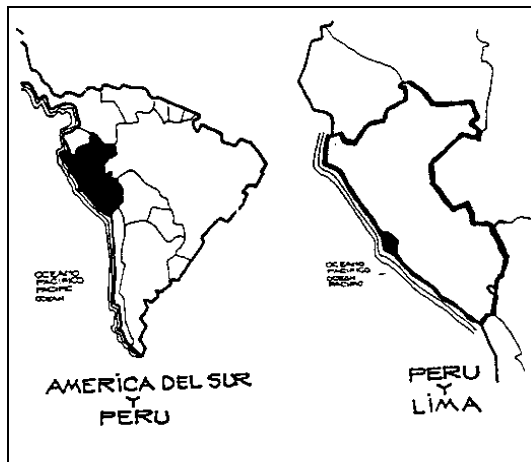


Figure 1: Location of Perú and Lima

### Lima, urban growth

Lima was founded on January 18, 1535, by the Spanish Conqueror Francisco Pizarro, located on the central coast of Peru, next to the Pacific Ocean. During the XVI and XVII centuries Lima was the centre of the most important and powerful of the Spanish empire in the Americas. Lima had experienced a dramatically urban growth since 1955. Lima and the constitutional province of Callao (the first harbour of Perú) are joined, not only physically through their urban expansion, but also there are closed interactions among their different economic, administrative and cultural activities. Lima-Callao was the principal attraction for the rural migration of the country. On the other hand, the pervasive lack of housing and job opportunities in Lima-Callao is also a mirror of the poverty and the injustices of the peruvian society. The department of Lima occupies an area of 34,802 km<sup>2</sup>. The area of Metropolitan Lima is 2,662 km<sup>2</sup>, with a population of 7.34 million inhabitants, 75% are urban population. Most of them live in human settlements. Illegal settlements had defined a low density urban growth pattern of 210.9 inhab./km<sup>2</sup>.

## 2.2. Informal urban land tenure in Perú

### Urban growth due informal settlements: origins of the informal land tenure

The urban migration process that started during the late forties changed radically the structure and size of Peruvian cities. Suburban settlements around the cities emerged as a result of the overcrowded inner city housing demand due to rural migration, population growth and lack of an appropriate legal access to housing. Spontaneous settlements occupied private and public land reserved for urban expansion. Most of the lands occupied were not worth for real estate. The lands invaded were hillsides, industrial lands, areas not zoning for residential use, areas with natural risks or for infrastructure.

Besides, the agricultural reform<sup>5</sup> increased the urban expansion with co-operatives and house associations promoted by private developers. Many of these new settlements could not regularise the ownership of their landholdings; but in spite of this situation, they built their dwellings in zones not allowed for residential use. During the last decades, new ways of land access and land holding for housing or rural use evolved. These types of land access; land holdings and ownership did not comply with the formalities established by the existing legislation on property rights.

This great variety of ways for land access called “Informal property” followed a set of unwritten rules and a code of conduct applied for land transactions, parallel from the ones established by formal legislation.

### Typology

The different ways for land access generated different types of land holdings or “informal property”, that may be classified as follows:

#### *Invasions*

These were idle lands; owned by the private sector or the State. Invaders and squatters occupied them and over time they evolved into shantytowns (so called “pueblos jóvenes”).

#### *Non-authorized urban development of farm land purchased through housing cooperatives and associations:*

Many owners of farmland next to the cities sold their plots to avoid the expropriation process from the agrarian land reform, which was enforced during the seventies. Urban regulations did not allow residential use in these lands, making it impossible for the urban developers or organised group of housing associations to get the approval of their urban development plan. However, the tenants of these properties began to build their dwellings, thus evolving into informality. In Lima alone there are 150,000 plots with this pervasive problem.

#### *Non-authorized urban development of farm land purchased individually:*

This case is similar to the preceding one, with the only difference that farms were broken down in plots and sold out to individuals without compliance with the existing legislation and without a previous urban development plan. This type of informal ownership is known as Informal Urban Centre.

#### *Governmental housing projects*

Governmental housing and sites programs have covered 2% of the demand for dwellings in the country. In spite of this low coverage, the State had been unable to deliver formal ownership titles to more than a half of the householders, due to excessive regulation and bureaucratic procedures that resulted into lack of proper titling of the plots and the land of the delivered dwellings.

<sup>5</sup> The Agricultural reform was enacted in 1968 by the Military Government, expropriating large agricultural lands and giving them to the agrarian Cooperatives.

## Economic impact of the informal sector in urban areas

The informal sector comprises the majority of the Peruvian population and generates about 40% of the gross domestic product (GDP). About 60% of the occupied urban land are not vested with formal property rights, which amounts to more than 1 million units under informal ownership.<sup>6</sup> The lack of formal land ownership prevents their owners from using their land assets as an investment mean, since they do not have a clean and registered title as an evidence of legitimate ownership, and therefore are unable to use these assets for any formal transaction or financial operation.

## The Institutional problem

In Peru, anachronic requirements by the institutions ruling ownership were one of the main reason for the creation and persistence of land tenure informality. Thus, the process would typically cost 5 times the local minimum salary, and take up to 3 - 20 years to regularise ownership, according to the available evidence and studies.

## Legal Provisions

The regulations enacted during the last 30 years related to land tenure regularisation in informal settlements have not achieved successful results. The reasons were the lack of a legal and technical framework to carry out a sustainable process to assure the regularisation done, and the weak or politicised institutions involved in the regularisation process. Furthermore, legislation was frequently enacted in response to contradictory government policies and the political needs to manipulate the human settlements issue.<sup>7</sup>

## 3. COFOPRI <sup>8</sup>

Legal insecurity of over one million dwellings and the housing investments made by more than 6 million peruvians, led President Alberto Fujimori to set up a radical reform of the urban land system.

In 1996 the government enacted the “Law of Access Promotion to Formal Property”<sup>9</sup> (Ley de Promoción del Acceso a la Propiedad Formal) to create COFOPRI (Comisión de Formalización de la Propiedad Informal), the Commission for the Informal Land Tenure Regularisation.

<sup>6</sup> Inversions inhuming improvement in informal sector were estimated in approximately US \$20 billion.

<sup>7</sup> Further literature: Regularisation of Spontaneous Settlements: Legal Provisions of Land Tenure. Page. 22. R. Mercado, R.Uzin. Building Issues 1998. Vol.8.

