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COMMITTEE ON HOUSING AND LAND MANAGEMENT

Working Party on Land Administration

Sixth session Geneva, 18–19 June 2009

REPORT OF THE WORKING PARTY ON LAND ADMINISTRATION ON ITS SIXTH SESSION

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I. INTRODUCTION

1. The Working Party on Land Administration held its sixth session in Geneva on 18 and 19 June 2009. The delegate of Germany chaired the session.

A. Attendance

2. Representatives of the following countries participated: Albania, Austria, Belgium, Belarus, Bulgaria, Croatia, Czech Republic, Denmark, Finland, France, Georgia, Germany, Greece, Ireland, Italy, Lithuania, Norway, Romania, Serbia, Spain, Sweden, Switzerland, Tajikistan, Turkey, Ukraine and United Kingdom of Great Britain and Northern Ireland.

3. Representatives of the United Nations Environment Programme (UNEP) Environment Management Group, the United Nations Human Settlement Programme (UN-Habitat) and the Real Estate Market Advisory Group also participated.

4. The Chairperson of the Committee on Housing and Land Management (Albania) attended the session.

B. Organizational matters

5. The Chairperson opened the meeting and gave a brief overview of the activities and achievements of the Working Party since the last session in 2007.

6. The annotated provisional agenda (ECE/HBP/WP.7/2009/1) was adopted.

II. MATTERS ARISING FROM THE SIXTY-NINTH SESSION OF THE COMMITTEE ON HOUSING AND LAND MANAGEMENT, THE SEVENTEENTH SESSION OF THE COMMISSION ON SUSTAINABLE DEVELOPMENT AND THE SIXTY-THIRD SESSION OF THE ECONOMIC COMMISSION FOR EUROPE.

8. The secretariat informed the Working Party about the decisions taken by the Committee on Housing and Land Management at its sixty-ninth session (ECE/HBP/149), the intervention of the United Nations Economic Commission for Europe (UNECE) secretariat at the seventeenth session of the Commission on Sustainable Development as well as decisions taken by the Economic Commission for Europe at its sixty-third session (E/2009/37 - E/ECE/1453) that have a bearing on the work of the Working Party.

9. Particular attention was given to:

- (a) The proposal by the secretariat, following a request by the Committee on Housing and Land Management for a modular approach for upcoming land administration reviews and country profiles on the housing sector;
- (b) The decision of the Committee to publish a quarterly newsletter, *Vital Spaces*, to support outreach activities of the secretariat. The newsletter has been issued four times since it was launched last year. The Working Party was informed that the secretariat has received useful and positive feedback from subscribers.

- (c) At the seventeenth session of the Commission on Sustainable Development (5 May–15 May 2009), information was presented on the recent activities of the Working Party as well as on the role of cadastre and registration systems, the use of electronic technologies to upgrade spatial data infrastructure, the question of transparency in conveyancing, and the application of cost recovery mechanisms. The secretariat also referred to the work of the Real Estate Market Advisory Group.
- (d) At the sixty third session of the Economic Commission for Europe (30 March–1 April 2009), information was presented in two high level segments. The first, on the promotion of competitive knowledge based innovative economies, made reference to the importance of transparency in the context of the current financial crisis. The second was devoted to mitigation and adaptation to climate change. The report contains a proposal to prepare an action plan on energy efficiency in housing in the United Nations Economic Commission for Europe (UNECE) region. The Committee will organize a seminar on climate neutral cities, to be held during its seventieth session on 23 September 2009, and two workshops on energy efficiency in buildings, which will provide input for the action plan.

10. The Working Party took note of the information provided to be taken into account in its programme of work.

III. REPORTS OF THE BUREAU OF THE WORKING PARTY ON LAND ADMINISTRATION AND OF THE REAL ESTATE MARKET ADVISORY GROUP

11. The Chairperson of the Bureau informed the Working Party about the Bureau's activities. Information was provided on recent and future workshops, the Working Party's publications, land administration reviews and cooperation with international organizations.

12. A representative of the Real Estate Market Advisory Group provided information on the Advisory Group's recent activities and its current programme of work. Reference was made to a seminar held in New York on "The real estate and the financial crisis: causes, impacts and effects on development," organized by the secretariat and the Advisory Group and included the participation of the United Nations Deputy-Secretary-General. The representative also reported on the outcomes of a forum, "Re-thinking the real estate market: sound rules towards social and economic benefits" (Rome, 3–4 June 2009), which discussed a series of principles and guidelines for a more stable real estate economy for presentation to the Working Party. A Web log was created to receive additional feedback from member States before a final document will be prepared by the secretariat. Future activities of the Advisory Group would include the consideration of projects dealing with the greening of the real estate market, and with the problem of rating and risk assessment in financial products backed with real estate as collateral.

