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Doing Business report and real estate transfers: Far better with legal controls and notarial guarantee : legal empowerment is a key factor at global level, especially in developing economies of Africa, Asia and Latin America

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A G D I Working Paper

WP/20/079

Doing Business Report and Real Estate Transfers: Far Better with Legal Controls and Notarial Guarantee. Legal Empowerment is a Key Factor at Global Level, Especially in Developing Economies of Africa, Asia and Latin America

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Research Department

Doing Business Report and Real Estate Transfers: Far Better with Legal Controls and Notarial Guarantee. Legal Empowerment is a Key Factor at Global Level, Especially in Developing Economies of Africa, Asia and Latin America

Antonio Cappiello

January 2020

Abstract

In the last years, the Doing Business (DB) Project of the World Bank - recommending reforms aiming at removing obstacles that may produce increase of time, cost and procedures - had a significant influence on policies making. A recent DB research note (2019) also proposed to make optional use of professionals (including notaries) in operations such as real estate transfer in order to increase the efficiency of the country system. Nevertheless, the aggregate assessment focusing on the data of the 190 economies analysed by DB Registering property indicator and sub-indicators (synthetic RP indicators as well as all sub-indicators), shows that countries using notaries in the real estate transactions are the most efficient. Since the evidence emerging from DB data shows that the control of the State delegates produces (besides legal security and reliability) better efficiency, the overall logic of DB global reforms in the property transfer may be reconsidered. As an alternative to the *tout court* idea of eliminating every kind of intermediation, it would be reasonable to consider the tangible empirical effects produced by a system and to involve State officers in establishing best strategy for efficiency, keeping at the same time the guarantee for the society and the vulnerable agents.

Keywords: doing business, professional services, real estate transfers, performance indicators, rank methodology.

1. Purpose of the analysis and main findings

A recent research note of the World Bank's Doing Business (DB) report, namely "The involvement of third-party professionals in business registration and property transfer[1]", concludes that entrepreneurs in 80% of the economies still need the assistance of a third-party agent (lawyers and notaries) to transfer a property. Moreover, they claim that "making the use of third-party agents optional .. Could promote opportunities for all and create a level playing field for entrepreneurs".

Nevertheless, the involvement of civil law notaries, qualified legal experts delegated by the State, represents a guarantee for the country system and - since they supervise all the process as public officers – it is not only an assistance for the involved parties but also a gatekeeping for the economic soundness and the protection of vulnerable parties. For this reason, the label "involvement of third-party professional" deserves deeper analysis and specifications. However, besides their role as State representatives for the security of the transactions and the compliance with law requirements, the analysis of the DB scores shows that civil law notaries guarantee better performances also in terms of efficiency. In fact, in this article the Doing Business data were assessed as concerns the "registering property indicator" in order to understand what is the impact of the notarial services in terms of costs, time, number of procedures and quality. Analysing economies classified by groups of per capita income, we could find out that countries using notaries in the real estate transactions are, in the greatest majority of cases, the most efficient as concerns costs, time, number of procedures and quality. Actually, the aggregate analysis on all 190 countries assessed in the Doing Business report shows the better overall performances of countries adopting notaries in the synthetic RP indicator as well in all its sub-indicators. If we split the analysis by economies clusters (by per capita), inside groups with income per capita up to $45,000 (172 countries divided in 3 sub-groups of per capita income range), countries adopting notarial control still perform better overall. These 3 analysed clusters (about 93% of the total world population) represent more than 90% of the DB assessed countries. Only in the very small economies cluster with per capita income higher than $45,000 (group of 18 countries representing about 7% of the world population), the countries with notaries, although in the

[1] Cyriane Marie Coste, Marie Lily Delion, Adrián F. González, Frédéric Meunier, Nathalie Reyes Benjumea, Yuriy Valentinovich Avramov.The involvement of third-party professionals in business registration and property transfer, Indicators Group Research Note World Bank Research and Development Center in Chile, No. 2/October 2019.

