COVID 19 Recovery Action Plan & Guidelines for Formalization

Formalizing and building back better informal settlements

The way forward

Research funded and directed by UNECE
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Introduction Steven Nystrom MAI

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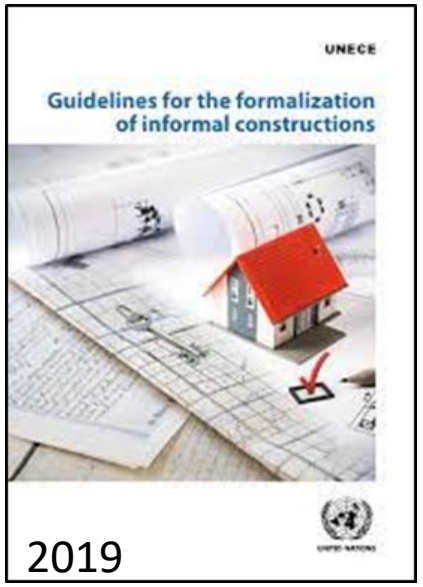
- 8 years consulting with UNECE & the World Bank
- 20 years as a Special Magistrate in Real Estate Taxation hearings
- 33 years of valuation & land consultation
- 18 years working with the FIG
- International relations for the National Society of Professional Surveyors USA & the Appraisal Institute USA

Outline

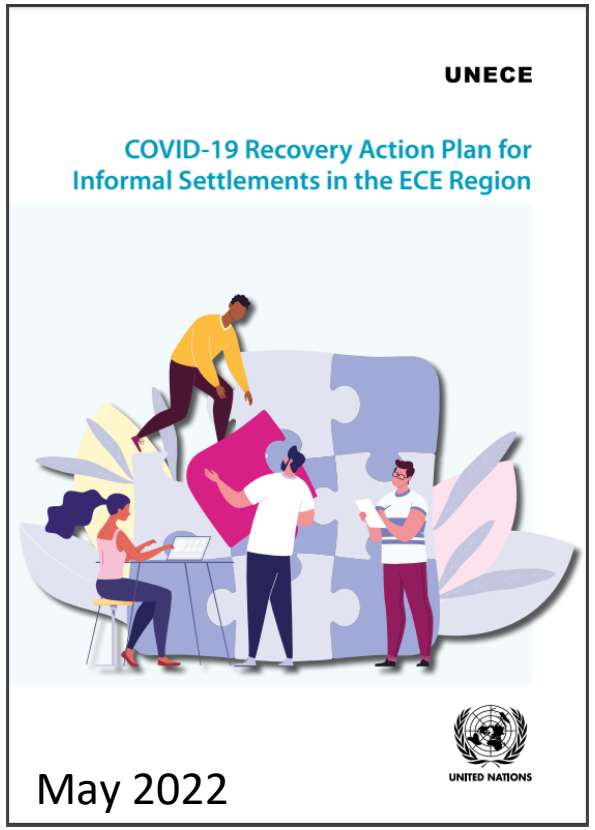
- What is the general setup of this PP?
- What is the Recovery Action Plan?
- What is the formalization process?
- Where does Process for formalization fit within the RAP?
- How to tune or adapt the concepts in both publications towards land related problem solutions?

What is the general set up?



Informal constructions are defined as unauthorized real estate and often not registered

Recovery action plan to consider as a cookbook with suggestions for a menu



Guidelines Formalization → Recovery Action Plan → Local Recovery Action Plan for BBB

Building Back Better (BBB) is a strategy aimed at reducing the risk to the people of nations and communities in the wake of future disasters and shocks ; coined after Tsunami by Bill Clinton

As such a pandemic (COVID-19) is a disaster, which may occur again anywhere in future, and can be mitigated with land policy

Local Action Plan to consider as a sort of Building Back Better plan

COVID-19 Recovery Action Plan for Informal Settlements in the ECE-Region

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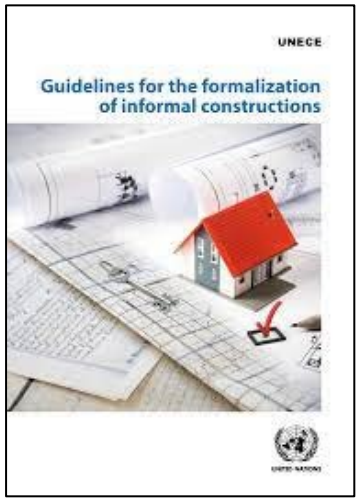


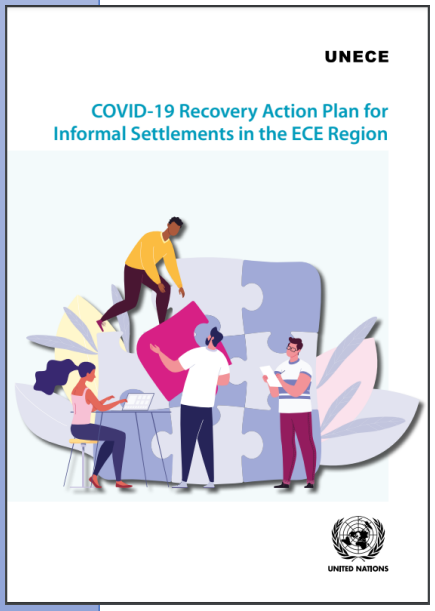
Document structure RAP-program

- Policy Brief Food
- Policy Brief Water and sanitation
- Policy Brief Nature-based Solutions
- Policy Brief Energy & Building Standards
- Policy Brief PPP's & Innovative Financing
- Policy Brief Urban Mobility
- City Assessment Reports COVID-19
- Reference materials, & Online Lectures

