



**UNECE**

**Real Estate Market Advisory Group (REM)**

Economy, Society and Climate Change – The impact of mega trends in the Built Environment,  
Construction Industry and Real Estate

November 8, 2018 | Eugenides Foundation, Athens

**Sustainable real estate markets for economic and social benefits  
in the UNECE region**

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United Nations

ECE/HBP/2018/Inf.6

**Economic and Social Council**Distr.: General  
25 July 2018

English Only

**Economic Commission for Europe**

Committee on Housing and Land Management

Seventy-ninth session

Geneva, 4-5 October 2018

Item 2(b) of the provisional agenda

**Review of the implementation of the programme of work 2017-2018**

Sustainable housing and real estate markets

**Update of the Policy Framework on Sustainable Real Estate Markets**

Note by the Secretariat

*Summary*

In 2016, the Bureau of the Committee asked the Real Estate Market Advisory Group to update the Policy Framework on Sustainable Real Estate Markets published in 2010 (ECE/HBP/2016/1).

The current publication is based on the 2010 edition of the Policy Framework for Sustainable Real Estate Markets and has been updated to reflect new economic, environmental and social changes. This includes updates on issues such as urbanization, migration and mobility flows, technology and innovation; the growth of emerging markets and asset competition, the change in housing demand oriented towards green buildings and new designs; energy consumption and climate change issues and other relevant phenomena.

It also reflects key international agreements such as the 2030 Agenda for Sustainable Development, Geneva UN Charter on Sustainable Housing; the New Urban Agenda; the Paris Agreement and the Basel III Agreement. These agreements have established new global and regional policy frameworks for future activities on sustainable urban development at all levels.

The Committee is invited to review and approve this document. The document is unedited.

The **UNECE Policy Framework for Sustainable Real Estate Markets**, approved and published in 2018 as UN publication, consist of:

- **12 Principles**
- **115 Criteria (and a Glossary)**

These Principles have been updated considering the **UN 2030 Agenda for Sustainable Development Goals (SDGs)** and other economic and legal issues that interact at different levels.

The Principles can be **applied on a national basis according to the different degrees of development of the country and to the different legal frameworks.**

## Urban development | Sustainable housing | Sustainable Real Estate Markets

**Different situations call for studies and instruments which take into account the differences between Countries.**

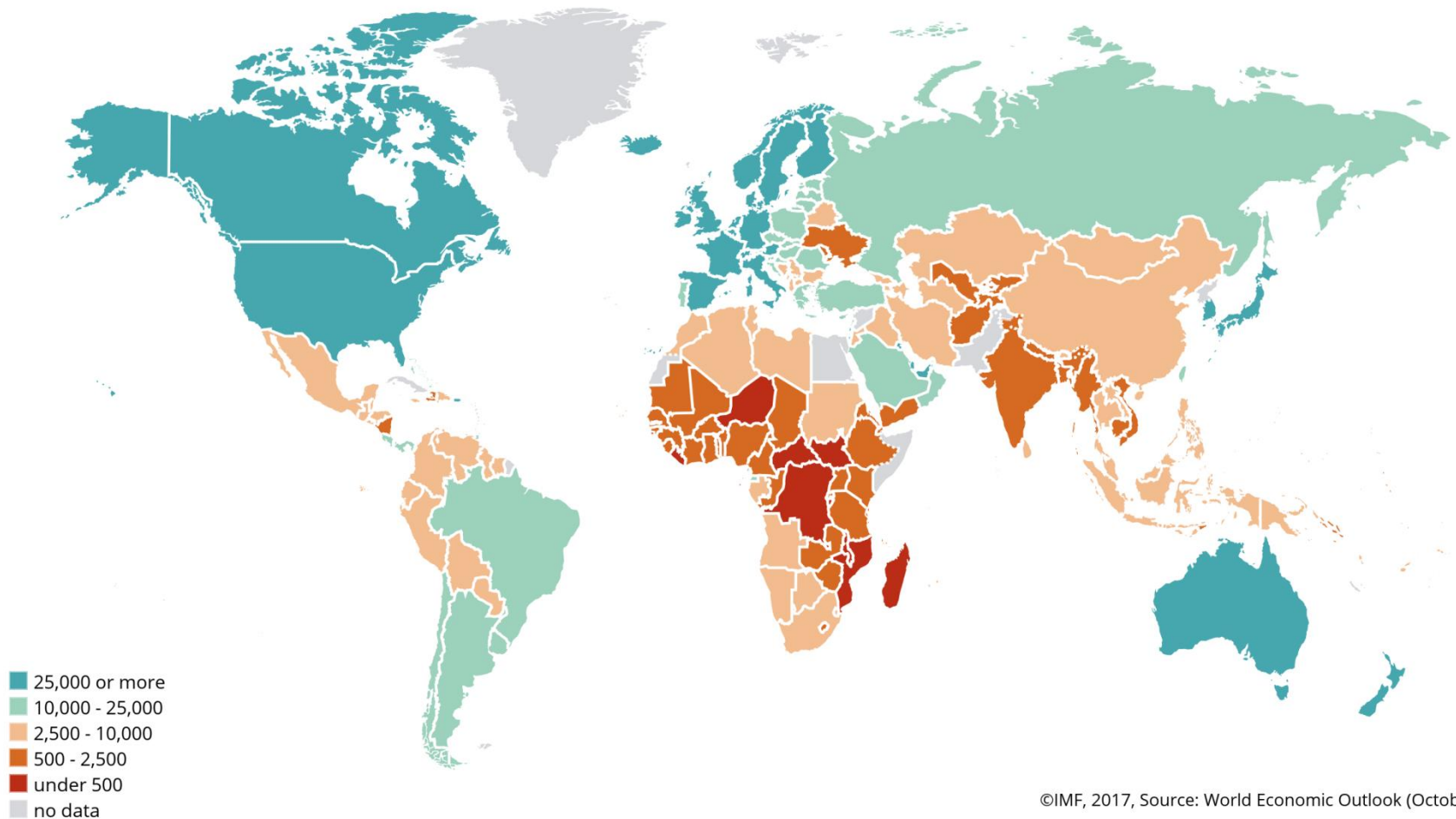
- The Principles can constitute a reference framework but not an automatic solution to all problems.
- Every Country has its own character, different legal systems, economic, social and cultural characteristics.

