

## THE IMPLICATIONS OF COVID-19 OUTBREAK TO LAND REGISTRATION OFFICE

MUHAMMAD AL – MUNTAZAR LAJIMIN & AINUR ZAIREEN ZAINUDIN<sup>1</sup>

Faculty of Built Environment and Surveying, Universiti Teknologi Malaysia, Johor, Malaysia

### ABSTRACT

*The outbreak of the COVID-19 disease that has been dramatically affecting human life has led many countries to take various measures to manage the crisis. Malaysia has enforced its first Movement Control Order (MCO) to control the spread of the infectious disease in the country. However, this measure has then been badly affecting the country's social and economic activities in both public and private sectors. One of the affected public sectors is the government agency that administers the land registration matters. This study mainly aims to identify the problems that this agency has been facing due to the COVID-19 outbreak particularly the MCO enforcement throughout the country. A qualitative approach has been used by choosing the Land Registration Office (LRO) which is located in the southern part of Peninsular Malaysia as the case study. Data was collected through interviews with the respective staff and was analyzed using several qualitative analysis methods. The findings showed that ever since the MCO, the LRO has been experiencing a declining number of new land title registrations, burdensome standard operating procedures, and an increased number of COVID-19 infections among staff. Hence, it is recommended for the agency to fully benefit the use of information and communication technology (ICT) in land registration matters as its long-term measure in overcoming the situations.*

Keywords: COVID-19, Movement Control Order, Effects, Land Registration

### INTRODUCTION

Coronavirus disease (COVID-19) is an infectious disease caused by the SARS-CoV-2 virus. The virus transmission primarily occurs between people when an infected person is in close contact with another person (World Health Organization and International Labour Organization, 2021). It can spread from the mouth or nose of an infectious person when the person coughs, sneezes, sings, breathes heavily, or talks. Transmission occurs most often in indoor, crowded, and inadequately ventilated spaces, where infected persons spend long periods with others. Since the end of 2019, the COVID-19 has spread rapidly worldwide and was classified by the World Health Organization (WHO) as a pandemic on 12th March 2020 (Elengoe, 2020).

As documented by Elengoe (2020), the first case of COVID-19 in Malaysia was detected on the 25th January 2020 involving three Chinese nationals who traveled into Malaysia via Singapore on the 24th January 2020 that previously have had close contact with an infected person in Singapore. On the 16th March 2020, the number of COVID-19 positive cases in Malaysia increased beyond 553 cases, thus urging the Prime Minister of Malaysia to announce a Movement Control Order (MCO) to be enforced throughout the country beginning 18th March 2020 until 31st March 2020. Until now, due to the number of cases that have been fluctuating over time, a series of MCO have been executed as continuous intervention and preventive measures in the country.

The COVID-19 pandemic has changed the pattern of human life and slowed economic growth so drastically. The execution of MCO in Malaysia for instance has been badly affecting the country's social and economic activities in both public and private sectors. People were prohibited from attending mass gatherings, and government and private premises were closed except for essential services (water, electricity, energy, telecommunications, postal, transportation, irrigation, oil, gas, fuel, lubricants, broadcasting, finance, banking, health, pharmacy, fire, prison, port, airport, safety, defense, cleaning, retail, and food supply).

The closure of government agencies would have a negative impact on the performance, productivity and affairs of the government agencies. It is expected that land administration matters will be disrupted too and will take a long time to resolve. Ngoga & Panfil (2020) noted that many developing countries still use paper-based land administration systems where this work process is done manually or completed on their own. This method is highly dependent on human energy and requires interaction between humans in carrying out land affairs. The closure of these land agencies during a pandemic would render manual dealings impossible and result in more delays in land affairs.

Therefore, this study aims to identify the problems that the land agency has been facing due to the COVID-19 outbreak and the MCO enforcement in Malaysia. Accordingly, this paper is organized to first present the review on the effects of the COVID-19 pandemic on land administration matters. This part will show how countries around the world were affected and responding to the pandemic as their intervention in land administration affairs to endure the health crisis. Subsequently, this paper will present and discuss the results of the study and finally conclude with recommendations for better operation of the land administration system, particularly on land registration-related matters.