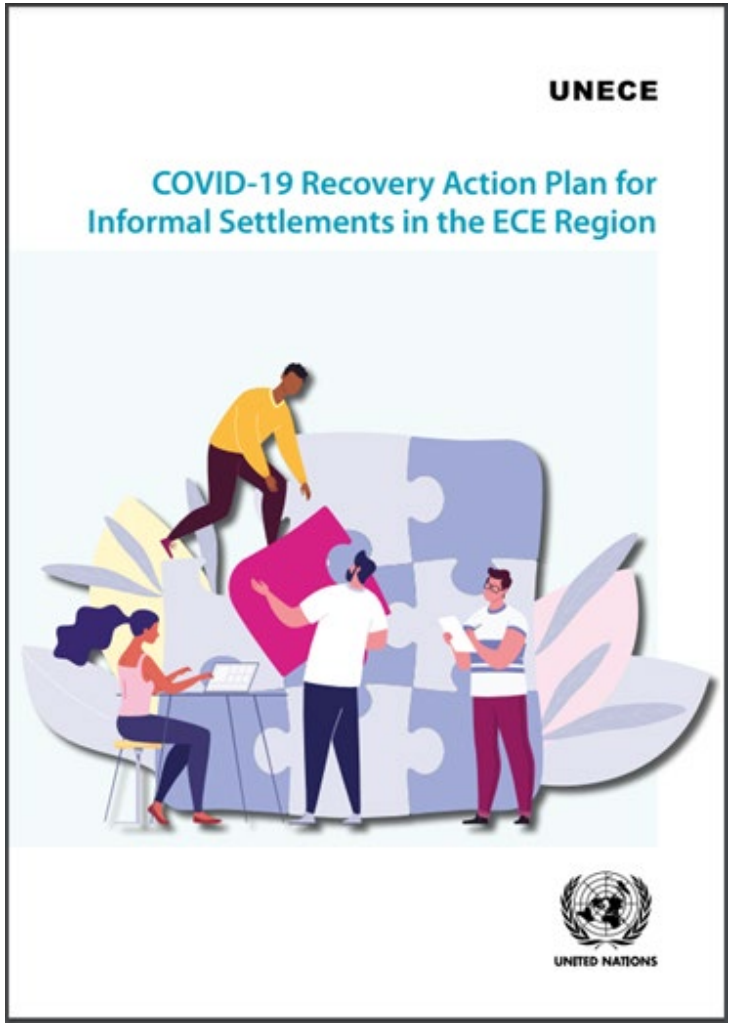
Recovery Action Plan

Local Recovery Action Plan

Guidelines for formalization



The set up of the Recovery Action Plan



STRUCTURE OF THE POST COVID-19 RECOVERY ACTION PLAN

The RAP has **9** **Policy Areas**:
- Each has a main **Goal**
- Under these are **Targets**
- Under these are **Actions** to achieve the Targets.

*Policy Area 1 - Geospatial, land rights, tenure, resource allocation and justice (**incl. formalisation**)*
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Policy Area 9 - Buildings, construction and land planning

INTERVENTION TIMING IN THE RAP

The plan identifies Goals, Targets, and Actions key to a successful pandemic response. Appropriate local implementation should vary in timing, priority, and scope based on the physical and social realities in their communities.

a. Emergency goals (emergency focused)
   Targets and actions to secure short-term goals; *Loosely defined as those to be accomplished in less than 6 months.*
b. Short term goals (emergency related)
   Targets and actions to secure short-term goals; *Loosely defined as those to be accomplished in less than 1 year.*
c. Intermediate term goals (blended resilience and emergency focus)
   Targets and actions to secure intermediate-term goals. *The greater complexity is expected to loosely require 6 to 18 months to accomplish.*
d. Long term goals (resilience focused)
   Targets and actions to secure long-term goals. *The greater complexity and nature of the solutions are expected to loosely require more than 1 year to accomplish, often 1 to 5 years.*

POLICY AREA 3
BASIC DATA NEEDS, TELECOMMUNICATIONS & INFORMATION TECHNOLOGY

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Goal 3. The people are empowered to cope with a pandemic by leveraging and making easily available the relevant information technologies

3.1 Mobile-phone technologies are utilized to their potential to fill the information gaps among residents, provide social contact and as a tool for the dissemination of critical information and governmental instructions.

3.2 The creation of viable decentralized employment and teleworking options while expanding internet service affordably in all informal settlements.

3.3 Informal settlements residents have easy access to education and communication from a variety of electronic sources.

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BASIC DATA NEEDS, TELECOMMUNICATIONS & INFORMATION TECHNOLOGY

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3.1 Mobile-phone technologies are utilized to their potential to fill the information gaps among residents, provide social contact and as a tool for the dissemination of critical information and governmental instructions.

Actions RED and GOLD circles

3.1.1 *Survey* the current state of radio and mobile phone technologies (quantity, quality, and coverage).

3.1.2 *Identify* if there is adequate radio and internet coverage for this technology to be central to an information dissemination effort, and if there is enough capacity for it to have a much larger role in society and pandemic prevention efforts.

3.1.3 *Utilize* radio and smartphones to transmit basic and necessary pandemic medical information (infection rates, death rates, testing sites, hospitalization, and quarantine protocols, contact tracing, health instructions, mapping of communities, understanding mobility patterns for transportation improvement, etc.) and COVID-19 testing results.