<sup>8</sup> Taken from the document: Performance of COFOPRI from August 1996 – August 1998. COFOPRI.

<sup>9</sup> Legislative Decree N° 803, -following Article 2. July 1996.

## 3.1. Structure and functions

COFOPRI was created as a Decentralized Public Institute, subject to the regulations applicable to public entities, with its own endowment and administrative, functional, technical and economic autonomy. By this law, COFOPRI was empowered to conduct pro-actively the regularisation of ownership for the identification, perfecting and sale of land for low cost housing. It also, established COFOPRI as an Executive Branch Agency, with members appointed by the President of Perú and chaired by one minister of State designed by the President. Currently, the Minister of Transportation, Communications and Housing chairs the institution. A National Co-ordinator appointed by the President leads COFOPRI (responsible for the massive land tenure regularisation program) and the RPU, Urban Registry (responsible for the registration of all the properties generated by the massive land tenure regularisation program).

## 3.2. Objectives and goals

The Program for the Land Tenure Regularisation aims at the social and economic integration of the low income people, with proper recognition of the savings and investments made on the sites they occupy, as well as the worthiness of their properties through titling. Through land tenure regularisation, properties owned by the low income informal sector can be integrated into the real estate market and may become more tradable. The first step for achieving this objective was to implement a comprehensive, integral and expeditious nation-wide land tenure regularisation program.

## 3.3. Strategies

### Key Strategies:

#### 1. Institutional reforms

- Implementation of the institutional reforms aimed at the design of new systems, procedures and mechanisms for the massive land tenure regularisation with lower transactions and enforcement costs.

#### 2. Community participation

- Active participation of the tenants and householders: the beneficiaries of the program. In each stage of the phases of the regularisation process, particular strategies were defined to promote community participation.

### Global Strategies

#### 1. Secure land rights and value to land tenure

- Guarantee the identification, recognition and stability of property rights on urban land tenure.
- Acknowledge and improve land tenure value of the investment made by the private owners within the informal sector.
- Fix land tenure rights conflicts

- Develop and implement mechanisms and procedures for conflict resolution through mediation, conciliation and arbitration.
- Ensure that regularised urban land may meet urban development requirements and comply with the existing legal framework.

### 2. Design a fast, sustainable and massive system for land tenure regularisation

- Implement a massive land tenure regularisation process in focused areas through regularisation **campaigns**.
- Develop and implement legal procedures following mechanisms and principles used within the informal sector to:
  - Identify and transfer ownership of informal land tenure holdings.
  - Proof of possession and legal rights over informal land holdings.
- Create modern computer-aided technical procedures and use the most advanced information systems and technology, in a simple, consistent and progressive way, to:
  - Identify and regularise physical problems of sites and plots.
  - Support a geographical information system to identify the site of settlements in official maps.

### 3. Create simplified administrative procedures

- Use simplified administrative procedures for the land tenure regularisation of informal settlements, as well as individual plots, taking advantage of economies of scale.

### 4. Create incentives for keeping transactions of regularised properties within the formal framework.

### 5. Promote the participation and collaboration of all the actors involved.

- Create direct institutional cooperation and co-ordination channels with the governmental and local institutions involved in land tenure issues to manage efficient and expedite solutions for the prevailing legal and physical obstacles.
- Encourage the community participation in all the process of regularisation, including decision-making concerning to their site.
- Promote private sector participation in outsourcing for technical surveys services.
- Promote the mediation and conciliation between the parties to fix conflicts of land tenure rights with private owners.
- Encourage an institutional commitment of all the COFOPRI's workers with its objectives and goals.
- Promote the participation of women in head positions in the institution.

## 3.4. Actors and Roles

The principal actors involved in the process of land tenure regularisation were:

### The entity of COFOPRI,

(Comisión de Formalización de la Propiedad Informal) Commission for the regularisation of informal properties, as the governmental institution in charge of the process of land tenure regularisation in informal settlements. Responsible for the co-ordination with the different actors involved in the regularisation process.

### Governmental institutions:

- RPU*, (Registro Predial Urbano) Urban Property Registry, as the institution in charge of the registration of settlements and plots.
- RPI*, (Registro de la Propiedad Inmueble) Real Estate Registry, where investigation of the legal status of landholdings are conducted.
- DGM*, (Registro Público de Minería) Mining Registry, surveys are made in this institution to prevent overlapping areas with mining concessions
- SBN*, (Superintendencia de Bienes Nacionales) National Real Estate Superintendency, surveys are made in this institution to prevent overlapping areas with State lands.
- PETT, (Programa especial de Titulación de Tierras- Ministerio de Agricultura) Special Program for Land Titling), surveys are made in this institution to prevent overlapping areas with agriculture cadaster units. This institution works with official maps and maintains special coordinations with COFOPRI to exchange technical information
- INC, (Instituto Nacional de Cultura) National Institute of Culture, surveys are made in this institution to determine if the site is located on archaeological remains
- INDECI*, (Instituto de Defensa Civil) Civil Defense. Institute, is the institution who establishes restrictions to land use on risky areas. COFOPRI coordinates fieldworks with officials from INDECI and some training programs for the community.
- ENACE*, (Empresa Nacional de Edificaciones), as the former governmental institute in charge of the housing solutions. Frequently, the settlements had overlapping areas owned by this institution.
- BM (Banco de Materiales) Bank of Materials is the institution in charge of governmental loans and credits for qualified householders. The last emergency situations in Perú, caused by natural disasters, required close work between COFOPRI and this institution to give loans to the proved affected tenants.
- SEDAPAL (Servicio de Agua Potable y Saneamiento de Lima), Institution in charge of the potable water and sewerage in Lima. COFOPRI co-ordinates technical information with this institution.

COFOPRI had an official agreement with all governmental institutions to grant overlapped areas to the settlements, in case they were not occupied by the institutions involved. The official procedures were already established.

### **The local authorities**

The municipalities were obliged to transfer the legal expedients of informal settlements of their districts involved in regularisation campaigns. COFOPRI is empowered by law to take legal jurisdiction of district to implement the process of regularisation. The urban irregularities found by COFOPRI in the fieldwork are communicated to the Urban Control Unit of the municipality.

### **Community participation**

Community participation and collaboration is promoted before and during all the process of regularisation to secure the success of the program of land tenure regularisation. Information offices are opened to attend new requests from informal settlements in order to incorporate them in future campaigns. Information of the status of these campaigns are also given to the parties concerned. Tenants, who did not receive their title due legal or physical obstacles, are attended by COFOPRI officials to regularise their situation.

