



UNECE Policy Framework for Sustainable Real Estate Markets

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History of the UNECE

Created in 1947

One of 5 regional commissions

Original mission:

To assist in the reconstruction and economic development of post-war Europe

During cold war, important bridge between two blocks

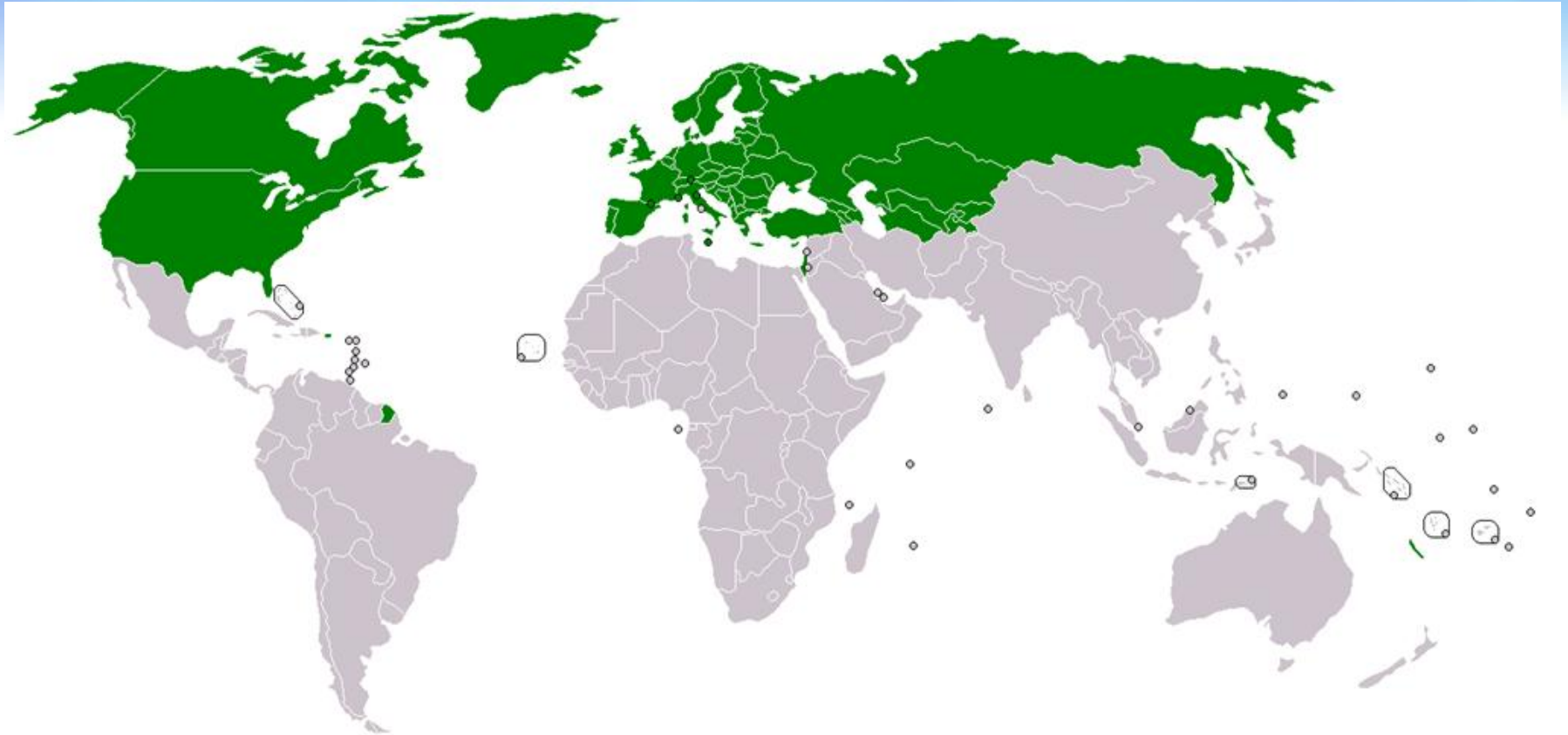
Since the end of the cold war:

- transition from centrally planned to market
- economies
- institution building & other technical assistance
- facilitates economic integration





56 member States





Housing and Land Management unit

- Facilitates dialogue between governments for sharing practices, giving advice, and developing policy guidelines
- The Committee on Housing and Land Management is an intergovernmental body which sets policies related to housing, land administration, and land management





