



VITAL SPACES

THE NEWSLETTER OF THE UNECE COMMITTEE ON HOUSING AND LAND MANAGEMENT AND THE WORKING PARTY ON LAND ADMINISTRATION

Dear reader,

This newsletter informs on the ongoing and planned meetings and activities of the UNECE Committee on Housing and Land Management. For more information on the areas of work of the Committee, please visit the website: <http://www.unece.org/hlm/welcome.html> or write to housing.landmanagement@unece.org.

MINISTERIAL MEETING ON HOUSING AND LAND MANAGEMENT, Geneva, 8 October 2013

Ministers from housing and land-management agencies throughout the UNECE region meet in Geneva on 8 October to assess progress in the implementation of the commitments undertaken by member States and define policy directions for the UNECE's work in housing, urban development, land management and real estate markets.

At the previous Ministerial Meeting in 2006, ministers issued a Declaration on Social and Economic Challenges in Distressed Urban Areas in the UNECE Region. The Ministerial Declaration reconfirmed the goals and challenges contained in the UNECE Strategy for a Sustainable Quality of Life in Human Settlements in the Twenty-First Century, adopted in 2000.

The 2013 Ministerial Meeting will take place back to back with the annual session of the Committee on Housing and Land Management, 7 and 9 October.

To participate in the Ministerial meeting and the Committee session, fill in the registration form at www.unece.org/housing-and-land-management/meetings-and-events.html



Contact: Gulnara Roll, e-mail: gulnara.roll@unece.org

PREPARATION OF THE DRAFT STRATEGY FOR SUSTAINABLE HOUSING AND LAND MANAGEMENT 2014 - 2020

The Strategy on Sustainable Housing for the period 2014-2020 is has been prepared by the Bureau of the Committee in consultation with stakeholders. To draft the Strategy, a series of Bureau meetings and one stakeholder consultation meeting have already taken place.

The draft text was discussed at the Preparatory Meeting for the Ministerial Meeting, held on 21 to 22 May in Geneva. The draft Strategy and information on the Preparatory Meeting are available at <http://www.unece.org/index.php?id=32577>.

The consultation on the Strategy will be completed in June. The Strategy will be presented at the Ministerial Meeting on Housing and Land Management for adoption.

When adopted, it will help member States set their own targets for achieving socially, environmentally and economically sustainable systems for housing, urban management and land administration.

It will also guide the Committee's programme of work for developing tools and activities to help member States build and safeguard a sustainable housing sector.

Contact: Doris Andoni, e-mail: doris.andoni@unece.org

OUTCOMES OF THE SURVEY “CHALLENGES AND PRIORITIES IN HOUSING AND LAND MANAGEMENT IN THE ECE REGION”



A report on the survey of opinions of the member States on the challenges that they face in housing, urban planning and land management was published in April 2012.

The survey was conducted by the UNECE secretariat. The main objectives were, firstly, to obtain the views of the member States and other stakeholders on the challenges they're facing in housing, urban planning and land management; and, secondly, to assess the progress

they've made in developing related policies, legislation and programmes.

According to the results of the survey, the main challenges are inefficient use of energy in the housing sector; lack of affordable housing solutions for young people who are entering the housing market; decreased housing affordability as a result of the economic crisis and unemployment; limited access to affordable, quality and healthy housing in the market; and reduced access to credit for households due to the financial crisis.

The survey respondents suggested that the following be prioritized:

- In housing and real estate markets, promote energy efficiency in housing; maintain, manage and refurbish the housing stock; and housing affordability, social housing and low-cost housing.
- In urban development, raise **resilience** of cities to natural and human-induced disasters and to climate change; organize exchange of best practices in **compact cities** (increasing density and efficiency of urban areas); and **smart cities**, which addresses information, communication and technology in urban planning.
- In land administration and management, land registration, e-governance in land administration; ensuring land tenure, and address the challenges of informal settlements.

The results of the survey showed that member States have been actively developing and implementing the policies aimed at making housing, urban planning and land administration more socially equitable, economically sound and environmentally sustainable.

The report on the outcomes of the survey is available at <http://www.unece.org/index.php?id=32577>

PROMOTING CLIMATE NEUTRAL CITIES – RUSSIAN VERSION OF THE REPORT PUBLISHED



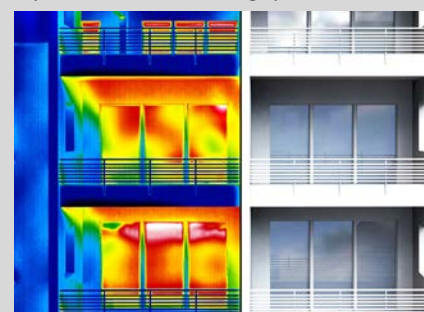
Support for resource efficient and low carbon urban development was a priority for the Committee in 2012. The study *Climate Neutral Cities: How to Make Cities Less Energy and Carbon Intensive and More Resilient to Climatic Challenges* was published and presented for discussion at the Rio+20 Conference.