3.1.4 *Develop* a smartphone application (or several) to provide and gather most critical information, track cases, inform residents who were in contact with infected people and make sure that any language barriers are overcome.

3.1.5 *Enhance* radio and smartphone penetration in informal settlements to empower residents and strengthen interconnectivity with local, regional, and worldwide information sources.

3.1.6 *Create* a telehealth application to allow for health care providers to service informal communities from anywhere. Additionally, create a similar teleworking application to enhance employment opportunities, and an application to analyze mobility patterns to find dangerous hubs and choke points.

3.1.7 *Consider and explore* if radio and tele-education makes sense in these communities and if so, develop simplified cell phone-based education modules when classroom education is unavailable due to COVID-19 related safety concerns. Education is a necessity and pandemic challenges need to be overcome.

3.1.8 *Reduce the digital divide and enhance* laptop penetration in informal settlements to allow schoolchildren and students making use of tele-education if resources allow.

Informal settlements are more vulnerable to pandemics

- Informal settlements tend to increase the risks of pandemic spread by their nature
- The people endure inadequate living conditions, live with high population density
- They generally tend to rely on inadequate supply of energy, water and sanitation,
- They have more limited healthcare, and reduced access to education
- There is a general lack of good demographic and spatial data, heavy
- concentrations of minorities, vulnerable groups, and generally low incomes
- There is a history of government mistrust by informal settlement residents
- All these factors increase the risks of pandemic spread within and outside these informal settlements

Inform

- Informal … cure.
- The peop… population density, a… ree jobs.
- They gen… have more limited h…
- There is … vulnerable groups, a…
- There is … al bias and public pr…
- All these… extension, surround…
- There is a… options

and their homes can then be included and considered within service provision, human rights protection, disaster preparedness, legal, health and safety, mobility logistics and infrastructure plans for the broader formal and informal communities. Consider crowd sourcing or Volunteered Geographic Information (VGI) and smartphone applications as possible low-cost sources of this data.

1.1.3 ***Effectively engage*** the local community along with non-governmental organization (NGOs) in the design of any questionnaire, census, survey or similar, as well as organizing mapping and addressing programmes. This is to prevent informal settlement residents perceiving these exercises as a threat to their houses and lands. Volunteers and team leaders should be organized and provided with simple training courses on how to use the mapping methods. A simple open-source application tool and an appropriate base map should be used, such as cellphone-based, orthophoto,

professionals, the business community, stakeholders, and inhabitants.

Target

1.2 ***Informal constructions are formalized*** in a fair, efficient, transparent, and inclusive manner. This would empower residents, support social and economic inclusivity and ensure better pandemic responses (United Nations, 2019a).

Actions

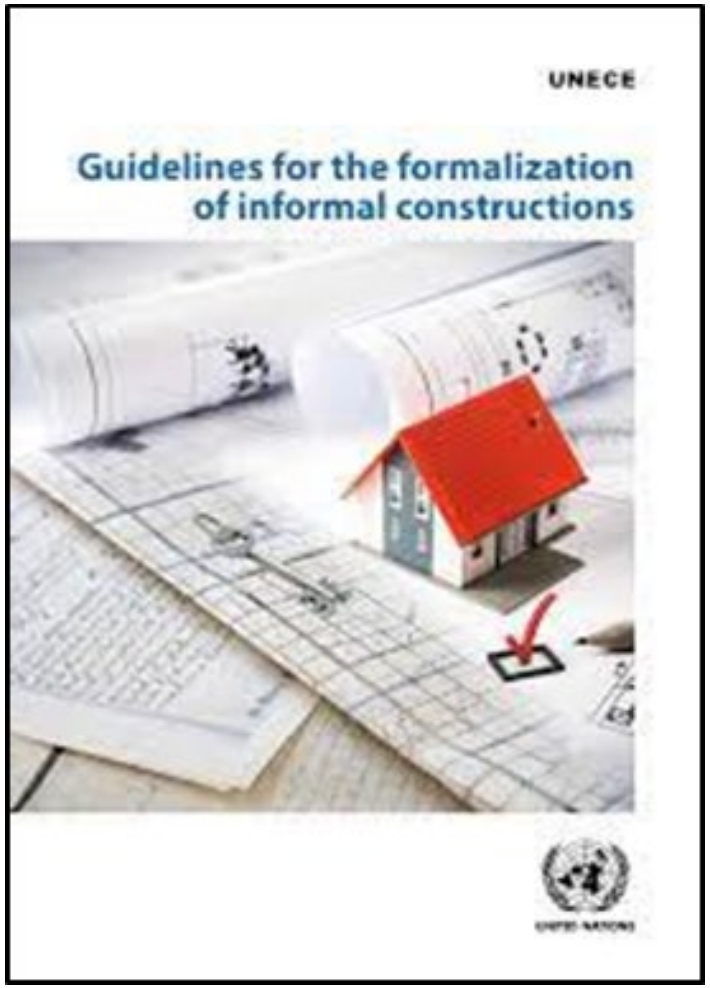
1.2.1 ***Identify*** the extent of informal or unregistered constructions and parcels, and the current weaknesses the legal and regulatory framework in terms of coverage,

13 For more information, see collection of land tools on mapping tenures in informal settlements by the Global Land Tool Network (GLTN): Access to Land and Tenure Security at https://gltn.net/access-to-land-and-tenure-security/#.