## **LITERATURE REVIEW**

Land is one of the most important financial assets in any country because every investment is in some way or another dependent on land and property (Dale & McLaughlin, 1999). There are three key attributes of land that every country must manage effectively – its tenure, value and use; for land to contribute to the country's economic development. The management of these attributes involves the land policies (Sardeshpande & Shackleton, 2020; Qu et al., 2020), land information infrastructures, and land administration infrastructures (Enemark, 2006; Williamso, et al., 2010; Indrajit et al., 2020). Land policy is part of the national policy on promoting objectives including economic development, social justice and equity, and political stability. It may be associated with security of tenure; land markets (particularly land transactions and access to credit); real property taxation; sustainable management and control of land use, natural resources and the environment; the provision of land for the poor, ethnic minorities and women; and measures to prevent land speculation and to manage land disputes. Meanwhile, land information infrastructures include cadastral and topographic datasets and provide access to complete and up-to-date information about the built and natural environment. Lastly, land administration infrastructure includes institutional arrangement, legal framework, process, standards, land information, land distribution system and technology.

According to Dale & McLaughlin (1999), land administration functions in more detail, including the processing of land applications, issuance of land title, land ownership transfer, mortgage, change of land use, land subdivision, land amalgamation, land acquisition, collection of land revenues, registration of strata title, and land law enforcement. These functions are implemented by the responsible agencies for conducting surveys, mapping, land registration as well as land valuation and revenue. All these activities are vital to be managed effectively through efficient land policy, land information infrastructure and land administration infrastructure.

In recent years, it is widely suggested for sustainability to be the new paradigm of a country's land administration system (LAS). Williamson et al. (2010) noted that the LAS provides the infrastructure for the implementation of land policies and land management strategies in supporting sustainable development. This sustainability concept uses LAS which is supported by sophisticated information and communication technology models. As such, this will be able to ensure that the land administration system can operate even in unfavorable conditions like during the COVID-19 pandemic.

Nevertheless, the organizational structures for land management differ widely between countries and regions throughout the world and reflect local cultural and judicial settings (Enemark, 2006). Ngoga & Panfil (2020) noted that many land agencies in developing countries still use paper-based land administration systems where this work process is done manually or completed on their own. This method is highly dependent on human energy and requires interaction between humans in carrying out land affairs. Unfortunately, workplaces with physical person-to-person contact, inadequate ventilation, common eating areas, shared work accommodations and travel are more likely to report COVID-19 outbreaks (World Health Organization and International Labour Organization, 2021). Therefore, the closure of the land agencies is inevitable during the COVID-19 pandemic. Their closure would render manual dealings impossible and result in more delays in land affairs (Ngoga & Panfil, 2020).

Wieckardt (August 2020) in her preliminary studies, found that the COVID-19 pandemic has affected the land administration and land governance institutions around the world in several ways. Forced evictions may be enacted in high-density informal urban settlements where the COVID-19 disease could spread faster. This action will put the responsible land agencies under pressure to execute the eviction as they have to work in a limited capacity during the pandemic. This situation becomes a new challenge for the land administration institutions to secure land access equality in the urban areas.

Lack of due diligence may also happen in the establishment of emergency infrastructure such as clinics, testing centers, quarantine units, hospitals and burial sites during the pandemic. The decisions in providing such

emergency infrastructures tend to be made in rush, putting behind adequate consultation with local communities, as well as the verification of the underlying land rights and due process for acquisition and adequate compensation. This situation may consequently put the integrity of the land administration institution at stake.

Wieckardt also highlighted the declining funding the land administration institutions might receive as the governments are focusing more on healthcare needs. It will certainly disrupt land administration services, putting much progress that has been made so far in improving the capacity of land institutions in uncertainties. Limitations in funding and capacity may limit the role of land governance actors in minimizing irregular land acquisition and enhancing tenure security, whereas lockdown measures create obstacles to the verification and validation of land transfers.

