



SCHOOL OF RURAL AND SURVEYING ENGINEERING
NATIONAL TECHNICAL UNIVERSITY OF ATHENS, GREECE

Guidelines for the formalization of informal constructions

Informal Development in UNECE Region

Main authors: **Prof Chryssy Potsiou, Steven Nystrom**

Co-Authors: **Rik Wouters, Amie Figueiredo**

Contributors: **Jelena Matic Varenica, Tatjana Cenova Mitrevska**



Prof Chryssy A Potsiou, NTUA

FIG Honorary President , WPLA Vice chair

chryssy.potsiou@gmail.com

Background



1. Definition / size of the problem in the various UNECE countries
2. reasons /causes
3. various types of informal development in the various countries (with many similarities)

Albania, Cyprus,
Greece, FYR of Macedonia

Montenegro

But also from

Georgia, Italy, Kyrgyzstan



UNITED NATIONS ECONOMIC COMMISSION FOR EUROPE
INTERNATIONAL FEDERATION OF SURVEYORS

Formalizing the Informal

Challenges and Opportunities of Informal
Settlements in South-East Europe



4. Assessment of the adopted policies



Thanks to all co-authors, contributors, reviewers

Guidelines

- rational
- content



What is the biggest development challenge?

Food security? Job creation? Climate change mitigation and adaptation? Gender and inclusion?
Housing? Security? Health? Education? Debt? Digital transformation? Institutions? Energy?
Sharing economic opportunities? Sharing prosperity?

Mindset Change



Sustainable development

No poverty-How do we get there?

Development is: having high human capital, good housing, good health, food, water, education, institutions, adequate infrastructure, good jobs *in the formal economy that pay well and provide benefits and security to people*, ...

But instead: **Informal development???** *Informal construction*

Informality affects public **revenues, productivity** and **job opportunity** ; creates non-productive, **dead capital** ; **competition** is distorted

Informality in the real estate sector and real estate markets is considered to be a **social**, an **economic** and an **environmental challenge**

Since 2007 we have systematically encouraged countries to initiate - **where possible** - formalization projects

The question with all SDGs is:

- a. "**where do we start?", "What should we prioritize?"**
- b. It is not just "**what we do**" but "**how we do it**"



rationale

Descent and affordable housing is really important for achieving many of the SDGs:

- a shelter to protect people against elements;
- it clearly affects the individual outcomes (e.g., health, education, less crime);
- it is a bundle of services;
- a way of building wealth; closely linked to economic development, to urban infrastructure, to transportation policy, to development policy.
- No country in this world has enough public funds to address affordable and descent housing for all!

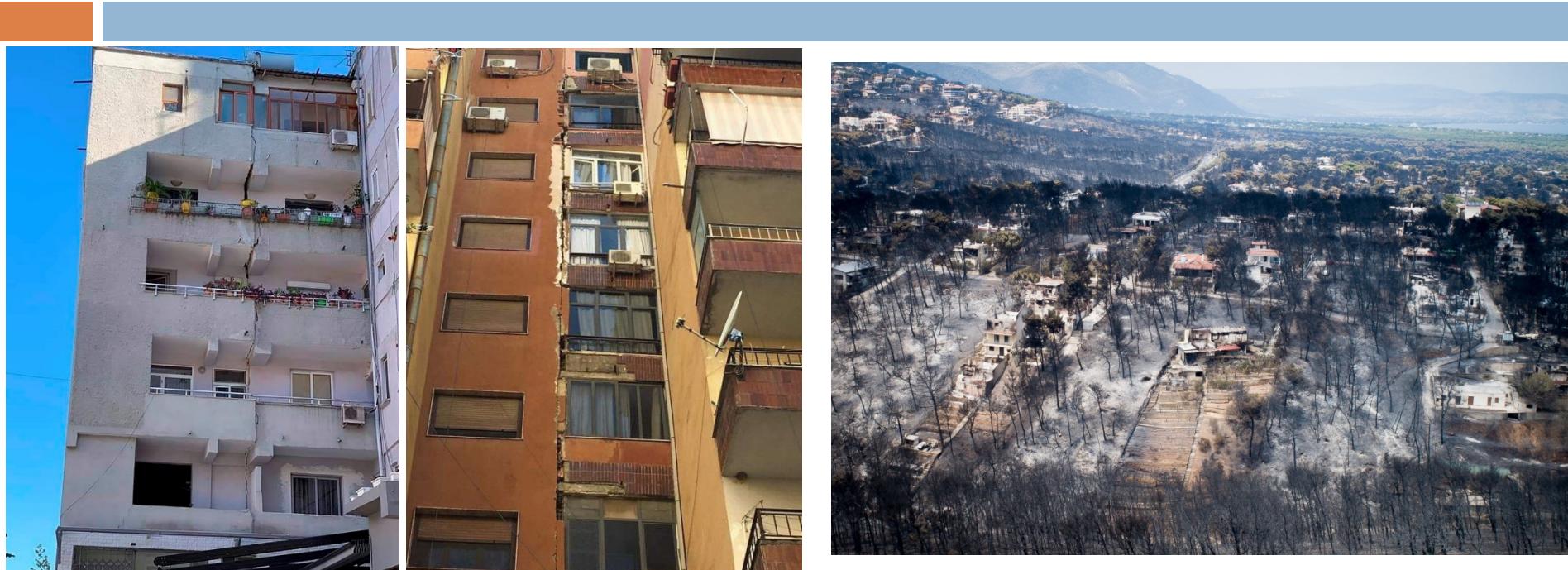
People are trapped in risky investments. Professionals are led to extra-legal practices.