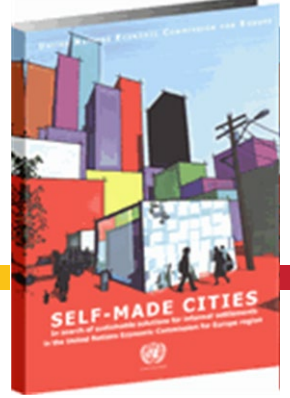
quality, and sustainability of registration

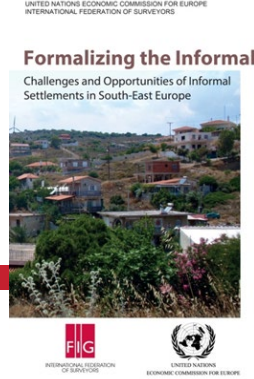
1.2.6 ***Prepare the legal framework and carry***

The set up of the Guidelines for formalization



Why formalize?





- ✓ **Informal settlements are much more vulnerable to pandemics: Therefore, formalization is a key target in the RAP**
- ✓ Main problems:

  constructions may be lacking building and living permits and in many cases property titles as well
- ✓ Mostly it is residential real estate, but not exclusively
- ✓ Self-constructed or developed by professional builders: houses & apartment blocs
- ✓ Informal constructions are related to a general informal sector, where **both constructions and residents** may lack legal documentation and remain unregistered, living and working informally
- ✓ Residents depend on low and unsure income, but are actually keeping the economy running for the rest of the urban community
- ✓ Consequences of informality/illegality:
  - ✓ Negative broader economic performance, no mortgage, no fair selling price, no security of tenure, no investments for: refurbishment, insolation, proper heating, healthy living in general, etc.)

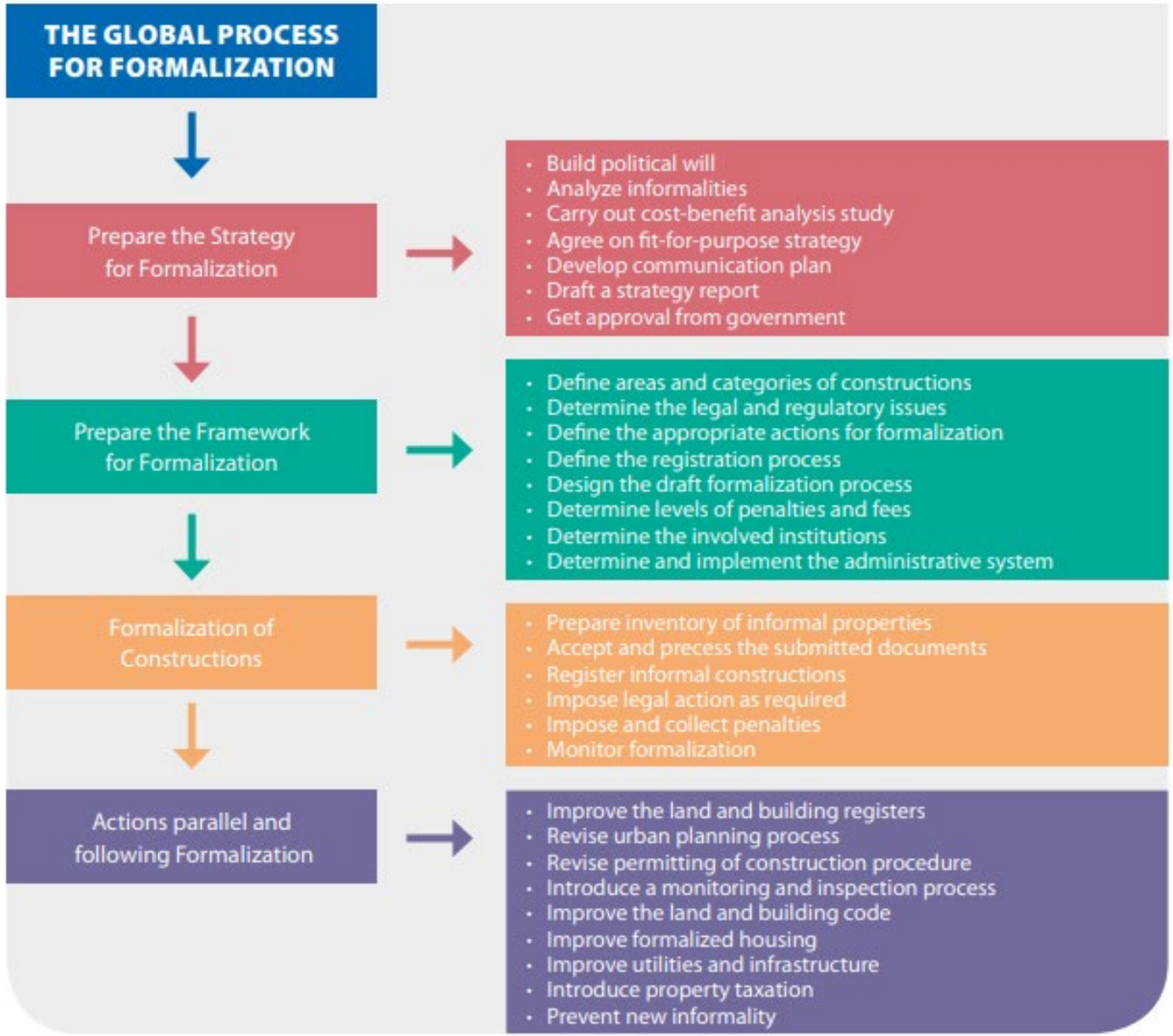
The Process for Formalization

Prepare Strategy

Prepare framework

Formalize constructions

Arrange for conditions



https://unece.org/sites/default/files/2022-01/technical_guidelines_informal_settlements_e.pdf

