

Formalization of informal settlements

UNECE webinar series on e-learning courses on urban resilience and SDG localisation

28 March, 2024

Formalizing informal settlements – the case of Albania

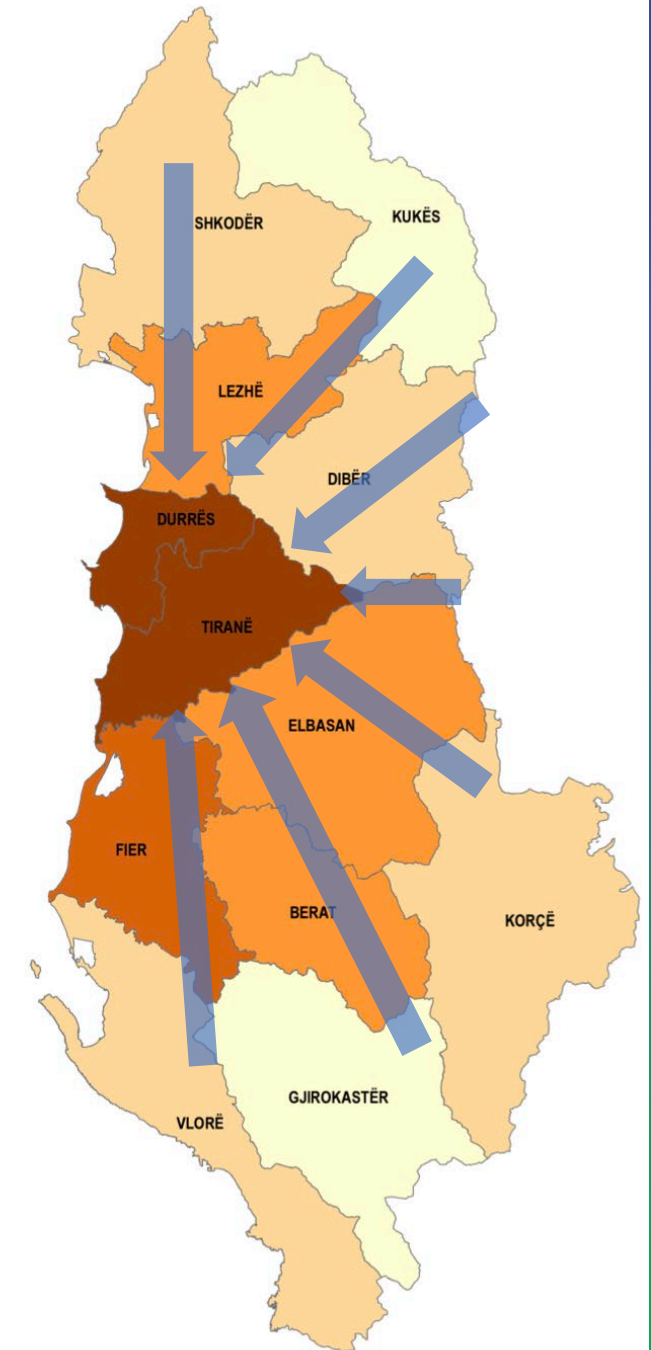
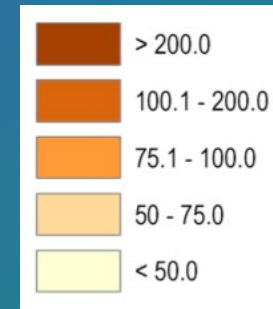
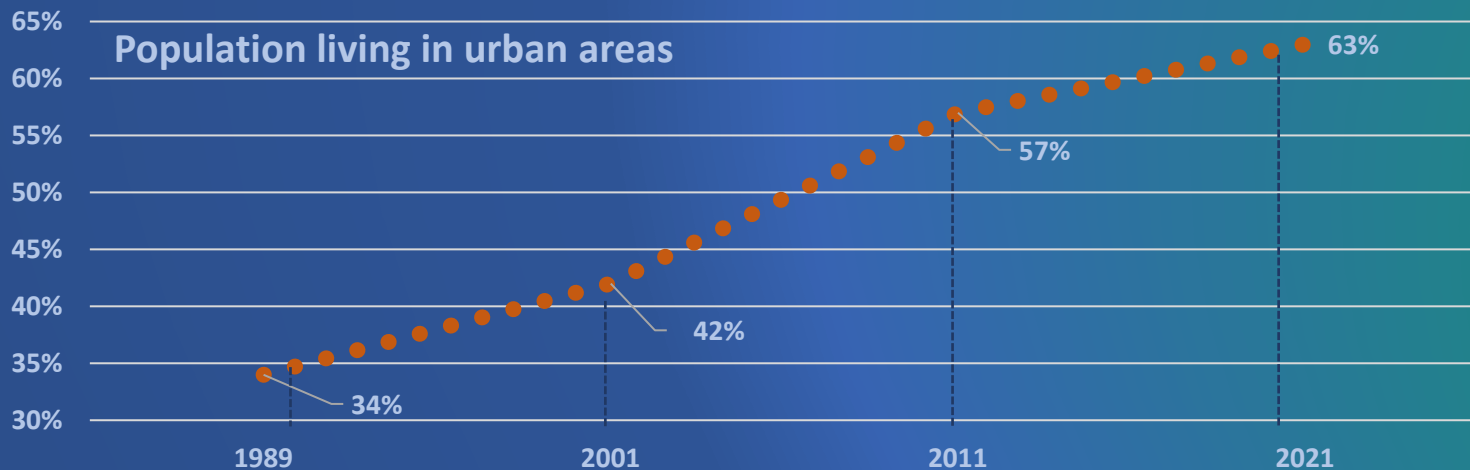
- Albanian population – 2,8 milion
- Area of the country – 28,000km²,
70% mountaneous
- Capital city – Tirana:
 - Population 912,000
 - Area: 1,652km²
- Number of municipalities – 61
- Area of informal settlements – 205,6 km² (2,4% of the lowland)