Before the process takes place, the population is widely informed on the advantages of having their property registered and the methodology of the process is also explained. During the process, householders participate in the fieldwork, measuring their plots or putting the physical signals. Final decisions concerning their site are taken in co-ordination with the community, and stated in an act with the leaders of their association to legalise the actions.

The qualification process is done after preliminary meetings are held to discuss with the settlement leaders the specific steps or methodology to be used, and how the community should organise to collect their documentary proofs and facilitate all subsequent work.

### **Private Sector**

Private companies are encouraged to participate in the technical survey works of the regularisation process through outsourcing.

When the settlement presents overlapping situations with private land rights, negotiations are promoted between the parties.

### **International agencies**

International agencies and multilateral organisations may provide technical assistance and financial cooperation for informal property regularisation projects, as a mean to secure property rights for the poor and a first step towards their incorporation into the formal sector and overcome marginalisation. The World Bank, COFOPRI obtained a US\$ 1 million grant from the Japanese Grant administered by the World Bank, for the preparation of "Peru: Urban Property Rights Project", a nationwide project for the formalization of urban property.

On August of 1998, the Board of Directors of the World Bank had approved a US\$ 38 million loan in favour of Peru for the Project's implementation, with a total investment of US\$ 66'300,000. The outstanding balance is funded by the Treasury.

## **3.5. The system for the Land Tenure Regularisation**

### **The Campaigns**

The massive Program for Land Tenure Regularisation, was implemented through campaigns of 2 months each. Each campaign involved 50 to 70 settlements, which meant approximately 30,000 to 35,000 plots. Focused areas were chosen by different criteria, such as feasibility to become regularised, geographical situation, dwellers' requests, existing legal and technical documents, linkages with other institutions involved in the existing obstacles, etc.

### **General strategy for each campaign**

Although each settlement had its own profile and obstacles for regularisation, a general strategy for solving common problems that may arise during the campaigns was devised for an efficient implementation of the massive program of land tenure regularisation. The basic elements of this general strategy were:

1. Conduct legal and physical surveys in the focused area to identify and study common problems of the settlements involved in the campaign.
2. Evaluation of COFOPRI's institutional strength to anticipate:
  - a. The survey works for topographical and cadaster data needed for the physical regularisation of the settlement, anticipating personnel requirements and outsourcing.
  - b. The legal framework needed to support the regularisation process.
3. Mobilisation of the settlements' population into the campaign to make them aware of the intervention of COFOPRI in their communities. Get their active support along the whole process and in each phase.
4. Co-ordination with the actors involved for a fast and efficient implementation of the massive program of regularisation. Co-ordination with local governments and institutional authorities to anticipate and implement proper solutions to the obstacles found during the massive programme of land tenure regularisation of the district.

### **Phases.**

The process of regularisation for the human settlement was developed in three phases, in each phase community participation was emphasized.

#### *Process 0:*

This is the first stage in which survey of technical and legal information from different institutions are gathered for an identification and assessment of all the problems affecting the settlements and the focused areas involved. Its objective is to identify all the principal obstacles for land tenure regularisation.

#### *Process I*

The land tenure regularisation of the settlement is the objective of this phase. Accordingly, fieldwork surveys and a search of legal documents in different institutions are done to guarantee its technical and legal clearance.

The final instance is the registration or regularisation of the settlement in the Urban Property Registry, with its proper Perimeter Map and the Plotting Map; this entity will allocate a code number to each individual plot.

#### Methodology

The first step is to locate the settlement, the perimeter map is prepared using field work and geographical coordinates to determine the exact location of the site. Once it is located, an investigation is conducted on the legal status of the occupied area to determine the rights and restrictions over the site<sup>10</sup>.

The analysis of the information determined the feasibility and the obstacles for land tenure regularisation, as well as the necessary procedures for its clearance. Furthermore, it allows to solve any problem of overlapping areas and to rectify maps approved by other entities, if needed. If it belonged to a state entity an expeditive regularization of ownership is carried out by transferring it to COFOPRI and then to the current plot holders, until its final registration at the Registry. If the site belongs neither to the State nor to the current holders but to a third party, COFOPRI aims at reaching an agreement between the owner and the land holders.

Secondly, COFOPRI identifies each individual plot within the site and prepares the corresponding Plotting Map making all the necessary corrections, if needed. This map includes the numbering and exact location of each plot.

#### Process II

This phase aims to identify and qualify the occupiers of the plots of the settlement, to determine their eligibility for a land transfer from COFOPRI on behalf of the State. If the site is owned by its land holders, this process allows them to regularize and thus formalize its acquisition.

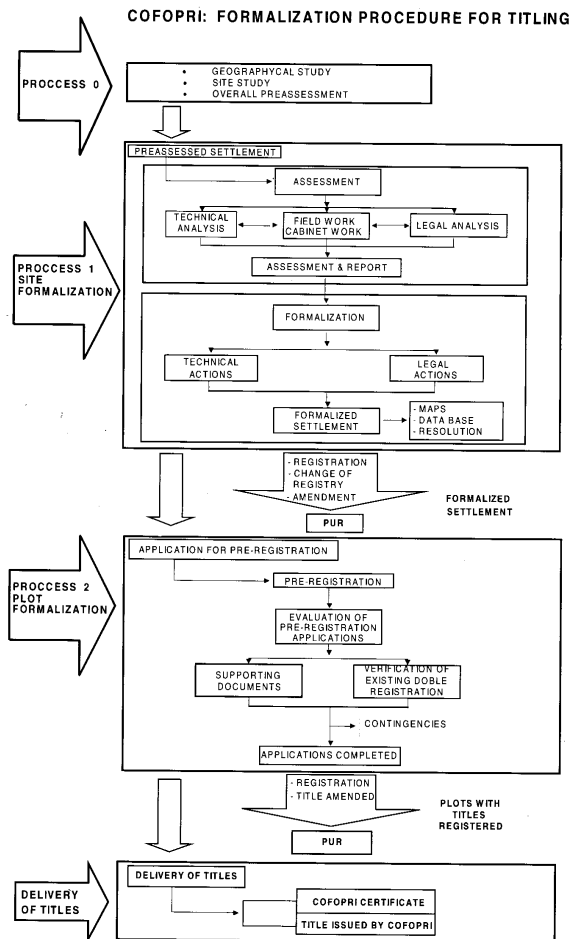


Figure 2: COFOPRI, the process for land tenure regularisation and its phases.