The Overall Process for Formalization

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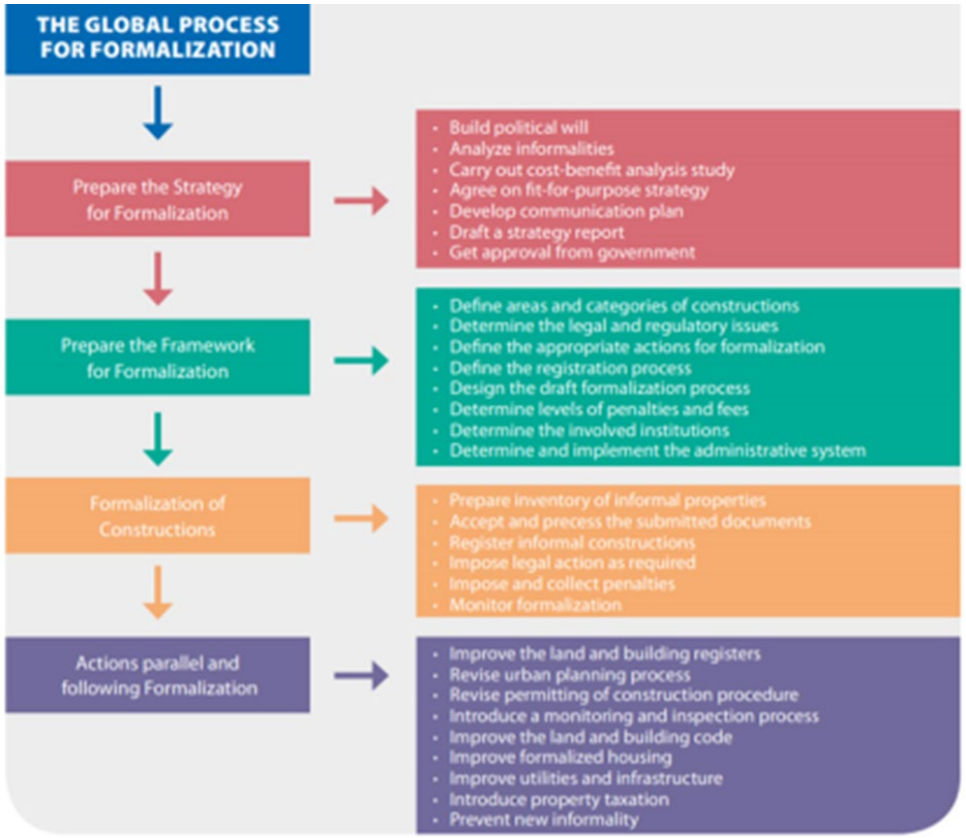

Long-term BBB also includes improvements in developing:

- ✓ well-functioning **property registration**
- ✓ pro-growth **planning** and flexible permitting of developments & plans
- ✓ general **infrastructure** upgrading works
- ✓ planning for **affordable housing**
- ✓ property **valuation and taxation**
- ✓ a **functioning and transparent real estate market** (other issues)
- ✓ **funding mechanisms**
- ✓ professional **education**
- ✓ **professional** standards and **ethics**
- ✓ an inclusive role for the **private sector**