quality sub-indicator they still perform better than countries of common law traditions, do not show the top performances in terms of quantitative evaluation. It should be also considered that very high-income EU countries with a tradition of civil law notaries (e.g. Germany, Austria, Belgium, Netherlands, etc.) are still facing an idiosyncrasy with the definitions and methodology of the DB collection data system. Because of a different cultural background on policy regulations and administration, they were unable, despite the high quality and reliability of their system, to convert their positive characteristics in a good result in terms of the registering property indicators (more attention by their representative officers on DB data input would surely have improved their score and overcome interpretative biases). Most of the gap with other countries it could be just a matter of data input adjustment and may not include concrete imbalances. For instance, input about time and procedures should take into consideration DB definitions and therefore transposed in the correct way as feedback (see Cappiello 2014 about DB definitions and time indicator possible biases[2]). These above-mentioned civil law countries are in fact considered as reference model for the quality of life (high per capita income associated with very fair distribution, i.e. lower value on Gini index), efficiency, and reliability of administration at European and World level. However, the cluster of the very few countries reaching the maximum income per capita (many of them have a population ranging only from 2 to 15 million) is far outside the scope of the WB objectives of reducing poverty, creating better opportunities and avoiding discrimination. This is to say that the role of notaries is surely helping in the majority of the economies to reach the above-mentioned goals, especially because the legal certainty is ensured in a preventive way avoiding inconveniences for all connected sectors of the country system (e.g. alleviating the burden of tribunals and reducing the costs and damages for the citizens and economic operators). Moreover, in case of countries with more evident unbalances and information asymmetries among agents involved in the transactions, notaries represent an indispensable guidance and guarantee to overcome cultural barriers and support and guarantee the vulnerable parties (see also P. Monkkonen 2016[3]).

2. Countries with civil law notaries involved in the real estate transfers

[2] Cappiello A. (2014). *World Bank Doing Business Project and the statistical methods based on ranks: the paradox of the time indicator*, RIEDS Italian Review of Economics, Demography and Statistics, vol. 68(1), pages 79-86, January-M.

[3] Monkkonen, P. (2016). *Are Civil-Law Notaries Rent-Seeking Monopolists or Essential Market Intermediaries? Endogenous Development of a Property Rights Institution in Mexico*. Journal of Peasant Studies 43 (6): 1224–48.

Among countries adopting notaries, a distinction should be made between Notaries Public and Civil Law Notaries. Civil Law Notaries are legal experts (public officers delegated by the State) with a University degree in law and, among others, they take care of the legal control of the real estate contracts and all connected procedures (in many cases also of the input in the Public Registers). While Notaries Public are mainly used in common law systems as officers for signature verification and other certifications (their function does not usually require a University degree in Law and they do not perform a legal control on the contents of the documents). Civil law notaries are represented at international level by the UINL (International Union of Notaries). Nevertheless, some UINL countries adopting civil law notaries, may not compulsorily require the notaries involvement in the real estate transfers. Therefore, in order to assess the impact of civil law notaries on the registering property indicators we only consider UINL countries with an actual involvement[4] of notaries in the real estate transactions as indicated by the DB report (see Tab. 1).

Tab. 1 – *Countries analysed by Doing Business Report using UINL notaries in the real estate transfer process*.

List of UINL countries adopting notaries in Real estate transfers (as per DB report)					
Albania	Colombia	Guatemala	Mauritania	Portugal	Venezuela
Algeria	Congo Dem R.	Guinea	Mauritius	Puerto Rico	Vietnam
Argentina	Costa Rica	Haiti	Mexico	Romania	
Austria	Côte d'Ivoire	Honduras	Moldova	Russian Fed.	
Belgium	Croatia	Hungary	Mongolia	San Marino	
Benin	Czech Republic	Indonesia	Montenegro	Senegal	
Bolivia	Dominican R.	Italy	Morocco	Slovak R.	
BiH	Ecuador	Kosovo	Netherlands	Slovenia	
Brazil	El Salvador	Latvia	Nicaragua	Spain	
Bulgaria	Estonia	Lebanon	Niger	Switzerland	
Burkina Faso	France	Lithuania	N. Macedonia	Togo	
Cameroon	Gabon	Luxembourg	Panama	Tunisia	
CAR	Georgia	Madagascar	Paraguay	Turkey	
Chad	Germany	Mali	Peru	Ukraine	
Chile	Greece	Malta	Poland	Uruguay	

