



Law Society of Ireland eConveyancing Briefing Paper

What is eConveyancing?

eConveyancing, or electronic conveyancing, is the 'electronification' of the conveyancing process. The initial aim is to make electronic the interaction between solicitors, lenders and the Property Registration Authority (PRA). With support for eConveyancing from the government, the lenders and the PRA, the project is now ready to enter an implementation phase.

Currently much of the conveyancing process is based on the delivery of paper which is slow, inefficient and costly. Where there is interaction electronically it is via ordinary email which is not secure. eConveyancing will result in 'dematerialisation', with the removal of paper from the process and electronic interaction will occur via a secure hub. The design of this hub presents an opportunity to reduce system risk by introducing regulation and audit compliance, additional security and reducing delay.

When eConveyancing is implemented solicitors will exchange information and documents via this central hub. The hub will provide a **secure central electronic work area** allowing solicitors, lenders and the PRA to view information, exchange data and communicate information in order to complete property transactions.

Through interaction with lenders, the hub will allow solicitors:

- track the loan transaction,
- see when loan conditions are satisfied,
- arrange for release of loan funds and
- create and sign digital documents.

Solicitors will also be able to pull information directly from the PRA title register into the hub and into the documentation. This will be linked to their case management system. Loan funds will be transferred by electronic funds transfer with same day value.

Once both solicitors are ready to complete, all aspects of the closing will occur almost simultaneously. Lodgement of documents for registration and funds disbursement will happen according to a pre-set sequence - thus virtually eliminating the gap between completion and registration.

Advantages of eConveyancing

A core ethos of the move towards eConveyancing is to take advantage of advances in technology. Thus the aim is not to electrify the current paper bound, inefficient and cumbersome conveyancing process, but rather to use the move towards eConveyancing to **reform, re-engineer and redesign** the process.

As a result, eConveyancing can deliver efficiencies to all parties of a transaction. Some of the benefits are:

- Reduce conveyancing transaction time - to a potential five working days
- Reduce costs - due to leaner and quicker system
- Reduce fraud - due to inbuilt security checks with state agencies
- Reduce errors and delay – due to all stakeholders being on the one platform
- Improve transparency of the process - with greater transaction traceability
- Reduce risk - due to reduced gaps in the process and secure transfer of funds
- Meet the demand for electronic service delivery – with speed and efficiency
- Increase consumer confidence in the process – with modernisation, simplification and standardisation

Progress to date

eConveyancing had previously been recommended by the Law Reform Commission (LRC) in 2006 and in May 2014 the government made eConveyancing a key measure in *Construction 2020*. This report acknowledged the work done to date on the project under the aegis of the Law Society.

The European Commission in its 2014 Assessment of the National Reform and Stability Programme for Ireland also urged eConveyancing to be progressed and identified it as an important factor in improving Ireland's business environment. Since the Law Society established its eConveyancing Task Force at the end of 2005, in anticipation of the related Law Reform Commission report, the members of the Task Force and Law Society staff have worked to engage stakeholders and map out the basic functionality of the system.

The foundation and principles of the project have been discussed at many seminars with solicitors and other stakeholder groups. There has been a particular focus on engaging with the lenders and the PRA (who have been advancing eRegistration in parallel) as their participation in the project is key to delivering savings and efficiency.

More recently at two appearances by the Law Society before the Joint Committee on Justice, Defence and Equality (25 June 2014 and 1 October 2014) all Deputies and Senators expressed emphatic support for the project and encouraged its implementation as soon as possible. At the appearance on 1 October 2014 Noel Brett, Chief Executive of Banking & Payments Federation Ireland (BPFI - formerly IBF), confirmed that the lenders would make the necessary investment in internal bank systems, work flows and staffing to enable them to participate fully in eConveyancing.

The project is now moving into an implementation phase and the Law Society is looking forward to collaborating further with other key stakeholders in order to make this revolution in conveyancing a reality.