The overall process for formalization

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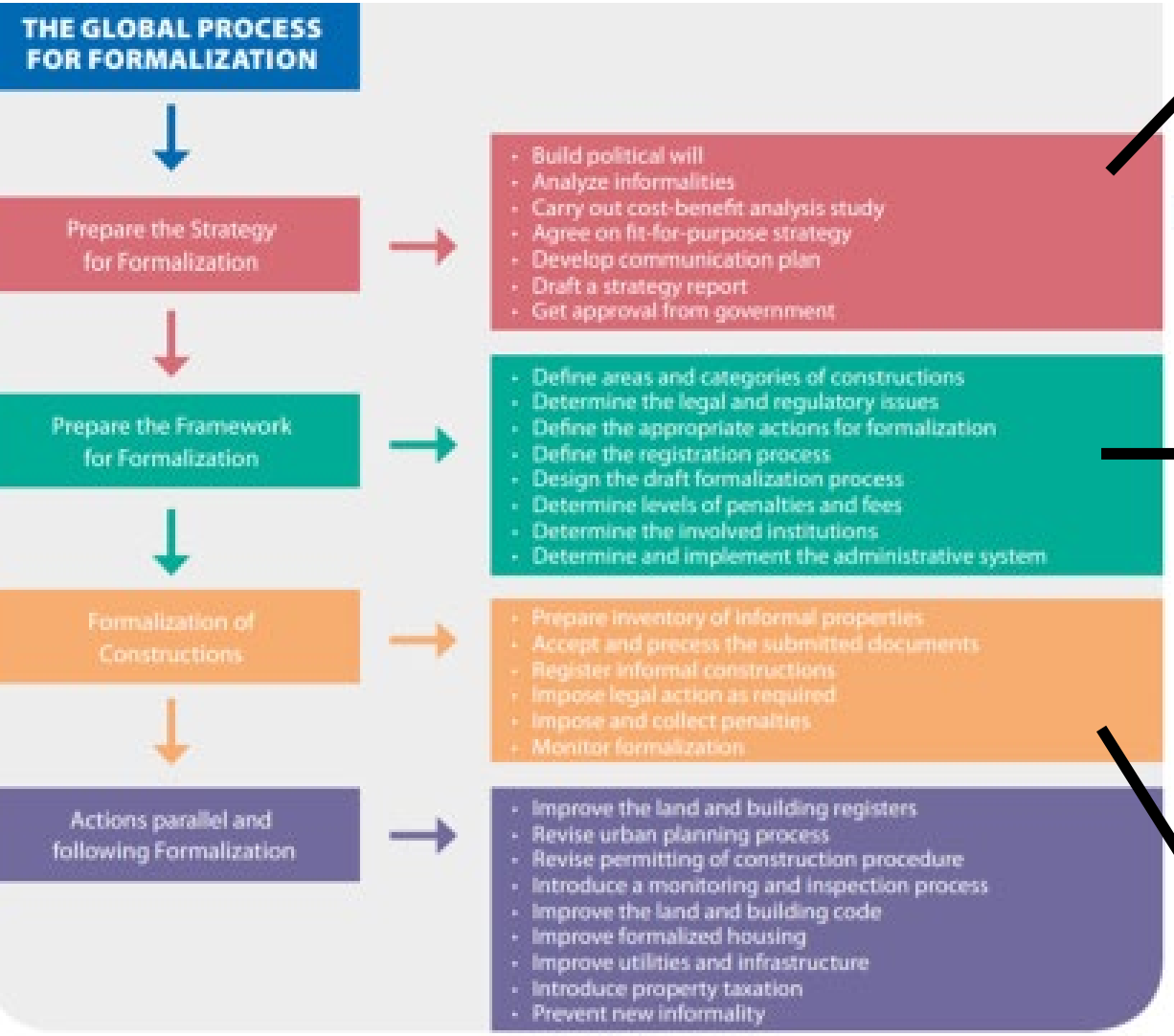
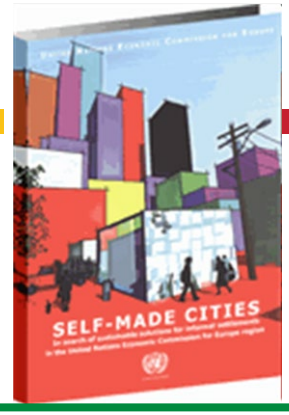


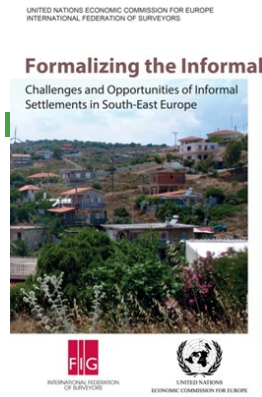
✓ **Prepare local Action plan(for BBB) plan & prioritize actions/works; specific cost-benefit analysis; agree on FFP; communication plans, strategy report; approval**

- ✓ Define the **pandemic risk in the various zones** and **list all necessary measures/actions**
- ✓ Define the **legal and regulatory issues** to allow urgent-short-mid- & long-term measures/interventions
- ✓ Define the **appropriate implementation actions** & **administrative procedures, roles/responsibilities/ <u>establish an emergency operation center in the municipality</u>**
- ✓ Define the levels of **penalties** & the **involved institutions**

Implementation of measures/actions/small public works; prepare geospatial plans; identify routes, buildings, spaces, small improvement works, **implement, monitor, continually assess the needs; modify daily; training**

Impact property registration





A. Clear, fair, affordable and transparent title issuing and registration:
   1. Improve security against land grabbing and evictions
   2. Improve living conditions
   3. Create marketable property units
   4. Minimize lending risks & Enable funding further improvements
   5. Provide a **spatial data infrastructure for evidence-based good governance & provision of humanitarian support**

B. Existing informal rights should be recognized & legalized prior to any land reforms for upgrading and planning. Residents will be fairly treated & are more likely to support the reforms

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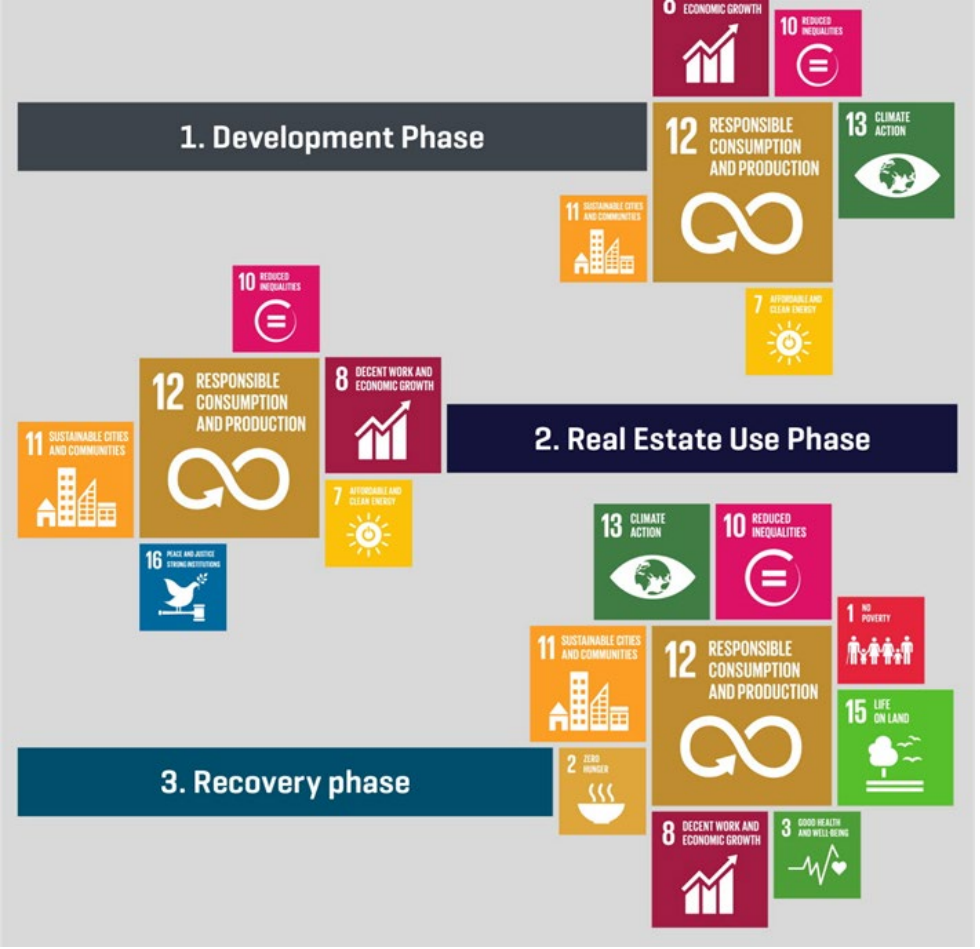