Source: World Bank Doing Business Report 2020, Registering property indicator 2020

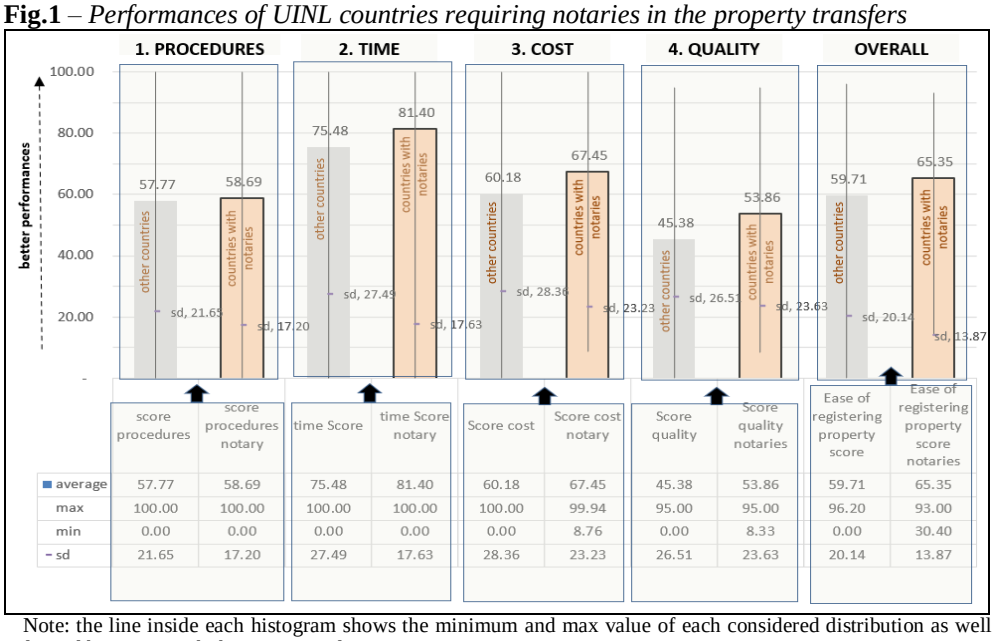
3. Analysing the impact of UINL notaries in different countries clusters by per capita income

We focused our analysis on the main sub-indicators of the Registering property (namely: number of procedures, time, cost and quality the real estate registration infrastructure) in order to assess the average impact of civil law notaries. The aggregate assessment on the 190 countries analysed by the DB shows better average results by countries adopting civil law notaries in real estate transfers (see fig. 1 and tab. 5). Afterwards, we tested it on 4 clusters of countries (C_n) by per capita income, namely C_1 (countries with per capita income up to $ 8,000), C_2 (countries with per capita income between $8,000 and $15,000), C_3 (countries with

[4] Country where notaries are compulsory required by law or commonly used in the practice.

per capita income between $15,000 and $45,000), C_4 (countries with per capita income higher than $45,000). From fig. 1, representing the average performance on the Registering Property indicator, we can notice the better performances of the UINL countries adopting notaries in all sub indicators. Moreover, the standard deviation has significant lower value in the UINL clusters. This means that inside the group of countries adopting notaries, the distribution of the scores is more uniform. The lower gap between maximum and minimum value (overall indicator as well as cost and quality sub indicators) for the UINL cluster is a further confirmation of the greater uniformity of performances inside this group.

