



UNECE

REAL ESTATE MARKET ADVISORY GROUP (REM)

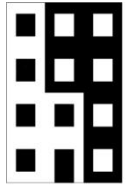
Committee on Housing and Land Management (CHLM)

Seventy-second session

Palais de Nations, Geneva, 3-4 October 2011

**Report on work undertaken since the seventy-first session
and highlights of planned activities for 2012-2013**

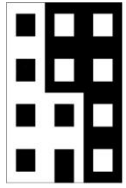
GIAMPIERO BAMBAGIONI, Deputy-Chair REM



In 2008 on being launched, REM worked on the following **Areas of Activities**:

- 1. Real Estate Market and Housing policies: the organisational, financial, technical and administrative aspects of management and maintenance.**
- 2. Real Estate Market and Energy efficiency in real estate: Regional Analysis of Policy Reforms to Promote Energy Efficiency and Renewable Energy Investments.**
- 3. Valuation Standards, also with relation to measurements, methodology and criteria of evaluation.**
- 4. Financial aspects of Real Estate Market and Social housing policy.**
- 5. Micro-finance project.**

Throughout all these the need to be aware of all classes of society in these countries to obtain a general balance of interests in Real Estate Markets and explain the effects actions have on each class, i.e. growth in aspirations of the middle-class for better properties freeing up available properties for the young and first-time buyers at affordable prices.

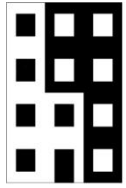


During this time, REM has been represented and presented its activities at the regular **Workshops of WPLA** and the Current Chair and/or Deputy have attended their **Bureau meetings**.

In line with its Areas of Activities, REM has delivered the following:

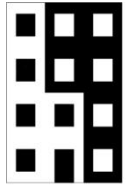
June 2008 – Milan (Italy). Presentation of the Plan of activity at Expo Italian Real Estate (EIRE June12) in Milan in an event with the participation of maior RE Italian actors.

October 2008 – Cavtat (Croatia). Participation with a session at WPLA Workshop and decision to react at Real Estate-finacial crisis.



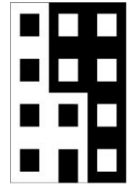
December 2008 – New York (USA) at UN Headquarter. Seminar on the Real Estate and Financial Crisis: Causes, Effects and Impacts on Development (New York, USA, 16 December 2008). **As a result of this Seminar, that had the participation of Rose Migiro, Deputy General Secretary of United Nations, it was decided that REM should develop and publish guidelines for the effective development of real estate markets to help avoid a similar crisis.**

June 2009 – Rome (Italy). REM (under the leadership of Giampiero Bambagioni) **created a draft of this document that highlighted the 10 main Principles and held a meeting in Rome** (hosted by Tecnoborsa) with the participation of representatives of government, the private sector and academia. Over two days the draft was debated and all comments and suggestions were incorporated. **The document was submitted to public consultation and open to inputs and modifications.**



April 2010 – UNECE and REM published, with the support of Tecnoborsa, the final document “**Policy Framework for Sustainable Real Estate Markets: Principles and guidance for the development of a country's real estate sector**”.

This was widely distributed and presented world wide and has since been **translated into Spanish, Portuguese, Chinese, Russian**, as well as the English version being available in PDF format on the UNECE website.