Furthermore, a reduction in land revenues is also expected as governments in many countries have issued various fiscal and non-fiscal incentives to help the industry (Zulkarnaen et al., 2020). For instance, in Singapore, the commercial properties that are heavily affected by COVID-19 such as hotels, serviced apartments, tourist attractions, shops, and restaurants will receive a 100% discount on property tax; and, other non-residential properties such as offices and industrial property will get a 30% discount on their property tax debt. Meanwhile, in Cambodia, exemption from stamp duty is made available in connection with certain transfers of immovable property that has a value of USD70,000 or less.

In Indonesia, legal certainty in the implementation of the land registration process during the Covid-19 pandemic is less prominent in terms of detailed rules and in particular, because there are no specific rules governing land registration during the Covid-19 pandemic (Ramadhani & Abduh, 2021). Social distancing measures undertaken in some way have slowed down the land registration services in the country (Nugroho & Ma'ruf, 2021).

## **METHODOLOGY**

This study was carried out with qualitative orientation and a case study in design. Qualitative and case study research designs were chosen due to very little information found on the question of interest, particularly in Malaysia. As mentioned earlier, the main objective of this study is to investigate the research question concerning the problems faced by the land agency due to the COVID-19 outbreak and the MCO enforcement in Malaysia. To get better insights about it, the Land Registration Office (LRO) was chosen as the case study, considering its function which deals more with the public and industry daily.

Data was collected through interviews with five staff of the LRO. These staffs were chosen based on their scope of works and position in the LRO that directly involved in setting up the Standard Operating Procedures (SOP) for the operation of LRO during the MCO enforcement and monitoring the performance of the organization. The questions asked during the interview are related to the SOP, the performance of the LRO based on the number of the related dealings between the LRO and their clients, and the problems that arise as a result of the MCO enforcement as well as the likely causes of such problems. The collected data were subsequently analyzed using the descriptive analysis approach. It is also important to note that this study was completed in June 2021. Therefore, all data are confined within the period of the first enforcement of MCO in the country until the completion of this study too.

## **RESULTS AND DISCUSSION**

### **The Case Study**

The chosen LRO is the land registration division of the Director of Land and Mines Office Johor, located in Johor Bahru, Malaysia. In general, the LRO is the division that is responsible for all land registration matters including land title registration, registration of land transfer, mortgage, leasing, and caveat.

All the above matters are normally done through submission to the land registration counter. The counter is opened daily from Sunday to Thursday starting from 8.00 a.m. until 4.30 p.m. But like other government agencies, the Director of Land and Mines Office Johor has also been affected by the execution of MCO in Malaysia. The MCO is a series of national quarantine which commonly referred to as 'lockdowns'.

The first MCO executed in Malaysia under the Prevention and Control of Infectious Diseases Act 1988 and the Police Act 1967 was enforced on 18<sup>th</sup> March 2020. The Prime Minister of Malaysia announced that the MCO would be executed for two weeks, expected to end on 31<sup>st</sup> March 2020. With the execution of the MCO, all government and private premises were closed, except for essential services such as utilities,

telecommunications, transport, banking, health, pharmacies, ports, airports, cleaning and food supplies. All religious, sports, social and cultural activities were also prohibited. In fact, during that period, only one person from one family could leave the home and go out to buy essential goods. In addition, all Malaysians were all banned from traveling abroad, and no tourists or foreigners were allowed to enter the country. Such drastic intervention and measures were undertaken to prevent the SARS-CoV-2 virus from spreading nationwide.

The number of people infected by the COVID-19 disease has been fluctuating since then, making the government extend and relax the MCO to different phases in 2020 and 2021. The phases include the Conditional MCO (CMCO) and Recovery MCO (RMCO), whereby, each phase enacted different standard operation procedures for social and economic activities. As these phases have been enacted nationwide, other measures have also been localized to individual states and federal territories or smaller areas, based on the number of cases in each locality. The following Table 1 listed down the series of the MCO execution in Malaysia from March 2020 until June 2021.