COFOPRI conducts a public campaign for its activities, including local assemblies, where dwellers are informed on COFOPRI procedures, the land tenure regularisation process and the nature and type of proofs that should be presented to accredit possession and/or ownership.

During the fieldwork for the census of the house holders, a visit to each dweller is made to verify all those who physically occupied their plots, collecting all the documentary proofs of a continuous, pacific, and public possession and permanent dwelling on the plot.<sup>11</sup>

A legal team make the qualifications of the proving documentation to issue the individual titles. During this assessment, those who may own another plot are rejected. If technical issues regarding areas, measures or borders need correction, COFOPRI submits the titles to the Urban Property Registry for its inscription or rectification.

<sup>10</sup> The investigation on the legal status is conducted at the Real Estate Registry (Registro de la Propiedad Inmueble); Urban Property Registry (Registro Predial Urbano), Mining Registry (Registro Público de Minería), National Real Estate Superintendency (Superintendencia de Bienes Nacionales); Special Program for Land Titling (Programa Especial de Titulación de Tierras – PETT, Ministerio de Agricultura); National Housing Programs, Municipalities and the Judiciary System. The investigation for establishing restrictions to land use is done at the Civil Defense Institute (Instituto de Defensa Civil - INDECI) to screen for risky areas; the National Institute of Culture (Instituto Nacional de Cultura - INC), to determine archaeological sites; and Municipalities and Ministries (for verifying urban development plans and army related sites). Likewise, in the case of state land occupied by invaders, a verification is made as to whether the invasion is prior to november of 1993; otherwise, formalization is not possible under Supreme Decree N° 803.

<sup>11</sup> Among the accepted proofs it can be mentioned the ones accepted within the community itself, public utilities bills, possession documents, loan contracts for dwelling improvements, the official census of the community members, birth certificates of the children of the landholder showing his address, etc.

This process ends with the land rights registered at the Urban Property Registry and the delivery of the titles for each qualified householder.

### Work Instruments

#### *Information System*

COFOPRI has two information systems to handle its operations: The System for the Formalization of Sites (Process I); and the System for the Formalization of Individual Plots (Process II). This technology are powerful enough to store information on the properties in relational data base, and also allows a permanent link with the Urban Property Registry, in order to speed up the formalization process.

#### *Graphic Information*

##### Graphic base

Identification of the physical location of the sites are based on the the official maps processed and developed by the National Geographic Institute (Instituto Geográfico Nacional),<sup>12</sup> the updated information of the site is constructed on these maps. The boundaries of the possible overlapping areas that may have been identified within the different entities is added on in different layers in the graphic base. The analysis of the exact overlapping areas is calculated to proceed with the proper regularisation.

Later on, the final perimeter map of the occupied site is also incorporated into the digitalized graphic base, to determine whether the site also supports the rights of third parties. Finally, the data base containing the physical information on each plot is generated to facilitate the formalization process and its registration at the Urban Property Registry.

##### Features of the Maps

The Perimeter and Subdivision plans are prepared either by COFOPRI or by specialised private companies hired through a bidding process. These maps are prepared following technical standards and specifications previously defined by COFOPRI. If there were previous settlement's maps prepared by other public entities, COFOPRI would make an assessment on the quality of such work and, would make the necessary corrections, if needed.

## 3.5. Achieved results and future projections

### Results

The overall results of COFOPRI's performance from August 1996 to August 1998 is the following:

1. Land tenure regularisation of 450 human settlements, (Process 1) which means 368,887 plots in urban settlements had been registered at the Urban Property Registry. The program of land tenure regularisation was carried out in three cities: Lima, Nazca and Arequipa
2. Individual Land Tenure regularisation and delivery of 265,433 titles to the qualified householders (Process 2)
3. From the total quantity with formal titles, 260,541 families were owners of dwellings; 2,372 were owners from housing associations and co-operatives; 2,514 from grass root organisations and entities owning communal sites and sites for urban services; and 6 were from a similar number of associations of retailers owning marketing facilities (which represented a total of 672 individual retailers).
4. Besides, some plots had not been registered, as they had been identified by COFOPRI as plots already owned, or located on possible archaeological sites.

### Projections

For year 2000, the goal of COFOPRI is to formalise and deliver 1 million titles to their qualified tenants.

To meet this goal, COFOPRI is expected to expand and improve its activities, including the Urban Property Registry, to 11 urban centres (Lima, Arequipa, Chimbote, Trujillo, Chiclayo, Piura, Huaraz, Iquitos and three cities yet to be defined). The selection of the urban centres to be formalised was done through a priority model based on the census information on population density, poverty level and economic potential, among other factors.

A global policy for urban land management with a market vision is already proposed with this National Program of Land Tenure Regularisation.

## 4. The Case Study: Human Settlement Saúl Cantoral.

### 4.1. Background

The human settlement Saúl Cantoral is located in the district of San Juan de Lurigancho. This district was included in the massive Program for Land Tenure regularisation in 1998. The district of San Juan de Lurigancho is located in the East Cone of Lima, occupying 170,000 m<sup>2</sup>. It is the biggest district of Lima with 10% of the total population of Lima. (659,583 inhabitants)

<sup>12</sup> These maps have been prepared using photogrametric methods, using supplementary terrestrial control points that are linked with the first order control points from the National Geodesic Network. The National Geodesic Network is based on the 1956 South American Provisional Datum, established by the Inter-American Geodesic Service (IAGS), in the triangular works from Mexico until the southernmost part of Chile, along the western coast of South America.