The study also served as the basis for exploring the role cities can play in sustainable development and the transition towards a green economy at many UNECE events during the year.

The Russian version was published in October 2012. Both versions are available at www.unece.org/index.php?id=29875

PROMOTING ENERGY EFFICIENCY IN THE RESIDENTIAL SECTOR

Increasing energy efficiency in residential buildings provides benefits all round: from increased climate change mitigation to lower energy bills.



Following the publication of the *Action Plan for Energy-efficient Housing in the UNECE Region*, member

States asked for work to be undertaken to help them prepare national action plans for energy efficiency and develop a casebook of best practices. In 2012, UNECE prepared the *National Action Plan of Montenegro for Energy-efficiency Measures in the Residential Sector* – <http://www.unece.org/index.php?id=29427>. The Government of Georgia has also indicated interest in developing a similar National Action Plan this year.

Currently the UNECE is working on a casebook of best practices on energy efficiency in the residential sector, which will provide good examples of energy-efficient residential buildings from across the region.

The casebook is being prepared by the Institute for Urban Economics as a joint project between the UNECE, UN-Habitat and the City of Vienna. The Casebook has a practical approach: it aims to be a reliable source for decision makers and practitioners on what is and has already been working in the field of energy efficiency on a community level and beyond.

The casebook will underline the viability of energy-efficient housing and increase the awareness of national stakeholders in order to, eventually, create demand for the energy-efficient retrofitting and construction of new residential buildings.

Contact: Doris Andoni, email: doris.andoni@unece.org

SUSTAINABLE BUILDINGS CERTIFICATION, by Brian Emmott

Investors are increasingly recognizing the importance of the environmental performance of their real estate portfolios, both in terms of long-term financial performance and of reputation.

There has been much talk about the usefulness of sustainability certificates in mainstreaming the uptake of so-called 'green' buildings or homes across Europe. Markets have witnessed a dynamic proliferation and spread of new certification systems as well as further development and expansion of existing ones.

Against this background, members of the Royal Institution of Chartered Surveyors' Professional Group on Sustainability recently carried out a statistical pan-European survey between four different certificate issuing organizations: BRE Environmental Assessment Methodology - BREEAM (UK), Leadership in Energy & Environmental Design – LEED (USA), German Sustainable Building Council, and High Quality Environmental Standard (France).



Domestic refurbishment – Halstead, Essex, UK

This survey covered both currently certified commercial buildings as well as buildings registered for certification. The aim was to provide market participants with an objective overview of the growing market for sustainability certificates.

In Europe, BREEAM is by far the largest having been launched over 20 years ago while LEED, developed by the US Green Building Council, has only been in existence for 13 years.

In general, these agencies set the standard for best practice in sustainable building design, construction and operation, and have become the most comprehensive and widely recognized measures of a building's environmental performance. Assessments use recognised measures of performance, which are set against established benchmarks, to evaluate a building's specification, design, construction and use. These measures represent a broad range of categories and criteria from energy to ecology. They include aspects related to energy and water use, the internal environment (health and well-being), pollution, transport, materials, waste, ecology and management processes.

A certificated assessment is usually delivered by a licensed organization, using assessors trained by the agency, at various

stages in a building's life cycle. This provides clients, developers, designers and others with market recognition for low environmental impact buildings and confidence that tried and tested environmental practice is incorporated in the building.

These agencies address wide-ranging environmental and sustainability issues and enables developers, designers and building managers to demonstrate the environmental credentials of their buildings to clients, planners and other parties that they use a straightforward scoring system that is transparent, flexible, easy to understand and supported by evidence-based science and research, and define and maintain a robust technical standard with rigorous quality assurance and certification.

BREEAM has recently launched a Domestic Refurbishment Scheme, which is a performance-based assessment method and certification scheme for domestic buildings undergoing refurbishment. The primary aim is to improve the environmental performance of existing dwellings in a cost-effective manner. This is achieved through integration and use of the scheme by clients and their project teams at key stages in the refurbishment process. This enables the client, through personnel qualified and licensed under the BREEAM Domestic Refurbishment Scheme and the BRE global certification process, to measure, evaluate and reflect the performance of their refurbishment project against best practice in an independent and robust manner.

This performance is quantified by a number of individual measures and associated criteria stretching across a range of environmental issues, which is ultimately expressed as a single certified BREEAM rating, i.e. the label.

