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WPLA REM REAL ESTATE MARKET ADVISORY GROUP (REM) TO THE WORKING PARTY ON LAND ADMINISTRATION

2008-2009 PROPOSED ELEMENTS FOR A PROGRAMME OF WORK

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1. INTRODUCTION AND BACKGROUND

A proposal for the establishment of the Real Estate Market Advisory Group (REM) to the **Working Party on Land Administration (WPLA)** was developed with the **Committee on Housing and Land Management** and the **ECE Secretariat**, and approved by the Working Party. A fully functioning and well regulated Real Estate Market can be an important factor to improve the economy and Gross Domestic Product of countries in transition, and also improve their building capacity and financial stability. It can also significantly contribute to the ability for individuals to move within a country and help reduce economic migration. The involvement of the private sector and professional real estate organisations through REM will contribute significantly to the process.

2. REFERENCE TO ECE/EX/2007/L.15 – APPROVAL OF ESTABLISHMENT OF REM BY WPLA

The **Working Party on Land Administration (WPLA)** promotes the development and implementation of land administration policies, including the improvement of the institutional framework of land management; planning and development of land; the development of legal rights in real property; security of data; public access to land information; legislation on registration and management of real property; and the resolution of land disputes.

The Working Party aims at supporting security of tenure, the introduction and improvement of cadastre and land registry, and the development of real estate markets. The Working Party provides a forum for exchange and discussion on current trends in land administration in the **UNECE region**, and shares its experience, when relevant, with other regions.

3. LINK WITH OTHER WPLA AND CHLM PROGRAMMES

REM will contribute to the Programme of Work of the WPLA and CHLM by promoting the inclusion of Real Estate Market to their activities

REM will:

- Advise the Working Party on its activities and UNECE member States on practical arrangements for the implementation of policy recommendations and specific activities to achieve optimal results in member countries in their Real Estate Markets;
- Contribute to the activities of the Working Party in capacity-building activities and in dissemination of information, good practices and know-how, especially related to Real Estate Markets, in UNECE member countries in specific policy areas which are the most important for practical activities and projects in individual countries;
- Expand the contacts for relevant activities through networking with global and regional financial institutions, lender and donor organizations, NGOs and the business community, with a view to making the activities and its assistance to the UNECE member countries more efficient and practical by having a more efficient Real Estate Market;
- Submit to the Working Party on Land Administration (WPLA) biannual progress reports.

4. LEVELS OF WORK

Upon approval by the WPLA Bureau and the UNECE Secretariat and subject to the availability of funding, REM will carry out its activities:

- A) At the Regional ECE level with initiatives of general nature
 - studies and comparative analysis geared to promote new rules and up-to-date technical and professional standards to help Housing and Land Management sector.
- B) At a local Country level by four different kinds of approach:
 - **Country Profiles**– to contribute to the drafting of the Country Profiles by helping their knowledge of particular situations and crucial issues related to the real estate market in each country and to elaborate suitable solutions ;
 - **Exchange of Experience** – by promoting presentations, workshops, training courses concerning the best practices in the Real Estate Market at an international level;
 - **Implementation of Projects** (to assist Governments to improve their socio economic conditions thus contributing to the achievement of the MDGs) , analysis of activities, planning, problem solving and consulting service to help

and implement specific pilot projects. Wherever possible best practices should be used to demonstrate what can be achieved,).

- **Real Estate Market tool-kit** to provide an overview of the issues needed to be addressed by a country, based upon existing developed countries real estate markets, by way of a guidance of the issues that need addressing.

5. STRATEGIES FOR DEVELOPING AND CARRYING OUT PROJECTS

REM is the reference body for developing and carrying out specific projects, as agreed by WPLA and subject to available funding. REM experts are appointed by and report to the WPLA Bureau and the UNECE Secretariat.

REM members have the ability to involve any organization and/or expert necessary to assist them in their work. Before any engagement however REM shall give prior notice to the WPLA Bureau and UNECE Secretariat of who they intend to use and justifiable reasons, for their endorsement.

Cooperation.