The Principles call for the **identification of instruments, reforms, appropriate solutions:**

- to define a national Policy framework;
- to implement international standards and supra national regulations;
- to adopt the better solutions for the development of different *Key indicators* according to the three main levels of economic development.

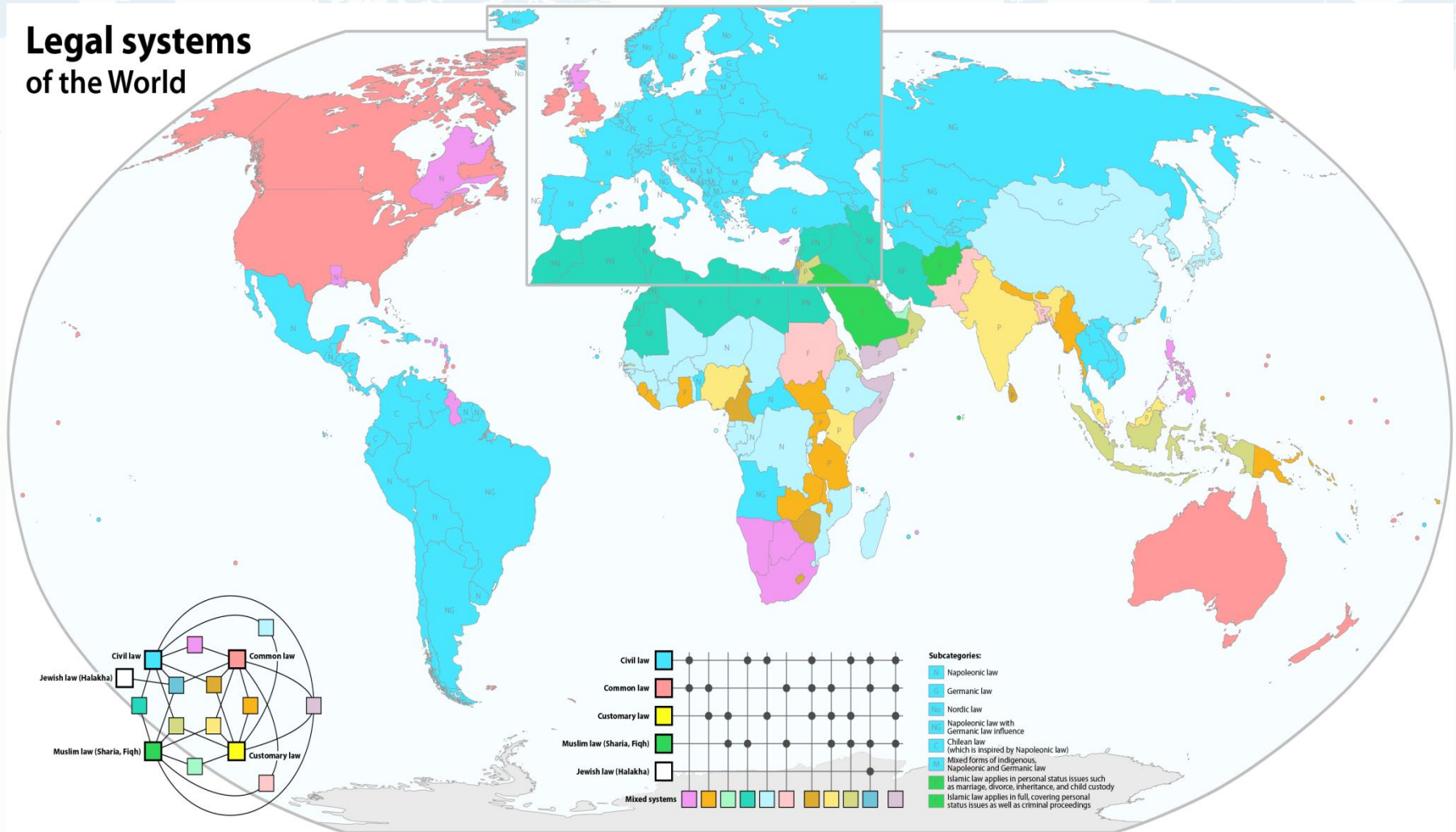
IMF DataMapper

GDP per capita, current prices (U.S. dollars per capita, 2017)



©IMF, 2017, Source: World Economic Outlook (October 2017)