Fig.1 – *Performances of UINL countries requiring notaries in the property transfers*



	score procedures	score procedures notary	time Score	time Score notary	Score cost	Score cost notary	Score quality	Score quality notaries	Ease of registering property score	Ease of registering property score notaries
average	57.77	58.69	75.48	81.40	60.18	67.45	45.38	53.86	59.71	65.35
max	100.00	100.00	100.00	100.00	100.00	99.94	95.00	95.00	96.20	93.00
min	0.00	0.00	0.00	0.00	0.00	8.76	0.00	8.33	0.00	30.40
sd	21.65	17.20	27.49	17.63	28.36	23.23	26.51	23.63	20.14	13.87

Note: the line inside each histogram shows the minimum and max value of each considered distribution as well as the standard deviation indicated by a spot with the acronym sd.
Source: World Bank Doing Business Report 2020, Registering property indicator 2020

The data (see fig. 1) also shows the greatest gap between the 2 analysed clusters (country using notaries vs other countries) in the quality indicator (8.47) and, surprisingly against all stereotypes, also in the cost indicator (7.26). This means that the quality of the transfer is much higher and less expensive if on civil law notary control. Another consideration can be made on the gap between the procedures and time indicators: the most evident gap is on the time. This surely means that the transfer is faster in the civil law notaries countries cluster. If we consider that the indicator on the procedures presents a less evident gap, this mean that in average each procedure is completed quickly. Moreover, considering the possible distortion coming for the implication of the methodology on the calculation of time and procedures (see Cappiello 2014), a more faithful representation of the reality by these indicators would probably enhance further the important legal control made by highly qualified legal experts (notaries) completing many checks (procedures) faster than systems

which do not adopt civil law notaries. The analysis by income group of countries, see tab. 2 and tab. 6, shows that only if we consider the group of very high-income countries (greater than 45,000 dollars per capita) there are better performances of countries not adopting notaries. But if we look deeper inside the cluster, the average result is mainly determined not by common law countries, but by Northern Europe very small economies (e.g. Denmark, Sweden, Finland, Iceland and Norway) countries which, although representing a notable excellence as concerns the socio-economic system, have the advantage of managing a small population with a very efficient enforcing system (i.e. they represent an outliers in a world dominated by a greater complexity).