Table 1: The Execution of MCO in Malaysia

YEAR	ORDER	DURATION	DESCRIPTION
2020	MCO 1.0	18/3/2020 – 4/5/2020	The Prime Minister declared the execution of MCO 1.0 for two weeks. However, it was extended until early May, 2020 due to the increasing number of COVID-19 cases in the country.
	CMCO	4/5/2020 – 10/6/2020	Most economic activities were permitted to resume operation with specific standard operating procedures. Several relaxations of regulations regarding the MCO were also given by the government, giving more social and economic activities to be in operation within a limited capacity. However, the CMCO regulations differ between states in the country.
	RMCO	10/6/2020 – 31/12/2020	Execution of RMCO with more relaxation of MCO regulations and permitted social and economic activities.
2021	MCO 2.0	13/1/2021 - 31/5/2021	Reinstatement of MCO in response to a surge of COVID-19 cases.
	MCO 3.0	1/6/2021 - 14/6/2021	Reimposed a two-week MCO in response to a spike in COVID-19 cases in Johor, Kuala Lumpur, Penang, Sarawak and Selangor. Only essential economic and social services listed by the National Security Council were allowed to operate.

In consequence, the Director of Land and Mines Office Johor including its LRO had to be closed and from time to time, from March 2020, its operation was scheduled to be opened to the public for land affairs with limited capacity. During the MCO 1.0, all staff was instructed to fully work from home. Only during the execution of CMCO, the LRO's counter was opened but only by appointment. The office also limits the number of submissions by each firm or the public in a day. When the RMCO was executed in Johor, the number of submissions was increased to 250 submissions per day and the counter was in operation with full capacity as 100% of the staff were back to work in the office. Nevertheless, the strict standard operating procedures in the LRO office resumed when the MCO 2.0 and MCO 3.0 were enacted in the country.

### **Declining Number of Land Title Registrations**

The closure of LRO greatly affected the registration of land dealings or transactions such as registration of leasing and mortgage because such transactions have to be done manually and require face-to-face interaction between the parties involved. This situation resulted in more delays in the registration process. Figure 1 shows the comparison of submissions at the LRO counter for the registration of land transactions throughout MCOs.

Figure 1: Comparison of Submission Per Day as Received by the Director of Land and Mines Office Johor