Tenure and ownership rights must be recognized, recorded and protected, as well as the value of those rights.

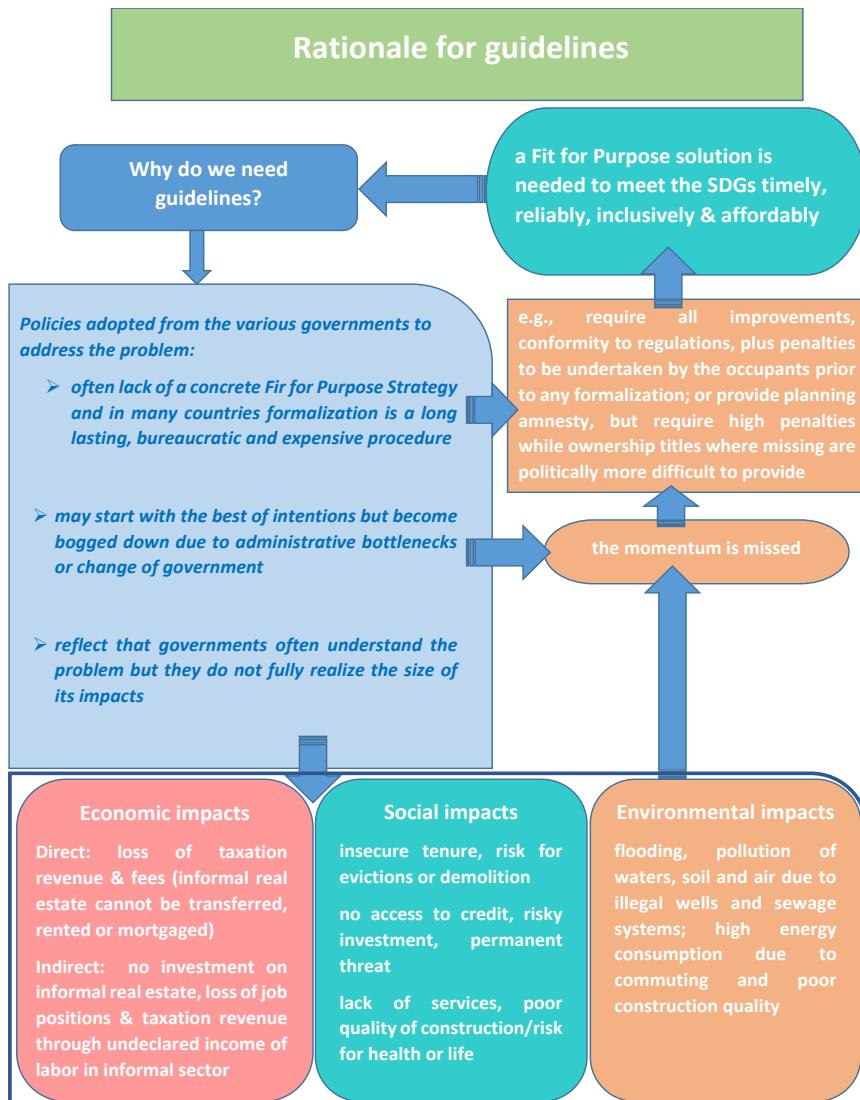
- a. To show to politicians the cost (social, economic, environmental) of inaction
- b. To encourage them to contribute to a mindset change



Prioritize title provision and property registration!



