



UNECE

REAL ESTATE MARKET ADVISORY GROUP (REM)

Meeting of Real Estate Market Advisory Group

October 2, 2015 – Palais des Nations, Geneva

11:00 – 18:00, Room IV

Presentation of proposals for the REM activities for 2015-2016

**A proposal for the update of the
Policy Framework for Sustainable Real Estate Markets**

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United Nations
Economic Commission For Europe
(UNECE)

Working Party on Land Administration
(WPLA)

Real Estate Market Advisory Group
(REM)

POLICY FRAMEWORK

FOR SUSTAINABLE REAL ESTATE MARKETS


Principles and guidance for the development
of a country's real estate sector



UNITED NATIONS

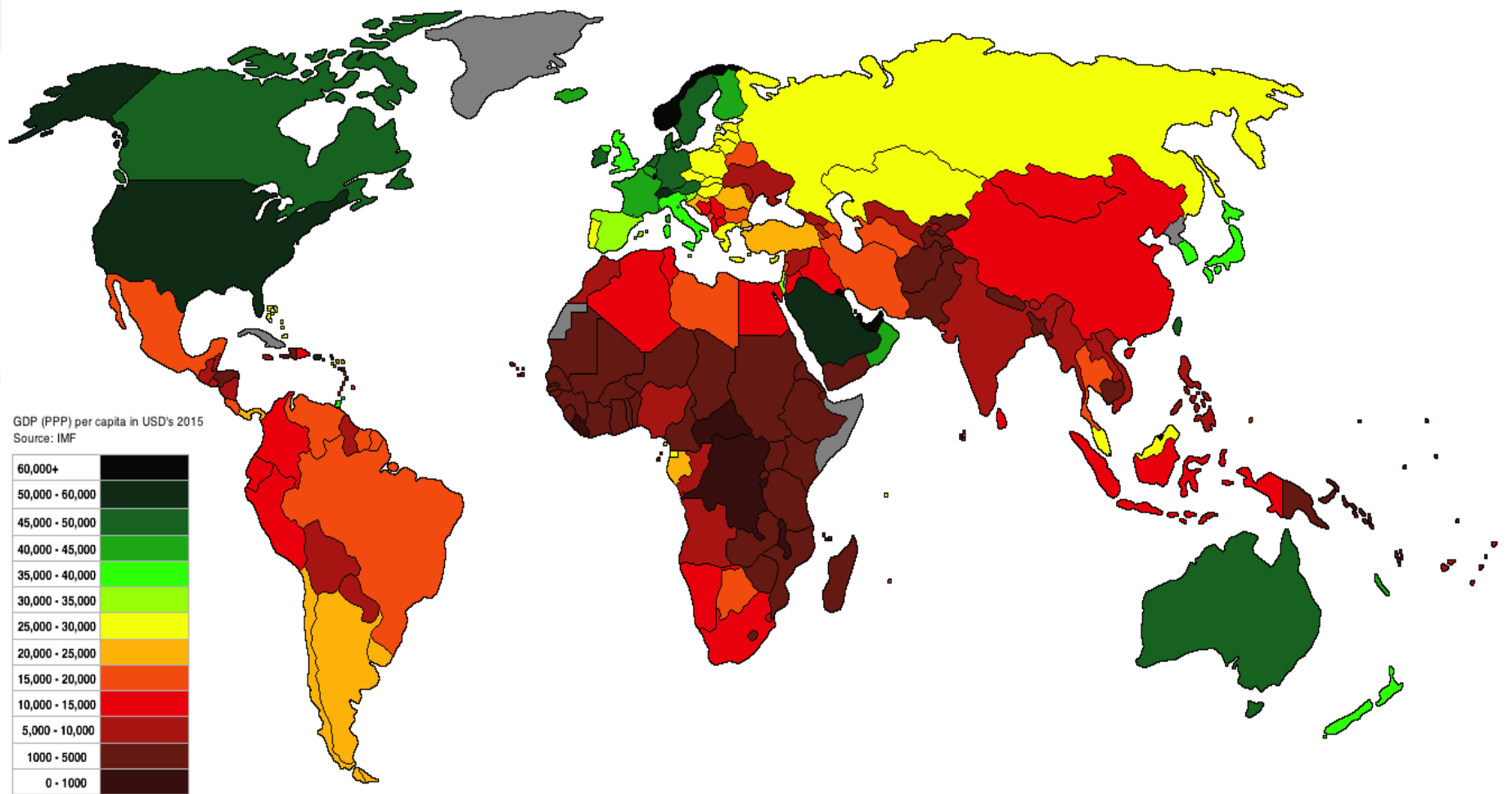
The “Policy Framework for Sustainable Real Estate Markets”, approved and published in 2010 as UN publication, consist of 10 Principles