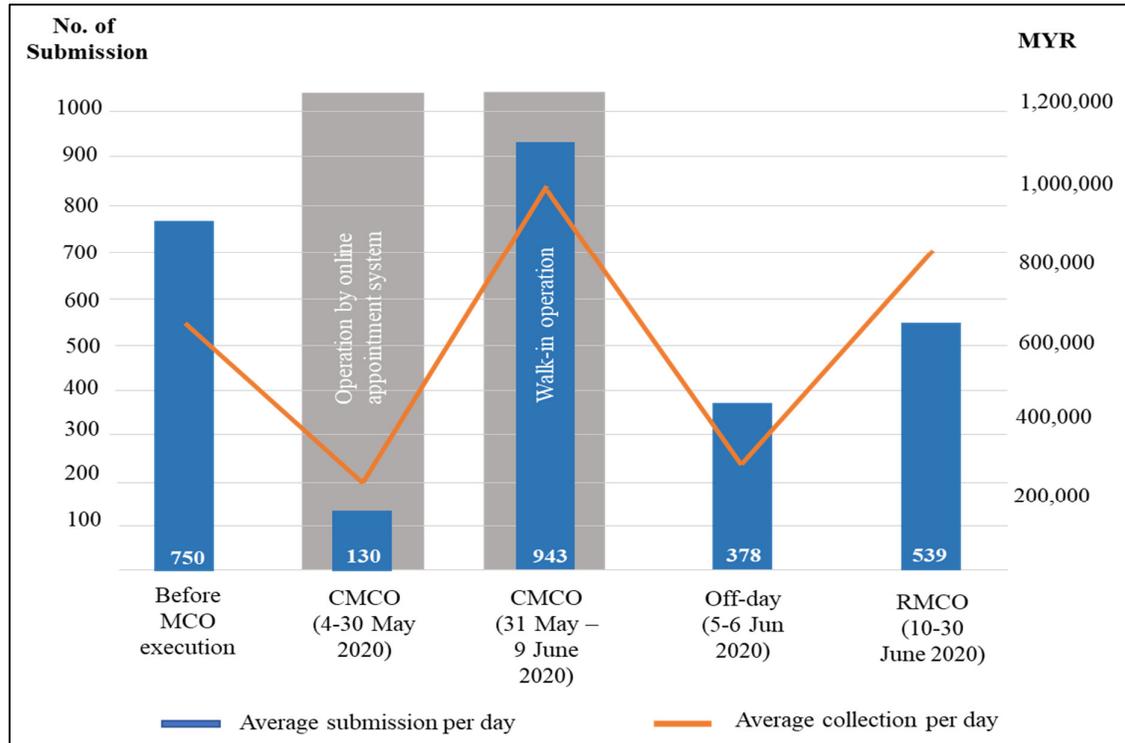


Figure 1 shows the inconsistent trend of land transaction submission for the registration purpose at the LRO. The number of submissions dropped abruptly with the CMCO execution from an average of 750 per day that they usually received before the MCO to only 130 per day. The main factor of such a situation was due to the limited operation of the LRO counter which was only opened by appointment with a limited number of folders permitted to be submitted by each firm. Furthermore, one of the interviewees explained that almost all land affairs in LRO are done manually especially on the registration of the land transaction. There is no system or online mechanism for such registration matters to date. This is due to the fact that such registration involves confidential and original documents that are impossible to be submitted online.

The LRO back to receive a high number of submissions when walk-in clients were accepted beginning 31<sup>st</sup> May 2020. During that period, total collection from the registration matters has increased exceeding MYR1,000,000.00. It was also because most of the pending registration cases have been resolved when 100% of the LRO staff were allowed to work in the office. The number of submissions and amount of collections continued to be fluctuated with the changing standard operating procedures at LRO in regards to the execution of other series of MCO in Johor thereafter.

It was also reported that the MCO has affected the registration of new land title in the alienation as well as the surrender and realienation process. The details are shown in Table 2.

Table 2: The Number of New Land Title Registrations

Year	Period	Number of Title		Total Registration
		Alienation	Surrender & Realienation	
2019	1 – 31 January	1,734	15,092	16,826
2020	1 January – 17 March	130	2,767	2,897
	*18 March – 31 December	940	5,755	6,695
2021	*1 January – 30 April	73	179	252

\*MCO enforcement in Malaysia

The above data shows that there was a large decline in the number of new land title registration in both processes. The total number of registrations has dropped to 9,592 titles in 2020 from 16,826 titles in the previous year. From the interview, it was told that both alienation and surrender and realienation processes require a lot of interactions with other government agencies including the local authority, the planning authority, the land and survey authority as well as the state authority. With the execution of work from home order during the MCO in these government agencies, many meetings with them had to be postponed, thus putting many applications and approvals in delay.

### **Burdensome Standard Operating Procedures (SOP)**

The COVID-19 pandemic has created a new norm at the LRO. Various control measures have been undertaken to date in the effort to prevent the spread of the disease. However, those measures were found to be burdensome according to the participants in the interview.

It is the responsibility of the LRO to ensure as far as is practicable the workplace is safe and without risk of COVID-19 infection to staff and the public. The SOP implemented in the LRO has been set out according to the regulations made by the federal government. The procedures involve conducting daily body temperature measurement and symptom screening to staff and clients before they are allowed to enter the office; ensuring physical distancing (minimum distance of 1 meter); enforcement of wearing the face masks at all times in the office; all documents brought by each client will be checked first before they can proceed to the counter; and, only 10 clients are allowed to enter the office at a time with each of them is duly tagged according to their type of business.

