

## Post COVID-19 Recovery in Informal Settlements in the UNECE Region

### Main Findings of the Draft Assessment Reports City of Podgorica

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- *Montenegro and Podgorica in figures*
- *The total number of **households in Montenegro is 192,242.***
- *The most **households** are found in **Podgorica - 56,847**, which is **30% of the total** number of households in Montenegro;*
- *Almost all dwellings have electric, a little less have water and sewage installations, but only **about 39% are connected to the public sewerage.***
- Population of Montenegro (2011 census): 620 029
- Area of Montenegro, km<sup>2</sup>: 13 888
- Population density : 45/km<sup>2</sup>
- Capital and largest city, Podgorica: 156,000, or 30% of Montenegro's population.
- Area of Podgorica, km<sup>2</sup>: around 1.500 km<sup>2</sup>
- Population density: 129/ km<sup>2</sup>
- Number of municipalities: 24
- Number of settlements: 1 307

# Legal and Institutional Framework

## Legislative Framework

- *The distinction between informal settlements and/or structures and slums;*
- *The key law: **The Law on Spatial Planning and Construction of Structures**, last amended as of 06<sup>th</sup> of August 2020;*
- ***Decision on the fee for urban remediation**, as of 06 November 2020, “the amount, conditions, manner, deadlines and procedure for payment of the fee for urban remediation”;*
- ***Real estate taxes, fees for spatial usage** – incomes from these will be used **to develop the missing infrastructure** in these areas;*

## Institutional Framework

- *Central government level*
- **Ministry of Sustainable Development and Tourism**, the line ministry directly competent for the implementation of the Law;
- **Directorate for Housing Development** – department within the Ministry;
- **Directorate for Spatial Planning** - department within the Ministry;
- **Real Estate Administration of Montenegro;**
- *Local government level*
- **The Secretariat for Spatial Planning and Sustainable Development**
- **The Secretariat for Social Welfare**
- **Public company founded by the municipality** – Agency for Construction and Development

# Informal Settlement in Podgorica - Zagorič

- *Five illegal settlement's zones are identified within the territory of Podgorica;*
- *Zagorič (informal settlement identified for this assessment) represent a "role model" ;*
- *As of April 2018, DUP for "Zagorič 5" has been published;*
- *The area of the plan is approximately 68.8 ha;*
- *DUP "Zagorič 5" is predominantly a residential zone with a residential buildings/family housing;*

Number of buildings constructed - by ownership of the land	
Zone of the Capital	572
Stamatovići zone (family name of the private owners)	213
Vučinići (family name of the private owners)	168
Other private owners' zone	43
<b>TOTAL</b>	<b>996</b>

# COVID-19 Impact in the Informal Settlement



- Montenegro now deal with its **deepest recession in two decades**;
- Poverty is estimated to increase by around 2 percentage points to 20.4 percent in 2020.
- The loss of revenues is expected to widen the **fiscal deficit in 2020 to about 12 percent of GDP**.
- *The government adopted a set of measures to mitigate the impact of the crisis, and the **financial sector has been resilient so far**.*
- ***To no one has been denied the right to treatment and medical care** - regardless of whether citizens are residents of formal or informal settlements because the right to health and social care is not exercised based on these parameters;*
- ***The same is to apply to basic human rights, social protection rights, rights to education and access to public services** (e.g., transport etc.)*
- The current situation with the pandemic did not significantly affect the work on legalisation;
- **Obstacles identified:** slowing dynamics of service provision for legalisation;

# Challenges



- **social** – internal migration to more economically developed areas; inability to collect fees and taxes, indirectly inability to invest in the infrastructure of illegal settlements;
- **economic** - the attractiveness and profitability of the coastal area is marked by the global **trend of littoralization**, which further encouraged informal building; a lack of a better way to store savings; many have seen investment in housing construction an opportunity for making quick money, either from capital gains, or from seasonal income, or from leases; there is no access to credit lines, no possession can be pledged on illegal structure; risk of demolition due to non-compliance with the urban plan; no access to services and urban infrastructure;
- **professional and urban planning** - obsolescence of part of the planning documentation, insufficient coverage with the spatial urban plans, lack of capacity at the local level for preparation of the necessary spatial planning documentation, as well as weaknesses in the system of implementation of plans (i.e., non-compliance with plans).
- **administrative and legal** - inefficient processing of cases of usurpation of state property, so the expansion of construction on state land; informal construction was treated as a misdemeanour, and connection to infrastructure systems was not sanctioned;

# Draft Recommendations



- **social** – *to monitor internal migration to more economically developed areas in terms of **attempt illegal building**;*
- **economic** - *to improve the methodology of registering and creating of the Register of informal structures/settlements; connect systematically the relevant institutions and fully include their capacities while registering; **to improve the system of charging fees and taxes**, aimed to invest in the infrastructure of illegal settlements;*
- **professional and urban planning** – *to update/adapt and to create the **planning documentation** in by Law prescribed timeframe; to **build the capacity** at the local level for preparation of the necessary spatial planning documentation, as well as to overcome weaknesses in the system of implementation of plans (i.e., non-compliance with plans);*
- **administrative and legal** – *to strengthen the inspection capacities (by number of inspectors and by a systematic approach to them by Law prescribed competencies and professional capabilities); to **efficiently monitor cases of usurpation** of state property, and to apply the legal sanctions to those whose building informal construction, and attempting the connection to infrastructure systems illegally;*
- *Above all, an important issue that needs to be tackled and a suitable solution found - the **prevention of illegal building** - by whom, how, which method is the most adequate to be used; applicable **positive experiences and lessons learned** from EU and neighbouring countries to be shared with. **To analyse** informal settlements accordingly, to **making the legislative framework applicable**.*

# QUESTIONS?



Thank you for your attention.

We look forward to working with you!