



National Technical University of Athens
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LAND ADMINISTRATION IN GREECE AND WPLA STUDY ON INFORMAL SETTLEMENTS

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Land registry works in a dual (public/private) system

- Deeds registration system since the early 1850's
- 398 registry offices (18 offices public, 380 certified private)
- 1995: the Hellenic Cadastre Project was started.
- Total estimated cost : ~750 million Euros
- Major weakness:
 - unclear purpose
 - without a parallel legal reform (Peter Dale, 1996)
- 2014:
 - the purpose still remains unclear among some politicians
 - but the legal reform has started and there is political will

Objectives of the study

- **Assessment of the adopted policies:**
 - How **efficient** and **sustainable** these solutions are;
 - Their impact on property market and economy;
 - Identification of **new or remaining weaknesses**;
 - Evaluation of the **affordability & inclusiveness of** the solutions (minorities, refugees, women, young, unemployed);
- **Investigation of tools to eliminate the phenomenon in the future:**
 - Protection of **environmentally sensitive areas**;
 - **Improvements provision** in affected areas;
 - **Affordable housing provision** and social inclusion;
- **Recommendations** to unblock the property market and the economy

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Methodology

- Update of existing recent in-depth research (since 2009)
- Internet research on relevant issues in the specific countries
- Review of local new legislation (translation of documents)
- On-site visits & Interviews with:
 - Government;
 - Local authorities;
 - NGOs;
 - Private sector: banks & professionals (lawyers, surveyors, engineers, planners, real estate agents, notaries, valuers);
 - Minority representatives;
 - Individuals.

Example: Greece

- >60% of the territory is state-owned land highly protected by the Constitution;
- Private property rights are not highly protected; **Lack of cadastre maps & of spatial data infrastructure** (zoning maps, forest maps, etc) ;
- Inflexible, centrally driven, expensive and bureaucratic planning (6,000 Euros/ha- 15 years average duration) **aiming to "control" development**;
- Unplanned settlements with both formal & informal constructions exist; **a de facto affordable housing policy; safe constructions-not many slums**
- Result: ~1M constructions are without a building permit; ~72B Euros dead capital;
- Plus~>1.5M constructions with small informalities (illegal extensions, change of use, etc);
- **Legalization is possible only through an enforcement of a detailed city plan**

Example: Greece

- New legislation for temporary formalization (for 30 years):
 - Law 3775/2009; Law 3843/2010;
 - Law 4014/2011; **370,000 declarations & revenue 1,14 B (2011-2013)**
 - Council of the State decision: **Law 4014/2011 is unconstitutional**;
 - Law 4178/2013; 125,778 new declarations & revenue 0,7 B
- **(2009- Feb 2014): ~500,000 declarations; revenue~1.84B Euros**
- Weaknesses of formalization:
 - Insecure: unproven as to its **Constitutionality**;
 - Temporary: formalization **max for 30 years**;
 - Expensive to the owners: fees are **~1/3 of the construction costs**;
 - Some large categories of residential real estate are still not included.
- **3B Euros annual GDP loss (by S. Nystrom)**

Example: Kyrgyzstan

- political instability, deindustrialization, unemployment, migration;
- **Newcomers in the cities are unwelcome; corruption in land privatization;**
- Inflexibility in planning; costly and bureaucratic permitting procedure;
- Limited experience and **lack of interest** among the constructors **in serving the housing needs of low and middle class customers;**
- By 2010 the cities of Osh and Bishkek suffered from a rapid urban sprawl; ~5,000 hectares of informal settlements (~200,000 citizens) located in agricultural, protected, or high risk land. No infrastructure.
- **All types of ID:** 2 or 3 storey good constructions; brick one floor houses; one or two room huts constructed with mud, vulnerable to the weather conditions;
- **Innovative WB policies:** since 2000 title provision (**~600,000 constructions were registered**) & since 2008 infrastructure provision; still ~7,000 not legalized; plans to demolish half of those units
- Donor-funded infrastructure projects may be at high risk in future.

