Land Markets and Land Rights
in support of the Millennium Development Goals

A Global Perspective

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The global agenda
- Facing the Millennium Development Goals

Land Markets and the MDGs
- Formal and Informal Land Markets

Informal structures
- Informal Settlements; Informal Development

The way forward
- Capacity development to face the challenges
The UN Millennium Development Goals

Goal 1: Eradicate extreme poverty and hunger
Goal 2: Achieve universal primary education
Goal 3: Promote gender equality and empower women
Goal 4: Reduce child mortality
Goal 5: Improve maternal health
Goal 6: Combat HIV/AIDS, malaria and other diseases
Goal 7: Ensure environmental sustainability

Goal 8: Develop a Global Partnership for Development

The framework includes 18 targets and 48 indicators enabling the ongoing monitoring of annual progress.
World status of poverty
Urban population growth

1970: RURAL 63%, URBAN 37%
2000: RURAL 53%, URBAN 47%
2030: RURAL 40%, URBAN 60%

Total world population: 6.5 billion
Total urban population: 3.3 billion
Total slum dwellers: 1.1 billion

2007:
Total urban population: 3.3 billion
Total slum dwellers: 1.1 billion
It is all about:

- **People,** human rights, engagement and dignity
- **Politics,** land policies and good governance
- **Places,** shelter, land rights, and natural resources
- Power, decentralisation and empowerment
Outline of presentation

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### Formal and informal land markets

#### Formal land markets
- Formal public processes
- Public access
- Public registration
- Security of tenure
- Valuation and taxation
- Institutional credit
- Complex commodities
- Building and land use controls

#### Informal land markets
- No rules apparent or local rules apply
- Informal processes – no transparency for strangers
- Land and property values, tenure security may or may apply
- No official valuation but values may be high
- No land use control

No black and white distinction - often parallel systems
The increasing role of property rights

"Civilised living in market Economies is not simply due to greater prosperity but to the order that formalised property rights bring”

Hernando de Soto – 1993

Continuum of rights (GLTN-agenda)

From: illegal or informal rights
To: legal or formal rights

[Diagram showing a continuum from informal land rights to formal land rights with various tenure approaches and examples such as customary, anti evictions, group tenure, and Registered footstool.]
Wold Status of Land Tenure and Property Rights

Status of Land Tenure and Property Rights, 2005
- Moderately severe concern
- Serious concern
- Extremely serious concern
- Not ranked
What is a good property system?

- People in general can participate in the land market; widespread ownership; everybody can make transactions and have access to registration.
- The infrastructure supporting transactions must be simple, fast, cheap, reliable, and free of corruption.
- The system provides safety for housing and business, and for capital formation.

Only 25-30 countries in the world apply to these criteria.
LAS provide the infrastructure for implementation of land polices and land management strategies in support of sustainable development.

**Land Tenure:** the allocation and security of rights in lands; the legal surveys of boundaries; the transfer of property through sale or lease; and the management; adjudication of disputes regarding rights and boundaries.

**Land Value:** the assessment of the value of land and properties; the gathering of revenues through taxation; and the management and adjudication of land valuation and taxation disputes.

**Land-Use:** the control of land-use through adoption of planning policies and land-use regulations at various levels; the enforcement of land-use regulations; and the management and adjudication of land-use conflicts.

**Land Development:** the building of new infrastructure; the implementation of construction planning; and the change of land-use through planning permission and granting of permits.
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Informal Settlements
Areas where groups of housing units have been constructed on land that the occupants have no legal claim to, or occupy illegally.

Informal development
Unplanned settlements and areas where housing is not in compliance with current planning and building regulations (unauthorized housing).

OECD Definition
Kibera, Nairobi, 250 ha, 1 mill+ people
Eviction, Cape Town, 2006
Characteristics of traditional Cadastral Systems

The Cadastral register identifies the land parcels by number and area.

The Cadastral map identifies the land parcels geographically.

The Land Book secures the legal rights based on the cadastral identification.

