

Joint FIG Commission 3
UN/ECE Working Party on Land Administration
UN/ECE Committee on Housing and Land Management

Workshop on “Spatial Information Management toward Legalizing Informal Urban Development” and “Informal Settlements—Real Estate Market Needs for Good Land Administration and Planning”

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ABSTRACT: This was the first FIG Com3 annual workshop and meeting in a series of three planned for the new term 2007-2010. The next joint FIG Com3 and UNECE Committee on Housing and Land Management Workshop (as a follow up) is planned to be held between 18-21 February 2008 in Valencia, Spain, under the topic: “**Spatial Information Management Toward Environmental Management of Mega Cities**”. More detailed information will be published soon.

Workshop Report

The joint workshop of FIG Commission 3 and UN/ECE Working Party on Land Administration (WPLA) and Committee on Housing and Land Management (CHLM) took place in Sounio, Greece, on March 28-31, 2007. The workshop focused on informal or unplanned development, a topic of major importance for several countries worldwide. The initiative for this topic originated in a vision identified in the current FIG Com3 work plan, announced at the FIG (International Federation of Surveyors) ACCO (Advisory Committee of Commission Officers) meeting during the 2006 FIG Regional Conference in Accra, Ghana. An objective of FIG Com3 work plan is cooperation with international sister organizations; therefore a proposal was made to UN/ECE WPLA Bureau to include this workshop as an extra function in its already planned workshop calendar for 2007. The WPLA Bureau, in turn, invited the participation of the UN/ECE Committee on Housing and Land Management.

The local organizers were the Technical Chamber of Greece (TCG) and the Hellenic Association of Rural and Surveying Engineers (HARSE). The major

sponsor was the Technical Chamber of Greece; other sponsors were the Attica Bank, the Marathon Data Systems, the Region of Attika, the Municipality of Lavrio, the Municipality of Anavissos, and the Municipality of Palaia Phokea.

Experts and representatives of sister associations—Dr Gabor Remetey-Fülöpp, Head of the UN SDI Hungarian Coordination Office and Director of EUROGI Working and Advisory Group on International Affairs and Secretary of the Global Spatial Data Infrastructure Association; Mr. Gavin Adlington and Ms Victoria Stanley from the World Bank; the Harvard research expert Ms Sylvia Martinez, an independent adviser to the Commission on Legal Empowerment of the Poor; Mr. Fernando De la Puente Alfaro, President of the European Land Registry Association; and Mr. Enrico Campagnoli from FIABCI—kindly responded to the invitation made by the local organizers and offered to participate and support the workshop and present papers.

In total, 130 distinguished delegates from 42 countries registered for the workshop. The countries represented were: Albania (6), Armenia (1), Australia (1), Austria (3), Azerbaijan (4), Belarus (1), Bosnia and Herzegovina (1), Bulgaria (1), Canada (1), Croatia (3), Cyprus (4), Czech Republic (2), Denmark (3), France (1), Georgia (4), Germany (5), Greece (32), Iceland (2), Ireland (1), Hungary (1), Iceland (2), Ireland (1), Israel (1), Italy (4), Kosovo (3), Kyrgyz Republic (2), Lebanon (2), Latvia (2),

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Lithuania (2), the Netherlands (1), New Zealand (1), Nigeria (1), Norway (4), Poland (3), Romania (4), Russia (2), Serbia Montenegro (2), Slovak Republic (1), Spain (3), Sweden (2), Switzerland (3), Turkey (3), U.K. (3), USA (4).

In addition, twelve Greek officials participated, including several members of the Hellenic Parliament, the representative of the Minister for the Environment Physical Planning and Public Works, the presidents of TCG, HARSE, and of the Association of Greek Architects, local Mayors, presidents of other professional associations, the President of the School of Rural and Surveyor Engineers of the National Technical University, and the General Secretary of the region of Attika.

In the two Opening Sessions, welcoming addresses were offered by Yannis Alavanos, President of TCG; Chronis Akritidis, President of HARSE; Prof. Stig Enemark, FIG President; Kaj Barlund, UN/ECE EHLM Division Director; Dr Chryssy Potsiou, FIG Com3 Chair; Makis Apostolatos, FIG Com3 Vice chair of Administration; Doris Andoni, UN/ECE CHLM Chair; and Peter Creuzer, UN/ECE WPLA Chair.

The keynote speakers were Prof. Stig Enemark, FIG President; Paul Kelly Director Spatial Strategies Pty Ltd; and Gabor Remetey, HUNAGI Secretary General.