13. The Working Party took note of the information provided and approved the Real Estate Market Advisory Group's programme of work.

IV. IN-DEPTH DISCUSSION ON THE CHALLENGE POSED BY FRAUD TO LAND MANAGEMENT INSTITUTIONS

14. The Chief Land Registrar of Her Majesty Land Registry (United Kingdom) delivered a keynote speech on the issue of fraud in electronic registration and conveyancing was delivered), who emphasized preventive measures to face the challenge of fraud recently adopted in the United Kingdom. The speech highlighted that fraudulent activities in the United Kingdom were no longer reduced to individual cases of inter-family frauds for single properties of usually low value, but rather that fraudulent incidents were increasingly the product of larger-scale schemes designed by organized rings.

15. The delegate of Ireland explained how the Government of his country was coping with the problem of fraud in electronic registration and conveyancing. A representative of the Real Estate Market Advisory Group also reported on how the question of fraud was perceived from the perspective of the private sector.

16. A discussion followed on the subject of fraud and the negative consequences for land administration. The delegation of the United Kingdom introduced a background note on fraud in electronic registration and conveyancing, which was discussed along with a questionnaire to be distributed to the participants by the secretariat (ECE/HBP/WP.7/2009/3). The questionnaire aims to collect information on current practices by authorities in the UNECE region to monitor, prevent and combat fraudulent practices in land administration. A discussion followed on the next steps to be undertaken by the Working Party.

17. The Working Party decided:

- (a) To approve the distribution of the questionnaire to Governments in the UNECE region, to assess the implications of fraud for both users and land administration authorities;
- (b) To support the undertaking of a study on policy guidance to effectively monitor, prevent and sanction fraud;
- (c) To accept the offer of the delegation of the United Kingdom to provide staff resources to support preparation of the study.

IV. PROGRAMME OF WORK FOR 2010–2011

18. The Working Party reviewed the implementation of activities reflected in its programme of work for 2008–2009. It also reviewed the programme of work for 2010–2011 (see annex) and took decisions on each item of the programme as follows:

A. Land administration policies

19. A consultant from the United Kingdom presented the findings of the Working Party's study on the application of fees and charges for cadastre and registration services

(ECE/HBP/WP.7/2009/4). A series of country presentations followed up on recent experiences with land administration policies in the UNECE region.

20. A representative of the Czech Republic presented current challenges to the administration of fees in that country. The presentation addressed specifically questions related to the centralization of the regulation of fees by national legislative authorities. For instance, the Czech Parliament had established universal charges for transactions, which had not been changed since 1994 and did not vary according to the size and value of properties. In addition, the updating of fees in accordance to changes in the price of land and real estate had not occurred, thus creating difficulties to apply cost-recovery principles. The potential advantages of extending regulatory tools on the application of fees to the bodies in charge of carrying out registration services were emphasized.

21. A representative of Croatia reported on recent developments in geoinformation technologies that had allowed the Croatian Government to provide data on all available land parcels free of charge. Reference was also made on the importance of applying cost-recovery principles even when the administration of revenue was in the hands of the national State budget.

22. A representative of Georgia presented the implementation of cost-recovery principles in the application of fees for registration services in Georgia, with a focus on price differentials for expedited and non-expedited services. The registration agency was funded by income from fees charged for the registration and information services as well as other activities. Although self-financed, the agency also received support from the Government.

23. A presentation by a representative of Lithuania focused on the application of fees for both surveying and registration services by the Center of registers in Lithuania, including data provision, which accounts for 20 per cent of the revenues. Statistics also show that the agency had managed to run a budget surplus every year in the last decade except 2003. According to existing legislation, fees cannot exceed 15 per cent of Centre's operating costs. The excess of revenue over costs had allowed for investments in upgrading spatial data infrastructure, the provision of new services and the training of staff.

24. Within this programme element, two workshops were held during the biennium 2008–2009:

- (a) A representative of Croatia reported on the outcomes of the workshop "Influence of Land Administration on People and Business," (Cavtat, Croatia, 2–3 October 2008). The workshop highlighted land administration policies related to fees and charges, the role of business in electronic registration and conveyancing, measurement of risk and efficiency in real estate markets and tools to improve the delivery of services by land administration authorities;
- (b) A representative of Bulgaria reported on the outcomes of the workshop on "Experiences with data management to improve land administration in UNECE countries" (Sofia, 23–24 April 2009; see informal notice 1)." The workshop had focused on a recent land administration review carried out in Bulgaria on

the challenge posed by land consolidation as well as other questions related to transparency in data management, real estate markets and land consolidation.