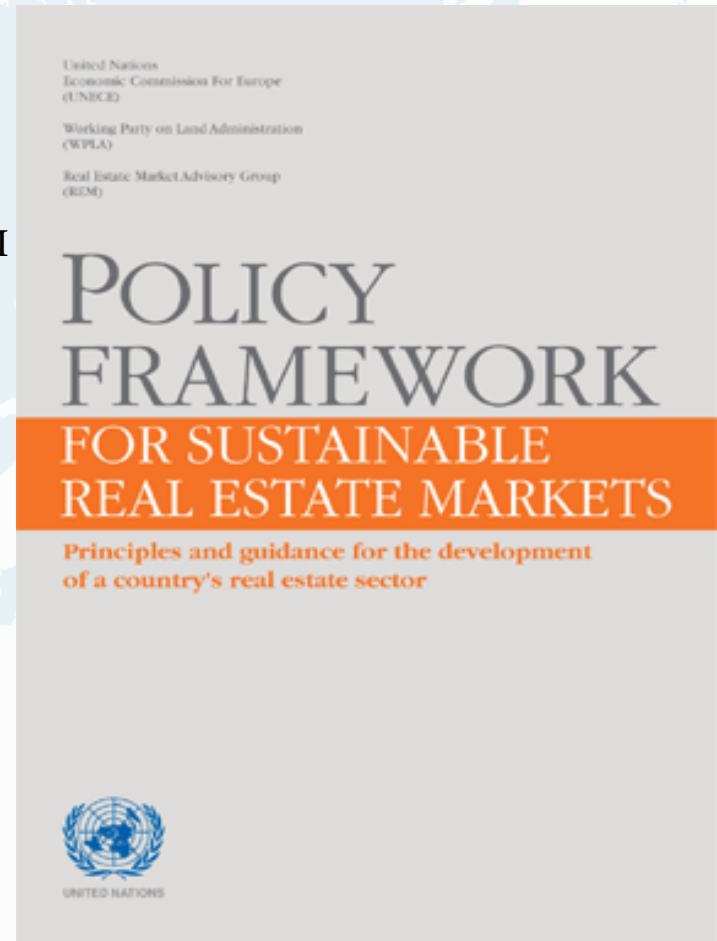


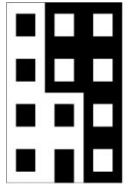
About “*Policy Framework for Sustainable Real Estate Markets*”

The REM Task Force:

- Giampiero Bambagioni, Chair of the Task Force, REM
- Wolfgang Amann, REM
- Enrico Campagnoli, REM
- Peter Creuser, WPLA
- David Egiashvili, REM
- Brian Emmott, REM
- Jonathan Harris, REM
- Damir Pahic, WPLA
- UNECE Secretariat

Consist by 10 Principles

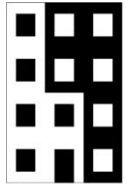




“Policy Framework for Sustainable Real Estate Markets”

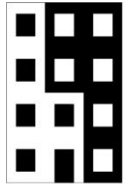
▶ The principles set out in the **Policy Framework** provide countries with guidance for the development of a sound real estate sector.

The objective of the Policy Framework is to offer institutional advice, and advocate for a more integrated and **holistic approach** towards the establishment and management of real estate organizations, especially for economies in transition.




April 2010 June 2010 – Kiev (Ukraine). Roundtable “Towards Sustainable Real Estate Markets” (Ukraine, Kiev, 18 June 2010). The event was organized by REM in co-operation with the Ukrainian Chapter of the International Real Estate Federation (Fiabci-Ukraine). The conclusions of the roundtable provided guidance to a working group that was established to work with the Government of Ukraine on the development of specific policy reforms for the real estate sector. In January 2011 this resulted in the passing of reforms to the Land Planning Act.


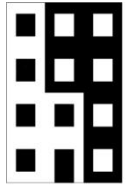
July 2010 – Podgorica (Montenegro). Conference “Western Balkan Social Housing Initiative” (8/9 July 2010 in Podgorica / Montenegro). Organised by IIBW, CFSSI, Government of Montenegro. Participation of 8 CEE/SEE countries, UNECE, CECODHAS, DIGH etc. Recommendation of a social partnership approach to implement social housing schemes.



November 2010 – Dessau (Germany). International Forum on Greening Real Estate Markets: A Multi-Stakeholder Perspective (Dessau, Germany, 29-30 November 2010). The event was jointly organized by REM and the German Federal Environment Agency (UBA). Speakers and participants discussed existing obstacles as well as the economic and social benefits associated with a green real-estate sector.



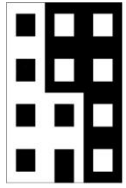
January 2011 – Lisbon (Portugal). Roundtable on Sound Rules to Improve the Real Estate Sector,. The event was organized by REM in co-operation with the Portuguese Chapter of the International Real Estate Federation (Fiabci-Portugal). Government officials, representatives of professional associations, the private sector and academics participated in the roundtable. Speakers discussed how the principles contained in the Policy Framework publication might be applied to Portugal's present challenges.



March 2011 – Cannes (France). At MIPIM, the most important RE exhibition world wide, organized by Fiabci, in cooperation with Tecnoborsa, in an UNECE REM event the Framework were presented as the encouraging results of their consideration in Ukraine and in Portugal.

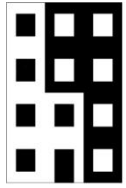
May 2011 – Rome (Italy).

Participation as speakers at WPLA Workshop



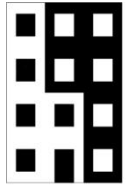
May 2011 – Rome (Italy). Forum on Sound Rules to Improve the Real Estate Sector, at Chamber of Commerce of Rome, hosted by Tecnoborsa. Government officials, representatives of professional associations, the private sector and academics will participate in the roundtable. Speakers – with the participation of Ms. Paola Deda – will discuss how the principles contained in the Policy Framework publication might be applied to Italy’s present challenges.

This resulted in a new project of law reforms for Land Management and Governance promoted by National Council of Architects, National Council of Engineers, National Association of Builders (ANCE), Tecnoborsa, etc. that has been sent to Italian Parliament.

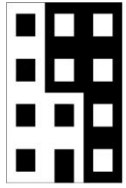


January 2012 – Moscow (Russian Federation).