Why do we need some TG for Formalization?

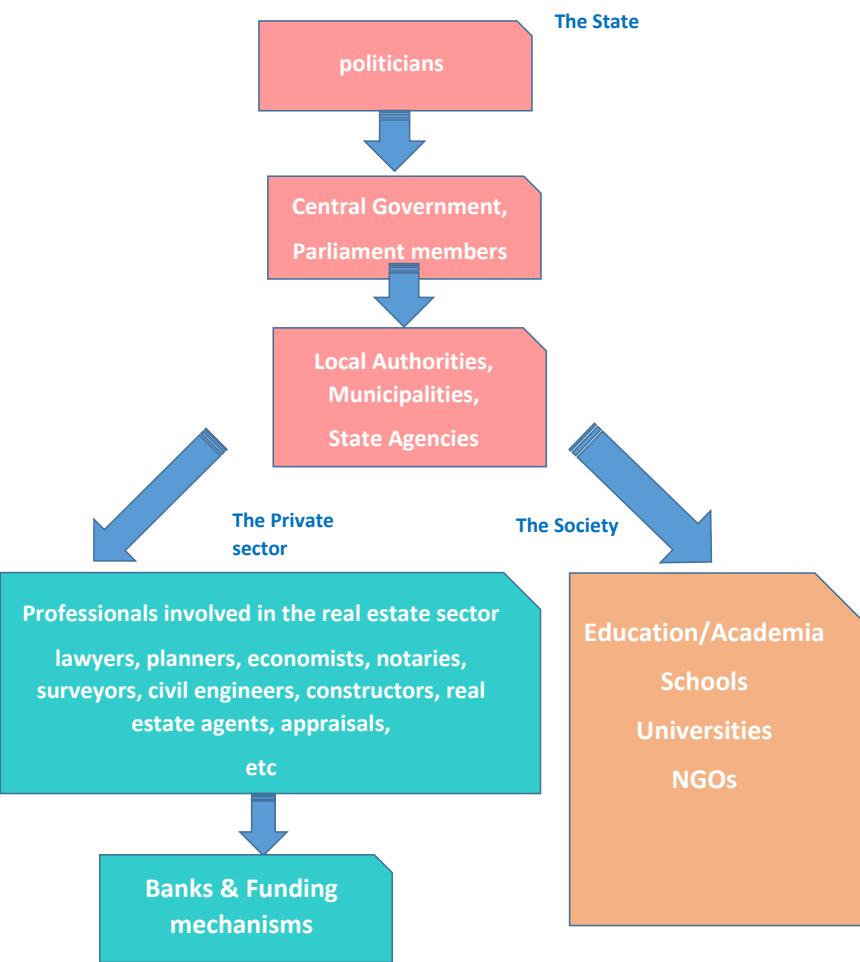


A solution to informal development is the most important step towards formalization in the real property market

- assist policy makers, government agencies, private sector, civil society
- contribute to the global effort towards the **eradication of hunger and poverty** by achieving the SDGs within the UN Sustainable Development Agenda **2030**
- WB, UNHabitat, GLTN, FIG, FAO VGGT, etc

A General Guide

Who to use the guidelines?



Should explain why a country would choose:
to go beyond the established
scientific/engineering/planning practice, in
order to successfully deal with:

- the Property Market Challenges,
- Funding Challenges,
- Structural Stability Challenges,
- Environmental Challenges and
- difficult Ethical Challenges
- Hostile reactions to a formalization project



List of issues to be taken into consideration

- raising awareness about the economic and social benefits of formalization and other socio- economic realities

- legal and regulatory issues

- procedures

- technical advice

on how to:

- engage all parties

- provide incentives

- implement , register, improve, or demolish

- monitor the protected assets

- avoid corruption

- improve relevant policies for sustainable real estate markets