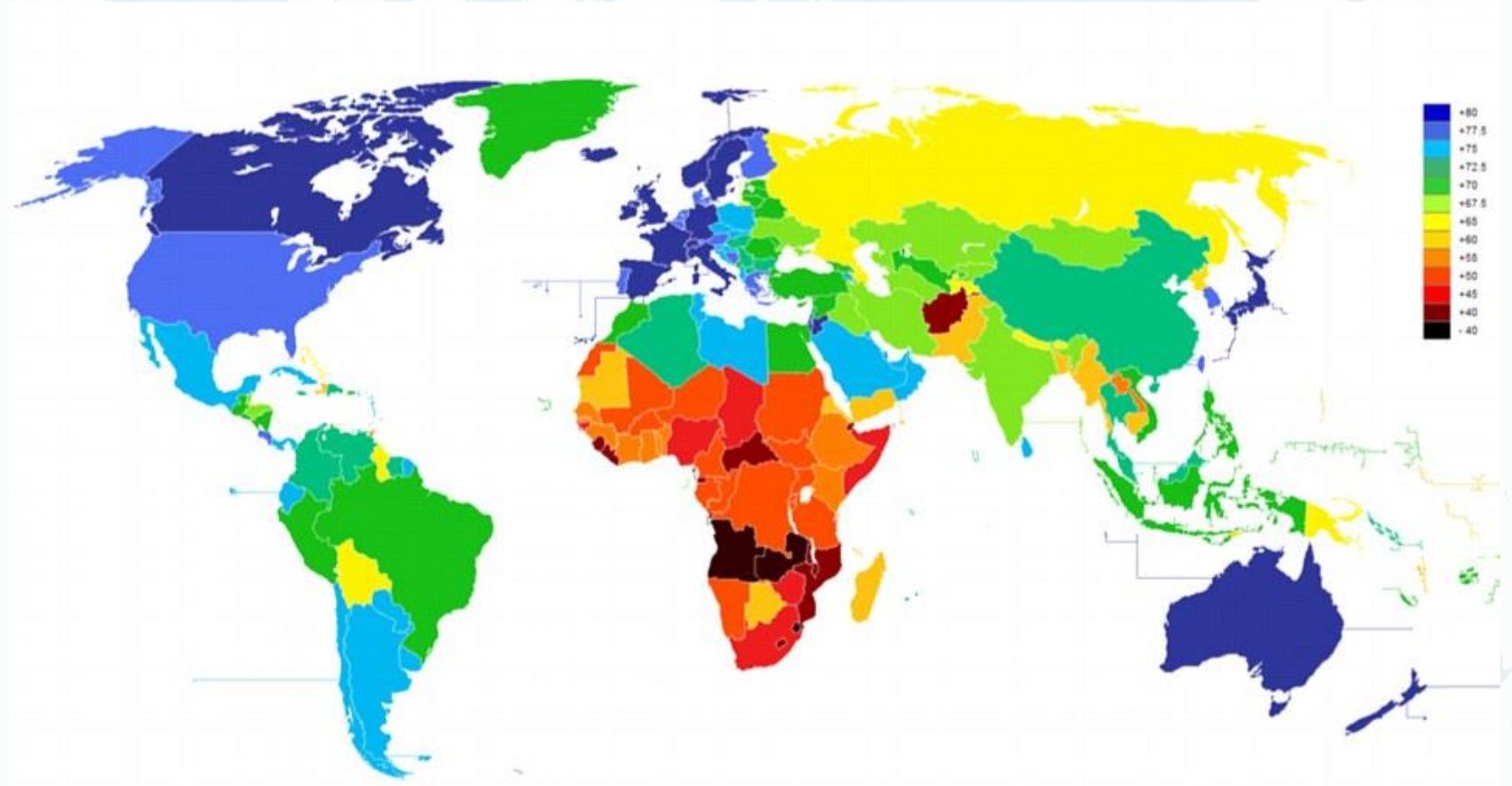
# Legal systems of the World



Source: [https://en.wikipedia.org/wiki/List\\_of\\_national\\_legal\\_systems](https://en.wikipedia.org/wiki/List_of_national_legal_systems)