Formalizing Informal Settlements in Albania

- To identify policies for addressing informal settlements needs understanding of:
 - **Root problem:** what caused the birth of informal settlements? Can we cure them?
 - **Magnitude:** How big is the problem and where is it concentrated? Can we address them all? Are there priority areas and groups?
 - **Impacts:** how it impacts economy, social development and environment?

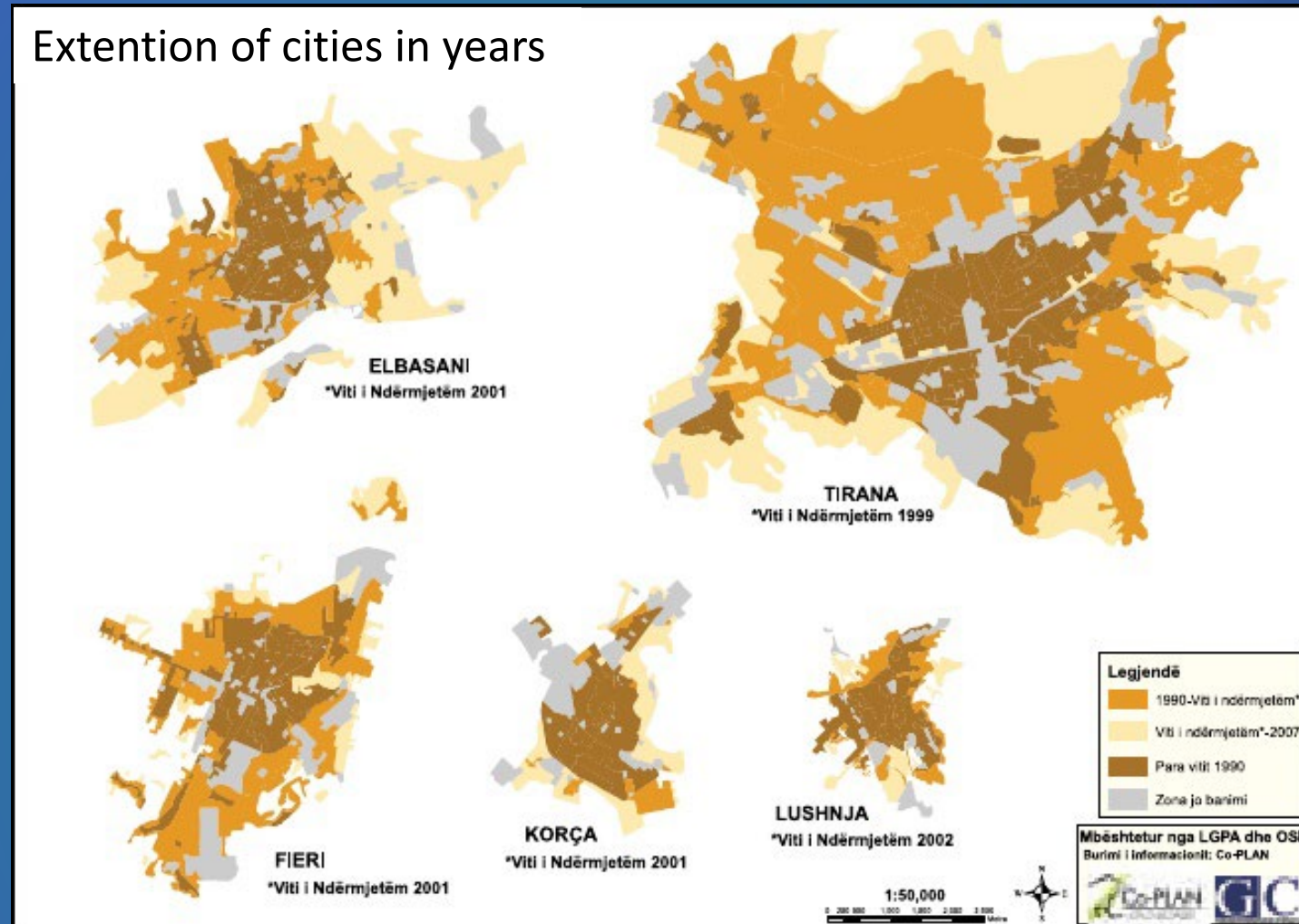
Roots of the problem

1. Removal of the legal barrier for population to move freely
2. Internal migration
3. Urbanization
 - Urban population in **1989** – **38%**
 - Urban population in **2011** – **52%**



Root of the problem

- Inability of central and local authorities to manage the urban growth
- Urban plans not adopted to new market developments
- Bureaucracy and long procedures for building permit
- Corruption
- Speculation