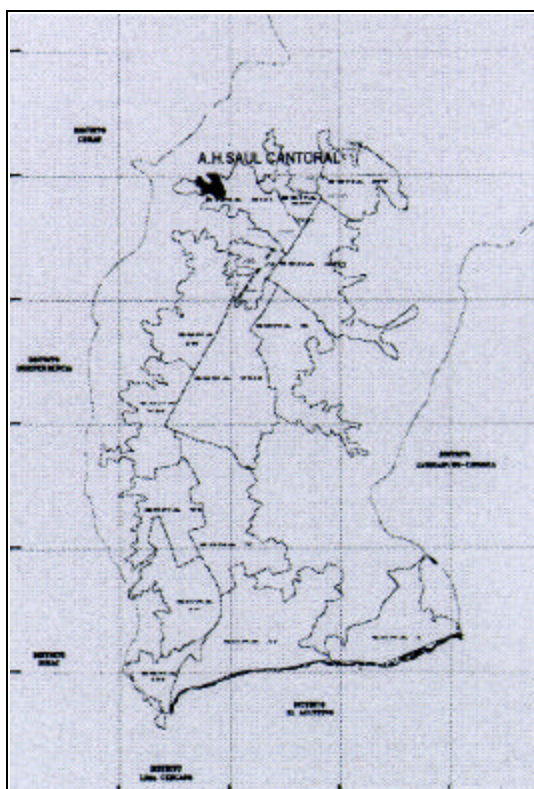


Figure 3: The District of San Juan de Lurigancho and the human settlement Saúl Cantoral

### Social and economic aspects

The human settlement Saúl Cantoral has a population of 2,650 inhabitants; the first invasions mostly came from the southern parts of the country. The family average size is 5.7. 60 % of the population are in schooling age. A socio-economic survey found that 90% of the householders are in the 30% lowest family income rate. Few economic activities are developed in the site, most families incomes are generated by informal jobs, many of them develop their economic activities in the district of San Juan de Lurigancho (informal commerce, handicraft productions, etc.). Women have an active participation in generating family incomes, working also in informal commerce, selling food or washing clothes. Community participation is organised through the Association of Mothers and the Neighbourhood Association, whose leaders are elected annually.

#### Physical aspects

Most of the plots are located on the hillsides, on hazardous zones; slopes go between 30–50%, with landslide risks. Surveys found that 20% of the plots are located on zones of high risk with slopes above 40%. Most constructions are precarious (90%); houses are built with temporary materials such as plastics, timber or mats. Houses have only one room, without potable water and sewerage, living in unhealthy conditions. The common foundations used for the constructions are the “pircas”, made of stones put one upon the other, without concrete, with risks of falling down the entire construction.

Electric services<sup>13</sup> are available in the settlement, but not drinking water and sewerage services. Vehicle and pedestrian roads are traced but not paved making dust a pervasive problem. Steep roads allow vehicles to access only to the lower parts of the settlement. Pedestrian streets are also steeply sloped.

There are areas reserved for community facilities such as health, education and recreation. However, new householders have invaded some parks. A government institution providing food aid, the National Food Assistance Program (PRONAA) occupies one plot.

### Land Tenure situation

On June 1990, the settlement was created as a Municipal Housing Program. For many years they tried to legalise their land situation. On October 1993 the settlement finally got its legal recognition by the Municipality of San Juan de Lurigancho as an identified and qualified permanent human settlement called Saul Cantoral. The boundaries of the settlement were set by the perimeter plan approved by the municipality with an area of 53,333.00 m<sup>2</sup>.

The plotting plan, done on May 1996 by professionals contracted by the settlement, did not have the municipality approval; this plan included new areas that were occupied by latecomers, expanding the initial boundaries approved for the settlement.

The municipality of S. Juan de Lurigancho never delivered titles to the tenants of the plots. On other hand, the settlement was not registered in the Real Estate Registry or the Urban Property Registry.

## 4.2. Problems

The problems described above required particular strategies and actions, addressed to regularise the land tenure of the settlement and its registration in the Urban Property Registry, as well as the individual plots to deliver titles to their tenants.

### Legal Problems:

1. The human settlement was recognised by the municipality, but was never registered in any registry.
2. The settlement presented overlapped areas with the Coastal Peasant Community of Jicamarca. The area overlapped, based on the analysis of the Graphic DataBase of COFOPRI was 95,936.62 m<sup>2</sup>. (considering the expanded area of the settlement)
3. The settlement presented overlapped with areas reserved by ENACE<sup>14</sup> for urban expansion. The estimated overlapping area according to the Graphic DataBase of COFOPRI was 48,233.17 m<sup>2</sup>.

<sup>13</sup> Private companies provide electric services; but potable water and sewerage are provided by municipal utilities, except in Lima, which is run by a state company.

<sup>14</sup> ENACE (Empresa Nacional de Edificaciones) was the Institution in charge of the implementation of government housing solutions until 1998)



Figure 4: Main street to enter the Human Settlement Saúl Cantoral



Figure 5: Foundations called "Pircas", used by the precarious houses in the settlement of Saul Cantoral.

4. The settlement presented overlapped with areas reserved for recreational facilities of the Municipal Housing Program Mariscal Castilla, financed and built by ENACE. The estimated area overlapped according to the Graphic DataBase of COFOPRI was 12,515.50 m<sup>2</sup>.

#### Technical Problems:

5. Lack of official coordinates in the Perimeter plan approved by the Municipality of San Juan de Lurigancho precluded the localisation of the site in the official maps and so, its registration in the Urban Property Registry.
  6. The perimeter plan approved by the municipality of San Juan de Lurigancho did not represent the real boundaries of the settlement because it did not include the new area where latecomers settled down after the Perimeter Plan was approved.
  7. The subdivision plan did not show the real dimensions and areas of some plots; the differences were found in the fieldwork. Also the fieldwork found that 20% of the plots were located in hazardous areas with landslide risks. Furthermore, most constructions needed civil work reinforcements due to their weak foundations.
2. The first problem was the overlapped areas with ENACE, the former official housing agency. COFOPRI had legal authority to support the action and made the necessary arrangements with this institution. Thus, COFOPRI requested ENACE to transfer the site in his favour. The overlapped area determined in the graphic data was shown in a perimeter plan and the mandatory acts were prepared to register it at the Urban Property Registry.
  3. The regularisation of the overlapped area with the Coastal Peasant Community of Jicamarca was solved through the Law for Land Titling of the Coastal Peasant Communities<sup>15</sup>. The mandatory act was elaborated and registered at the Urban Property Registry.
  4. COFOPRI prepared a new perimeter plan with geographical data referred to official maps. A former subdivision plan was updated with the data found in the fieldwork study, maintaining the existing urban design. The boundaries of the settlement and the plots were defined in the plan and in the field with physical signals to avoid the invasions of reserved areas. Householders participated in this labour.<sup>16</sup>

### 4.3. Strategies and actions

Land tenure regularisation of the settlement Saúl Cantoral was feasible only as long as the overlap problems could be overcome and were subjected to the approval from INDECI, the State agency in charge of assessing risky zones.

The legal and technical framework was already established, as well as the arrangements and procedures with the institutions involved. The particular strategies were addressed to get the participation and collaboration of the principal actors for the regularisation process. The followings is the listing of the problems and specific actions taken:

- 1.