The cadastral measurements identify the position of the property boundaries.
Partnership with UN-Habitat

Informal settlements

Traditional cadastral systems do not provide for security of tenure in informal settlements.

A more flexible system is needed for identifying the various kind of social tenure existing in informal settlements.

Such systems must be based on a global standard and must be manageable by the local community itself.

FIG cooperates with UN-Habitat and ITC to develop:

The Social Tenure Domain Model.
The Social Tenure Domain Model

Standardization in the cadastral domain

Parcel
Person
Right
Cadastral Model

Social tenure

Object

Subject

The Social Tenure Domain Model
Building a Core Model

Modeling the relation between Objects – Subjects – Social Tenure

- **Objects** ("where"): Not only an identified (measured) parcel – but a range of objects such land parcels, buildings, etc and identified in various ways – such as one point, street axes, photos, etc.

- **Subjects** ("who"): Not only a (legal) person – but a range of subjects such as person, couple, groups of people, unidentified groups, authority, etc.

- **Social tenure** ("what"): Not only ownership and formal legal rights – but also range of informal, indigenous and customary rights as well financial issue such group loans and micro credit.
Parties and responsibilities in developing the STDM

- **UN-Habitat**: Developing the STDM as a conceptual model within the Global Land Tool network (GLTN)
- **FIG**: Developing the Land Administration Domain Model (LADM) to be adopted as an ISO standard: Supporting development of the STDM as a special version of the LADM. Contracted by UN-Habitat to review the development process and the outcome.
- **ITC**: Contracted by UN-Habitat to develop the detailed concept, the technical specifications and a prototype for testing the model on real world data.
- **World Bank**: Funding a project for large scale testing of the STDM model in Ethiopia.
Informal development

Unplanned settlements and areas where housing is not in compliance with current planning and building regulations (unauthorized housing).

In Albania the illegal developments contain up to 25% of the population and 40% of the built-up area of major cities in which they are located.

Inadequate planning & building control systems.
Implications of social and economic institutions in society.
Bad governance
# Spatial Planning Systems

## The European Perspective

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<thead>
<tr>
<th></th>
<th>Close</th>
<th>Distant</th>
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<tr>
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<td>(there is a close relationship between the objectives of the system and what happens in practice)</td>
<td>(there is a distant relationship between the objectives and the reality of the system)</td>
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<td>Discretionary</td>
<td>UK</td>
<td>Belgium, Portugal</td>
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<td>(Departures to plans can be made)</td>
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<tr>
<td>Moderate</td>
<td>Denmark, Finland, Ireland, Netherlands</td>
<td></td>
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<tr>
<td>(Mechanisms exist for departures to plans to be made)</td>
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<tr>
<td>Committed</td>
<td>Austria, France, Germany, Luxembourg, Sweden</td>
<td>Greece, Italy, Spain</td>
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<tr>
<td>(no discretion for decisions to be made contrary to plans and policies)</td>
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Three core principles

Decentralisation of planning responsibilities
- Local representative democracy responsible for local needs
- Combining responsibility for decision making with accountability for economic, social and environmental consequences.
- Providing monitoring and enforcement procedures

Comprehensive planning
- Combining aims and objectives, land-use structure planning, and land use regulations into one comprehensive planning document covering the total jurisdiction

Public participation
- Providing awareness and understanding of the need for planning regulations in respond to local needs.
- Legitimising local political decision making
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Understanding the Land Management Paradigm

Land Management includes all activities associated with the management of land and natural resources that are required to fulfill political objectives and achieve sustainable development.
Land Administration Systems...

Sustainable Development
- Economic, Social & Environmental

Efficient Land Market
- Land Tenure
  - Titles, Mortgages & Easements
  - Secure legal rights
- Land Value
  - Assessment of land value
  - Collection of property tax

Effective Land Use Management
- Land Use
  - Policies and Spatial planning
  - Control of land use
- Land Development
  - Construction planning and Permits
  - Regulation and Implementation

Land Information Infrastructures
- Built and Natural Environment
  - Data Sets
Thank you for your attention