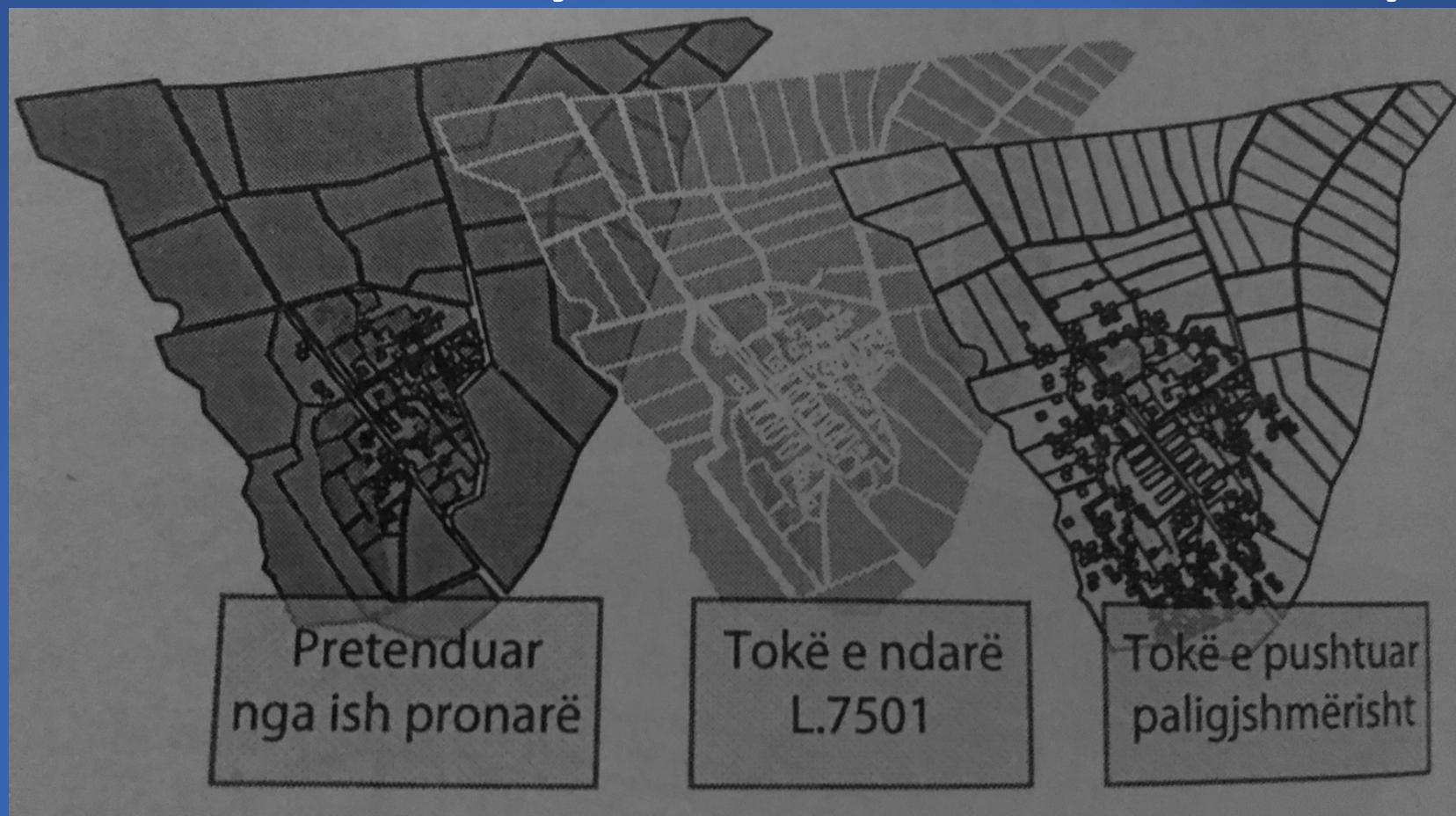
Uncertainty of land ownership

Structural adjustment reforms:

1. Restitution of properties
2. Land reform
3. Privatization and legalization

Different legal regime on the same plot of land:

1. Law 7698, date 15.4.1993 "On restitution and compensation of properties [...]"
2. Law 7501 date 19.7.1991, "On the land"
3. Law 9304, date 23.10.2004 «On the legalization and urbanization of informal housing and settlements»