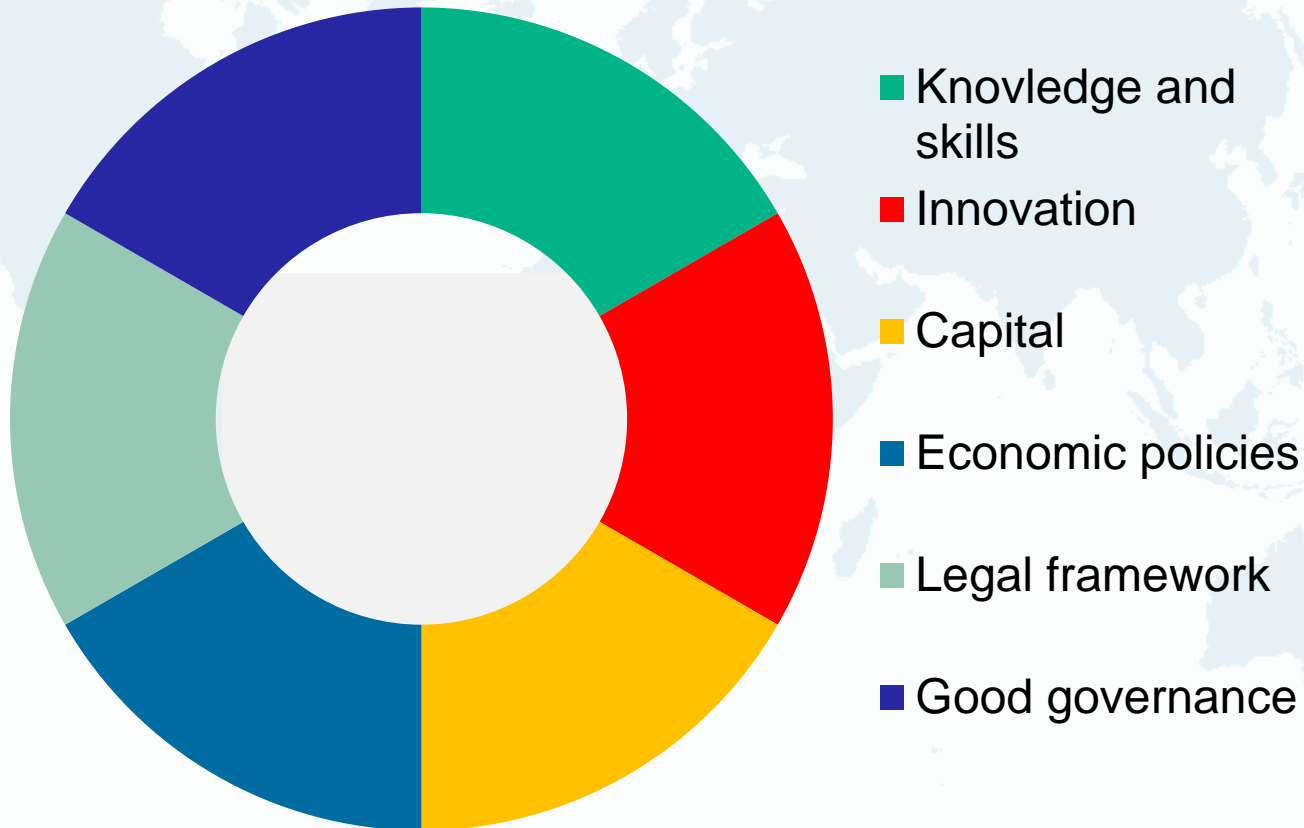


There are many reasons behind the migration phenomena and search for a better quality of life in other Countries: GDP per capita, freedom, wars, quality of collective services, life expectancy, etc.



## Key factors that determine development and wealth around the world

### Policy framework



## The UN development guidelines



UNITED NATIONS ECONOMIC COMMISSION FOR EUROPE

### The Geneva UN Charter on Sustainable Housing

Ensure access to decent, adequate, affordable and healthy housing for all