The scheme has been developed in accordance with the following five principles:

- Promote low cost, sustainable refurbishment.
- Recognize the limitations of existing buildings including their inherent built form and location.
- Drive market transformation by promoting best practice and innovation in the refurbishment of existing buildings.
- Provide a holistic environmental assessment that works effectively across different building and project types.
- Recognize the different starting points of existing building stock.



BRIAN EMMOTT IS FOUNDER AND DIRECTOR OF INTERNATIONAL REAL ESTATE ADVISORY NETWORK AND A MEMBER OF UNECE REAL ESTATE MARKET ADVISORY GROUP.

TRANSITION PERIOD IN HOUSING POLICY DEVELOPMENT TO END THIS YEAR IN THE CZECH REPUBLIC, by Daniela Grabmüllerová



Since 1989, many countries have been experiencing fundamental societal, social and political changes, in which housing has played an essential part. In the Czech Republic, technical standards as well as housing affordability have significantly improved since that time. However, new housing trends emerged together with the development of the society and demographic changes

which triggered the formulation of new visions and goals for housing. In 2011, the Czech Government approved the strategic document “Housing Policy Concept of the Czech Republic until 2020”.

The visions and goals of the new housing policy were formulated based on the principles of economic adequacy, sustainability of both public and private finances and the responsibility of the State to create enabling conditions for individuals to exercise their rights to housing.

The new policy comprises three groups of basic instruments:

- Legal regulations– i.e. legislation and technical standards; including appropriate distribution of powers between the Government, the regions and the municipalities. The new Civil Code stipulates the basic legal framework for rental, cooperative and owner-occupied housing.

- Financial instruments – i.e. programmes of subsidies and non-refundable financial support, tax reliefs, etc. For example, experience has shown that rental housing for senior citizens built with state support could be an interesting commercial challenge for private investors.

- Information and educational instruments – i.e. statistical and demographic data monitoring of long-term tendencies and structural diversity, methodological support, best practice examples, evaluation, support for research and development, etc.

Unlike most other UNECE countries, the Czech Republic still has a significant rental sector. The census in 2011 showed that about 18% of all households live in rented apartments. Until now, this rental sector has not been effectively used, administered and renewed, partly due to market distortions caused by the long-term rent control and legal imbalances between the positions of landlords and tenants.

At the end of 2013, however, rent control comes to an end, as does the present Civil Code that had been in effect since the 1960s. A completely new Civil Code that was being prepared for many years and has passed through several of discussions has finally been approved and will come into force in January 2014. Therefore, the year 2014 will represent “a new beginning” for the Czech rental housing, as real market supply and demand for this form of housing

will create the true rental housing conditions, including realistic prices and adequate affordability.

Together with financial support provided for construction of social rental apartments, there is a great hope that Czech rental dwellings will not only survive, but even further play a significant role in housing policy.



DR. DANIELA GRABMÜLLEROVÁ IS DIRECTOR OF THE EUROPEAN AFFAIRS DEPARTMENT AT THE MINISTRY OF REGIONAL DEVELOPMENT OF THE CZECH REPUBLIC. SHE IS ALSO A MEMBER OF THE BUREAU OF THE UNECE COMMITTEE ON HOUSING AND LAND MANAGEMENT.

INFORMAL SETTLEMENTS

INFORMAL SETTLEMENTS MANAGEMENT IN ITALY, by Michele Castiglioni

Informal settlements in Italy have some special features, in terms of their nature, causes and the legal action undertaken to improve their status. The most interesting and widespread are those which concerns illegal land occupation and housing with no planning permits (‘Type 1’ according to the guidelines presented in the UNECE 2009 study on informal settlements ‘Self-Made Cities’). The Italian term for the phenomenon is “abusivismo edilizio”.

The phenomenon is so widespread that it seems normal. According to the urban planner Paolo Berdini, were 453,500 (7,314 per year) new buildings counted among the more than 4,600,000 (74,200 per year) cases of real estate regulation infringements between 1948 and 2009¹.

The Italian government adopted the policy instrument called “building amnesty” to legalize infringements to real estate legislation concerning the construction, extension and modification of dwellings. This legal concession is exceptionally granted by the Ministry of Finance and the Treasury to private citizens upon reporting the act of infringement. Citizens that adhere to the regulatory practice can obtain a partial or total abolition of the penalty related to the violation.

The practice of awarding building amnesty aims to achieve growth in the internal revenue from property and inheritance taxes, to help in providing up-to-date data for urban planning activities, and in general, to prevent the spread of the phenomenon even more.

Considering the huge dimension of the phenomenon and the economic benefits that a transgressor could gain from the infringements, the practice of granting the amnesty turned out to be an efficient political instrument to maintain high approval rating for the government that granted it.

In the last thirty years, three laws that grant building amnesty have been passed² but not one tightened the regulations or increased the

¹ Berdini, Paolo, Breve storia dell’abuso edilizio in Italia. Donizzelli Ed., Rome, 2010.