Tab. 2 – *Countries grouped by per capita income clusters*

C	Per capita income range $ and % population	Countries ***(in bold** UINL countries using **notaries** in the real estate transfers)*
1	$C_1 \leq 8.000$ **117** countries 57% of the world population	Afghanistan, **Albania**, **Algeria**, Angola, Armenia, Azerbaijan, Bangladesh, Belarus, Belize, **Benin**, Bhutan, **Bolivia, Bosnia and Herzegovina**, Botswana, **Burkina Faso**, Burundi, Cabo Verde, Cambodia, **Cameroon**, **Central African Republic**, **Chad**, **Colombia**, Comoros, **Congo Dem Rep,** Congo Rep, **Côte d'Ivoire**, Djibouti, Dominica, **Dominican Republic**, **Ecuador**, Egypt Arab Rep, **El Salvador**, Equatorial Guinea, Eritrea, Eswatini, Ethiopia, Fiji, **Gabon**, Gambia, **Georgia**, Ghana, **Guatemala**, **Guinea**, Guinea-Bissau, Guyana, **Haiti**, **Honduras**, India, **Indonesia** , Iran Islamic Rep, Iraq, Jamaica, Jordan, Kazakhstan, Kenya, Kiribati, **Kosovo**, Kyrgyz Republic, Lao PDR, **Lebanon**, Lesotho, Liberia, Libya, **Madagascar**, Malawi, **Mali**, Marshall Islands, **Mauritania**, Micronesia Fed Sts, **Moldova**, **Mongolia**, **Morocco**, Mozambique, Myanmar, Namibia, Nepal, **Nicaragua**, **Niger**, Nigeria, **North Macedonia**, Pakistan, Papua New Guinea, **Paraguay**, **Peru**, Philippines, Rwanda, Samoa, São Tomé and Príncipe, **Senegal**, Serbia, Sierra Leone, Solomon Islands, Somalia, South Africa, South Sudan, Sri Lanka, St Vincent and the Grenadines, Sudan, Suriname, Syrian Arab Republic, Tajikistan, Tanzania, Thailand, Timor-Leste, **Togo**, Tonga, **Tunisia**, Uganda, **Ukraine**, Uzbekistan, Vanuatu, **Venezuela RB**, **Vietnam**, West Bank and Gaza, Yemen Rep, Zambia, Zimbabwe.
2	$8.001 \leq C_2 \leq 15000$ **20** countries 28% of the world population	**Argentina**, **Brazil, Bulgaria**, **Chile**, China, **Costa Rica**, **Croatia**, Grenada, **Hungary**, Malaysia, Maldives, **Mauritius**, **Mexico**, **Montenegro**, **Panama**, **Poland**, **Romania**, **Russian Federation**, St. Lucia, **Turkey**
3	$15001 \leq C_3 \leq 45000$ **35 countries** 8% of the world population	Antigua and Barbuda, Bahamas, Bahrain, Barbados, Brunei, Canada, Cyprus, **Czech Republic**, **Estonia**, **France**, **Greece**, Israel, **Italy**, Japan, Korea Rep, Kuwait, **Latvia**, **Lithuania**, **Malta**, New Zealand, Oman, Palau, **Portugal**, **Puerto Rico (U.S.)**, Saudi Arabia, Seychelles, **Slovak Republic**, **Slovenia**, **Spain**, St Kitts and Nevis, Taiwan China, Trinidad and Tobago, United Arab Emirates, United Kingdom, **Uruguay**
4	$C_4 > 45.001$ **18 countries** 7% of the world population	Australia, **Austria**, **Belgium**, Denmark, Finland, **Germany**, Hong Kong, Iceland, Ireland, **Luxembourg**, **Netherlands**, Norway, Qatar, **San Marino**, Singapore, Sweden, **Switzerland**, United States.

Source: World Bank Doing Business Report 2020, Registering property indicator 2020

We should consider that the group with per capita income higher than 45,000 dollars includes only 18 countries (of 190), and among them, some very small economies as Qatar (1st in the RP rank), Iceland (16th), San Marino (93rd) and Luxembourg (102nd) are obviously influencing the average not in favour of UINL countries. If we do not take into consideration these small economies (i.e. countries having population under 4 million), this cluster will be reduced to 14

countries (representing about 7% of the analysed economies). Moreover 66% of this cluster population is represented by US and Australia. These common law countries, anyway, still have lower performances as concerns the quality of the land administration system if compared to civil law countries of the same income group (see tab. 3). The rest of countries belonging to non-civil law notaries group is represented by 7 countries with a population ranging from 5 to 10 million of inhabitants (of which the above-mentioned Nordic countries represent the majority). The synthetic indicator of civil law notaries mainly shows a greater gap with very small economies adopting a mixed legal system and with some Nordic Countries of Europe. The gap is confirmed in the sub indicators even if the quality indicators (see tab. 3) of the civil law countries in this cluster, as above said, perform still better than common law countries (e.g. Ireland, US, Australia). The FATF[5] score concerning the compliance with anti-money laundering controls (including Beneficial Ownership compliance) made on real estate transfers by professionals (in the UINL countries. these controls are carried out by notaries who also send the great majority of the STR to the FIU), also underlines greater care in UINL countries on quality aspects of this delicate sector of the economy[6].

