



National Technical
University of Athens
School of Rural and
Surveying Engineering



**FORMALIZING INFORMAL SETTLEMENTS IN
EASTERN EUROPE:
Lessons from Experience**



Dr Chryssy A Potsiou
Chair of FIG Com3
chryssyp@survey.ntua.gr

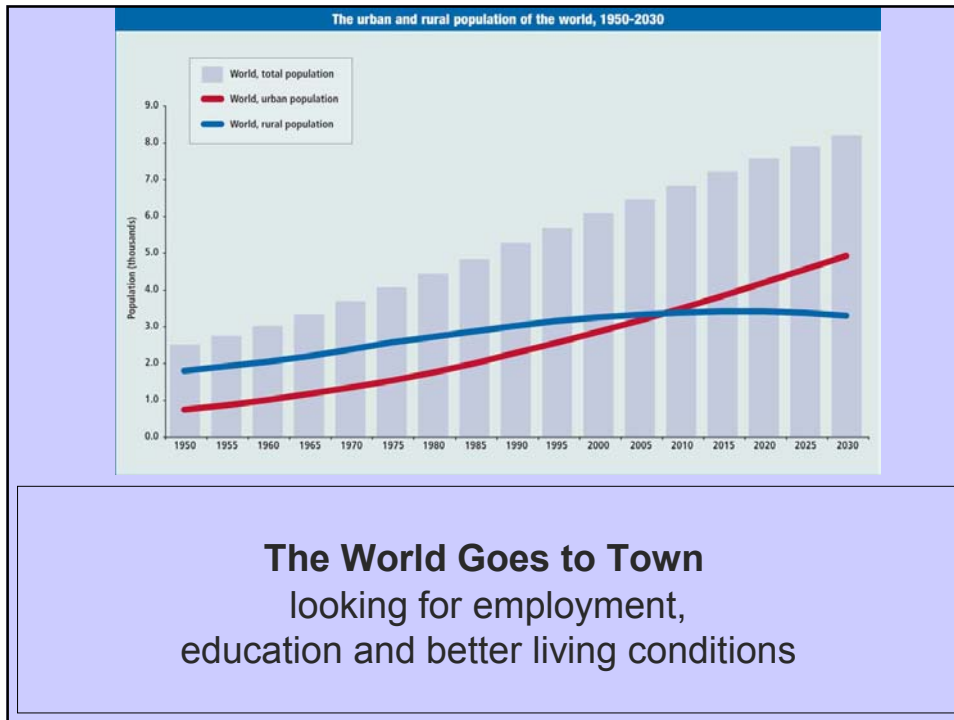
*FIG/WB Conference on "LAND GOVERNANCE IN SUPPORT OF THE MDGS:
RESPONDING TO NEW CHALLENGES", Washington DC, March 9-10, 2009*







Content- Formalizing IS

- Rapid urbanization in Eastern Europe
- Causes and results of informal development
- State of the Art
- Environmental, legal, social & economic impacts of rapid informal development
- Tools used for formalization and good governance
- Thoughts and proposals



ID is not a novel issue for Europe
(20 countries, 50M people) - Causes

- Specific political, social and economic conditions, urbanization
- Minorities, refugees, migration, marginalization
- Post World War II poverty
- Lack of housing policy & access to financing mechanisms
- Excessive bureaucracy regarding building permits
- Inconsistent, complex & unrealistic legislation for regularization, not delineated on maps
- Lack of monitoring, control tools, subdivision and construction on rural lands – unclear rights of use
- Inefficient cadastre & planning
- Market pressure, high land values, speculation

Homo-Soviet was not an owner so he has limited understanding of rights and responsibilities

Lack of **experience and knowledge** about:

“private **ownership rights**” and the value of keeping **records** updated, and

other **responsibilities** owners have:

- **maintenance** of constructions,
- property **taxes**,
- **fees** for connections to services,
- **contribution with land and money** for improvements



Informal development in Eastern Europe: Causes

1990-2009 (~ 20 years of development!)