² 1985 – Law passed on 28 Feb 1985, n. 47 “Norme in materia di controllo dell’attività urbanistico-edilizia. Sanzioni amministrative e penali”; 1994 - Law

penalties for defaulting citizens. This inconsistent behaviour and the frequency of Italian building amnesties show again the political use of the practice. The frequent passing of amnesty laws has set a consistent precedence that undermined the credibility of the Italian legal framework on the matter.

Recently, new techniques have been developed to detect illegal housing and other real estate regulation infringements. Since the beginning of 2012, an aerial survey has been employed to update the cadastral database. The aerial photographs when compared with the cadastral plans showed that there were over two million sites with potentially undeclared buildings. Further investigations and cross-checks by the Agenzia del Territorio's technical staff³ confirmed over a million irregularities. The revenues associated to these buildings were estimated at EUR 817.39 million⁴. "Ghost buildings", as these unregistered buildings are called, can be formalised under certain conditions: if discovered via aerial surveys, the person who retains the real rights on the site where the building is located is requested to pay the tax arrears for the illegal housing on top of the fines for law infringement and tax evasion. The sanctions increases proportionately with the time it takes to formalise the illegal building. If the owner has been granted an amnesty and therefore, had the opportunity to formalise the building but did not do it, further sanctions are imposed.

Notwithstanding some technical difficulties and bureaucratic delays, it appears that the new system when compared to previous ones gives better results in terms of cadastral data acquired and number of regulatory practices initiated.

The unusually poor management of informal settlements in Italy results from an ill combination of too frequent amnesties, little sanctions and lack of any reinforcement practice. This led to the alarming situation presented at the beginning of this article. New technologies can do a lot to improve the present situation of the country; however, these are only means to an end. A radical change can only come top-down through political commitment to stop misusing building amnesty and bottom-up by educating citizens to the risks that could result from living in informal and non-regulated dwellings.

About the author:



Michele Castiglioni joined the UNECE Trade and Sustainable Land Management Division as an intern in mid-October. Since February 2013, he works as a consultant with the UNECE Housing and Land Management Unit.

Mr. Castiglioni obtained his MSc in Philosophy of the Social Sciences from the London School of Economics (LSE). He also holds a BA and an MA in Philosophy from the University of Pavia,

Italy. His main fields of interest are Philosophy of Economics, Economics of Climate Change and GeoPhilosophy.

passed on 23 Dec 1994, n. 724 "Misure di razionalizzazione della finanza pubblica"; 2003 – Law passed on 24 Nov 2003, n. 326 "Norme in materia di sviluppo dell'economia e di correzione dei conti pubblici". Each one was presented as the last chance to legalise one's own infringements.

³ Agenzia del Territorio is the fiscal Italian state agency with specific competences on land administration.

⁴ Official source: www.agenziaterritorio.it/?id=11263

REGULARIZATION OF INFORMAL SETTLEMENTS IN EASTERN SIBERIA, by Sayan Radnaev

Mass construction and reconstruction of buildings became a common trend in the Russian Federation around the end of the 90s and the beginning of 2000s, most notably in one of its most peripheral regions, the Republic of Buryatia, in Eastern Siberia.

The Buryat countryside was hit the most by the difficult conditions during the socio-economic crisis and this resulted in to the influx of rural migrants to the capital, Ulan-Ude.

This city is located near Lake Baikal and 200 km from the Mongolian border. It lies 5,640 kilometres east of Moscow and according to preliminary results of the 2010 census, 404,357 people live in Ulan-Ude, making the city the third largest in eastern Siberia in terms of population.



Photo: Ulan Ulde in winter

Violations in the use and occupation of land are "normal" practices, not only by business investments in the field of real estate but also by the general public. Inhabitants from poor areas and remote villages of Buryatia have been settling in the suburbs of Ulan-Ude during the past two decades. Informal settlers are undergoing a serious process of marginalization, isolation and economic paralysis due to their dependence on remittances. They lack motivation and a sense of belonging to the city, often culminating in depression and criminal activities.

All informal areas in the city have been settled in and expanded without respecting any regulations or city planning. Consequently, these areas suffer from inadequate public facilities.

For many years, these areas were being developed in isolation without coordinating with the neighbourhoods and the City Hall. The inhabitants find it hard to access educational facilities and workplaces.

The State has always neglected these informal areas and its efforts are more oriented towards developing the "formal city" as opposed to the "informal" one. The same strategy has been followed by other stakeholders whose vision of development is to destroy the informal areas and construct high-rise buildings instead.

One of the key obstacles to legalizing informal settlements is the sanitary condition of the areas where they are built. For instance, informal settlements are built in close vicinity to cemeteries, landfill sites, industrial enterprises and other potentially hazardous locations. This, in turn, causes numerous forms of health and safety hazards, environmental pollution, and inadequate sanitary conditions in combination with a lack of proper infrastructure. As a result, the legalization of these settlements is almost impossible.