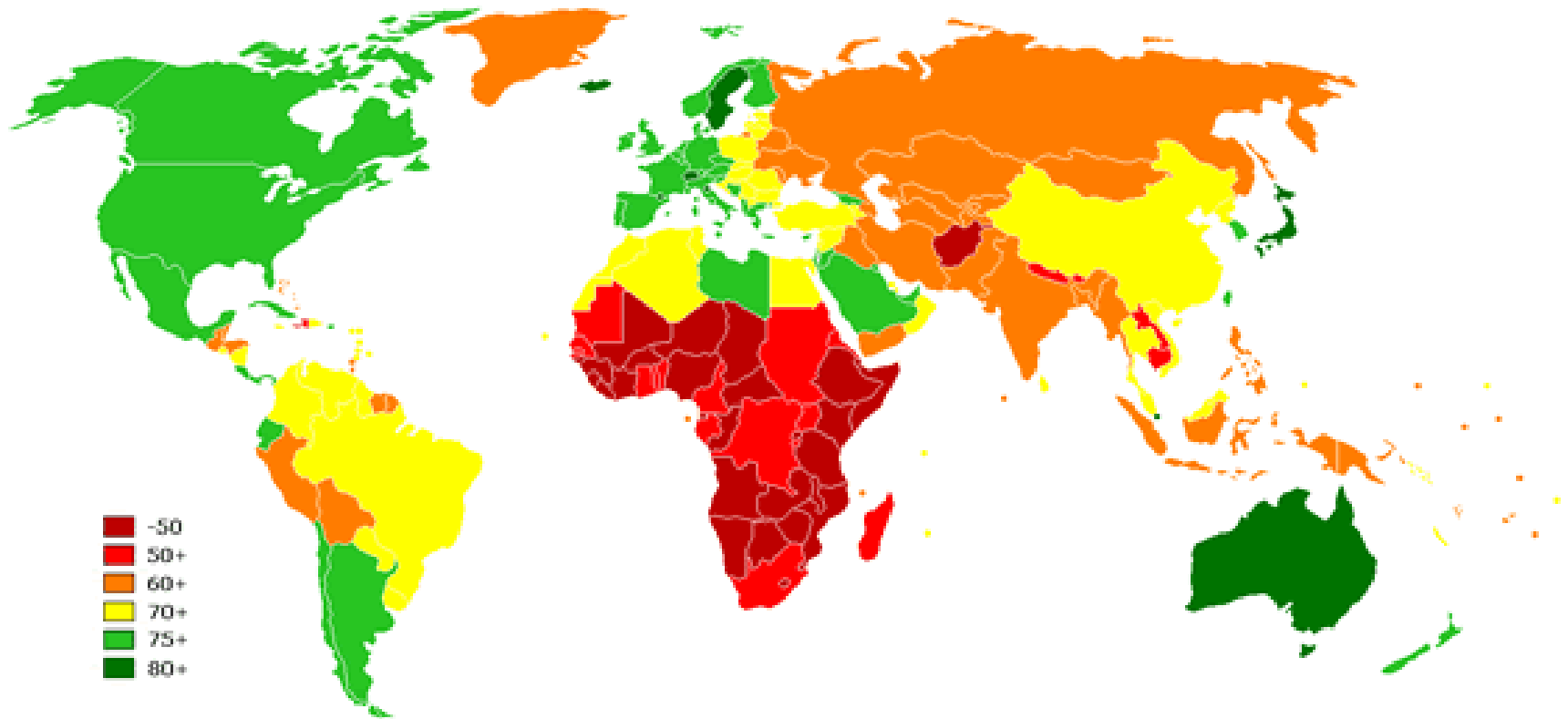
Different situations call for studies and instruments which take into account the differences between countries. They call for the identification of instruments, reforms, common solutions: define a *framework*, implement international standards and supra national regulations such as the one, for example, of the Basel 2, and more. But also **for the development of different *Key indicators*¹ according to the three main levels of economic development.** **With the awareness that the guidelines can constitute a reference framework but not an automatic solution to all problems. Every country has its own character, different legal systems, economic, social and cultural characteristics.**

¹ The REM Guidelines Project started on July 2008 in response to the Financial Crisis and the part the Real Estate Markets played



