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DEPARTMENT OF RURAL DEVELOPMENT AND LAND REFORM

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DEPARTMENT OF RURAL DEVELOPMENT AND LAND REFORM: ELECTRONIC DEEDS REGISTRATION SYSTEMS BILL, 2017

The Minister for Rural Development and Land Reform intends introducing the Electronic Deeds Registration Systems Bill, 2017 in the National Assembly during the first quarter of 2018. The explanatory summary of the Bill is hereby published in accordance with Rule 276 of the Rules of the National Assembly.

The Bill provides for the development of an electronic deeds registration system in order to effect the registration of large volumes of deeds as necessitated by government's land reform initiatives. The Bill further seeks to expedite the registration of deeds by decreasing the time required for the deeds registration process having regard to legislation regulating electronic communication and transactions; and to provide for matters connected therewith.

A copy of the Bill can be found on the website of the Department of Rural Development and Land Reform (<u>www.ruraldevelopment.gov.za</u>), and may, after introduction, also be obtained from:

- 1. Government Printers Cape Town and Pretoria;
- 2. The Director-General

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MEMORANDUM ON THE OBJECTS OF ELECTRONIC DEEDS REGISTRATION SYSTEMS BILL, 2017

1. BACKGROUND

- 1.1 Security of title in South Africa is not explicitly guaranteed by statute, but flows from the unique deeds registration system which is based on specific responsibilities assigned by the Deeds Registries Act, 1937 (Act No. 47 of 1937) ("the Act"), to both the conveyancer (who prepares and lodges deeds and documents) and the Registrar of Deeds whose registration function is calculated to afford security of title.
- 1.2 A computer system known as the Deeds Registration System is in place for the purpose of maintaining the electronic land register. Apart from this electronic process, the preparation and lodgement by the conveyancer, as well as the processing of deeds and documents by the Registrar of Deeds, take place manually. With the advent of the Internet, e-commerce and global computerisation, there has been an increased need for electronic service delivery and a number of new challenges are now facing the Deeds Registries, for example, the inability of the present registration infrastructure and resources, to accommodate the increase in volume in respect of an anticipated 20 million land parcels of the government's land reform measures; the need to link with the electronic Cadastral Information System, in order to improve efficiency and accuracy of South Africa's land information management; the demand for decentralisation of services, in order to effect delivery at point of need; the necessity for consolidating and rationalising diversified registration procedures created through legislation by previous political dispensation; and the need to provide registration capability for other forms of land tenure that the government may introduce in future.
- 1.3 To meet the above-mentioned challenges, the Office of the Chief Registrar of Deeds embarked on a project for the implementation of e-Commerce principles, in order to facilitate an electronic deeds registration system ("e-DRS"). The e-DRS will provide for, amongst other things, the registration of large volumes of deeds effectively; improved turn-around times for providing registered deeds and documents to clients; provide country wide access to deeds registration services; enhanced accuracy of examination and registration; availability of information to the public; and security features including confidentiality, non-repudiation, integrity and availability.
- 1.4 The Electronic Deeds Registration Systems Bill, 2017 ("the Bill") has been drafted to provide legislation that is required for the development of an electronic deeds registration system.

2. CURRENT POSITION

2.1 The Deeds Registries Act, 1937 (Act No. 47 of 1937), and the Sectional Titles Act, 1986 (Act No. 95 of 1986), provides for registration processes to take place

6 No. 41308

manually. However, a need exists for a fully electronic deeds registration system to provide, amongst other things, for a fast process for the registration of ownership of land.

2.2 The e-DRS aims to provide for the effective registration of large volumes of deeds and to enhance the accuracy of the processes relating to the examination and registration of deeds.

3. OBJECTS OF BILL

The main objectives of the Bill are to—

- (a) facilitate the development of an electronic deeds registration system, in order to effect the registration of large volumes of deeds as necessitated by Government's land reform initiatives; and
- (b) expedite the registration of deeds by decreasing the time required for the deeds registration process.