Robert W Foster, FIG Honorary President; Markku Villikka, FIG Office Director; Gerhard Muggenhuber, FIG Com3 past chair; Helge Onsrud, FIG Com3 and WPLA past chair; Bengt Kjellson, WPLA past chair; and Elena Szolgayová, past CHLM chair also participated in the workshop.

The workshop consisted of eight technical sessions (TS), and one plenary session (PS).

PS: Policy makers for planning and land administration

TS 1: Technical aspects for informal urban development monitoring and planning control

TS 2: Necessary tools for good land administration and planning

TS 3: Informal urban development

TS 4: Land policies for lower economies

TS 5: Land tools for planning and property registration

TS 6: Illegal urban development in the ECE

TS 7: e Governance—participatory democracy

TS 8: Urban planning and property registration

Fifty papers were presented in the eight technical sessions, and nine presentations were made during the plenary. The technical program also included a round table discussion. A first draft of

the workshop's resolutions is given below. All papers, resolutions, and discussions will be published in the workshop's final proceedings, which will be published and distributed by the Technical Chamber of Greece, and at the FIG Com3 web site.

To satisfy specific requests, and to enable experts from the private and public sectors and the academic members to jointly address issues of major importance, FIG Com3 initiated an optional double blind peer review process for presenters of papers at this workshop. A number of FIG academic delegates provided peer reviews of papers, if and when requested by authors. The reviewers did not review their own papers or papers coming from their own countries; they were selected according to their expertise in the topic; and the requirements for acceptance for peer review were that the papers are the result of original research and that they have been published previously. The same criteria will be applied to future FIG Com3 workshop presentations. Twelve papers received successful peer review for the workshop described in this report. Other papers presented at the workshop may also include original research, information, and ideas, but their authors did not choose to submit their papers for peer review. Dr. Chryssy Potsiou, chair of FIG Com3, and Prof. Yerach Doytsher, head of the peer review group, will serve as editors of additional specific publications of the peer reviewed papers.

Draft Resolutions of the Sounio Workshop

1. Formal real estate markets require:

- Security of tenure, legal definitions, and clear regulations for the registration of land ownership and rights and to enforce effective land use regulations and restrictions;
- Transparency in procedures, with secure, speedy, low cost, and easy access to all land market participants;
- Access to fundamental financial services such as mortgage and credit and stable, transparent, and fair land taxation systems;
- Availability of digital, interoperable, and updated data sets with common spatial reference concerning ownership, value, and use of land, so that lenders are not affected by unregistered encumbrances (e.g., unregistered restrictions on building permits); and

- Integrated records and coordination among institutions involved in land policy, so that all land transactions will be safe and secure.
2. Registration of urban areas (where there is development of land) should be given first priority by Land Administration Agencies, in order to formalize and support real estate markets and economic growth.
 3. Due to a rapid population increase in most urban areas, "unplanned" or "informal" suburban development is an increasing phenomenon worldwide. It is a matter of human rights that people are free to choose where they will live. Informal urban development is also an issue of significant importance in ECE (Economic Commission for Europe) countries and especially in Eastern Europe, the Balkans, the Mediterranean and the Caucasus areas. This is not a new issue in Europe. Valuable experience can be shared by Western countries in terms of applied spatial and urban planning regulations, building permitting, and the interrelationship of land-use regulations and records and property registration systems. Valuable experience with unplanned development, its impact on the economy and the environment, and the means to deal with it can be derived especially from Southern European countries.
 4. "Informal," "unplanned," "illegal" or "random" urban development is also an issue of major importance in a large number of countries worldwide.
 5. There is no clear common definition of what an "informal settlement" is but the most important factors for characterizing an area are: land tenure, quality and size of construction, access to services, and land-use zoning.
 6. The most common reasons for informal settlements whether in regions of Europe, Africa, Central and Latin America, or Asia are:
 - Special historic, political, social, and economic conditions leading to urbanization;
 - Lack of important and necessary spatial information and insufficient planning;
 - Unrealistic zoning regulations;
 - Marginalization, poverty, and lack of financing mechanisms for affordable housing;
 - Inconsistent and complex legislation;
 - Unnecessary bureaucracy over land development and permitting;
 - Illegal subdivision and construction on agricultural lands; and
 - Political reluctance to confront the situation.
 7. Today there are about one billion slum dwellers in the world; UN-Habitat estimates that if the current trends continue, the slum population will reach 1.4 billion by 2020. One of every three city residents lives in inadequate housing with few or no basic services.
 8. Normally, people only choose to occupy illegal housing where there is no other affordable choice. In areas of extreme poverty and due to special cultural customs, however, people may choose to sell housing offered by the state and go back to live in slum conditions (example in South Africa).
 9. Unplanned development does not always result in slum conditions. Today the majority of informal construction in many parts of the ECE region is of a good, permanent type, and it can be characterized as "affordable housing" rather than as "slums," especially where no affordable housing policy is provided by the state. Land values at the fringe of urban areas are lower and more affordable for those earning less than the average household income; usually informal urban development is located in such areas (close to the cities) and is accompanied by illegal construction on either illegally occupied land, or on legally owned land parcels (illegally subdivided) for housing purposes. This is usually characterized as "illegality of need."
 10. Types of informal buildings: In some regions these are single-family houses, while in others they may be as extensive as ten-story multi-family buildings. Informal settlements may appear within industrial zones, in rural land, at the fringes of urban areas, in the coastal zones, the forest land, etc.
 11. Illegalities in urban development may also appear within formal urban areas (due to violation of land-use rules and regulations). This may be found in some north-western European countries as well.
 12. The extent of informalities and illegalities in urban development varies in the various countries. Planning systems and construction-permitting procedures are to some extent determined by the cultural and administrative development of each country, and, just like land administration systems, they vary from place to place. Planning systems vary in two major characteristics: the extent of flexibility in decision-making to allow development that is not in line with the adopted planning regulations, and the degree of unauthorized development or distance between the stated objectives and actual development.
 13. Informal land development can even appear in attractive vacation areas, due to the rapid