**UNECE**



## The UN-Habitat | The New Urban Agenda



UN HABITAT

### Action Framework for Implementation of the New Urban Agenda

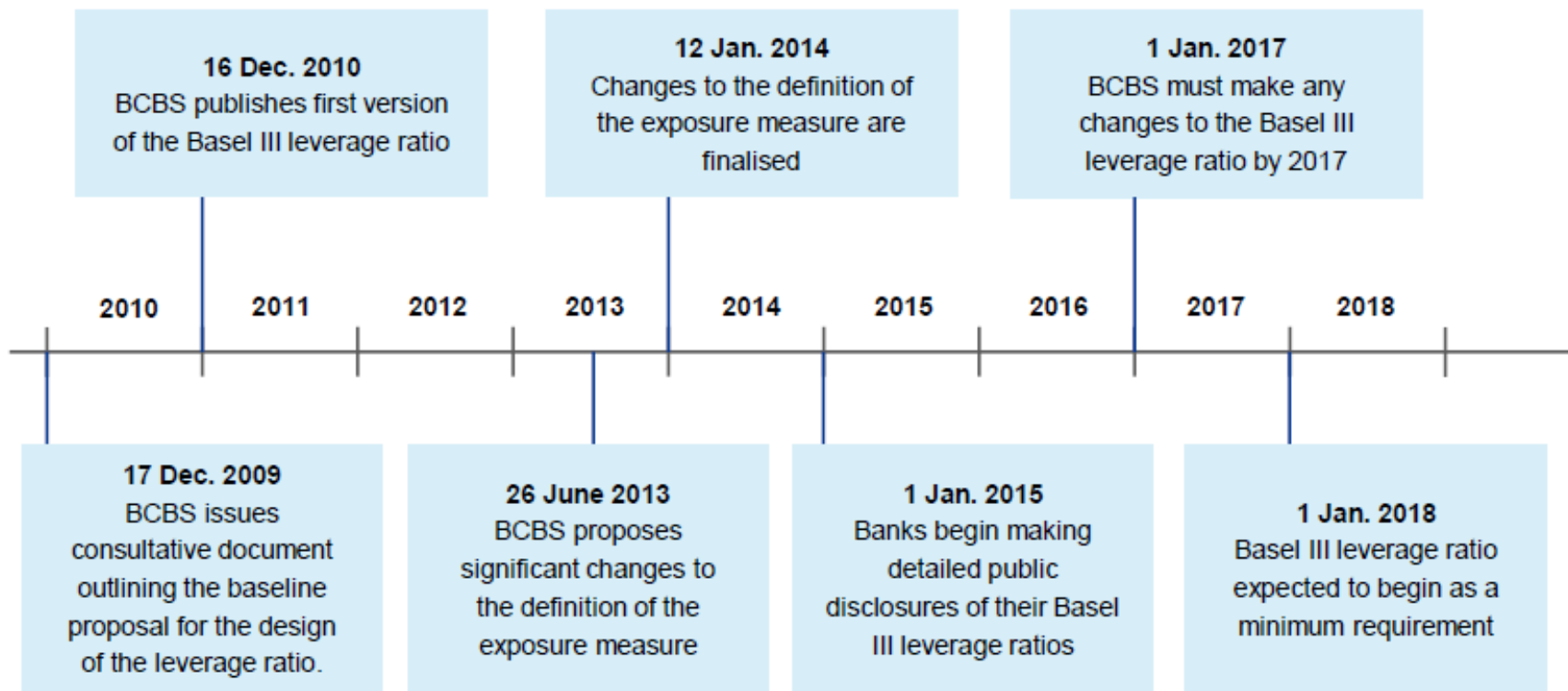
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- Principles and Values
- Links to Sustainable Development
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- 2. Urban legislation, rules and regulations
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- 4. Urban economy and municipal finance
- 5. Local implementation
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19 April 2017