<sup>15</sup> Law for Land titling of the Coastal Peasants Community. Fourth Complementary and Final Article that modifies item (b) of Article 2 of Law N° 24657

This Law allows COFOPRI to formalized urban settlements and dwelling centers occupying communal land, as long as the Peasents Community may have not acted to vindicate their ownership over the land in question.

<sup>16</sup> Law N° 26785. This Law authorises COFOPRI to rectify the area, perimeter, and boundaries of the sites based on urban development plans approved by any entity that may have conducted physical-legal regularization. This legislation empowered COFOPRI to make corrections on maps and titles, whenever their data differed from factual or previous ownership information at the Registry

5. Risky zones found in the settlement were consulted with INDECI to get its official recommendation to reduce exposure to natural disaster. INDECI allowed the location of plots in these areas, recommending civil works to prevent landslides and improve the foundation system. These recommendations were officially given to the municipality of S. Juan de Lurigancho for monitoring and control purposes, as well as to the leaders of the settlement to foster their active involvement.
6. As the settlement of Saúl Cantoral did not have previous records, COFOPRI had to inscribe it in the Urban Property Registry. The Perimeter plan showing the new area and the Plot plan reflecting the legal and technical regularisation done was supported by Mandatory acts for the registration.
7. Dweller participation was promoted along the process of regularisation, especially in the decision-making concerning their settlement. The change of land use, from recreational to residential, for example, was agreed through a communal decision, in order to include the householders occupying the reserved areas for parks. Fieldwork to define physically the boundaries of the plots on the terrain got the residents collaboration. A successful participation of the householders was also required for the qualification process.
8. Arrangements with institutions like the Urban Land Registry to co-ordinate the registration process were done successfully.

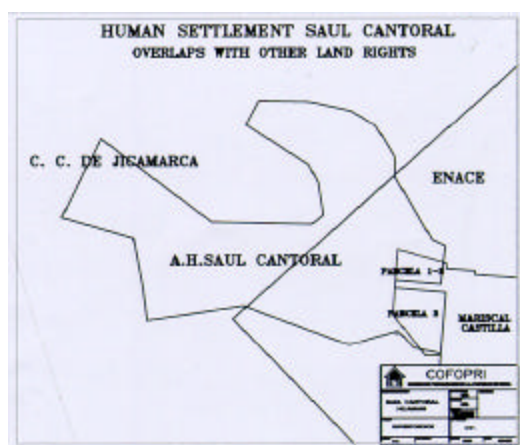


Figure 6 Overlapped areas of H.S. Saúl Cantoral with other land rights

## 4.4. Actors and Roles

The principal actors involved in the process of land tenure regularisation of the settlement were:

### The entity COFOPRI

As the governmental institution in charge of the design and implementation of the land tenure regularisation program, COFOPRI co-ordinated the actions required with the other institutions involved in the regularisation process of the human settlement Saul Cantoral. It also coordinated with the settlement leaders the promotion and organisation of the activities for the regularisation process.

### Governmental institutions involved:

- *RPU*, Urban Property Registry, as the institution in charge of the registration of the settlement and its householders.
- *Institutions where information were necessary to prevent overlapping areas or other physical obstacles.*<sup>17</sup>
- *INDECI*, Civil Defense Institute (Instituto de Defensa Civil). This entity is responsible for setting up the restrictions to land use on risky areas. COFOPRI also coordinated the fieldworks with officials from INDECI and the leaders of the settlement of Saul Cantoral.
- *ENACE*, (National Institute for governmental construction) COFOPRI had an official agreement with all governmental institutions to grant overlapped areas to the settlements, in case they were not occupied by the institution. The procedures used were to send an official communication to ENACE, announcing the overlap and request the identified area for the regularisation process of the settlement Saúl Cantoral.

### The local authorities

- The Municipality of San Juan de Lurigancho was aware of the 12th campaign of the massive program of land tenure regularisation launched by COFOPRI; thus, the latter took jurisdiction of the district in land tenure issue and the municipality transferred all the expedients referring the informal settlements of its district. COFOPRI maintained a good co-ordination with this municipality. The urban irregularities found by Cofopri in the fieldwork were communicated to the Urban Control Unit of the municipality.

### Saul Cantoral community participation

- The community of Saúl Cantoral demanded the regularisation process of their site before they were to get involved in the 12<sup>th</sup> campaign of massive regularisation taken by COFOPRI. Through the leaders of the Neighbourhood association they

<sup>17</sup> The institutions involved in giving this information are described in section 3.4. Page 5.

presented their requests at the information office of COFOPRI.

- During the process, householders participated in the fieldwork with COFOPRI officials, measuring and fixing the physical boundaries of their plots and making decisions about issues concerned to the physical characteristics of their settlement.
- As the regularisation process took more time than the programmed, leaders of the settlement held constant co-ordinations with the office in charge of their regularisation process.
- After the settlement was regularised, the individual process of qualification took place. Tenant participation in this process was very active and became a key for success in the delivery of titles.

## 4.5. Results

1. The land tenure regularisation program done in the settlement Saul Cantoral was conducted over 537 plots, and led to the delivery of 496 titles.
2. COFOPRI found 19 residential plots with legal problems for regularising the tenure of the householders.
3. Twenty-two plots reserved for communal facilities and commerce use.
4. The settlement became legally registered as well as its householders. The Perimeter Plan and the Subdivision plan were updated and regularised for whatever infrastructure work they required.
5. Four hundred and ninety six tenants can use their legal land rights to access to the financial market and get credits or loans from government financial programs.

# 5. Conclusions and Recommendations

## 5.1. Evaluation of the strategies and results of the Massive Program for Land Tenure Regularisation

### Institutional reforms

- COFOPRI through institutional reforms<sup>18</sup> introduced fundamental changes in the traditional procedures for titling, defining a new system for the regularisation of land tenure. Organisational changes were made to use the existing legislation for a more efficient way. The former regularisation process was completely reformulated; planning and reengineering were introduced in consistent way with a modern view of land property clearance and full respect for private property.

- A pro-active and simplified mass process for land tenure regularisation was introduced to overcome overregularisation and bureaucratisation of the former system.<sup>19</sup>
- COFOPRI encouraged citizen participation throughout the regularisation process: (a) to solve social conflicts arising from insecure legal titles (wrong titles or double titling); and (b) to secure the validity of the regularisation process.
- The high transaction costs of former regularisation process were faced with strategies addressed to create a system for:
  - ✓ Standardisation of the technical documents needed for the regularisation process and outsourcing for mapping.
  - ✓ Administrative simplification and registration
  - ✓ Simplification of the procedures for proving the tenancy of the plots, through a system of social control and community participation.