25. The secretariat informed participants that the next workshop scheduled under this programme element would specifically address problems of transparency and public access to information on land and real estate. It would be hosted by the Government of Azerbaijan in Baku on 1 and 2 October 2009.

26. A representative of Belarus presented a proposal for a workshop to be organized in Minsk during spring 2010. Alternative topics would include: recent reforms to immovable property registration in Belarus, questions of transparency in access to land information, egovernment reforms as they pertained to cadastre and registration services, land use planning in the process of real estate formation, and the functions and goals of addressing registries to improve land administration. The Bureau of the Working Party would discuss and agree on the selected topic in time to allow the host authorities to prepare the programme and to select the speakers.

27. The Working Party:

- (a) Took note of the information provided on the publication of the study on fees and charges and the recent country experiences;
- (b) Approved the organization of the upcoming workshops under this programme element, and agreed that the host authorities would liaise with the secretariat and the Bureau of the Working Party regarding all related organizational aspects of the events.

B. Major trends characterizing land administration

28. The study on informal settlements titled *Self-made cities: In search of sustainable solutions for informal settlements in the United Nations Economic Commission for Europe region* (ECE/HBP/155) was presented. The study, resulting from the joint work of Committee and Working Party, was launched during the session. Two presentations were delivered on experiences with informal settlements in countries in transition and in Western Europe.

29. A presentation by the Committee's Chairperson addressed the causes for the formation of informal settlements in countries in transition and explained the typology of settlements described in *Self-made Cities*, which included squatter settlements, refugee and internally displaced persons (IDP) camps, informal subdivisions on agricultural land, illegal developments in protected and rural areas, and inner-city slums. It also referred to the economic and social challenges to overcome the problem, including the need to uncover the value of the "dead capital" of informal residences through integrative measures as well as the need to complement housing and land administration policies with other measures that also involve improvement of administrative efficiency, increased employment opportunities and environmental sustainability.

30. A presentation by a representative of Greece focused on the current situation in that country and the general challenges affecting Western Europe. Policy solutions to reduce the incidence of informal settlements implied the reform of legislation related to spatial planning. In Greece, recent reforms had addressed such issues as the prohibition of sub-division of land parcels, the protection of the environment, and the integration of informal settlements to existing city plans. Reference was also made to the case of Italy, where illegal constructions had been re-sold to poor families as part of social housing programmes.

31. Under this programme element, one workshop had been organized in 2008–2009. The delegation of Norway reported on the workshop on "Legal Empowerment of the Poor in the UNECE Region", (Bergen, Norway, 10–11 April 2008). Participants had concluded that security of tenure was a human right and that widespread, secured and tradable property rights were fundamental to social and economic development. Land administration authorities in the UNECE region should make efforts to guarantee that all persons had an equal right to formally register their properties and to transact in the formal system. Special attention should be given to ensuring the rights of women, minorities, displaced persons and refugees.

32. A representative of Turkey delivered a presentation on the status of completion cadastre works in that country and the advantages of centralization of cadastre and registration services within one administrative unit of the Government. The country also made a proposal for a workshop on the role of spatial planning to improve security of tenure in the UNECE region, to be held during autumn 2010 in Antalya, Turkey.

33. A representative of Italy made a presentation on the "hidden buildings" project, whose goal is to identify existing buildings that are unknown to the cadastre authorities. The project constituted an example of good practice in this country as a method to deal with problems of tax evasion. The delegation of Italy also made a proposal to organize a workshop during 2011 that would examine the advantages of promoting integrated approaches to data management by land administration authorities, through increased inter-agency cooperation.

- 34. The Working Party:
 - (a) Stressed the uniqueness of the study on informal settlements and agreed to continue to promote activities on this topic in its programme of work, including the organization of workshops;
 - (b) Approved the proposal of Turkey to organize a workshop on the relationship between spatial planning and security of tenure in autumn 2010 in Antalya. It also approved the proposal of Italy to organize a workshop in year 2011 to analyse the advantages of integrated data systems of land administration;
 - (c) Emphasized the need to continue work on harmonization of land and real estate data for countries where sources of information were placed in different data sets, as the problem hindered not only land administration, but also other aspects of government policy more generally.

