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Committee on Housing and Land Management

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Concept Note for the development of a Technical Guidelines on formalization of informal real estate and informal markets in ECE Region

Note by the Secretariat

1. The technical guidelines are an activity of the Programme of Work of the Working Party on Land Administration for both 2016-2017¹ and 2018-2019².
2. This contains the proposed outline of work for the development of technical guidelines on formalization of informal real estate and informal markets in the ECE Region prepared jointly by the Working Party on Land Administration (WPLA) and the International Federation of Surveyors (FIG), UN-Habitat and other key partners. The guidelines will examine the causes of informal real estate and informal markets in the ECE region and assesses government's policies to address this issue. The guidelines aim is to support member States to address the issue of the development of informal settlements due to informal real estate and informal markets. These guidelines will be reviewed by the WPLA via an online consultation and the adopted guidelines will be presented to the CHLM in 2018 for endorsement at its seventy-ninth session.
3. The Committee is invited to take note of this information.

¹ ECE/HBP/WP.7/2015/7, Annex I

² ECE/HBP/WP.7/2017/6, Annex I

1. Background and Purpose

According to the ECE report (2009) “Self-made cities: in search of sustainable solutions for informal settlements in the ECE region”, over 50 million people in the region live in informal settlements. The phenomenon of illegal construction has direct impact on real estate markets, the national and local economies and the sustainable management of land, including social, environmental and other issues.

The ECE Committee on Housing and Land Management (CHLM) and its Working Party on Land Management (WPLA) regularly discusses the situation of informal settlements and possible solutions to alleviate this problem. The WPLA organised three workshops on this topic, including “Spatial Information Management Toward Legalizing Informal Urban Development” (28-31 March 2007, Athens), “Informal Development, Property and Housing” (13 and 14 December 2012, Athens), and “The Challenges of Informal Settlements” (25 February 2015, Geneva, Switzerland); and produced in cooperation with its partners two comprehensive studies “Self-made cities” (2009)³ and “Formalizing the Informal: Challenges and Opportunities from South-East Europe” (2015)⁴.

In 2013, the Committee adopted its Strategy for Housing and Land Management 2014-2020, which includes an objective related to addressing the challenge of the informal settlements. According to the strategy, policies (should be established) to provide **secure tenure solutions for those living in informal settlements**.

The Geneva UN Charter on Sustainable Housing, a non-legally binding international instrument agreed by the Committee in October 2014 and endorsed by the Economic Commission for Europe in April 2015, stresses the importance of the provision of “infrastructure and services to people in low income and informal settlements, when possible and appropriate”. It also advises the governments to adopt “national policies and programmes that encourage, when possible and appropriate, dwellers of informal construction to regularize and upgrade their constructions provided that the geographic location and other factors allow minimum safety requirements to be met”.

The proposal to develop technical guidelines on informal settlements was formulated during the WPLA workshop “*The challenges of Informal Settlements*” in February 2015 and this joint activity with the UN-Habitat, the Food and Agriculture Organisation (FAO) and the World Bank was included into the work programme of the WPLA for 2016-2017 and 2018-2019.

It is anticipated that the target audience of the Technical Guidelines on formalization of informal real estate and informal markets in ECE Region (TG) will be namely policy makers, managers and staff of government agencies, private sectors specialists, and members of civil society organizations. It is hoped that the TG will provide inspiration to convert the guidelines

³ <https://www.unece.org/index.php?id=11099>

⁴ <https://www.unece.org/index.php?id=41174>

into practical processes (of e.g. policy development, tenure reforms), projects and other implementation actions.

The TG when developed will also support the implementation of the Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests in the Context of National Food Security, which were endorsed by the Committee on World Food Security on 11 May 2012. Based on the principles of sustainable development and the Sustainable Development Goals⁵ and in recognition of the centrality of land to development, the Guidelines will therefore contribute to global and national efforts towards the eradication of hunger and poverty by achieving SDG 1⁶ by promoting secure tenure rights and equitable access to land, fisheries and forests as SDG especially target 1.4. A series of Technical Guides⁷ developed by the FAO are available to assist in the implementation of the Voluntary Guidelines, including: [Governing Land for Women and Men](#); [Improving Governance of Forest Tenure](#); [Respecting Free, Prior and Informed Consent](#); [Responsible Governance of Tenure and the Law](#); [Recording of Tenure Rights](#); [Commons](#); [Responsible Governance of Tenure: A technical guide for investors](#); [Agricultural Investment](#); and [Governance of Tenure in Pastoral Rangelands](#).

UN-Habitat has extensive expertise in informal settlements and produced related documents for the Habitat III Conference such as the Issue 22 paper⁸ on informal settlements and the Pretoria Declaration on Informal Settlements⁹. In addition, all relevant work of the Global Land Tool Network (GLTN) will be considered in the development of the guidelines, as well as the Guidelines for valuation of unregistered lands (in development).