Source: B. Aliaj, 2008

Land, pretended by original owners

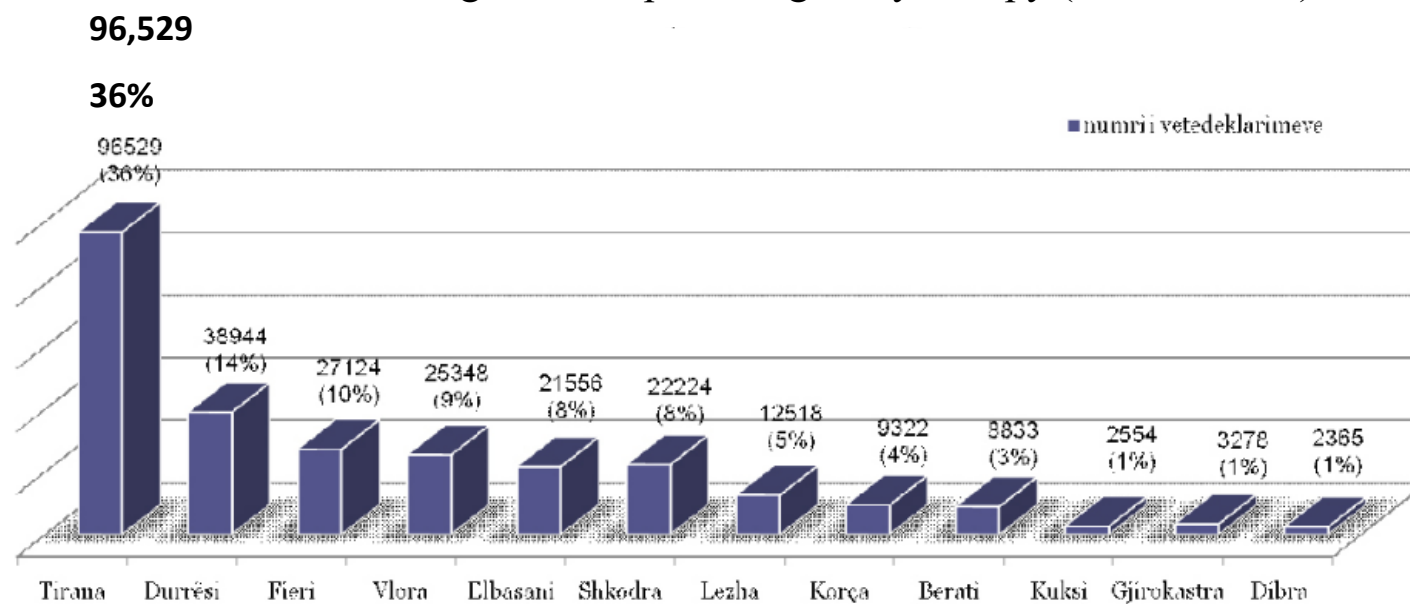
Land, allocated in 1991 in use for agriculture (not in ownership)

Land, occupied illegally

Magnitude of the problem

In 2005 approx. USD 6-8 billion was the estimated value of the “dead” capital

Graphic presentation of the distribution of self-declared informal buildings and the percentage they occupy (total 270,595)