Adapting and Tuning the concepts of the RAP towards creating broad land related solutions

Applicable Multisectoral Land Problems

- Tuning towards climate, land degradation neutrality, energy, water/food sustainability primarily with a long-term formalization BBB plan. *Areas where formalization is not the primary problem.*
- Tuning towards any bundle of Policy Areas with varying weight (focus). *A broad variety of nations & individual problems.*
- Tuning towards BBB in disaster recovery, & large-scale reconstruction. *A variety of disasters, & city or nationwide reconstruction that BBB, meets a bundle of SDG's and builds resilience to all external forces chosen.*

- Orlando FIG Working Week 2023; May 28-June 1

- SIDS Tuned to Island States (focus on Climate, Economic Performance, Formalization, Tenure, Infrastructure)
- AVM (automated valuation models), AI (artificial intelligence) & Machine Learning (focus on feasibility analysis in problem solving to maximize benefit/cost analysis tuned to the SDG's @ x ±1,000 speed)

What materials are available?

Supporting Materials:

- ❑Guidelines for the formalization of Informal Constructions

https://unece.org/sites/default/files/2022-01/technical_guidelines_informal_settlements_e.pdf

- ❑The COVID 19 Recovery Action Plan for Informal Settlements

https://unece.org/sites/default/files/2022-05/COVID-19%20RAP_E.pdf

- ❑Policy Briefs on 6 aspects

Reference: drop box

- ❑Assessment reports on COVID-19 in various countries

http://www.unece.org/fileadmin/DAM/hlm/Meetings/2020/12_10_Kyrgyz_workshop/Bishkek_draft_Assessment_Report_Executive_Summary_ENG.pdf

- ❑Training materials

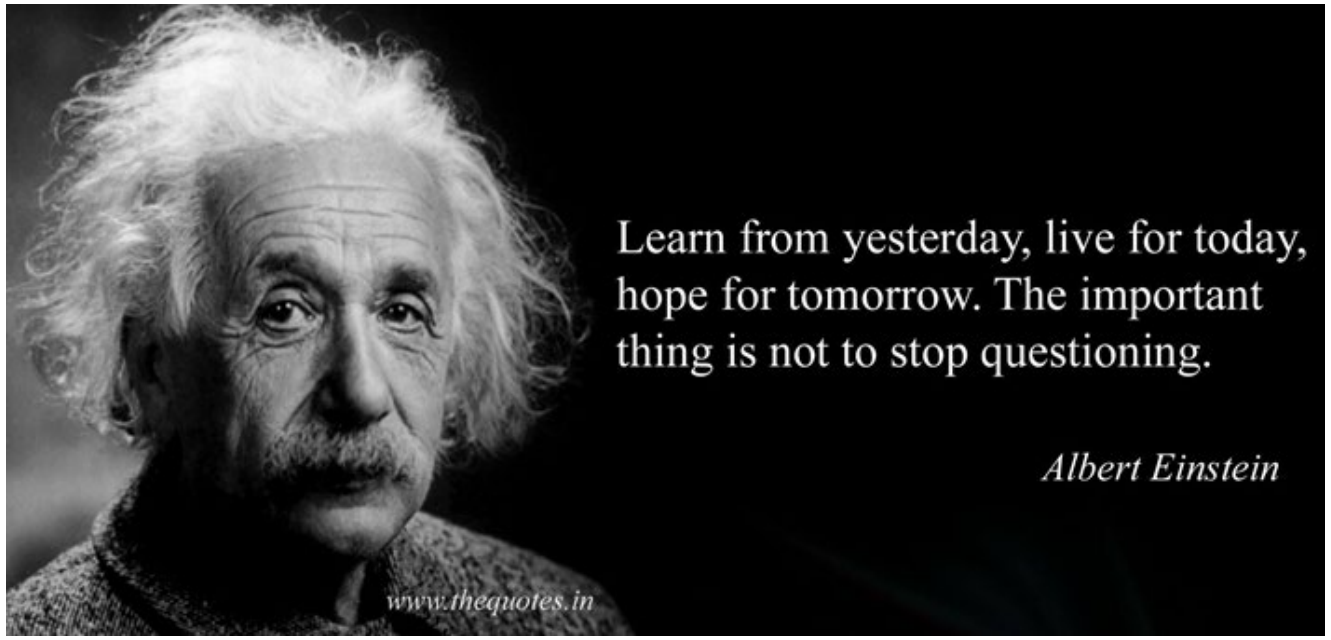
https://www.cityresiliencetraining.com/course/mod/h5pactivity/view.php?id=56

How to proceed?