C. Land administration reviews

35. The Chairperson informed the Working Party about progress made regarding the land administration reviews. The study of Bulgaria was released (ECE/HBP/W.P.72009/5 and Informal Notice 3). The representative of Bulgaria presented the status of implementation of recommendations contained therein, currently being considered by different ministries in the Bulgarian Government.

36. The secretariat informed the Working Party that the country profiles on the housing sector of Belarus and Kyrgyzstan, which each contained a chapter on land administration, have been completed and would be published before the end of the year.

37. The delegation of Tajikistan confirmed that a mission to carry out a land administration review would take place in autumn 2009. The delegation emphasized the importance of the study in the light of the various challenges to land administration in the country, e.g. the completion of land reform and the importance of new legislations concerning cadastre and registration systems.

38. The secretariat presented a document containing a proposal for application of a modular approach in future land administration reviews and country profiles on the housing sector (ECE/HBP/WP.7/2009/7), which aims to tailor future studies more to the policy needs of individual countries. The presentation was followed by a discussion.

39. The Working Party:

- (a) Welcomed the completion of the land administration review of Bulgaria and the country profiles of Belarus and Kyrgyzstan;
- (b) Approved the undertaking of a land administration review in Tajikistan and proposed offering assistance to establish of a team of experts.
- (c) Approved the proposal for the modular approach, and suggested creating a roster of international experts to work in future studies. The Working Party also proposed that, although there should be room to incorporate other subjects than those mentioned in the proposal, a core structure should be maintained in the studies to allow for cross-country and inter-temporal comparisons.

VI. RESULTS OF THE SELF EVALUATIONS OF WORKING PARTY WORKSHOPS

40. The secretariat provided information on the results of the 2008-2009 biennial evaluation of the Working Party, "Themes and impact of the Working Party workshop series to improve land management systems" (ECE/HBP/WP.7/2009/8 and Informal Notice 2). The document summarized both quantitative and qualitative indicators about the content and impact of Working Party's workshops and presented suggestions to improve future events in line with the most recent changes in the Working Party's programme of work.

- 41. The Working Party agreed:
 - (a) On the results included in the self-evaluation;
 - (b) To take into account the recommendations when organizing future workshops.

VII. COOPERATION WITH OTHER INTERNATIONAL ORGANIZATIONS

42. The Working Party was informed about cooperation and networking with other international organizations. A representative of the Czech Republic updated the Working Party on the most recent meeting (Prague, 4–5 June 2009) of the Permanent Committee on Cadastre (PCC) in the European Union, and expressed the interest of the organization to continue cooperation with the Working Party.

43. A representative of the UNEP Environment Management Group reported on interagency cooperation activities on issues related to land. The Environment Management Group works to identify issues on the international environmental agenda that warrant cooperation, and finds ways of engaging its collective capacity in coherent management responses; it does this through technical meetings, issue management groups and task forces. Representatives of intergovernmental bodies, civil society and international non-governmental organizations can be invited to contribute to its work. The Working Party was invited to cooperate with the Environment Management Group in promoting the concept of sustainable uses of land, agriculture and urban development.

44. The Working Party agreed to continue cooperation with the PCC and to consider joint activities with Environment Management Group. It was also emphasized that enhanced cooperation with international organizations may also help avoid overlaps in the work programmes of individual institutions.

VIII. ELECTION OF THE BUREAU

45. The Working Party elected the following Bureau for its seventh session: Mr. Damir Pahic (Croatia) as Chairperson, and Mr. Rupert Kugler (Austria), Mr. Sergei Shavrov (Belarus), Mr. Vit Suchanek (Czech Republic), Ms. Pia Hojgaard (Denmark), Ms. Ekaterina Meskhidze (Georgia), Ms. Chryssy Potsiou (Greece), Mr. Marco Selleri (Italy), Mr. Bo Lauri (Sweden), Mr. Makhmudzon Khabirov (Tajikistan) and Mr. Jon Atkey (United Kingdom) as Members.

IX. ANY OTHER BUSINESS

46. The Chairperson of the Working Party introduced the question of benchmarking of land administration systems as a topic to be included in the programme of work. Finding harmonized standards to measure quality and efficiency of existing public institutions regulating land and real estate would be an important contribution to improved land administration in the region.

47. The secretariat reminded member States that country contributions to the human settlements trust fund at UNECE are essential to promoting the work of the Working Party, as they constitute a primary source of funding for the land administration reviews and other studies, and allow for greater participation of eligible transition countries in Working Party workshops.

48. The Working Party agreed to include benchmarking of land administration systems in its programme of work, and took note of the information provided on the importance of the human settlements trust fund.