- increase of land demand by local or international market participants.
14. Illegal, unplanned construction that occurs in areas where development is restricted often results in higher-than-usual construction costs and may be of poor quality. Such construction is accomplished without the required permits or licenses and avoids construction inspection by public authorities. Illegal construction usually has no access to public services and cannot be transferred and/or mortgaged. A considerable amount of “dead capital” is trapped in such areas.
 15. Is legalization the most appropriate solution? Legalization of unplanned construction is unpopular among those who do follow building and land-use regulations. Unplanned development, though, as a major social phenomenon, indicates a need for system change.
 16. Legalization initiatives are applied in many ECE countries, as well as in several other areas worldwide, and may be accompanied by penalty fee charges. Legalization of informal development, where feasible, should be one of the means to support the real estate market and the national economy. Experience from some legalization initiatives (e.g., in Italy) shows, however, that each legalization act has encouraged new unplanned development in the following years. To prevent illegal building, governments need to adopt policies that are sufficiently flexible to market conditions. Policies that legalize illegal buildings after they are built only encourage more illegal building.
 17. Legalization may be accomplished through integration of unplanned areas into a formal “urban plan,” with parallel land improvements and services provision (as, for example in Greece). It occurs after individual inspection of the construction for stability and safety, as well as environmental impacts. Although seriously slow and costly, this process has managed to avoid marginalization and slum creation. Integration into legality where feasible, accompanied by penalty fees and an obligatory area-regeneration project, improves environmental conditions, affects land values positively, and supports the real estate market and national economy. In Greece, for instance, urbanization procedures need to be simplified and accelerated, and priorities should be more “demand-driven” by purchaser preferences. Cadastral surveys been compiled for the Hellenic Cadastre, and urban-planning projects should be coordinated.
 18. Illegal buildings must be judged according to their safety and their environmental impact. Construction leading to general environmental burdening, such as buildings in high-risk radioactive waste areas, or on river routes and floodplains, in coastal zones, archaeological sites, on public forest land, and public or common-use land should be denied legalization. The extent of such denials, however, should be realistic and may vary according to the local situation and the specific economic conditions.
 19. Experience shows that buildings constructed illegally in order to serve a social need for housing should be dealt with differently from those constructed purely for profit. Illegal construction, build for commercial profit (not for “need”), which do create serious environmental damage and cannot be legalized through physical improvement and payment of penalty fees must be demolished.
 20. Where urban regeneration is to take place in areas of existing informality, care should be taken not to create homeless conditions for residents of long standing. In some cases, an agreement for an “exchange of land” may be an example of good practice.
 21. Application of suitable land-use controls to ensure the validity of regulations is necessary. The promising tools of today are satellite imagery and automated photogrammetric procedures for edge detection algorithms. Automated feature extraction and spatial data collection can support independent environmental monitoring, efficient urban planning, e-governance, transparency, and sustainable development. Adoption of such methods in combination with substantial initiatives (e.g., adoption of affordable housing policies and reduction of unrealistic regulations and land subdivision standards) to increase land supply and decrease land cost, and to expedite the development permitting process, while making development control possible, can reduce unplanned development.
 22. Although several legal measures—e.g., legalization initiatives, penalties, punishments, even demolition—have been applied in several countries, unplanned development continues to occur. What else, in the European experience and approach, has been successful in preventing the creation of new informal development?
 - General national legislation has a direct impact on the procedures for issuing territorial planning conditions and building permits.