Tab. 3 - *Impact on the Registering property quality indicator inside the top high income by legal system clusters* (countries with population > 4 million and per capita income >$45.001)

Legal system cluster	N. of countries	countries	Score quality RP	DNFBPs and beneficial ownership FATF evaluation
UINL civil law countries (notaries)	5	Austria, Belgium, Germany, Netherlands, Switzerland	80.00	12.33
Mixed systems	2	Singapore, Hong Kong	93.83	11.00
Nordic countries	4	Denmark, Finland, Norway, Sweden	82.07	11.75
Common law countries	3	Australia, Ireland, USA	67.87	6.67

Source: World Bank Doing Business Report 2020; elaboration of FATF last available data on MER (2017-19)

As concerns the big cluster with countries having the lowest per capita income ($C_1 \leq 8{,}000$), since it is the group with the highest number of economies (117), we can also split it in 3 sub-clusters in order to obtain a more balanced distribution with the clusters (e.g. $C_{1a} \leq 2{,}000$; $2001 \leq C_{1b} \leq 4{,}000$ and $4{,}001 \leq C_{1b} \leq 8{,}000$) and more detailed assessments. Also in this case, the average results inside each of these clusters are still in favour of the countries

[5] The last FATF guide for legal professionals (2019) underlines the importance of the anti-money laundering controls made by notaries in the real estate transactions and the need of a strict supervision by their professional bodies.

[6] The World Bank also expressed great concern about the money laundering negative implications for the soundness of the economic system and underlined the importance of tracking the Beneficial ownership behind the transactions. See *The puppet masters: how the corrupt use legal structures* where among others, it has also underlined the role of public registers in preventing the misuse of corporate vehicles and other legal entities for illicit purpose.

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adopting civil law notaries in the real estate transfers. The RP indicator has in average the scores indicated in Tab. 4.

Tab. 4 - *Impact of UINL countries adopting notaries on the Registering property indicator by income clusters* (C_1≤8.000$ per capita; best score RP=100)

Sub-clusters ≤8.000$ per capita	UINL countries RP score	other countries RP score	Income group	Number of countries analyzed inside the cluster
C_{1a}	52.21	50.82	$C_{1a} \leq 2.000$	50
C_{1b}	64.85	55.73	$2001 \leq C_{1b} \leq 4000$	27
C_{1c}	65.08	56.43	$4001 \leq C_{1b} \leq 8000$	40

Source: World Bank Doing Business Report 2020, Registering property indicator 2020

Nevertheless, since these 3 sub-clusters include all the African economies (except Mauritius) and other countries with some similar peculiarities, we can keep them also as unique cluster C1≤8,000 in order to simplify the categorization in 4 main groups by classes of per capita income (C_1, C_2, C_3 and C_4). The analysis of the cluster C_1 leads also to a significant reflection: the data about the African countries (presenting, in many cases, greater disparities and information asymmetries between the parties involved in a real estate transaction) underline better performances of the economies using notaries. These State officers are a well-known qualified assistance to fill any knowledge gap, keep the transaction secure and protecting the vulnerable agents especially where the developing countries infrastructure may experience some difficulties.

Hereafter, tab. 5, 6 and 7 show the detailed data of the comparison between countries adopting civil law notaries and other countries. The country performance (percent score) of each registering property sub-indicator is calculated as follows:

[1] $I_i = (W - x)(W - B)^{-1}$

Where x is the score of the analysed country, and W and B, respectively the worst and best score of the considered distribution. This rescaled score of each indicator is therefore ranging from 0 to 100 (where 100 is the best possible score). The final score of the synthetic registering property indicator RP_{score} is represented by the average of the n sub indicators (in our case $n=4$ sub-indicators, namely: procedures, time, cost and quality).

[2] $RP_{score} = \left(\sum_{1}^{n} I_i \right) n^{-1}$

Obviously also the RP_{score} will range from 0 to 100 (where 100 represents the best overall performance).

Tab. 5 summarize the main finding of the analysis by per capita income group. The detailed data referring to each cluster are indicated in tab. 7.