In order to reduce the risk of infection, the LRO must be sanitized every two hours especially at the counter and waiting area. As such, the counter has to be closed for 10 minutes. The Director of Land and Mines Office Johor also limits for only 10 staffs to work at the counter at a time and the counter is allowed to be in operation only from 8.30 a.m. to 3.30 p.m.

### **Increased Number of Covid-19 Infection Among Staff**

All respondents agreed that all LRO staff are highly exposed to COVID-19 infection because it is the division in the Director of Land and Mines Office Johor that deals with a high number of clients in comparison to other divisions. Most of the land affairs in the LRO are done manually and they involve original copies of documents that require the certified official stamping. The registration is also a lengthy process that requires clients to come to the office repeatedly. Such situation increases the risk of COVID-19 spreading among the LRO staff. However, the actual number of the infected staff was kept confidential.

## **CONCLUSION**

COVID-19 outbreak has evidently affected land affairs in the government agencies. This is mainly due to factor that many of the agencies including the case study presented in this paper still depend on manual mechanisms in their operation. The SOP implemented in the case study has not only created a new norm in their daily operation but has also slowed down their businesses and decreased their revenues from it. It is therefore vital for the land-related agencies to be equipped with advanced technology that may support their operation during any crisis that may disrupt their daily operation. However, the security of the land affairs

should be assured alongside the application of the new technology so that the modern land administration system could be sustainably reliable to fully support the current and the future needs of the market.

## REFERENCES

- Dale, P., & McLaughlin, J. (1999). *Land Administration*. New York: Oxford University Press Inc.
- Elengoe, A. (2020). COVID-19 Outbreak in Malaysia. *Osong Public Health and Research Perspectives*, 11(3), :93-100.
- Enemark, S. (2006). Understanding the Land Management Paradigm. *Proceedings: Innovative technology for land administration* (pp. 17-27). USA: International Federation of Surveyors.
- Indrajit, A., van Loenen, B., Ploeger, H., & van Oosterom, P. (2020). Developing a spatial planning information package in ISO 19152 land administration domain model. *Land Use Policy*, 98, 104-111.
- Ngoga, H. T., & Panfil, Y. (2020, May 22). *Opinion: Will the shock of COVID-19 finally move land administration into the modern world?* Retrieved October 12, 2021, from Thomson Reuters Foundation News: <https://news.trust.org/>
- Qu, Y., Jiang, G., Li, Z., Shang, R., & Zhou, D. (2020). Understanding the multidimensional morphological characteristics of urban idle land: Stage, subject, and spatial heterogeneity. *Cities*, 97, 102-492.
- Ramadhani, R., & Abduh, R. (2021). Legal Assurance of the Land Registration Process in the Pandemic Time of Covid-19. *Budapest International Research and Critics Institute Journal*, 4, 348-358.
- Sardeshpande, M., & Shackleton, C. (2020). Urban foraging: Land management policy, perspectives, and potential. *PloS one*, 15(4).
- Wieckardt, C. (August 2020). *Land Administration, Land Governance Institutions, and COVID-19. Land Rights Implications of COVID-19*. New America.
- Williamson, I., Enemark, S., Wallace, J., & Rajabifard, A. (2010). *Land administration for sustainable development. California: ESRI*. California: ESRI.
- World Health Organization and International Labour Organization. (2021, May 19). *Policy Brief: Preventing and mitigating clusters of COVID-19 at work*. Retrieved October 12, 2021, from World Health Organization: <https://www.who.int/>
- Zulkarnaen, W., Erfiansyah, E., Syahril, Amin, N. N., & Leonandri, D. G. (2020). Comparative Study of Tax Policy Related to COVID-19 in ASEAN Countries. *International Journal of TEST Engineering & Management*, 83(2), 6519-6528.

**Email contact: ainurzair@utm.my<sup>1</sup>**