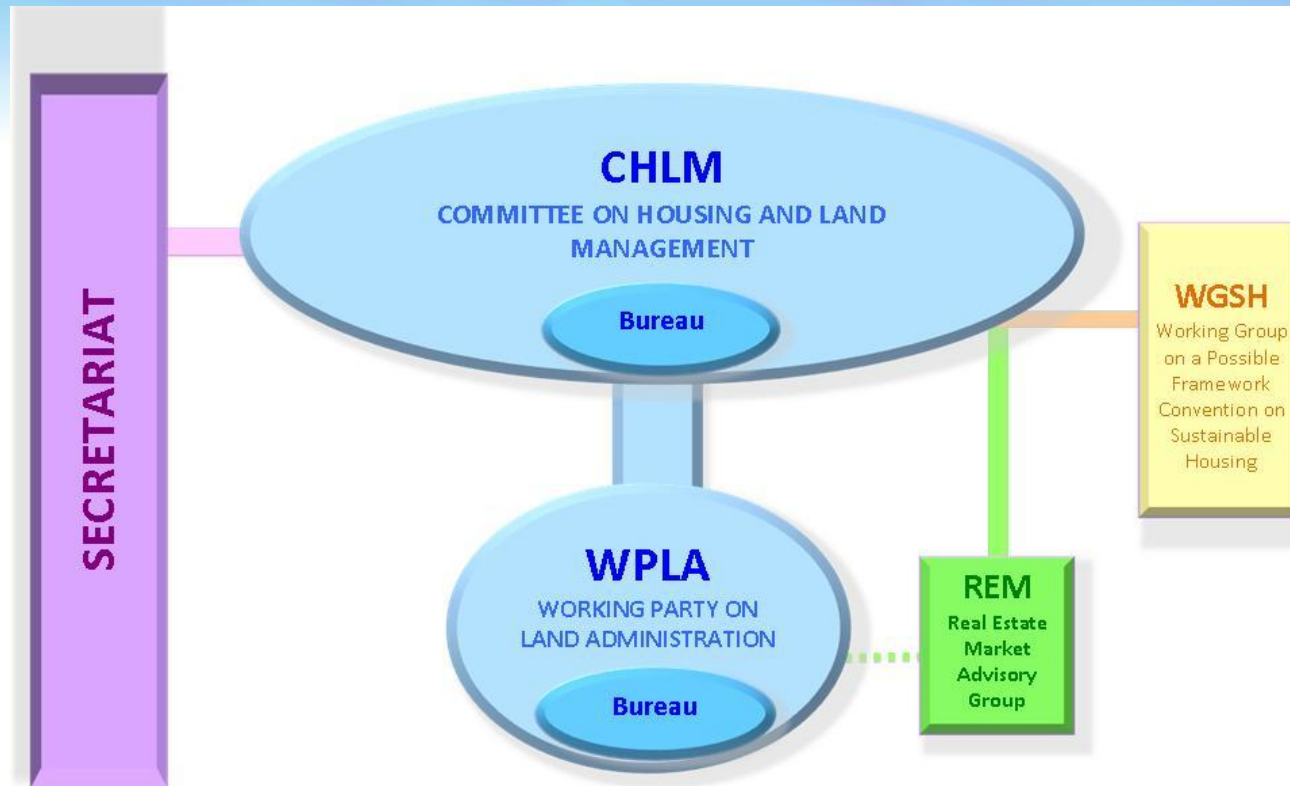
The ECE's focus

Is unique ECE housing issues, many linked to transition

- **Results of mass privatisation in the 1990s of now sub-standard housing**
- **Development of institutions and expertise to support property rights where such rights did not exist 20 years ago**
- **Retrofitting of large volumes of poorly insulated, temperate climate housing**



Structure of the UNECE Committee on Housing and Land Management



- Intergovernmental Body
- Advisory Body : reports to CHLM, advises both CHLM and WPLA
- Working Group (ad hoc)
- CHLM Secretariat





The Real Estate Market Advisory Group (REM)

Advises the UNECE CHLM on:

Real estate market and housing policies

Energy efficiency in real estate

Valuation standards

Real estate financing

Social housing





REM Real Estate Guidelines

- 2010: *Policy Framework for Sustainable Real Estate Markets: Principles and Guidance for the Development of a Country's Real Estate Sector*
- Presented and discussed in Lisbon, Rome, Kiev, Moscow, Rio and Naples





Framework Principles

- Integrated legal framework
- Efficient land register and cadastre
- Efficiency of services
- Prerequisites for the development of sound real estate markets
- Good Governance
- Sustainable financing
- Transparency and advanced financial products
- Property valuation
- Social housing
- Training and capacity-building





Principle 8 Property valuation

- Improve the reliability of valuation for transactions and for financing
- Use prudent loan-to-value ratios
- Reduce investment risk
- Encourage lower interest-rate loans





Aims of the Document – Promote:

- Transparency
- Marketability/Liquidity
- Objectivity
- Comparability
- Integration into lenders' systems
- Information extraction
- Clear audit trails





The document

- Created by the working group
- Approved by REM
- Sent to the WPLA for comments
- Endorsed by CHLM
- Opened to public consultation
- Presented at real estate events throughout the UNECE region