- **Poverty**: rural poor searching for job opportunities and better living conditions
- Rural land is **not farmed / highly fragmented**
- Lack of **low-cost**, but also of **good quality** housing
- Lack of **serviced** areas
- **Conflicts** led to massive movement of people to more safe places.



Informal development in Eastern Europe: Causes

- **Outdated Mater-plans** (some even from soviet period) and soviet period construction norms
- Lack of important **strategic/policy documents** on: spatial and urban development, settlement policy, housing policy etc
- Lack of **detailed plans**
- Inefficient **monitoring** tools and **sanctioning** systems
- Development is carried out by the **private sector** rapidly without any **regularization** or control for sufficient scientific or professional involvement



Informal development in Eastern Europe: Causes

- Weak regulation, **reluctance for any state control** or enforcement of rules
- Poor administration and **total relax** due to neo-liberal approaches
- Low level of **public participation**
- Low salaries of civil servants, high level of **corruption**, problems with court decision executions



Public Administration is not reliable

In many cases there are problems with:

- ✓ Unfair land privatization process
- ✓ **Corruption** to:
 - Register a transaction
 - Acquire a building permit,
 - Overcome field inspection,
 - Overcome court decision,
 - Overcome execution of court decision

Informal development in Eastern Europe: Causes-Results

- Problems in **securing ownership rights** after privatization of land
- **Overlapping responsibilities** both within land tenure, and environmental control aspects
- **Overlapping rights**
- Lack of **coordination** in applied policies
- Considerable **environmental degradation inherited** from the past regime (e.g., complete absence of industrial and hazardous waste management, urban water supply systems are plagued by problems)



State of the Art. Types of ID in western Europe

- Land tenure: Squatter settlements, Inner city slums-Roma settlements, migration
- Illegalities in planning and building regulations: in rural land, coastal zone, forest, protected areas, city centers, etc



All types of Informal Development exist in Eastern Europe

The extent of informal development varies **mainly squatting on public or private land, and violation of regulations**

In some regions these are single-family houses, while in some others they may even be as extensive as 10 story multi-family buildings!



Informal Development in protected areas with tourist potential



Illegal waste disposal on the way to an eco village in a National Park



Logging in a National Park



Illegal construction in a National Park



“Village” : illegal settlement without connection to municipal infrastructure for fresh water and sewerage system



Illegal garbage dumps **Smoke from burning waste**

Risks:

- **ugly cities**
- **loss of state and local revenue**
- **unsafe constructions**
- **disappeared recreational, green zones and parks**

Extension of existed multifamily housing by additional construction was very common for several years and is still permitted in some areas **There is a risk that multi-flat houses will turn into slums**



Tools long used in Europe

Portugal, Spain, Italy, Greece, Turkey have long experience

Various tools and urban development programs have been implemented in the last 50 years:

- **privatization of urban and rural land, rural reforms,**
- **regularization,**
- **urban regeneration /upgrading projects,**
- **legalization and integration,**
- **affordable or alternative housing systems,**
- **resettlement and reallocation,**
- **spatial planning, urban planning, environmental impact control**



Lessons from Experience in Southern Europe

- Social housing, resettlement-costly, can only be applied for **specific groups**
- Legalization (Italy, Turkey, Spain, etc): it works, but it does not solve the problem.

Criteria are necessary.

Private sector's pro-poor construction? Example in Italy:

Construction in violation to zoning regulations to be sold to low-income families. Agreement with politicians for connections to services

Policy needs to be formalized



- **Sporadic demolition** (Italy, Greece)
unpopular, cost and time consuming, **democratic procedures needed to be respected**, possibility for court resolution



- **Urban regeneration and formalization**

organization of urban units and neighborhoods & provision of infrastructure

Time and cost- consuming

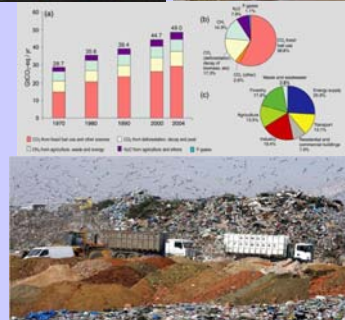
public acceptance + participation Constitutional constraints???