The World Bank has worked extensively in the ECE region on land administration and land rights issues, including the topic of informal settlements. The Bank has produced a number of studies and policy papers on the topic that might be of use, including for Montenegro, Azerbaijan, Kyrgyzstan, Albania and the Former Yugoslav Republic of Macedonia.

The TG will be published as an official joint publication under auspices of WPLA; International Federation of Surveyors (FIG); UN-Habitat; GLTN. The WPLA task group on informal settlements will lead the development of the TGs with the support of an ECE consultant and the secretariat. Items such as legal framework, financial arrangements, and registration of property as well as organizational and institutional aspects will be addressed in the TG and, where appropriate, topics such as improvement of housing quality and infrastructure and utilities will be incorporated into the TG. The TG will provide guidance on, but not limited to, the following sections: Key topics to understand the formalization of informal real estate and markets; building a Framework for formalization; implementing the framework; and monitoring.

⁵ <https://sustainabledevelopment.un.org/sdgs>

⁶ <https://sustainabledevelopment.un.org/sdg1>

⁷ <http://www.fao.org/tenure/resources/collections/governanceoftenuretechnicalguides/en/>

⁸ <https://unhabitat.org/habitat-iii-issue-papers-22-informal-settlements/>

⁹ <https://unhabitat.org/pretoria-declaration-on-informal-settlements/>

The activity also will be supported of the review committee¹⁰. During the inception phase, the secretariat, in close consultation with the WPLA and the task group on informal settlements, will prepare a detailed plan with clearly identified roles and responsibilities of the consultant, as well as the deadlines to be respected.

2. Activities

In terms of addressing the specific terms of reference, an assessment of the country profiles from selected ECE countries, the [regional report for Habitat III](#) and other materials on informal settlements in the ECE region shall be studied and a detailed work plan proposed to the WPLA and the review committee.

Based on the experience of the ECE, the UN-Habitat, the FAO and other organizations and experts, it is proposed that the TG shall focus on the following thematic areas:

- Defining and understanding informal settlements in the regional context of Europe – the challenges of informal settlements and illegal construction;
- Governance structures including policy, institutional and regulatory frameworks;
- Empowerment of informal settlement residents through participation and creation of job opportunities where needed;
- Land tenure and land management;
- Propose a fit-for-purpose methodology to integrate and register informal real estate as well as for adjudication of occupants/right holders;
- Urban and spatial planning, construction permitting, and inspection regimes;
- Urban planning and urban renewal, and improvement programmes for underserved dilapidated formal and informal areas;
- The role of affordable housing;
- Municipal finance and financing strategies of affordable housing, upgrading of informal settlements and urban renewal;
- Short and long term monitoring of the city/town to manage urban growth and change to help prevent the proliferation of informal settlements;
- The use of modern technology should be included, where relevant.

Description of the scope of TG for Informal Settlements

The TG should provide an overview of the key issues and should refer to the detailed literature review¹¹ already prepared by the World Bank and ECE and the other publications and sources from UN-Habitat-GLTN, FIG and other partners. It shall address urban decision-makers and include the following:

- Recommendations on how to understand informal settlements and illegal construction in the ECE region;

¹⁰ The review committee will include key representatives from FIG, UN-Habitat, GLTN, FAO and key experts.

¹¹ <https://www.unece.org/index.php?id=43153>

- Recommendations for policy revision, regulatory frameworks mainly to enable regularization processes of illegal construction and incremental improvement of existing informal housing stock or dilapidated formal housing stock;
- Recommendations on how to compile financing strategies for affordable housing, improvement of services and housing in informal and illegal areas;
- Recommendations on key policy, institutional and legal frameworks to put in place to manage and prevent future informal and illegal settlements as far as possible; and
- Best-practices and case studies on attitude change towards informal and illegal settlements, successful integration, regularization and improvement of living conditions in such settlements.

It is anticipated that the final TG will contain the broad level technical frameworks required to understand, manage and prevent as far as possible informal and illegal settlements in the ECE regional context. The guide will thus not be as detailed as other guides but an umbrella for some important sub-guides to be developed on specific themes and challenges. The review committee partners will review the needs and capacities in the selected case studies and in the ECE region. This will be based on recent studies on informal settlements in the ECE region and recent data.

3. Outputs

The following outputs are planned:

- i) A work plan for developing the TG
- ii) Consultation meeting
- iii) Final TG with key recommendations for the use of the TG development at regional, country and local level

Implementation modality and responsibilities:

The secretariat will manage the work of the consultant, hired to co-author the TG for informal settlements in ECE region (consultancy of 3 months). The secretariat will provide technical and substantive guidance in close cooperation with the WPLA task group leader for Informal Settlements FIG, WPLA, UN-Habitat and Global Land Tool Network, FAO and key experts will serve as the review committee.

The review committee with representatives from each organization would be responsible for the review of:

- The detailed work plan and outline for the TG;
 - Draft guidelines, examples of good practice, etc.;
 - Draft and final versions of the TG; and
 - Participate during virtual consultations, workshop and the final peer review process.
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