World map of countries by GDP (PPP) per capita in USD (2015). IMF statistics

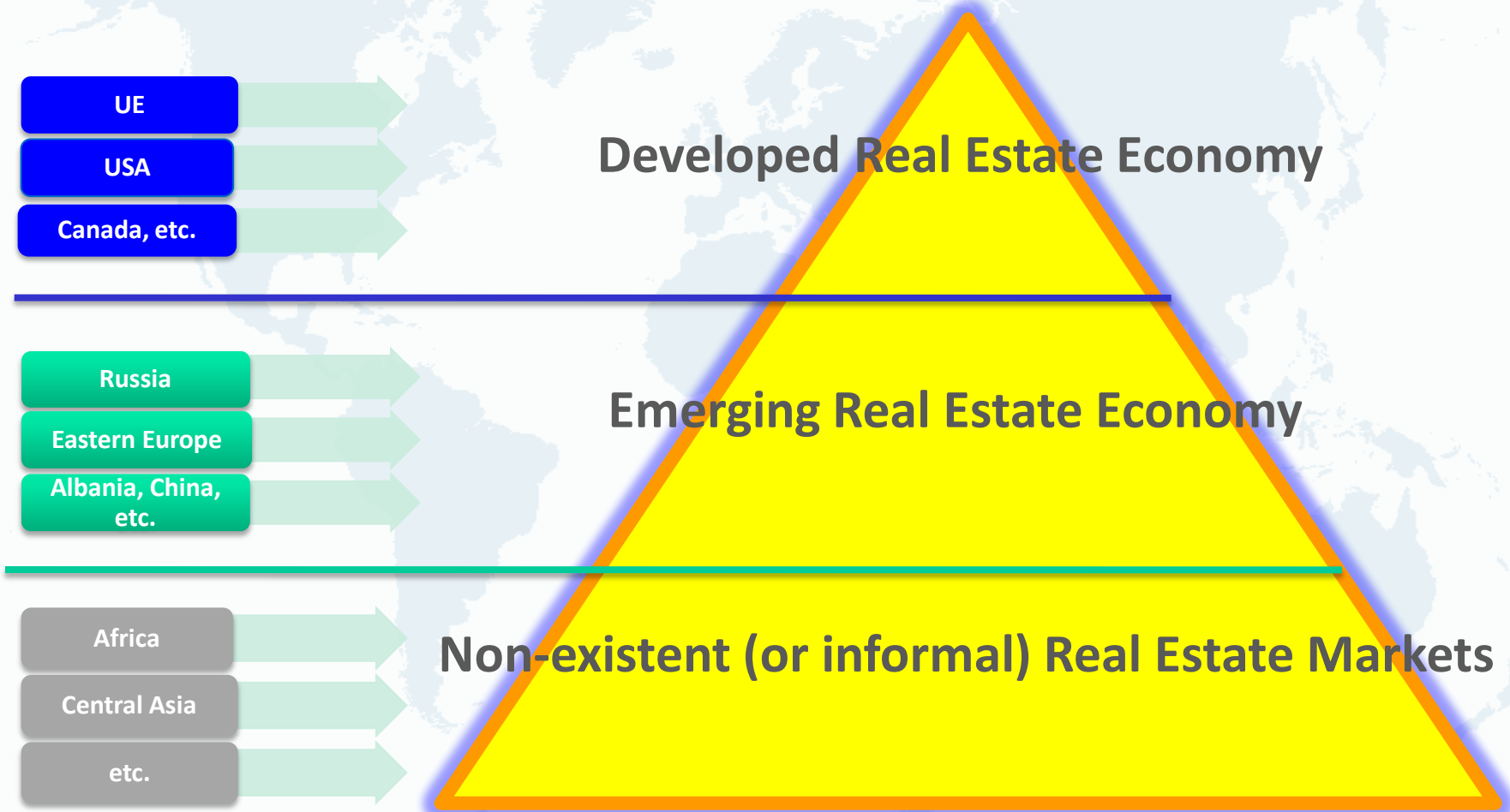
There are many reasons behind the migration phenomena and search for a better quality of life in other Countries: GDP per capita, freedom, wars, quality of collective services, life expectancy, etc.