The Basel Committee on Banking Supervision (BCBS) | The Basel III leverage ratio aims to constrain the build-up of excessive leverage in the banking system and to enhance bank stability.

## Key dates on the introduction of the Basel III leverage ratio



Source: Grill, Lang and Smith (2015).

## The application of the *Principles* should be based on widely accepted key concepts:

1. ***Sustainable development***: “development that meets the needs of the present without compromising the ability of future generations to meet their own needs”;(\*)
2. ***Good governance***: effective decision-making and policy implementation as well as smooth interaction between different sectors of society. Good governance applies to legislative authorities, public administration, judiciary, private sector, and civil society in general;
3. ***Transparency***: the possibility of having full access and knowledge of relevant information of the criteria by which data is being used, and disclosure of the different aspects of decision-making processes;
4. ***Accountability***: the extent to which political actors are responsible to society for their actions;
5. ***Fairness***: the degree to which rules are equally applied equally to everybody;
6. ***Efficiency***: the extent to which limited human and financial resources are used without waste, delay or corruption or without compromising the well-being of future generations.

(\*) United Nations, 1987. "Report of the World Commission on Environment and Development." General Assembly Resolution 42/187, 11 December 1987. Retrieved: 2007-04-12

**Principle 1** | Promoting the real estate sector and the urban economy as one of the main contributors to inclusive and sustainable economic growth

**Principle 2** | Creating a supporting regulatory system by integrating regional and international norms and standards into the national legislation

**Principle 3** | Enhancing governance to create a healthy, transparent, professional and resilient real estate sector

**Principle 4** | Greening the real estate sector to support the quality of life of people and the healthiness of the environment

**Principle 5** | Integrating real estate markets into smart and sustainable urban development activities

**Principle 6** | Enhancing efficiency of land registers and cadastres' operations for transparent land and property management

**Principle 7** | Enhancing people's quality of life leveraging on the regeneration and renewal of public and private housing including landscape, historical and cultural heritage

**Principle 8** | Financing for lending and investment rules

**Principle 9** | Strengthening capacity of financial institutions to ensure access to financial services for real estate products

**Principle 10** | Supporting property valuation based on transparent asset appraisal criteria in line with international standards

**Principle 11** | Promoting social housing and affordable housing for social cohesion, inequality reduction and inclusion

**Principle 12** | Supporting training and capacity building activities to promote efficiency of services in the real estate sector



**Principle 1 | Promoting the real estate sector and the urban economy as one of the main contributors to inclusive and sustainable economic growth.**

According to SDG Goal 8 it is essential to promote inclusive and sustainable economic growth, full and productive employment and decent work for all. A well-developed real estate sector contributes to the conversion of unused or underused resources into productive capital, hence increasing employment and other economic opportunities and reducing poverty.

**Rationale**

- Sustainable housing and urban development are key factors in achieving a better quality of life for citizens. Specialized institutions have stressed that the real estate sector can be a driving force for development in both emerging economies and industrialized countries due to its close connection with many other sectors of the economy.
- Internationally mainly three different real estate markets can be identified: developed, emerging and informal real estate markets.
- The development of the real estate sector (and its related jobs), real estate financing (mortgages), real estate management and land administration can decisively contribute to a country's development at any level and hence produce effective social and economic benefits. Globally, these factors can assist in reducing poverty levels and contribute to improved employment opportunities.

## Criteria

### 1.1 Inclusive and sustainable economic growth.

“Inclusive and sustainable economic growth, with full and productive employment and decent work for all, is a key element of sustainable urban and territorial development and that cities and human settlements should be places of equal opportunities, allowing people to live healthy, productive, prosperous and fulfilling lives.”