Examples of other organisations and individuals who may assist in carrying out projects:

- Government organizations;
- NGO's, Real Estate Professional Organisations and International bodies;
- Financial Organizations (European Mortgage Federation-EMF; European Banking Federation-EBF; European Association of Public Banks; European Association of Cooperative Banks; European Savings Banks Group; The European Bank for Reconstruction and Development-EBRD; etc.)
- Mixed organizations constituted by PPP (public and private partnership);
- Task-force of international experts with specific and direct knowledge both regional and international regarding the individual countries, subject of action plan.

6. AREAS OF WORK AND MODALITY OF IMPLEMENTATION OF THE PROJECTS

WPLA aims at supporting security of tenure, the introduction and improvement of cadastre and land registry, and the development of real estate markets. REM aims to complement this by:

- Providing practical advice to WPLA, and through the WPLA, to the CHLM
- Creating and enabling environment for real estate investments, real estate markets development, real estate finance, real estate regulation and housing development;
- Stimulating interest from local and international investors for individual countries;
- Assisting countries in capacity-building within the real estate and land administration sector;
- Acting as experts in workshops and reviews;
- Promoting co-operation between the public and private sectors in land administration and real estate markets.

7. REM MAIN AREAS OF ACTION

- **Real Estate Market and Housing policies: the organisational, financial, technical and administrative aspects of management and maintenance.**
 - to contribute for further development national housing policies, including the development of social housing and the management and maintenance of the existing housing stock and maintain affordable rental rates.
 - to improve the knowledge and skills required to manage and maintain the existing housing stock so as to maintain and improve the quality of the rental housing stock as well as the high-rise, owner-occupied apartment complexes.
- **Real Estate Market and Energy efficiency in real estate: Regional Assessment of Policy Reforms to Promote Energy Efficiency and Renewable Energy Investments:**
 - to assist economies in transition to develop and promote sustainable energy policies, pursue energy efficiency strategies, reduce greenhouse gas emissions to meet international treaty obligations and enhance the security of energy supplies.
- **Valuation Standards, also with relation to measurements, methodology and criteria of evaluation:**
 - to assist economies in transition to develop and promote fiscal rules on the effectiveness of fiscal policy, cadastral standards to facilitate the exchange of information and the development of the real estate market transparency as a macroeconomic stabilizing instrument. This should be co-ordinated with UNECE Statistical section to compile accurate real estate market prices by country and by property.
- **Financial aspects of Real Estate Market and Social housing policy:**
 - citizens to contribute to solve housing problems. This shall include the development of guideline on Real Estate rating, with reference also to Basel II agreement (possibility for banks to give more credit against capital reserves).
- **Micro-finance project¹:**
 - to facilitate access to financial tools also to those section of the population that are currently excluded.

8. MANAGEMENT OF THE PROGRAMMES

In order to develop positive actions, each REM member should take on the responsibility to hold a watching brief on a specific area of a Real Estate Market, relative to their area of expertise, and be co-ordinator for any funded project the area under their responsibility.

The first REM organised presentation, including each member's specific area or funded project, will be held during the WPLA meeting in Cavtat, 2-3 October 2008.

¹ The General Assembly of the United Nations has underlined the importance of micro-finance as an integral part of efforts to reach the objectives of the Millennium Development Goals. According to the International Fund for Agricultural Development (IFAD), micro-finance has increased over the last 5 years by an average of 25-30% per year. Contrary to what may be imagined, there is less risk in lending money to the weaker strata of the population than in any activity regarding ordinary credit.

9. FINANCIAL PERSPECTIVE

- REM activities are coordinated with WPLA and when they are part of a WPLA project or requested by WPLA they shall be ideally co-financed by UNECE-Funds.
- There shall be no country-related activities without some financial or in-kind contributions from the respective country (usually via UNECE).
- UNECE-Funds are to be acquired by WPLA and the Secretariat.
- REM members will attempt to organise funds for co-financing its activities from the private sector with the backing of UNECE.
- Also fund raising for specific project from the likes of EBRD, EU, other similar Organizations or Aid and Development Agencies.

10. MONITORING AND EVALUATION OF THE PROGRAMME AND ACTION

- Each Member of REM has to deliver a three-monthly progress report on their allotted area via the Chairman of REM.
- During the WPLA meetings and the annual CHLM meeting there will be an overview on the activities of REM and projects developed by each REM expert.
- REM will submit to the Working Party on Land Administration (WPLA) a two-year progress report.
