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

A Global Perspective

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Outline of presentation

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

<table>
<thead>
<tr>
<th>Year</th>
<th>Rural</th>
<th>Urban</th>
</tr>
</thead>
<tbody>
<tr>
<td>1970</td>
<td>61%</td>
<td>37%</td>
</tr>
<tr>
<td>2000</td>
<td>53%</td>
<td>47%</td>
</tr>
<tr>
<td>2030</td>
<td>40%</td>
<td>60%</td>
</tr>
</tbody>
</table>

2007: Total world population: 6.5 billion
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

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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

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 policies and land management strategies in support of sustainable development.

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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).

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OECD Definition

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Kibera, Nairobi, 250 ha, 1 mill+ people

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Vietnam

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Informal settlement Cape Town 2001
Eviction, Cape Town, 2006

Characteristics of traditional Cadastral Systems

- The Cadastral register identifies the land parcels by number and area
- The Land Book secures the legal rights based on the cadastral identification
- The cadastral map identifies the land parcels geographically
- 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.

ITC cooperates with UN-Habitat and ITC to develop:

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.

**Partnership with UN-Habitat - GLTN**

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**

<table>
<thead>
<tr>
<th>Discretionary</th>
<th>Close (there is a close relationship between the objectives of the system and what happens in practice)</th>
<th>Distant (there is a distant relationship between the objectives and the reality of the system)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deliberative</td>
<td>UK</td>
<td></td>
</tr>
<tr>
<td>Moderate</td>
<td>Denmark, Finland, Ireland, Netherlands</td>
<td>Belgium, Portugal</td>
</tr>
<tr>
<td>Committed</td>
<td>Austria, France, Germany, Luxembourg, Sweden</td>
<td>Greece, Italy, Spain</td>
</tr>
</tbody>
</table>

**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.

Thank you for your attention