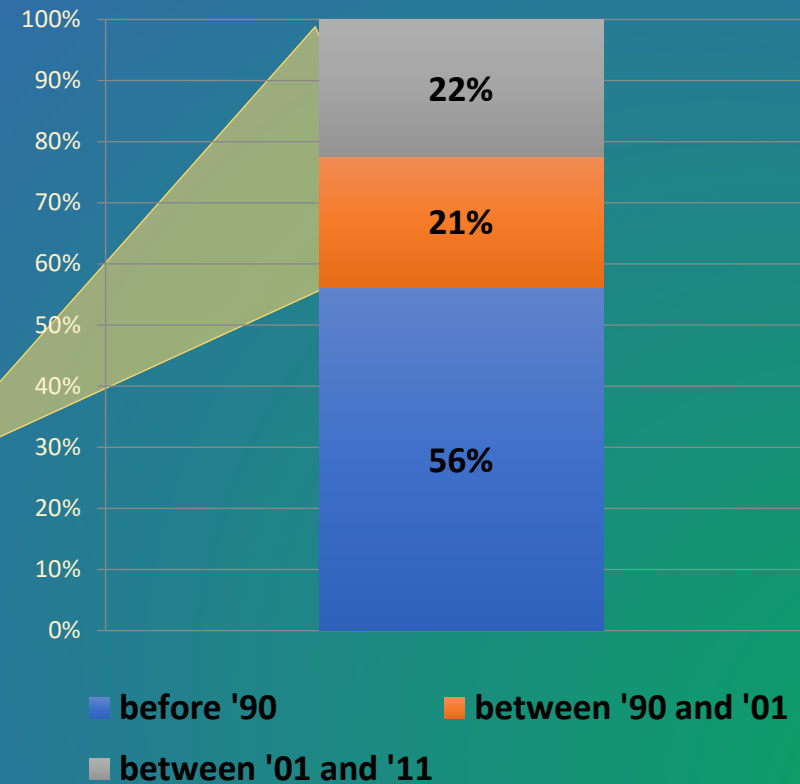


Magnitude of the problem

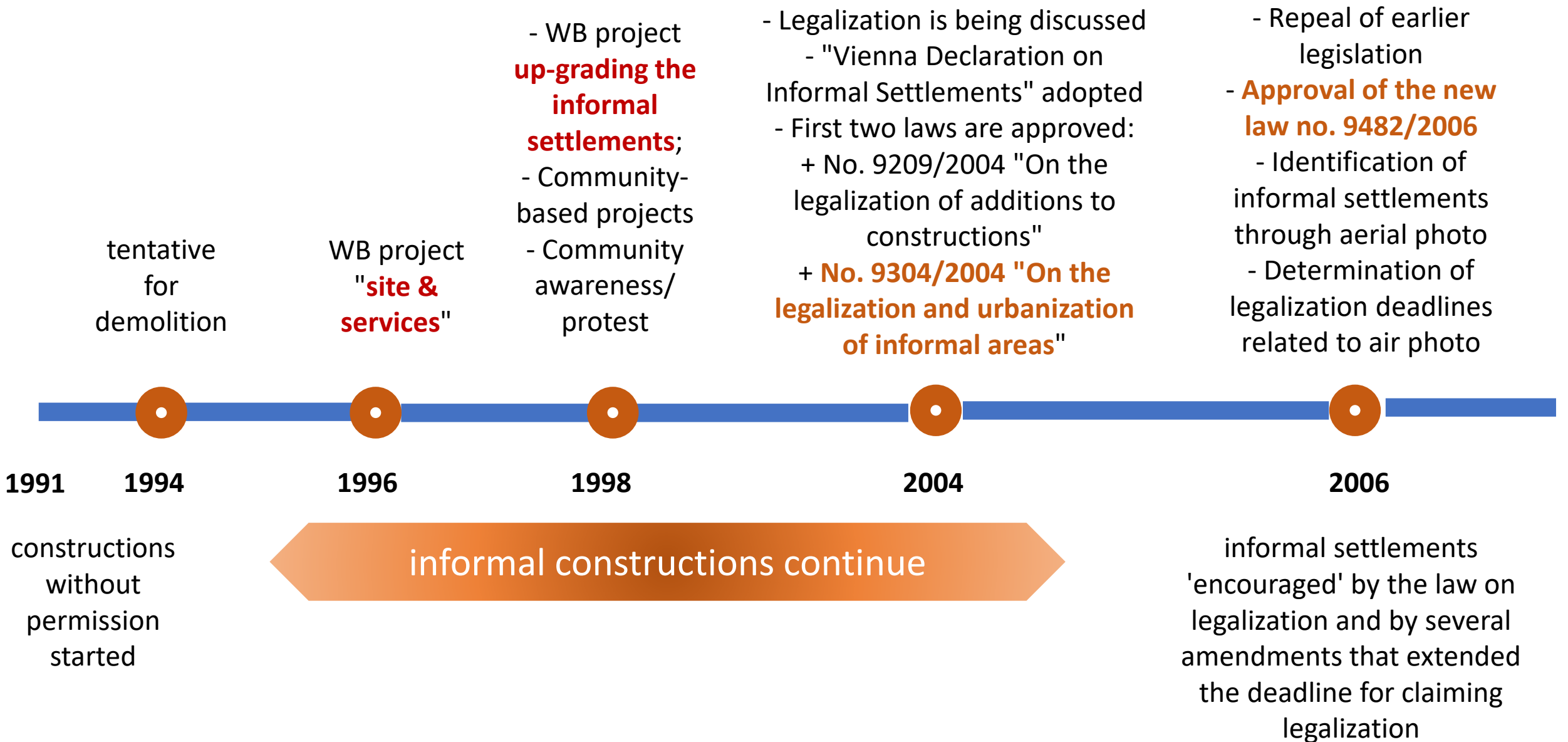
Housing Stock

dwelling/1000 inhabitants	1989	2011
	219	362
Uninhabited houses	28%	
Informal housing	75%-90%	

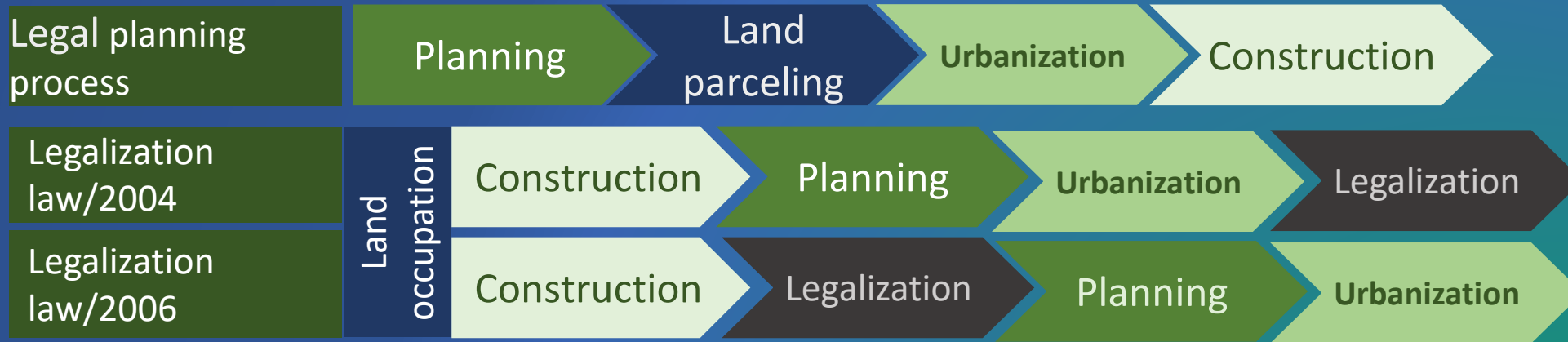
Age of the housing stock



History and approaches



Planned settlements vs. Informal development



- Essential differences between the two laws:
 - The **2004** Law provided:
 - Planning before legalization
 - Demolitions for the opening of public spaces
 - Making available land from re-parceling for those that the property was demolished
 - Price of land for legalization estimated at market values
 - Solving problems between land owners and squatters left to the parties



REPUBLIKA E SHQIPËRISË

MINISTRIA E ZHVILLIMIT URBAN

AGJENCIA E LEGALIZIMIT URBANIZIMIT DHE INTEGRIMIT TE ZONAVE/NDERTIMEVE INFORMALE

ALUIZNI

