



Implementation of UNECE Recommendations in Georgia

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Country Overview

Area:	69,700 sq km
Population (2010):	4.4 mln
Life expectancy:	76 years
Official language:	Georgian
Literacy:	100%
Capital:	Tbilisi
Currency (code):	Lari (GEL)
GDP 2010 (E):	US\$11.7 bln
GDP real growth rate 2010 (E):	6.4%
GDP CAGR '03-'10 (E)	4.9%
GDP per capita 2010 (PPP):	US\$5,057
Inflation rate (e-o-p) 2010:	11.2%
External Public debt to GDP 2010:	33.6%



	2003	2010(E)
Nominal GDP (mln GEL)	8,564	20,791
GDP per capita (GEL)	1,972	4,646
Total budget revenues (mln GEL)	1,368	5,778



Construction and Housing Sectors: Overview Activities and Achievements

- In World Bank's "Ease of Doing Business" rank 2011 Georgia obtained seventh place for ease of obtaining construction permits. (Rec. 35)
- Country profile study was conducted by UNECE in 2007 and measures to improve the situation were recommended .
- Construction sector In 2010:
 - 6 % of GDP
 - 8% of direct foreign investment
 - Number of people employed 32300
 - Average salary 845 Georgian Lari
 - Number of construction permits issued 6635, 2888 residential, 3747 commercial
 - Exploitation Certificates granted 1225
 - Active construction companies 5800
 - Construction materials companies 2700 exporters as well as producers





Draft Codex for Spatial Planning and Construction Regulation Rec.2-7,11, 15,16, 18-21,23, 33

- Draft Codex for Spatial Planning and Construction Regulation is being developed by Ministry of Economy and Sustainable Development, independent experts and 17 stakeholders (Rec. 5, 16)
- Unifies several statutes and addresses :
- Optimization of principles for spatial planning and construction regulations (Rec. 16, 18, 20, 23)
- Elaboration of National and Regional Housing Strategies – (Rec. 2, 3, 4, 6, 7)
- Rules for legalization of future and existing illegal buildings and structures (Rec. 11, 21)
- Partly addresses the land use issues (Rec.19)
- Construction Code and Zoning Code will be deriving from the framework Building Codex
- Draft codex is available on the website of the Ministry for public consultation
- To be submitted to Georgian Parliament in November 2011
- Legislation to facilitate the transfer of the state-owned land was adopted (Rec.33)



Construction Code and Zoning Code Rec.15-18

- Present situation: SNIPs and standards of 36 countries co-exist
- Ministry had renewed the ICC license in July 2009 to use IBC (Rec.15)
- Chapters 1-16 had been translated to Georgian language
- Ministry established a Technical Committee to adopt IBC chapters 1-16 (Rec. 16)
- First stage will be finalized by December 2011
- Project supported by the USAID
- Ministry signed MOU with teh GIZ to elaborate on the parts of construction legislation
- Working group had been established to draft Zoning Code (Rec. 18)
- First workshop was conducted to raise the awareness on the Eurocodes, supported by EU Commission
- Ministry signed MOU with Georgian Technical University to incorporate new construction code in the curriculum (Rec. 17)



Development of the Land Use Plans and Housing Strategies Rec. 1-7, 10, 20.

- Ministry of Economy and Sustainable Development of Georgia visited 6 towns including regional centers to encourage and coordinate urban development process
- Developed the registrar of the data necessary for the development of the Land Use Plans in the regions
- 3 Master Plans are ratified (Tbilisi, Batumi, Zugdidi)
- 5 Master Plans are ready to be submitted to the Government for ratification
- 5 Master Planes are in the working process
- 6 Land Use Planes are in the working process
- Visit of UN Habitat is expected in October 2011 to re establish international cooperation in housing sector, urban development and management and other areas
- Government's policy is aimed to decentralization and strengthening the local governments (Municipal Development Fund, Ministry of Regional Development and Infrastructure)





Existing Housing Situation

Rec. 7, 9-14, 22, 24-25, 32, 36

- Tbilisi City Hall established a committee on studying the social housing (Rec. 7)
- In 2011 – was allocated a budget on the development of social housing (Rec. 32)
- Local governments have relevant services, but they experiencing qualification problems
- Historic centers of several cities had been architecturally restored and renovated: Tbilisi, Batumi, Signagi, Mestia, but without integrating into renovation infrastructures and engineering systems. (Rec.9, 22, 36)
- In 2010 general census was not conducted. Ministry initiated to include housing data in to the general census when it will be conducted. (Rec.10)
- In 2007 Law on the homeowners associations was enacted, at the moment Tbilisi has more than seven thousand associations, next step is to improve their function and increase the number. (Rec.13)
- Several municipalities including Tbilisi co-financing maintenance of the lifts, roofs and developing housing maintenance schemes (Rec. 14, 36)
- “Tbilisi Corpus” existing at Tbilisi City Hall was transferred to municipalities.
- Utility Infrastructures in several cities was improved to 24 hours water supply
- Water meters are being installed (on the expense of homeowners)



Existing Social Housing Situation Rec. 1, 26-30, 32

Statistics of the housing sector 2010:

- Total flooring space 16 m² per person in Tbilisi (24 m² per person in Eastern Europe);

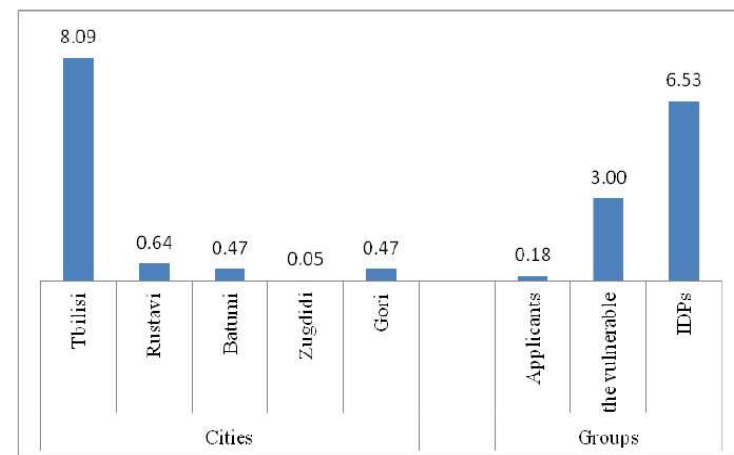
Intentionally Displaced Persons' (IDP) Statistics:

- Government accommodated 258 599 persons in the “Collective centers” and 88 796 persons in Individual accommodations;
- Newly built flooring space for IDP s 15 m² per person plus 5-8 m² additional space (24-35 m² standard for studio flat);

According to SDC (Swiss Agency for Development and Cooperation) study conducted on the focus group: **Families willing to get a flat in the social housing:**

- Tbilisi – 8090;
- IDP – 6530;
- The vulnerable – 3000;
- Applicants – 180.

Diagram 2.1. Estimated number of the families willing to get an apartment in social housing (arranged by cities and groups) (Thousand families)





SUMMARY

- Ministry is developing and implementing Spatial Planning and Construction Legislation in cooperation with international organizations
- Ministry is working on Developing Master Planes in cooperation with municipalities
- Ministry is establishing an international cooperation to develop urban planning and management
- Government's policy in social housing is focused on IDP's
- Government policy is aimed to decentralization and development of the municipalities.



Aims:

- To update and improve Country Profile Study
- Conduct new researches to reflect existing situation and produce new recommendations .
- To develop legislative framework, policies and action plans for sustainable housing and public-private partnership.
- Develop financial and legislative instruments to improve financial framework (Rec. 32, 34, 37-38)