TECHNICAL GUIDELINES ON FORMALIZATION OF INFORMAL REAL ESTATE AND INFORMAL MARKETS IN ECE REGION

Prof Chryssy Potsiou
FIG President, UNECE WPLA bureau member, IS Team Leader
chryssy.potsiou@gmail.com
Content of TG

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, Georgia, Greece, Italy, Kosovo/1244RSC, Kyrgyzstan, The former Yugoslav Republic of Macedonia, Montenegro
Why do we need the TG for Formalization?

- **Informality** is a prominent characteristic of development in the so-called frontier markets; affects public revenues, productivity and job opportunity; non-productive, dead capital; competition is distorted.

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

- We have systematically encouraged countries to initiate - where possible - formalization projects.

- We have assessed the policies adopted from the various governments (formalization or demolition).
A Fit-for-Purpose Solution

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

We aim to:

- 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, UN Habitat, GLTN, FIG, FAO VGGT, etc.
TG will be an umbrella for all important sub-guides to be developed

- 45-50 pages compact guide, reviewed.
- Define the purpose of formalization
- Explain why governments ought 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 and
- 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, demolish
  - Monitor
  - Avoid corruption