Kreu

Struktura

Legjislacioni

Vetëdeklarimet

Programi i Transparencës

INSTITUCIONE

- > Këshilli i Ministrave
- > Ministria e Zhvillimit Urban
- > AKKP
- > Zyra e Regjistrimit të Pasurive të Paluajtshme
- > Arkiva e Shtetit

NJOFTIME

DEKLARATE RRETH
MIRATIMIT TE VKM "PËR
DISA NDRYSHIME DHE
SHTESA NË VKM NR. 280
DT. 01.04.2015"

AGJENSIA E LEGALIZIMIT,
URBANIZIMIT DHE
INTEGRIMIT TE
ZONAVE/NDERTIMEVE
INFORMALE

Tiranë, më 26.10.2016

DEKLARATE

RRETH MIRATIMIT TE VKM
"Për disa ndryshime dhe
shtesa në VKM nr. 280 dt.
01.04.2015" NE

APLIKIME PËR PUNËSIM

LAJMI I FUNDIT

DEKLARATE SHTYPI Tiranë,
23.03.2017

Aktualisht kemi hyrë në fazën përmbyllëse të procesit të legalizimeve në zonat informale. Në ditët në vijim do të ndiqni rradhë pas rradhe që, për zona informale, për fshatra, qytete apo njësi administrative të veçanta, të deklarojmë përfundimin e procesit të legalizimit.