- There is a need to review the laws and legal regulations seeking to adopt more realistic restrictions and regulations and to shorten the procedures for issuing territorial planning conditions and building permits with a purpose to create more favorable environment for investment, and to attract more investment for the reconstruction, renewal and renovation of poor territories.
- Registration of property rights plays a major role. It is of significant importance that both formal and informal construction and land plots should be recorded during the cadastral surveys to support efficient decision-making.
- Access to property rights and ownership of land should be considered as a fundamental human right. Laws must be improved and procedures for implementation simplified, so that transaction costs are reduced.
- Underdeveloped land markets in countries in transition helped to create an environment in which sometimes people's land could be acquired unfairly or even illegally by less disadvantaged members of the communities. Timely access to information and legal advice and dispute resolution mechanisms (e.g., out-of court mediation and arbitration) are an important tool to guarantee protection of land and other rights for disadvantaged people.
- There is a clear need to accompany legal recognition of rights with additional support to allow rights to be utilized for the benefit of the holders of those rights. Timely access to information and advice, a means of handling disputes over land and assets, and credit and access to markets, are examples of the support needed if the holders of rights to land are to have the full benefit of those rights.
- There is a need for cooperation and coordination with international organizations (including UN-agencies, FIG, World Bank, Commission on Legal Empowerment of the Poor, EUROGI, INSPIRE, etc) to improve harmonization of activities and lesson-sharing between countries and regions. The evidence-based way of working will help to turn concepts into reality, by identifying best practice and workable mechanisms to improve legal empowerment and access to justice. The results of this work should be presented to governments as recommendations for reform and actions.
- The lack of reliable tools within spatial data infrastructures (SDIs)—e.g., cadastral maps, hydrological and geological maps, definition of the coastal zone, forest maps—frequently creates serious delays in applying any other land tools like planning. Priorities should be given in raising awareness about the real value of SDIs as necessary tools to support vital needs of everyday life, and in funding and improving SDI.
- Laws and regulations should establish legal provisions to control the process for issuing territorial planning conditions and building permits and to ensure the transparency of this process.
- Public policy to encourage affordable housing should be adopted.
- Land use may be controlled by government at appropriate levels, including citizen participation, through devices such as zoning; this control should provide for quality of life of residents and for the protection of property value. While respecting the right of private property ownership, governments must:
 - i. Prevent the intrusion of objectionable land uses into neighborhoods of more sensitive land uses;
 - ii. Protect land values of existing land uses from the growth of more intensive land uses;
 - iii. Encourage housing opportunity for people of low and moderate income by creative, flexible, and innovative land-use regulations (e.g., allowing the development of greater density of buildings of identical quality while requiring specific percentage of housing for buyers of low or moderate income); and
 - iv. Strive to balance land use, land values, and land development with the end result of equitable tax revenue from real estate taxation to benefit the whole community.
- Lack of governmental funding is a major issue. Cooperation with international funding agencies is necessary.
- In the new digital environment, public access to a real property register so as to register territorial documents and building permits and integrate them with other documents in the register requires legal and organizational action rather than technical innovation.

- Ineffective institutions need to be strengthened, and unclear administrative responsibilities and inadequate human, institutional and financial capacity hampered by inadequate and conflicting land policies need to be clarified and better coordinated. Central and local government should work together; the private sector should and can play a role.
- Corruption often follows inadequate civil service salaries and complex procedures and legislation. Full transparency of the remuneration process and more accountability of appropriately compensated civil servants are required.
- All citizens can and should benefit from the improved efficiency brought about by linking or integrating the real property register with the real property planning information system and the register of territorial planning documents and building permits.
- Improving public awareness of the social and economic benefits of e-governance and participatory democracy is necessary.
- To eliminate lack of confidence in land administration processes and procedures

and to obviate a general disregard for regulations, the general public should be persuaded to get involved in the proposed actions.

- Municipalities are too dependant on funding from central government. Land and real property taxes should be collected locally and reinvested in the same locations to achieve more transparency and fairness. The concept of good governance involves active citizen participation. Citizens should recognize their responsibility to contribute to the cost of land improvement and the provision of services.

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The workshop's success is the result of an exceptionally hard joint work and good spirit among all presenters and delegates. The local organizers, and FIG Com3 chair, wish to express their acknowledgments to all participants and promise to promote the results of their joint work by all possible means. ■