Tab. 5 - *Impact of countries adopting notaries on the Registering property indicator by income clusters (see tab. 6 and 7 for details about countries and data)*

C	Income range $ and % ot tot. population	Number of countries analysed in the cluster /notes	Notary impact on the main synthetic RP indicator	Notary impact on RP sub-indicators /notes
ALL	All income range (all clusters together)	**190** countries (all countries, 100% of economies analysed by the DB) ***best performances of countries adopting notaries*** *on synthetic indicator as well as in every single sub-indicator*	**Best score** on the main index (synthetic indicator)	Best score in **every single sub-indicator**
Cluster 1	$C_1 \leq 8{,}000$ 57% of world population	**117** countries (62% of economies analysed by the DB This cluster includes all the African countries except Mauritius	**Best score** on the main index (synthetic indicator)	Best score in **every single sub-indicator**
Cluster 2	$8{,}001 \leq C_2 \leq 15{,}000$ 28% of world population	**20** countries (10 % of economies analysed by the DB)	**Best score** on the main index (synthetic indicator)	Best score on **3 on 4** of the sub indicators (only time indicator has a slightly lower value).
Cluster 3	$15{,}001 \leq C_3 \leq 45{,}000$ 8% of the world population	**35** (18% of economies analysed by the DB)	**Best score** on the main index (synthetic indicator)	Best score on **3 on 4** of the sub indicators (only the procedure indicator has a slightly lower value). This may be also due to the misleading interpretation of the calculation of procedures as feedback to the DB report questionnaires, see § 3
Cluster 4	$C_4 > 45{,}001$ 7% of the world population	**18** countries, If we do not consider very small economies (e.g. countries having population under 2 millions: i.e. Iceland, Qatar etc.), this cluster will be reduced to **14** countries (representing about 7% of the analysed economies). Moreover 66% of the cluster population is represented by US and Australia (these common law countries, anyway, still have lower performances as concerns the quality of the land registration system if compared to civil law countries of this income group). The rest of countries belonging to non-civil law notaries group is represented by 7 countries with a population ranging from 5 to 10 million of inhabitants.	the synthetic indicator of civil law notaries mainly shows a greater gap with relatively small economies adopting a mixed legal system or some Nordic Countries of Europe.	The gap is confirmed in the sub indicators even if the **quality** indicators of the civil law countries in this group performs still better than common law countries (e.g. Ireland, US, Australia)

Source: World Bank Doing Business Report 2020, Registering property indicator 2020

Tab. 6 shows the comparison on the score of the registering property indicators between countries adopting notaries and other countries. Both average and median values show better performances of UINL cluster in the main indicator as well as in all sub indicators (lower standard deviation indicates great overall homogeneity inside UINL distribution of scores). Tab. 7 confirms overall better results of countries adopting notaries in the first three clusters with the above-mentioned exception of the cluster 4 representing the countries with the top highest per capita income and the 7% of the world population (see previous considerations and reflections made in paragraphs 1 and 4).

Tab. 6 – *Impact on UINL countries using notaries on the Registering Property indicator compared to other countries (average, median, sd, min, max)*

	Population	Number of countries	procedures score (100 best score)	time score (100 best score)	cost score (100 best score)	quality score (100 best score)	RP overall score (100 best score)	RP RANK (1 best - 190 worst)	
UINL countries (notaries)	2,099,758,198	77	58.69	81.40	67.45	53.86	65.35	87	average
			17	18	23	24	14	50	sd standard deviation
			58.33	85.77	70.21	54.35	65.20	87	median
			0	0	8.76	8.33	30.40	4	min
			100.00	100.00	99.94	95.00	93.00	182	max
Other countries	5,450,834,799	113	57.77	75.48	60.18	45.38	59.71	101.35	average
			21.65	27.49	28.36	26.51	20.14	57.78	sd standard deviation
			58.33	83.73	65.67	36.67	59.50	108.00	median
			0	0	0	0	0	1.00	min
			100.00	100.00	100.00	95.00	96.20	187.00	max

Source: World Bank Doing Business Report 2020, Registering property indicator 2020

Tab. 7 – *Impact on UINL countries using notaries on the Registering property indicator compared to other countries (by per capita income clusters)*