Current informal urban expansion make it unlike any of the big changes that countries have experienced in the past

Results of informal or unplanned Development cannot be easily addressed:

markets cannot function well
 high urban density,
 traffic congestion, parking areas
 crime,
 pollution,
 hazards (floods, fires,
 earthquakes)
 lack of services
 fresh water
 energy supply,
 waste management, sanitation,



Formalization of ID in Eastern Europe

- Massive legalization with limited general criteria **overlapping ownership rights**
- Demolition of sporadic constructions- **unclear procedures**. Massive demolitions?
- **Informal buildings are registered in a separate layer** in the Cadastre in some countries



- **Poor Upgrading** and regularization
- Improvement of **spatial & urban planning, permitting & inspection?**

Challenges in improving planning (1/2)

- **Citizen participation** should be empowered
- **Participation of public authorities and institutions, for coordination** and integration of spatial information, has to be improved
- Qualitative **Environmental Reports** are necessary
- **Clarification of responsibilities** for the various types of inspection
- **Illegal constructions usually are not registered** in the Cadastre. This has a negative impact on the preparatory works for elaboration of urban plans



Challenges in improving planning (2/2)

- **Fragmentation of rural land**
- **Constitutional constraints** make it impossible to apply urban regeneration projects, since it is difficult to persuade people to contribute with land
- **Coordination and cooperation regarding land management between state and local level** is needed.
- Lack of **funds and personnel** in planning authorities is a problem
- **Enforcement** of the plans?
- **Education & capacity building**



Proposals (1/2)

Improvement of **legislation** is needed to:

- strengthen institutional coordination, empower local governments
- elaborate urban planning documentations for the cities
- adopt simple, transparent procedures to facilitate legalization of property rights
- **enable demolition of the very obvious illegalities and adopt transparent, fair and democratic procedures, and resettlement**
- develop the sanctioning/punishment system to eliminate corruption and strengthen monitoring system (reduce human involvement, improve transparency of the procedures)
- encourage public participation in processes

Proposals (2/2)

- adopt a **strategic spatial plan** and only those regulations that can be easily controlled
- eliminate Constitutional constraints (e.g., in land taking)
- improve **education** and raise awareness about property registration and planning; keep fees low
- **formalize the role of the private sector**
- adopt flexible, realistic, and incremental planning procedures for urban expansion to avoid corruption and informalities





- It is a matter of human rights that people are free to choose where they will live
- It is a matter of good governance to achieve sustainable urban growth
- Restrictions on private rights in the use of land in terms of air, soil and water pollution have to be applied and accepted by all market participants. All must share the costs of the natural resources they consume.
- Restrictions must be delineated on maps

References

Photographs and information used for this presentation are derived from:

- papers presented in the recent FIG Commission 3 and UNECE WPLA Workshops
Doris Andoni, Flamur Kuci, Shpresa Leka, Sonila Jazo, Jeronimo Miron, Chryssy Potsiou, Efi Dimopoulou, Akrivi Leka, TCG, Yvonne Mueller, Sasha Tsenkova, Damir Pahic, Natja Jokhadze, Babis Ioannidis, Panunzi, etc
- internet research

Bio information

Chryssy A POTSIU

She is a Dr. Surveying Engineer, Lecturer, Lab. of Photogrammetry, School of Rural and Surveying Engineering, National Technical University of Athens (NTUA), Greece, teaching Cadastre, Land Management, and Spatial Information Management.

Since 1982, she also works as a private consultant mainly in cadastral, photogrammetric, urban planning and regeneration projects.

She has been an elected member of the UN-ECE WPLA Bureau for the periods 2001-2003, 2003-2005, 2005-2007, and 2007-2009. She is the chair of FIG Commission 3 on "Spatial Information Management", for the period 2006-2010.