Në fund të këtij muaji do të arrijmë në shifrën 120.000 të legalizimeve të kryera në rang Republike, dhe do të vazhdojmë të mbajmë kuotën prej rreth 4500 deri 5000 legalizime në muaj.



Sot ALUIZNI është shndërruar për shumë qytetarë një sportel ku mund të diskutuarin dhe

- ALUIZNI - Agency for Legalization, Urbanization and Integration of Informal Settlements and Buildings
- Established in 2004, but began work as an agency after 2006
- It operates in 12 prefectures with 21 offices
- In 2020 ALUIZNI was integrated with Cadastral office, together with other agencies dealing with land

ALUIZNI

(Agency for the legalization and urbanization of informal buildings and settlements)

- Responsibilities of ALUIZNI :
 - It cooperates with central state bodies and units of local government for the legalization, urbanization and integration of areas / settlements / housing blocks;
 - Plans State budget funds for the legalization and urbanization of informal territories;
 - It gives permission for legalization, according to the law
 - Performs national campaign of information and raising awareness of citizens, in cooperation with the mass media at the national level;
 - Builds the database for illegal construction and performance of legalization;
 - Prepares manuals of procedures, instructions and forms

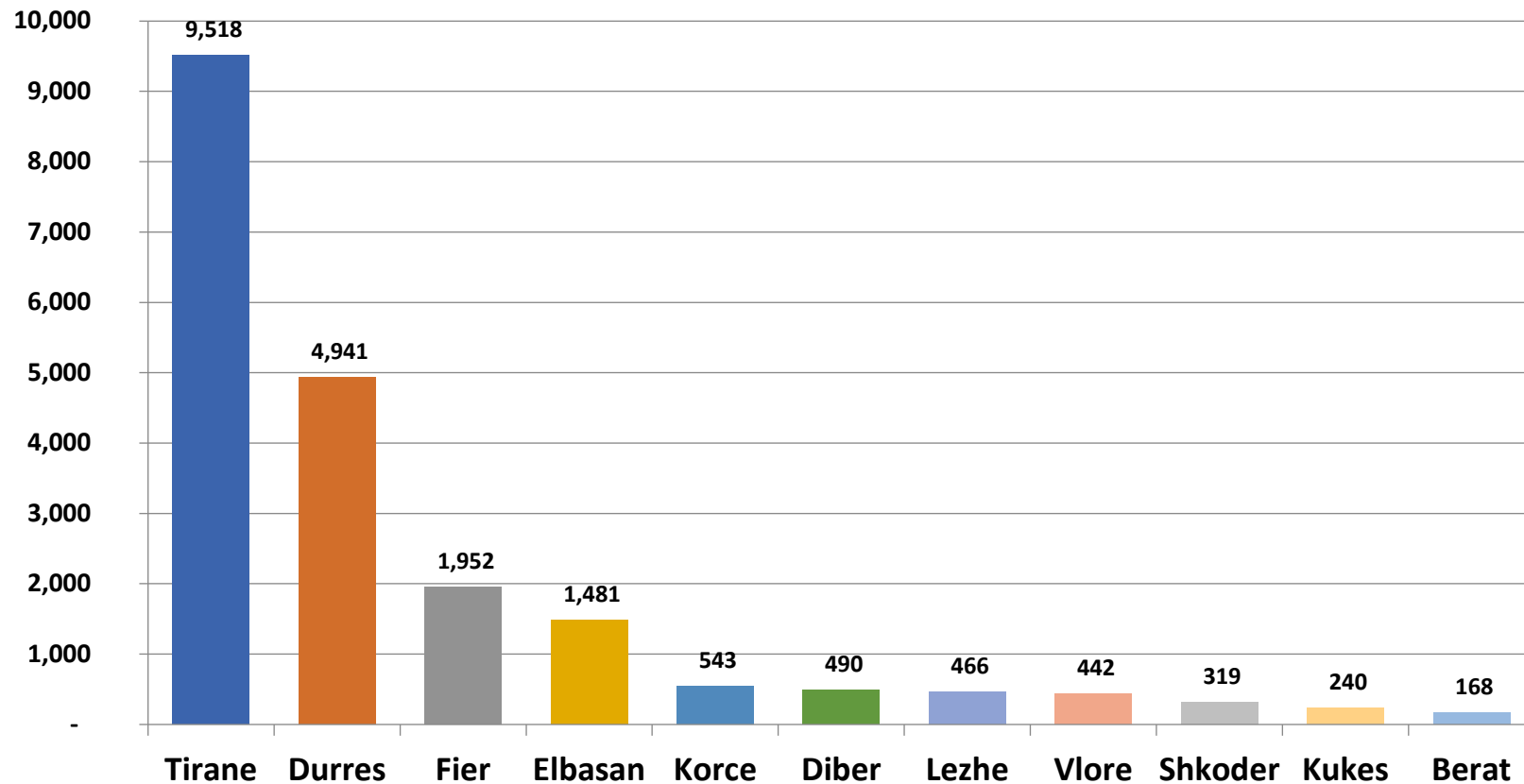
Matrix of procedures and deadlines for the administrative examination of the legalization processes			Months											
Nr.	ACTIVITY	MONITORING INDICATORS	1	2	3	4	5	6	7	8	9			
1	Starting of the legalization process	Order of the Director for issuing the files from the archive	█	█										
2	Actual on-the field identification of informal building	a. Field ascertainment (realization of measurements).		█										
		b. Preparation of the sketches		█										
		c. Completion of note on ascertainment		█										
		ç. Up-dating the vectorial map		█										
3	Identification of the legal status of the land.	Request to ZVRPP for information on the legal status (according to cadastral block) / verification of ownership documents submitted by the holder (if in possession)			█									
4	Development of the master-plan and layout plan	a. Data entry and generation of master-plan.			█									
		b. Approval of the master plan			█									
		c. Drafting and signing of the layout			█									
5	Taking decision on the qualification or not	a. Review of the building relative to the qualifying criteria		█	█	█	█	█						
		b. Approval of the decision for qualifying/rejecting		█	█	█	█	█						
		c. Notification of the subject on the service's tariff						█						
6	Adopting legalization permit before transition of ownership	a. Completion and approval of legalization permit.						█	█	█				