### 1.2 Urban Economy

### 1.3 Housing policy

### 1.4 Sharing economy

### 1.5 Job creation

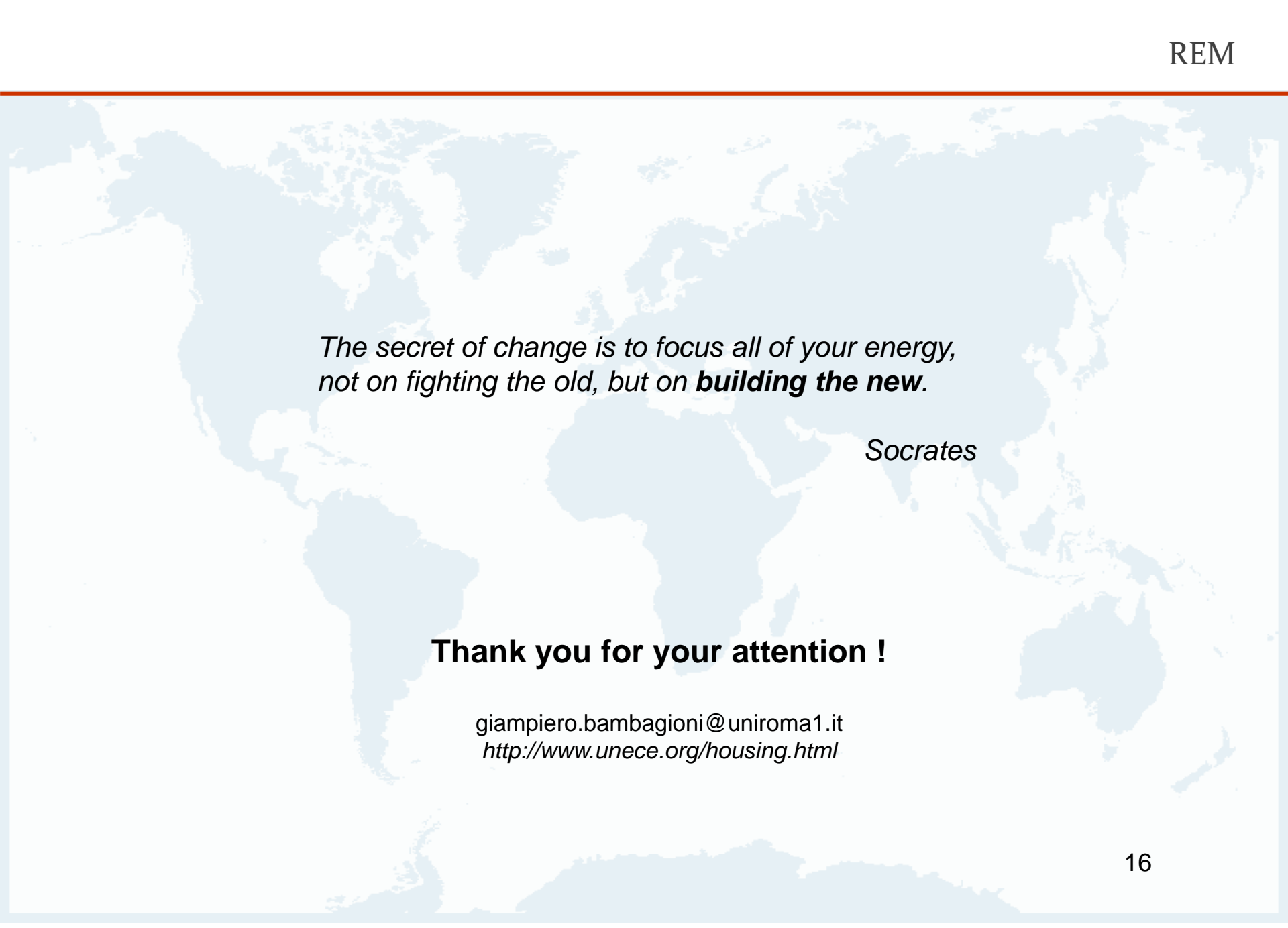
### 1.6 Efficient use of resources

### 1.7 Urban plans and building regulations

### 1.8 Efficiency in land administration as a component of economic development

Cover SGDs





*The secret of change is to focus all of your energy,  
not on fighting the old, but on **building the new**.*

*Socrates*

**Thank you for your attention !**

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<http://www.unece.org/housing.html>