### The economic and social impact of the program for Land Tenure Regularisation

- *Secured Property*  
A title regularised by COFOPRI is a guarantee that the householder's property rights stand firm and, therefore, his property is registered at the Urban Property Registry, free of overlaps or double registration or alike.
- *Inheritance*  
According to several studies, inheritance of their propriety is a caused of major concern among low income people.  
The simplified procedures developed by COFOPRI and the Urban Property Registry facilitates the partition of real estate properties into sections with low transaction costs.
- *Absence of Conflicts*  
Property formalization eliminates conflicts at different levels, between urban settlements and third parties (other settlements or private owners with proper titling) and within the members conforming the settlement itself.
- *Incentive to Invest*  
Land rights registered through a title, encourage owners to invest more on housing improvements in his plot and also in public services to keep a healthy neighbourhood.
- *Credit Access*  
There are some favourable indicators showing the impact of titling on credit provision. In August of 1998, there were 24,168 mortgages out of the 265,433 formalised titles; in other words, 6.6% of the owners got a loan using their formalised property as collateral. This rate must be increased with a proper promotion and design of new systems to access to loans and credits.

<sup>18</sup> Annex 1, Table: Principal institutional reforms taken by COFOPRI.

<sup>19</sup> COFOPRI actively searches and goes after all those who need to regularise their property rights.

- *Community participation*  
The strategies applied to promote and obtain the community participation before and during the regularisation process were a key strategy to reach to the goals. On the other hand, demands for information from the householders are exceeding the Information offices capacity.
- *The gender issue*  
If there were not a former title given to the householder, COFOPRI defined as the legal tenant the current householder living in the dweller for more than 1 year. Since couple relations are often informal, the beneficiary could be the mother, a single person, or the tenant who proved to be the householder.

### The Regularisation process in the settlement Saúl Cantoral

- The strategy for the massive program of land tenure regularisation through Campaigns led to successful results. It forced COFOPRI to device global actions to face on focused areas. When COFOPRI began its official regularisation work in Saúl Cantoral settlement, the first phase (Process 0) was already carried out.
- Although the preliminary arrangements were over and the legal and technical framework established, the regularisation process in the settlement could not start before the segregation of the overlapped areas with ENACE were completed, with the corresponding official land transfer to COFOPRI<sup>20</sup>. Another reason for the delay was to get the official recommendation from INDECI.
- The dwellers of the Saúl Cantoral settlement were very much committed to the regularisation process and provided full collaboration and participation.
- The settlement had no registry antecedents; the strategy followed for its land tenure regularisation was to update the existing Subdivision Plan with the changes found in the fieldwork. Although the settlement was not consolidated and most of the houses were built with light materials, a replanning of the urban design was not considered. The study of the settlement for its regularisation was focused in the physical conditions of the site and the fulfilment of the legal requirements for the site and plots registration.

## 5.2. The risks of Land Tenure Regularisation

- A major risk of any regularisation program is that formalisation may take place without proper consideration of land use and urban development planning, thus imposing a heavy burden on the dwellers in terms a liveable environment (facilities for transportation, health, amenities, etc.) and

increasing the investment costs of the infrastructure needed to serve all the population involved. On the other hand, it may strengthen rural migration to the already congested cities. The State and local governments should take adequate measures and establish a Land Policy to regulate and manage land use.

- The regularisation process of the existing informal settlements links aspects of a real estate property to its corresponding physical site in terms of safety and real measures and areas, with the danger of consolidating poor urban quality areas low density growth. The principal drawbacks for a widespread city model, with low density are:
  - The unbalanced weights between green and occupied spaces and the built up area.
  - Large investments cost for utilities (water, sewerage, power, and garbage collection) relative to the number or users.
  - Problems with population mobility, transportation and commuting.
  - Energy consumption and disruption of the daily urban systems.
  - Environmental and city maintaining problems.
- A horizontal urban development with low density of occupation may continue if new informal settlements are created. As urban land become scarcer, the few remaining agricultural lands will be invaded or sold out for urban expansion.

## 5.3. Guidelines for an Urban Land policy

The Istanbul Declaration on Human Settlements, among other points, declares the necessity to supply adequate shelter and increment affordable houses. To ensure the equitable access to land and the promotion of efficient land markets and the environmentally sustainable use of land<sup>21</sup>, actions should be addressed to promote the participation of all the groups of the society, create the legal and financial framework, and create modern technical simplified procedures. Also, promote the use of computer-aided information systems to create an inventory of all the lands.

Nevertheless, general policies are given in the Habitat Agenda; the paper highlights some guidelines for a policy land.

- Promote the establishment of an efficient land management system capable to support a geographical information system, comprising all state land and its possible uses. The State should make an inventory of potential areas for the expansion of cities, as well as urban development plans, to ensure acceptable levels of urban services within these areas.
- Develop and implement appropriate policies for a legal access to State land.
- Develop policies for urban development programs on State land, as an alternative to invasions. Given current trends in income level of the population and the rate of migration and urban population growth,

<sup>20</sup> Not all the institutions work with official maps to elaborate its technical data.

<sup>21</sup> The Habitat Agenda. Section IV B. Adequate Shelter for all.

specific programs for low cost dwellings should be devised as an integral part of urban development.

From an urban planning view, a proposal for dealing with invasions aiming at low cost urban dwellings requires an interdisciplinary approach. Current urban development is to a large extent, a reflection of the long-term socio-economic and institutional development of society as a whole.