		b. Application for registration of the legal mortgage and the deed in the records of real estate office								█				
		c. Notifying the subject and handing the legalization permit								█				
		ç. Notifying the local administration for local tax payment								█	█	█	█	
		d. Preparing proposal for the transfer of the right of ownership and compensation of the owners.								█	█	█	█	
		dh. Sending the proposal for approval at the GD								█	█	█	█	
e. Calculating and notifying the beneficiary on the financial obligation										█				
7	Approval of the legalization permit for the transfer of the property rights	b. Completion and approval of legalization permit											█	█
		c. Request for registration of legalization permit in ZRPP												█
		ç. Notification of the local authorities for the local tax												
8	Legal hypotheca	a. Request for deletion of legal mortgage												
		b. Request to the Energy Agency for verifying payments												
		b.1. Placing restrictions on the property (as appropriate).												

█ Critical moments of process

Challenges in the process

- Mainly problems arising from land management:
 - Various laws define different legal regime for a parcel of land - owners overlap
 - Different institutions have information on the legal status of a property
 - Property maps available at IPRO differ with those generated by GIS and administered by ALUIZNI
- The lack of address system - information doesn't reach the citizens
- Frequent changes of law creates confusion in responsibilities and procedures

Area of Informal Zones (in ha), according Decree of NTC no. 2/2015



Impact of legalization/ privatization (squatted state-owned properties)

ex-industrial site - squatted



after privatization – self-help



Impact of legalization policy



Law no. 10 219, datë 14.2.2010 is the **fifth amendments** to the law of 2006; Article 2.1 doesn't change the formulation as above, which can be interpreted as the deadline for legalization is extended

Law 50/2014 **extends the deadline to 2009**, while Law 65/2015 is the ninth amendment of the law, which **extends the deadline until 27.6.2014**

LAW No. 9482, dated 3.4.2006 On the legalization, urbanization and integration of buildings without permission – **legalization of all buildings erected before the entrance in force of the law**





More policy solutions

- Property registration and modernization of Cadastral office
- Legalization, urbanization and improvement of informal developed neighborhoods
- Urban plan for 61 municipalities
- Control on the territory
- Social purpose housing programs

Thank you