	Cluster	units (number of countries)	procedures score	time score	cost score	quality score	Overall score
UINL countries (notaries)	$C_1 \leq 8.000$	41	58.94	78.98	63.40	39.92	60.31
	$8.001 \leq C_2 \leq 15000$	15	55.19	84.32	81.22	63.68	71.09
	$15001 \leq C_3 \leq 45000$	14	61.90	82.98	70.67	70.95	71.62
	$C_4 > 45.001$	7	58.33	86.19	55.21	80.24	70.00
Other countries	$C_1 \leq 8.000$	76	52.73	70.68	56.61	34.76	53.70
	$8.001 \leq C_2 \leq 15000$	5	54.08	88.37	49.62	56.30	62.08
	$15001 \leq C_3 \leq 45000$	21	64.68	80.30	67.82	62.46	68.82
	$C_4 > 45.001$	11	81.06	93.52	75.10	81.21	82.73

Source: World Bank Doing Business Report 2020, Registering property indicator 2020

4. Conclusions and final considerations

A research note of the World Bank Doing Business Team (2019)[7], in order to increase the efficiency of the country system, proposed to make optional the use of professionals (including notaries) in such very delicate transactions as the real estate transfers. This article - through a comprehensive calculation based on the DB data - assessed the results of the World Bank note as concerns the only involvement of notaries. The aggregate analysis on the 190 economies examined with the Registering property indicator and sub-indicators, shows that countries using notaries in real estate transactions are the most efficient (synthetic RP indicators as well as all sub-indicators). If we split the analysis in country clusters (groups by per capita income), civil law notaries, in the greatest majority of the cases, still show better performances in terms of cost, time, procedures and quality. Only in a very small group of the analysed economies (7% of the population of all the economies), countries with civil law notaries present some gaps in the RP score even though, also in this minor cluster, quality aspects are still in favour of civil law countries compared to the ones adopting a common law system. Anyway, the few countries inside this last group are the ones with the highest income

[7] WORLD BANK (2019). *The involvement of third-party professionals in business registration and property transfer,* Indicators group research note (See note 1 and bibliography for more detailed references).

per capita (many of them with very small population. i.e. Qatar, Iceland, etc) and represent an outlier in a world context where the major objectives are reducing poverty, creating better opportunities and avoiding discrimination (among others, these are also the World Bank declared objectives). Especially because of the difficulties experienced in the majority of the developing countries infrastructures (see reflections about Africa[8] in paragraph 3) and the complexity of the socio-economic context (evident also in advanced economies), the reality is surely not pictured by the model of the few countries representing an outlier of excellence (countries where the small scale and lower complexity of the socio economic context considerably eases the management of their infrastructures). This is to say that the role of notaries is surely helping in the majority of the economies to reach the World Bank above-mentioned objectives, especially where the legal certainty is ensured in a preventive way, and avoids inconveniences for all the connected sectors of the country system (e.g. alleviating the burden of tribunals and reducing the costs and damages for the citizens and economic operators). Moreover, in the case of countries with more evident unbalances and information asymmetries among agents involved in the transactions, notaries represent an indispensable guidance and guarantee to overcome cultural barriers and support and guarantee the vulnerable parties. The competence and usefulness of notaries was also recognised by the same World Bank that, in 2016, also signed a cooperation agreement with the International Union of Notaries in order to receive privileged consultancy in technical aspects concerning the real estate transactions especially in the view of improving the Doing Business indicators RP as concerns the quality and the legal security aspects. Since also the evidence emerging from data shows that the control of State delegates produces (besides legal security and reliability) better efficiency, the overall logic of global reforms should be reconsidered. As an alternative to the *tout court* idea of eliminating every kind of intermediation, it would be reasonable to consider the tangible empirical effects produced by a country system and to involve State officers in establishing the best strategy for efficiency, keeping at the same time the guarantee for the society and the vulnerable agents.

[8] The International Union of Notaries (UINL) is continuously providing knowledge exchange with notary systems of the different countries thorough a dedicated intranet as well as international scientific working groups (some of them specifically dedicated to the African countries). These coordination aims at helping notaries to move forward at same pace in providing the best contribution inside their specific country infrastructure.

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