## 5.4. Recommendations

- COFOPRI has defined institutional strategies and has devised an efficient and fast system to implement the massive program of land tenure regularisation, with a direct co-ordination with the Urban Property Registry for a massive registration. Other institutions involved in land issues must also be committed to this goal, to prevent any major delay in the regularisation process. The following suggestions are made to improve this situation:
- COFOPRI must improve its co-ordination with the institutions involved, either providing or exchanging technical resources and training programs.
- The institutions involved in land issues must develop institutional strategies to define procedures and resources to update, generate and improve their technical data using official maps. The technical data obtained by these methods will be useful for multisectorial national development purposes. Cofopri, for instance, during this massive regularization process has updated and digitalised the proper location of all settlements with their perimeter and subdivision plans, using only the official maps of the National Geographic Institute. Other institutions also must identify their in official maps, like Ministries of education, health, energy, transportation, etc. in order to allocate their infrastructure.
- The regularisation process was conceived for a massive and fast implementation in informal settlements. In spite of it, particular interventions must be considered for settlements according to how well they are established. In case of settlements not yet consolidated like Saúl Cantoral, replanning of its urban design may be considered in order to gain additional benefits for the settlement and the regularisation process. Improved urban quality and the community facilities, rational land uses for future development of the district, and higher urban density; may be some of the advantages of a replanning strategy. The socio-economic analysis of the community and the participation of its householders should determine the land use and the different housing solutions for the replanned settlement.
- Computer aided systems were created to manage the data of the regularisation process as well as to attend information needs of the community. However, improvement of the service is necessary to satisfy the high demand from the householders.
- The regularisation process done by COFOPRI should be taken as a first stage to integrate the marginal urban areas in the urban expansion plans. This would be the contribution of COFOPRI to elaborate the basis for low-income housing policies.
- Current urban regulations for urban planning and construction requires a major revision and update, in order to respond to the new demands of housing and urban development. This process should involve the private sector (professional organizations, construction organizations and organized groups of citizens) for issues such as zoning, edification rates, urban densities, minimum areas for housing, etc. Community participation should also be promoted to participate through its representative organisations, taking an active role in local urban planning. One of the issues to coordinate by the community should be the definition of the reserved areas for community facilities.

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## ANNEX 1.

PRINCIPAL INSTITUTIONAL REFORMS TAKEN BY COFOPRI		
	<b>Problem</b>	<b>Institutional reform</b>
I	<p><b>Inefficient systems at the institutional, legal and organizational level.</b></p> <p>Municipal procedures lacked appropriate mechanisms for physical-legal land tenure regularization of real estate ownership, and thus was not able to issue undisputable titles that can be registered and can guarantee legal security. Thus, often times municipalities have issued titles in urban settlements located on private property.</p>	<p><b>Planning and reengineering system in all levels.</b></p> <p><b>1. Vision on property:</b> Regularisation is a process by which private property rights are defined, created and acknowledged in a clear, secure and required way.</p> <p><b>2. Property clearance:</b> COFOPRI conducts a full investigation on the sites occupied by urban settlements, for their proper clearance and registration in favor of the State, if there are private property rights, COFOPRI will regularize and make them ready for registration.</p> <p><b>3. Respect to private property:</b> Titling of individual plots is started only if the legal and technical reports show that the occupied site is owned by the State and if it can be registered as such at the Public Registry. Invasions that may have occurred after October 1993<sup>22</sup> are not acknowledged nor are titled. Also, there is no titling on hazardous sites or archaeological areas. If it is a private site, there is a coordination with the owners to regularize their rights.</p>
II	<p><b>Overregulation and bureaucratization.</b></p> <p>The mechanisms used by the Municipalities required the intervention of up to 14 public and private entities to complete the regularisation process, lasting the whole process up to 3 to 20 years.</p>	<p><b>Reengineering for a pro-active, simplified and mass process</b></p> <p><b>1. Mass Process:</b> Urban settlements are grouped in clusters within a focused area and then a full investigation is conducted regarding these sites' ownership at the Real Estate Registry (Registro de la Propiedad Inmueble), Mining Registry (Dirección Gral. De Minería), Special Land Titling Program (PETT), National Real Estate Superintendency and Judiciary System (Superintendencia Nacional de Bienes). An analysis of the physical conditions and terrain restrictions of a cluster of urban settlements is conducted, and information from INDECI (Instituto Nacional de Defensa Civil) and the INC (Instituto Nacional de Cultura) are gathered regarding risky and archaeological sites by geographic areas.</p> <p><b>2. Process Reengineering:</b> New processes for ownership clearance were created, with appropriate and efficient steps, resources and timing. Information systems and data bases have been created in order to study, assess and develop mass information to conduct formalization campaigns.</p> <p><b>4. Proactive Process:</b> COFOPRI takes the lead for conducting and the development of the formalization process throughout all the phases and actions. COFOPRI actively searches and goes after all those who need to regularize their property rights</p>
III	<p><b>Social conflicts</b></p> <p>There have been many conflicts that led to costly administrative and judicial procedures caused by wrong titling, lack of regularization of ownership that prevented registration of the titles and their use, double titling over the same property, as well as titling over private property. Commonly, coordinations made by local authorities with the leaders of settlements without community participation, facilitated the intervention of third parties with other interests, as well as the illegal trading of plots.</p>	<p><b>Citizen participation</b></p> <ol style="list-style-type: none"> <li>1. The population is widely informed on the advantages of having their property registered.</li> <li>2. The methodology for formalization is also explained.</li> <li>3. The population is motivated for delivering information on their property.</li> <li>4. The population is organized for activities related to the Settlement's record.</li> <li>5. The population puts together their documentary proofs as landholders.</li> <li>6. The Settlement's record (householder's census) is carried in each dwelling, to deliver title to the proved tenant.</li> <li>7. The population holds an assembly to deal with conflicts that may have risen within the settlement (settlement representatives, plot holders, tenancy conditions, etc).</li> <li>8. Property Arbitrage System is explained, as a way to prevent going to Court to delay or stop titling.</li> <li>9. System of mediation and conciliation between invaders and private owners.</li> </ol>
IV	<p><b>High transaction costs for following municipal procedures.</b></p> <p>Householders to registry their property needed to present legalized documentation, the perimeter and plot plans made by municipality were frequently corrected by officials and professional associations despite the fact that they may well have been obtained from their own municipalities or other public institutions. This situation generated a great deal of abuse and corrupt practices.</p>	<p><b>Standardization, simplification and social control.</b></p> <ol style="list-style-type: none"> <li>1. Outsourcing for mapping: The perimetric and plotting maps are prepared by specialized firms, in compliance with the technical standards and supervision set by COFOPRI.</li> <li>2. Administrative simplification: The dweller is asked to present the documentation required for the formalization of his individual plot only.</li> <li>3. Social control: Effective plot occupancy is checked directly with the settlement's record (census) ofn each dwelling, checking on the spot the documentation proving continuous, permanent and pacific possession by the dweller. A list of the potential grantee is pre-published, to allow the community members to make the corrections, as deemed necessary.</li> </ol>

<sup>22</sup> On December 1998, Government decreed by law the extension of the close date to March 1996.