Policymakers should seek to regularize, or legalize if possible, existing informal settlements in order to promote social justice and offset inequalities. Regularization and legalization of the informal settlements, particularly land titling, gives a number of benefits to its residents like access to credits, investment in housing, and poverty alleviation.

At the same time, the relocation breaks social ties in the informal communities, which have been established. Poverty and economic underdevelopment can be diminished by expelling legal and institutional hindrances for the ownership and transfer of economic assets acquired initially. Providing land tenure security by land titling would allow occupants of informal settlements to access official credit and finance their housing and business investments.

Having already worked in my hometown as a land-use specialist, I strongly believe the issue of regularization of informal settlements is important. Awareness needs to be raised about the challenges posed by informal settlements and provide the impetus to public authorities responsible for planning, land management and regional development for conducting political dialogue and promoting sustainable land use.

About the author:



Sayan Radnaev was an intern at the United Nations Economic Commission for Europe (UNECE) Housing and Land Management Unit (HLM) in 2012. He finished the double-degree program "Mundus Urbano": MSc "International Cooperation and Urban Development" at the Darmstadt University of Technology in Germany, and MA in "Development Economics and International Cooperation" at the

University of Rome Tor Vergata in Italy. In Russia, he graduated with a specialist diploma in Land Use Planning. Sayan worked as a land use planner for three years at his home municipality in Buryatia, Baikal Lake region in Eastern Siberia.

THE DRAFT LAWS ON THE LEGALIZATION OF INFORMAL OBJECTS AND ON SOCIAL HOUSING IN MONTENEGRO, by Marco Canovic



MARKO CANOVIC IS DEPUTY MINISTER FOR HOUSING FOR THE MINISTRY OF SUSTAINABLE DEVELOPMENT AND TOURISM OF MONTENEGRO.

The draft Law on the Legalization of Informal Objects

In July 2012, the Government of Montenegro confirmed the draft Law on the legalization of informal objects and forwarded it to the Parliament for consideration and adoption by 6 September 2012.

For many years, Montenegro has been facing the issue of building construction that contradicts the Montenegro legislation regulating the construction sector. An object built without a building permit and the required legal and technical documentation is known as an informal construction. Informal construction permanently changes and destroys space and directly reduces present and future development opportunities.

The number of buildings constructed which are not in accordance with the Law is around one third of the total housing stock. This phenomenon causes large-scale consequences on the adequacy of urban planning and organization of space. Informal construction may also result to lack of infrastructural equipment, low quality of life, seismic risks, inability to collect lawfully imposed utility taxes and may cause environmental risks and threats to human health.

The Law on the legalization of informal objects specifies the procedures, that is, the terms and conditions of the legalization process. It defines the criteria that informal structures should meet in order to qualify for legalization; specifies the zones or areas where legalization of buildings is not allowed; property - legal relations, competences, categorization of objects, testing of static and seismic stability of informal objects, method of repayment, supervision over the implementation of law and penalties. Feature of this special law is that it regulates specific area - illegal buildings and for that area have precedence over all other laws i.e. applies no matter what kind of solutions are prescribed by other laws.

The draft Law on Social Housing

Given the commitment of Montenegro to participate in the European integration, it is necessary to create conditions for the implementation of norms and standards of the European Union in the field of housing. This results in the introduction and application of the concept of non-market housing. The European Union does not maintain a unified social housing policy for its members so a member state implements its own housing policy, which stems from the application of generally accepted principles of housing policy subsidiary, means that housing problems are solved where they arise and therefore at the level of local communities with the certain financial support of the state. Understandably, this concept was considered when drafting the Act.

The aim of this law is to establish a legal framework for the provision of an adequate standard of living for all households that cannot afford decent housing and find accommodation in an appropriate social and urban environment. The draft Law on Social Housing addresses the housing needs of vulnerable and socially disadvantaged groups. It defines the basic institutions in social housing and their responsibilities, the persons who are entitled to housing, the sources of financing, and identifies the range of opportunities for developing social housing. In other words, it provides the legal framework by which the social housing system can include a large number of participants to enable solving the housing needs of individuals and households that are unable to afford to buy a house in the market.

The Law formulates the general criteria for determining the priority groups for the social housing and these are: housing circumstances, income and financial status, length of continuous residence in the place, number of household members, disability, medical condition and age. Users of social housing may be assigned to a house or given building materials for the construction of a house up to 25 m² for a single household, and a maximum 7 m² for each additional family member. Total housing area cannot be larger than 85 m².