Annex

PROGRAMME OF WORK 2010–2011

I. LAND ADMINISTRATION POLICIES

<u>Description</u>: The Working Party promotes the improvement of land administration policies, including the reform of cadastre and registration systems, the establishment of institutional frameworks for land use, the security of tenure of real estate, the public access to land information and the resolution of land disputes.

<u>Work accomplished</u>: A study of guidance and good practice in the application of fees and charges in cadastre and registration systems was finalized and its recommendations were discussed during the Working Party's sixth session (ECE/HBP/WP.7/2009/4). A printed version of the document was published by the Czech authorities. Under this programme element, a workshop on the influence of land administration on business and people was held on 2 and 3 October 2008 in Cavtat, Croatia. Also, a workshop on experiences with data management to improve land administration in UNECE¹ countries was held on 23 and 24 April 2009 in Sofia.

<u>Work to be undertaken</u>: A questionnaire on fraud in e-registration and e-conveyancing was discussed during the Working Party's sixth session, with the purpose of preparing a study of different approaches to cope with the challenge of fraud to land administration in UNECE Member States. The questionnaire will be distributed by the secretariat to country authorities. Completed questionnaires will be analysed in coordination with a representative of the United Kingdom, the lead country for the project. A workshop addressing the issue of transparency in land markets, is planned to be held in Baku on 1 and 2 October 2009. Another workshop under this programme element, on a topic to be defined, will be held in Minsk in spring 2010.

II. MAJOR TRENDS CHARACTERIZING LAND ADMINISTRATION DEVELOPMENT

<u>Description</u>: The Working Party aims to promote security of tenure by introducing and improving cadastre and land registry and developing sound real estate markets. Sound land registration and cadastre data to support security of tenure is a core issue in the Working Party's agenda. The Working Party also pursues work on these topics as they relate to the question of informal settlements.

<u>Work accomplished</u>: A study on informal settlements, *Self-made cities: in search of sustainable solutions for informal settlements in the UNECE region*, was jointly prepared and released with the Committee on Housing and Land Management during the sixth session of Working Party (ECE/HBP/155). The policy recommendations contained in the report were also discussed at the Working Party's sixth session. A workshop (Bergen, Norway, 10–11 April 2008) addressed the issue of the legal empowerment of the poor in the region. A seminar held in United Nations

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United Nations Economic Commission for Europe.

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Headquarters on 16 December 2008, organized with the support of the Real Estate Market Advisory Group, discussed the implications of the current financial crisis on real estate markets and its impact on sustainable development. The Advisory Group also organized a Forum (Rome, 3–4 June 2009) where, given the importance of transparency to guarantee economic stability, a checklist of principles and guidelines for sound real estate markets where discussed,. The Working Party also contributed to discussions at a number of meetings organized by the Permanent Committee on Cadastre in the European Union (PCC) and the International Federation of Surveyors (FIG).

<u>Work to be undertaken</u>: The issue of security of tenure from a land administration perspective will be discussed at a workshop to be held in autumn 2010 in Antalya, Turkey. Another workshop, to be held in Italy in 2011, will address existing problems of access to data on land administration when databases are spread out among different state agencies. The Working Party will continue to cooperate with other international organizations active in land administration, including the Environment Management Group. Activities in cooperation with the Real Estate Market Advisory Group are expected to be further developed, especially the finalization of guidelines for sound regulations for real estate markets discussed at the Rome forum as well as upcoming seminars on greening of the real estate market and risk valuation for securities that have real estate as collateral.

III. LAND ADMINISTRATION REVIEWS

<u>Description</u>: The Working Party promotes the practical implementation of land administration policies through country-specific studies. Land administration reviews and related follow-up activities are carried out at the request of member States.

<u>Work accomplished</u>: A land administration review of Bulgaria was prepared in 2008 (ECE/HBP/WP.7/2009/5 and Informal Notice 3). Country profiles on the housing sectors of Belarus and of Kyrgyzstan were prepared in collaboration with the Working Party (namely, the chapters on land administration) and will be published in 2009. As a result of discussions during the Committee on Housing and Land Management's sixty-ninth session (ECE/HBP/149), a proposal for a modular approach was developed to better customize the contents of the land administration reviews and country profiles and to better focus on the most urgent needs of member States (ECE/HBP/WP.7/2009/7). The document was presented for discussion and approved at the Working Party's sixth session, and a revised version will be discussed at the Committee's seventieth session.

Work to be undertaken: A research mission to develop a land administration review in Tajikistan will take place at a date to be defined by Tajik government authorities in autumn 2009. Other countries will be invited to carry out land administration reviews during the biennium 2010–2011.