- UNECE to take the lead in engaging countries to start working on RAP
- UNECE to seek donors to support implementation of Recovery Action Plan
- UNECE to implement pilot project→ will raise interest UNECE member states

NB: Reference to the approach of the VGGT: large program to launch VGGT

We also count on you!



Thank you!

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Annex Documents
Prepare the formalization strategy

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1. **Analyze the problem** & prepare a **background paper** (causes, size, type, location, extent of informal constructions at national/local level, & relation to social/cultural & legal challenges)
2. Organize **political support**, **involve relevant ministries**, state authorities, professionals, private sector, banking sector, NGOs, academia & **raise awareness among society**
3. Prepare an **inventory basemap** (orthophoto map/GIS), **classify land use types & ownership status & construction types** (construction age, size, quality) in a simple way
4. Collect **data about the population/residents** (number of people, size of families, income, ethnicity, etc);
5. **Cost-benefit analysis**, determine the cost of no-action, simplify the problem & point out the **expected benefits & possible quick wins** & a feasibility study for all other needs
6. **Agree on a fit-for-purpose formalization process** (fast, affordable, reliable, inclusive, fair, transparent) & for **prioritization of actions**
7. Develop **a communication plan**
8. Draft the **strategy report**
9. Get **approval from government**

Annex Documents
Prepare the formalization framework

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1. Define **the areas (zones) & categories** (types) eligible for formalization & define any necessary actions to legally enable it. **Preserve protected areas (within/out of these zones)**
2. Classify **types of legal informality** (lack of ownership title/permits or permit excess, informal subdivisions & agreements).
3. **Political decision is needed for: (a) title issuing (b) fees/penalties (c) planning amnesty.**
4. Classify **types of technical/construction informality** (lack of operational permit);
5. **Estimate & classify the risks and define appropriate actions, inform residents; list of procedures; Define inspections** according to the risk type-involve the private sector. When operational residential permits are issued without inspection (for small/mid-size constructions) **ensure that occupants accept the risks & are aware of actions to be taken for safety.**
6. Design the **formalization process; standardization of documents & procedures** is important. Determine the **involved institutions & their role**
7. Define the **registration process**.
8. Determine **the administration system:** responsible agency and processes, specifications, infrastructure/technical facilities, resources, monitoring procedure, guidelines for all, etc.
9. Determine **levels of penalties/fees** needed for title issuing
10. Prepare the **legal framework**

Annex Documents
Formalization of constructions

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1. **Receive & process applications & documents**; record historical evidence & fee records and provide needed certificates electronically & free of charge
2. **Collect penalties & fees**-affordability is important
3. **Register constructions** in a simple and fast manner (avoid special evidence lists etc., technical pending inspections & building permits are not usually mentioned on titles).
4. **Provide titles and allow transactions/mortgages.** Transactions should be allowed even if construction is of poor quality.
5. **Monitor the process**, provide open access to data, **maintain all records**, oversee all involved institutions, uncover problems, extend deadlines, provide incentives, protect vulnerable groups, **make adjustments**
6. **Address any legal issues that may appear** (during and after the process)
7. **Report** openly

1. **Actions to be taken in parallel with the formalization for improvements of constructions & neighborhoods, local RAP plans are important to identify the needs & risks**
2. **Actions to be taken following Formalization, improvements of all Land administration & management tools**

Covid 19 Recovery Action Plan

Annex Documents
How to prepare a local action plan?

- Make sure that it is a realistic plan and fit to local situation
- Impossible to do all at once: Prioritize actions and apply step-by-step approach
- Seek support from countries and experts already experienced
- Prepare the plan!

Annex Documents
Prepare a local Recovery Action Plan
(short-, mid-& long-term resilience against pandemic)

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Based on the **exposure to the pandemic** and the **society's vulnerability** (economic, physical, environmental, social, institutional, cultural):

1. **Start with an inventory of existing relevant plans** of the national, regional/state, or district
2. **Collect geospatial & demographic data from the covid-19 2-year experience** to estimate the risk in the various informal zones
3. **Assess and identify local resources** for all sectors (including human, technical, medical resources)
4. **Identify the needs and classify according to the vulnerability and the progress** of formalization & upgrade low-, mid- & high-risk zones;
5. **Ensure / identify potential donors**
6. **Identify the current available geospatial data sources**; informal constructions, occupants & buildings but also hospitals, clinics, road networks, other service networks, etc.

Annex Documents
Prepare a local Recovery Action Plan
(short-, mid-& long-term resilience against pandemic)

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7. **Mark what recreational and other public gatherings pose the greatest risk** ; map **green spaces** that can be enjoyed safely;
8. **Understand what is already done** (of the 9PAs) to manage the pandemic
9. **Prioritize in terms of a feasibility study/ existing resources**, etc.
10. **Arrange the budget allocation**/ internal-external funds
11. **Identify responsible organizations and set up project organization**
12. **Write the local Recovery Action Plan**
13. **Confirm with relevant authorities**