Lack of funding is a major challenge in our country for the establishment of sustainable social housing system. The draft Law proposes development of social housing through special programs formulated by the Government of Montenegro and the local government. A special program on social housing, which is going to be issued by the Government of Montenegro every 3 years, will identify the priority target groups, the methodology for solving housing needs, and resources and allocation of funds for the implementation of this program. Programs to address housing need at the local level for the priority target group or population will be aligned with the social housing program of the Government.

Sarajevo process

The "Sarajevo Declaration", adopted in 2005, aims to find durable solution to situation of refugees and displaced persons following the conflict in the former Yugoslavia from 1991-1995. Participating countries to this Declaration are Bosnia-Herzegovina, Croatia, Montenegro and Serbia. The partners in the international community - UNHCR, EC, OSCE and the United States - are closely involved in providing support to the participating countries in dealing with the outstanding issues of the refugees and displaced persons. The four countries have pledged to strive in addressing a range of important issues, including the exchange of data and statistics, rights to pension and validation, and housing and property rights.

The partner countries have agreed on the principles that will guide the provision of housing to vulnerable groups in the four countries which are outlined in a regional housing program. A donor conference was held in Sarajevo in April 24, 2012 to request funds from international donors for the implementation of the regional housing program. The partner countries have put a lot of diplomatic and technical efforts towards the completion of the regional aspects of the Sarajevo process.

As part of the regional housing program, a national housing project for displaced and IDPs in Montenegro has started its

implementation. In the first phase of the project, 90 housing units and a multi-purpose commercial building will be constructed for the Roma population in Konik II in Podgorica. To monitor the implementation of this project, the National Implementation Unit was formed. For the design of the facilities, a tender was prepared to select the best bidder.

LAND ADMINISTRATION AND MANAGEMENT

STRENGTHENING COOPERATION BETWEEN EUROPE AND CENTRAL ASIA FOR BETTER LAND MANAGEMENT

Member States of the United Nations Economic Commission for Europe (UNECE) came together at the eighth session of the UNECE Working Party on Land Administration (WPLA) on 18 March 2013 to decide on the next steps for the cooperation between land administration and cadaster agencies in the UNECE region. The session was hosted by the Government of Kyrgyzstan in Bishkek. The session was also attended by WPLA partner organizations, including the World Bank, EuroGeographics, European Land Information Service, International Federation of Surveyors, and others.



The session was followed by the workshop "Land Administration in Central Asia: Building Systems for 21st Century Challenges" held on 19 and 20 March in Bishkek. The workshop was hosted by the Government of Kyrgyzstan in cooperation with the UNECE WPLA and the World Bank.

This workshop addressed the challenges and prospects for land administration and cadaster agencies throughout the UNECE region, with a focus on the challenges and opportunities related to land management in the countries of Central Asia. This was the first event where land administration experts of all the five Central Asian countries came together who also had a possibility to exchange experiences and practices in land administration with the leading European experts. The workshop participants emphasized the importance of organizing regular meetings involving specialists from Europe, the Caucasus and Central Asia.

Narynbek Isabekov, the Head of Department of Cadaster and Registration of Kyrgyzstan, stressed in his closing remarks that "though this workshop has demonstrated that Central Asian

countries have made achievements in the development of their land administration systems, at the same time, many challenges related to building national capacities for land administration, remain. To address these challenges, international cooperation needs to be strengthened". The thematic workshops, which are organized by the WPLA in cooperation with its partners at least twice a year, offer an effective platform for organization of regular exchanges of experiences and best practices in land administration.

The next such workshop on e-governance named "Collaborating for Secured Ownership" took place in Uppsala, Sweden, from 29 to 31 May 31 and was hosted in cooperation with the Swedish Mapping, Cadastre and Land Registry Agency.

More information on WPLA sessions and workshops can be found at <http://www.unece.org/hlm/welcome.html>.

For any queries or additional information, please contact at e-mail Michael.Milligan@unece.org or telephone : +41 (0)22 917 1357.

SPATIAL INFORMATION, INFORMAL DEVELOPMENT, PROPERTY AND HOUSING

A Working Party on Land Administration Workshop, 13-14 December 2012

In December 2012, the UNECE Working Party on Land Administration, in cooperation with the International Federation of Surveyors, hosted "Spatial Information, Informal Development, Property and Housing". In this workshop, 107 participants from 28 countries came together to discuss problems and solutions related to unregistered housing and to real estate markets. The workshop's 30 presentations discussed legalization policies, economic recovery and efficient registration procedures, among other topics. Keynote speeches were given by Enrico Campagnoli, Chair of the UNECE Real Estate Market Advisory Group, and Gavin Adlington of the World Bank.

Participants discussed how dead capital invested in illegal constructions can be activated for the benefit of the national economy, and how to reform regulations which inhibit economic growth. Speakers agreed that legalization procedures for informal housing should be inclusive, clear and cheap. Legalization should be accompanied by affordable and flexible planning to facilitate growth, while providing affordable housing for low and middle income groups.