Example: Kyrgyzstan

- **Planning** and building permitting is expensive and bureaucratic; it **needs to be reconsidered;**
- The elite formal citizens of Bishkek and the local administration see the growing urbanization process of the capital city as a burden rather than as a potential opportunity for economic growth, making population registration and acquisition of citizenship a hardship for newcomers;
- Providing ownership of land through social housing is costly, cannot satisfy unlimited beneficiaries and cannot be continued indefinitely. Instead, **modern affordable housing policies should be adopted together with a reorganization of the private construction sector.**

Identified causes

Causes	Montenegro	Albania	FYROM	Greece	Cyprus
Migration/urbanization	yes	yes	yes	yes	-
Centrally controlled / bureaucratic planning	yes	abandoned	changing	yes	-
Ecological or other Constitutional concerns against development	yes	-	yes	yes	-
No housing policy	yes	yes	yes	-	solved
Refugees/displaced	yes	-	yes	-	solved
Minorities, Roma	yes	yes	yes	yes	-
Unclear property rights	yes	yes	yes	yes	-
Inefficient property registration/planning systems	yes	yes	yes	yes	yes
Costly/complicated construction permitting	yes	-	-	yes	-
Poverty	yes	yes	yes	yes	-
Desire for better housing	yes	yes	yes	yes	yes
Market pressure/profit goal	yes	yes	yes	yes	yes

Types of ID & formalization perspectives

Type	Montenegro	Albania	FYROM	Greece	Cyprus
On state land	<i>Yes after the provision of a plan and case by case consideration and direct negotiations</i>	<i>Yes purchase or lease</i>	<i>Yes purchase or lease</i>	<i>No? legally owned & registered land which is claimed by the state</i>	-
On private land that belongs to another owner	<i>Yes After direct negotiations</i>	<i>Yes compensation provided</i>	<i>Yes long term lease agreement</i>	-	-
In violation of zoning	<i>Yes following a thorough revision</i>	<i>Yes</i>	<i>Yes</i>	<i>No</i>	<i>No</i>
Without building permit in the unplanned areas	<i>Yes following a thorough examination and detailed planning provision</i>	<i>Yes planning will follow legalization</i>	<i>Yes planning & infrastructure will follow legalization</i>	<i>Yes for 30 years requiring planning to be provided until then ~1,000,000</i>	<i>No ~40% of the single-family houses</i>
In excess of the building permit	<i>Yes</i>	<i>Yes</i>	<i>Yes</i>	<i>Yes for 30 years ~1,500,000</i>	<i>Yes ~130,000 ~80% of condos</i>
Total Size	<i>130,000 objects</i>	<i>500,000 objects</i>	<i>350,000 objects</i>	<i>~2,500,000 objects</i>	<i>?</i>

Legalization Framework

	Montenegro	Albania	FYROM	Greece	Cyprus
Responsible agency	<i>Ministry for Spatial Planning & municipalities</i>	<i>Ministry of Public Works and Housing ALUIZNI special agency</i>	<i>Ministry of Transport & Communication & Municipalities</i>	<i>Ministry for Environment, Planning & Climate Change</i>	<i>Ministry of Interior</i>
Date of law adoption	?	2006	2011	2011, 2013	2011
Popularity of the project	?	positive	positive	negative	negative
Detailed seismic vulnerability controls prior to legalization	yes	-	-	yes visual control (by private sector)	(confirmed by the involved engineer)
Detailed controls for environmental and construction standards prior to legalization	yes	-	(by authorities) on-site visual controls	(by the private sector) on-site visual controls	- (legalized ID exists within the plan only)
Infrastructure provision	-	Not clear yet	At a later stage; funds from legalization	Basic infrastructure exists already	(exists already)
Speed (expected time for legalization)	10 years	declaration went fast Next steps are slow	fast	Slow Due to insecurity and costs	Slow; negative acceptance
Affordability for primary housing	doubtful	positive	positive For housing: 1 Euro/m ²	doubtful ?% discount	doubtful

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