World map of life expectancy

THE THREE MAIN LEVELS OF REAL ESTATE ECONOMY

These figures clearly show that there **are three levels of markets with different characteristics**, as illustrated with the following pyramid:

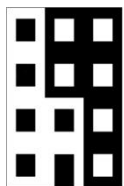




The application of the *Principles* should be based on widely accepted key concepts:

1. **Sustainable development**: as development that “meets the needs of the present without compromising the ability of future generations to meet their own needs”;(*)
2. **Good governance**: which should prevent decision-making based on self-interest and favor decision-making to the benefit of common good;
3. **Transparency**: the degree of clarity and openness through with which decisions are taken;
4. **Accountability**: the extent to which political actors are responsible to society for their actions;
5. **Fairness**: the degree to which rules are equally applied equally to everybody;
6. **Efficiency**: the extent to which limited human and financial resources are applied without waste, delay or corruption or without compromising the well-being of future generations.

(*) *United Nations, 1987. "Report of the World Commission on Environment and Development." General Assembly Resolution 42/187, 11 December 1987. Retrieved: 2007-04-12*



- Principle 1** INTEGRATED LEGAL FRAMEWORK
- Principle 2** EFFICIENT LAND REGISTER AND CADASTRE
- Principle 3** EFFICIENCY OF SERVICES
- Principle 4** PREREQUISITES FOR DEVELOPMENT OF SOUND REAL ESTATE MARKETS
- Principle 5** GOOD GOVERNANCE
- Principle 6** SUSTAINABLE FINANCING
- Principle 7** TRANSPARENCY AND ADVANCED FINANCIAL PRODUCTS
- Principle 8** PROPERTY VALUATION
- Principle 9** SOCIAL HOUSING
- Principle 10** TRAINING AND CAPACITY BUILDING

Principle 1 – *Integrated Legal Framework*

An integrated national legal system should be established and harmonized with the existing regional and international norms for the real estate sector.


Technical reference frameworks should be set for the application of regulations in order to promote the proper functioning of the real estate markets. In addition a legal framework for land and land-use should be available at national level.

- **National Legal System should be harmonized with regional and international regulations;**
- **A clear and harmonized set of laws should be in place or established;**
- **Protection of property rights should be promoted as a prerequisite for the granting of real estate as guarantee.**

Principle 2 – *Efficient Land Register and Cadastre*

The security of real estate transactions should be enhanced by identifying and protecting property rights through the establishment of an efficient system for the registration, cataloguing, classification and updating of real property data, based on up-to-date land registry and cadastre records.

- **Regularly updated information in public registries and cadastral systems**
- **Secure data and information that will be acceptable to the third party**
- **System should cover the entire country;**
- **The information should be accessible to public at a reasonable cost;**
- **Creation and registration of mortgages should be effected in a way that may be consulted electronically;**
- **The public should have electronic access to information concerning public planning and environmental policies.**

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- On the basis of a careful reading of the Principles is clear, I believe, as these Principles are still valid globally, both for developed economies and for Countries in transition.
 - However, these principles should be known and applied on a national basis according to the different degrees of development of the country and the different legal frameworks.
 - To achieve these goals it is necessary that the Principles may be appropriately promoted at level of Institutions, professional organizations, academia and experts.
 - Where it is necessary at national level could be established working groups that can develop a specific proposals to bring to the attention of the national government.



Expand these 10 Principles integrating, taking into account:

- the Geneva UN Charter on Sustainable Housing (endorsed by the *UNECE* on April 16, 2015) (*See: www.unece.org/fileadmin/DAM/hlm/documents/Publications/UNECE_Charter_EN.pdf*)
- legal frameworks valid globally (eg Basel 3 Agreement, etc.)
- the aims indicated in the 2030 Agenda for Sustainable Development Goals (17 global goals) <https://sustainabledevelopment.un.org/post2015/summit>





PRESS RELEASE

Historic New Sustainable Development Agenda Unanimously Adopted by 193 UN Members

Broad, universal agenda to end poverty, fight inequality and protect environment is unprecedented

New York, 25 September – A bold new global agenda to end poverty by 2030 and pursue a sustainable future was unanimously adopted today by the 193 Member States of the United Nations at the start of a three-day Summit on Sustainable Development.

The historic adoption of the new Sustainable Development Agenda, with 17 global goals at its

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- 1. establishment of a Working group (WG) on which may participate REM members interested in contributing.**
 - 2. I am available for the coordination of the WG.**
 - 3. as in the first edition in 2010, to the Coordinator must be submitted specific proposals for changes of texts.**
 - 4. the Coordinator will prepare a draft that will be sent to the WG and to the Secretariat for sharing.**
 - 5. The text would be submitted to the CHLM Bureau.**
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- Timeframe: 5/7 months from the approval of the project.**
 - Financial support of the Project (layout, publication, etc.): EREI, Tecnoborsa**