The Working Party is working to produce a study on national programmes to resolve problems related to informal settlements, which will be based, in part, on the outcomes of the workshop. The study, to be issued in 2014, will examine the causes and types of informal development and will include in-depth case studies of target countries.

THE ROLE OF GOOD LAND ADMINISTRATION IN STIMULATING THE ECONOMY



Good land administration is fundamental to a prosperous society and, therefore, is one key element in addressing the current economic crisis.

The economic impact of good land administration was the focus of "Supporting Global Economic Recovery: The Role of Land Registration Authorities" workshop from 10 to 13 October 2012 in London. The workshop was organized to mark the 150th anniversary of Her Majesty's Land Registry and hosted by the Registry and the United Nations Economic Commission for Europe's (UNECE's) Working Party on Land Administration (WPLA).

In the keynote speech, Malcolm Dawson, OBE and Chief Executive of the Land Registry, focused on how the work of the registry had evolved over time and, in particular, how it had responded to the crisis of the last five years by becoming more efficient while, at the same time, increasing customer satisfaction. He also highlighted the increased role that the Land Registry now wanted to take in sharing its experiences internationally. Then, Virginia Cram-Martos, Director of the UNECE Trade and Sustainable Land Management Division, drew attention to the importance of the workshop's theme, noting that, "Secure land tenure and property rights enable investment in improved homes and livelihoods; create incentives for good environmental management; and provide new economic opportunities for groups that traditionally suffer from discrimination". She went on to cite challenges particular to the UNECE region which are addressed by the UNECE such as the mass privatization of land and, often substandard, housing in the 1990s; the need to develop institutions to protect property rights in a region where these rights did not exist 20 years ago; the need to retrofit large volumes of poorly insulated housing in a temperate climate; and the opportunities to be gained from developing countries exchanging their experiences in automating land registry and cadastre information.

The conference focused on modern challenges, including those to property markets resulting from the recent crash in asset prices and the financial crisis. According to Damir Pahić, Chair of the UNECE Working Party on Land Administration, "Now we have new challenges and we need a new way of thinking". Speakers discussed how to rebuild confidence in the lending market and the role of better, more accessible land registry data in stimulating real estate investment. Speakers also discussed the technology needed to support efficient lending and how land registration authorities can meet changing market needs.

This workshop is one of a series of workshops organized by the UNECE WPLA in cooperation with its partners. The next such

workshop, “Informal Development, Property and Housing”, took place in Athens, Greece, from 10 to 14 December 2012.

More information on both past and future workshops can be found on the Internet at <http://www.unece.org/hlm/welcome.html> and are also available from the secretariat, where you should contact:

Contact: Mr. Michael Milligan, e-mail: michael.milligan@unece.org

ANNOUNCEMENTS:

PUBLICATIONS:

NEW BOOK ON LAND TITLING

The University of Chicago Press has published an important book on land titling and business formalization, titled *Institutional Foundations of Impersonal Exchange: Theory and Policy of Contractual Registries* (University of Chicago Press, 2012).



The author is Benito Arruñada (www.arrunada.org, benito.arrunada@upf.edu), Professor of Business Organization at Pompeu Fabra University, Barcelona. A former President of the International Society for New Institutional Economics, his research lies in the conjunction of law, economics and

organization. For the book he has relied on his extensive previous research and long experience advising governments and international agencies on the management and regulation of land and company registers.

In his book, Arruñada explains that governments and development agencies spend considerable resources building property and company registries to protect property rights. When these efforts succeed, owners feel secure enough to invest in their property and banks are able use it as collateral for credit. Similarly, firms prosper when entrepreneurs can transform their firms into legal entities and thus contract more safely. Unfortunately, developing registries is harder than it may seem to observers, especially in developed countries, where registries are often taken for granted. As a result, policies in this area usually disappoint.

Arruñada aims to avoid such failures by deepening our understanding of both the value of registries and the organizational requirements for constructing them. Presenting a theory of how registries strengthen property rights and reduce transaction costs, he analyzes the major tradeoffs and proposes principles for successfully building registries in countries at different stages of development. Arruñada focuses on land and company registries, explaining the difficulties entailed, including current challenges like the subprime mortgage crisis in the United States and the dubious efforts being made in developing countries toward universal land titling. He also extends his analytical framework to other registries, including intellectual property and organized exchanges of financial

derivatives. With its nuanced presentation of the theoretical and practical implications, *Institutional Foundations of Impersonal Exchange* significantly helps us understand how public registries facilitate economic growth.

A few review quotes:

- “This is law and economics at its best. Benito Arruñada’s brilliant book greatly advances our understanding of how law and legal institutions affect the possibilities for trade. Very unusually, it also demonstrates how the needs of transacting parties and the interests of those who serve them profoundly shape a wide range of institutions from contract enforcement to title registries”—Henry E. Smith, Harvard Law School
- “With *Institutional Foundations of Impersonal Exchange*, Benito Arruñada fills an important gap in the literature on institutions and economic growth. He recognizes the importance of impersonal exchange for growth, but also understands there are trade-offs in developing the institutional framework for such exchange. This book is a “must read” for anyone who wants to understand the full range of rules governing property rights protection, enforcement, and exchange.”—P.J. Hill, Wheaton College
- “Benito Arruñada has produced a masterly analysis informed by sound economic and legal theory. It deals with a very real-world problem: the issue of how best to provide security to participants in transactions in impersonal contexts. His focus on impersonality clarifies the fundamentals of a long-running debate in the world of development over the priority to be given to formalization of land rights. Registration, his analysis suggests, is properly seen as a response to the needs of impersonal markets in land, not a magic wand for creating them.”—John W. Bruce, Land and Development Solutions International, Inc.

The book can be obtained online, in both paper and electronic formats, from UCP (<http://ow.ly/dWGAV>) and Amazon (<http://ow.ly/cBMU5>).

“BUILDING NEW HOMES FOR RENT” OF THE BUILDING AND SOCIAL HOUSING FOUNDATION (BSHF)



Building New Homes for Rent reviews the need for new homes and the potential of build-to-let. It also examines the long-standing barriers to institutional investment, such as yields, insufficient opportunity to invest at scale and concerns over management. The report goes on to consider how the barriers can be overcome and the benefits be achieved.

Building New Homes for Rent proposes a model that would address the barriers faced by build-to-let development and permit the benefits to be obtained. If a portfolio of suitable scale were available in the right location and with good quality management, investment in residential property would be attractive to investors. Housing associations, given their expertise and resources, would be ideally placed to deliver such portfolios and

develop a rental product attractive to investors and tenants; this could also generate surpluses to reinvest in affordable housing.

The report is also available as a free download from the BSHF website, where hardcopies can also be ordered:
<http://bshf.org/published-information/publication.cfm?lang=00&thePubID=03EB21CC-15C5-F4C0-99108A788C643284>

This report draws on discussions at a Consultation held at St George's House, Windsor Castle in May 2012. The Consultation was attended by experts from a wide range of fields including housing associations, institutional investors, government, academia and development, with experience from the UK and internationally.

AT THE SECRETARIAT:

OUR INTERNS



Carl Dirks is a Masters student of urban planning at Radboud University in Nijmegen, the Netherlands. He's doing an internship at UNECE until mid-August. His experience in youth politics and study of urban planning motivated him to choose the UNECE Housing and Land Management Unit as his place for internship.

Carl is currently working on his Master's thesis. At the UNECE he assists in preparation of bureau meetings, publications and other day to day tasks. He is also working on the expansion of the WPLA wiki.

Carl's goal is to gain experience in the United Nations environment and improve his skills in preparation for his professional life after finishing his studies.



Iskandar Kholov started his internship at the Housing and Land Management Unit of the Trade and Sustainable Land Management Division of UNECE in May 2013. His responsibilities include contributing to the work of the Housing and Land Management Unit and its Committee, assisting in the research and preparation of country profiles on housing and land management, including the upcoming country profile for Moldova.

Iskandar is a student of Université Montesquieu - Bordeaux IV in Bordeaux, France where he studies for his Master's Degree in Economic Development. Prior to that he studied at the Tajik State University of Commerce in Dushanbe where he obtained a diploma in Economics.

He previously worked for a Tajik NGO in Dushanbe, Tajikistan for several years and had short stint with UNHCR in Baghdad, Iraq. He is interested in areas related to poverty alleviation mechanisms, as well as the overall economic development of least developed countries, especially Tajikistan.

UPCOMING EVENTS OF THE UNECE COMMITTEE ON HOUSING AND LAND MANAGEMENT IN 2013

- Research mission for the Country Profile on Housing and Land Management of Moldova, Chisinau, 4-11 August
- 74th session of the Committee on Housing and Land Management, Geneva, 7 and 9 October
- World Habitat Day celebration, Geneva, 7 October
- **Ministerial Meeting on Housing and Land Management**, Geneva, 8 October

A NOTE ON THE COORDINATOR:



Inputs to this newsletter are coordinated and edited by Ms. **Cecilia Batac**. You may contact her at Cecilia.Batac@unece.org

Article contributions to this newsletter are welcome. Please send them by 15 September 2013 to be included in its next regular issue. For more information on the standard requirements for the articles, you may write the Vital Space coordinator Ms. Cecilia Batac, email: cecilia.batac@unece.org.

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