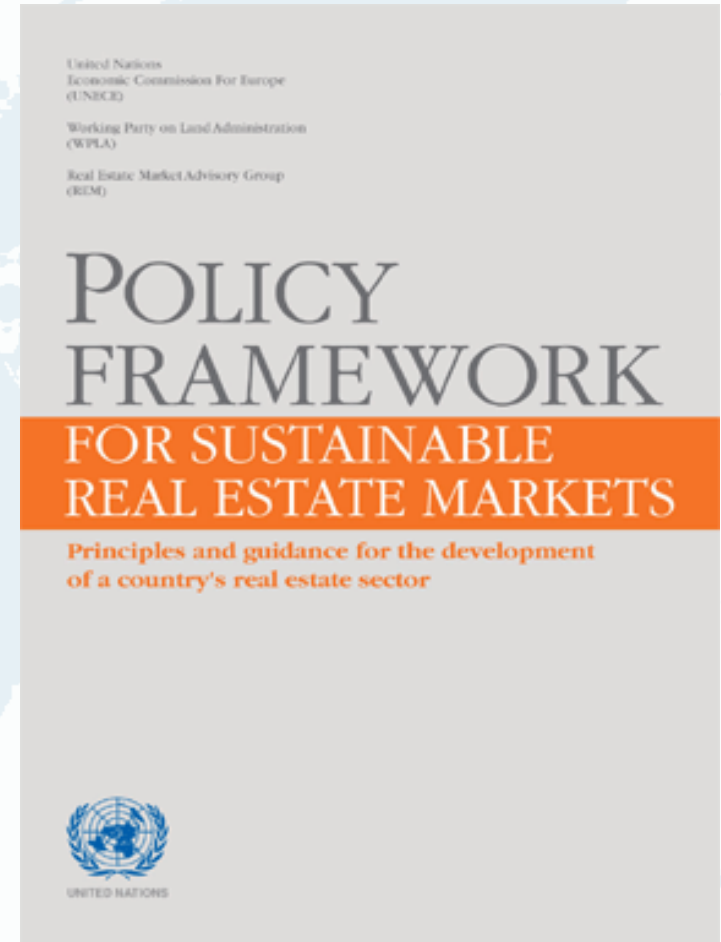
Forum on “**UNECE REM POLICY FRAMEWORK FOR SUSTAINABLE REAL ESTATE MARKETS: SOUND RULES TO IMPROVE THE REAL ESTATE SECTOR AND PROMOTE ECONOMIC GROWTH**” in cooperation with **World Bank** and **Ministry of Economic Development of the Russian Federation**

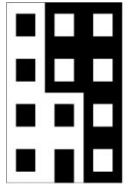


**PROPOSED ELEMENTS
FOR A PROGRAMME OF WORK OF THE
REAL ESTATE MARKET ADVISORY GROUP
FOR THE PERIOD 2012-2013**



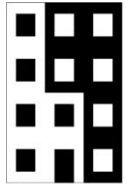
The *programme of work* will be focused on promoting the goals and principles contained in the Policy Framework for Sustainable Real Estate Markets.





The objective of the REM Advisory Group is to support improved planning and implementation by member States in the areas of work presented below:

- Integrated legal framework for the real estate sector
- Efficiency of services
- Prerequisites for development of sound RE markets
- Good governance
- Sustainable financing
- Transparency and advanced financial products
- Property valuation
- Social housing
- Training and capacity-building



MAIN AREAS OF ACTION FOR THE PERIOD OF 2012-2013

Area I:

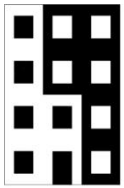
Policy Framework for Sustainable Real Estate Markets

Area II:

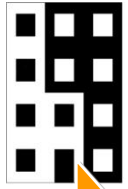
Risk Assessment in real estate and real estate rating

Area III:

Valuation standards and financing of real estate markets



A more integrated and holistic approach. There are several interlinked areas of action, summarized as illustrated in the figures.



Area I:

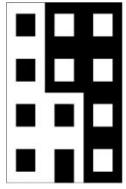
Policy Framework for Sustainable Real Estate Markets

Activities to be undertaken:

- (a) When invited and funded, organize roundtable discussions in countries of the region to promote the implementation of the Policy Framework. Currently, interest is being shown by Bulgaria, Romania and Russian Federation.
- (b) Update the Policy Framework based on the results of the roundtable discussions and other recommendations.

Outcome:

- (a) Improved understanding by national experts and policy makers of countryspecific issues related to the real estate sector; and established network with Governments and other national stakeholders.
- (b) Updated Policy Framework for Sustainable Real Estate Markets.
- (c) Improved national legal frameworks for the real estate sector as a result of the implementation of principles and recommendations contained in the Policy Framework.



Area II:

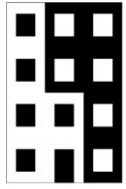
Risk Assessment in real estate and real estate rating

REM Advisory Group is currently undertaking a project on Real Estate Property and Market Risk Evaluation.

The objective of the project is to develop guidelines (i.e. principles and methods for measuring risk in the real estate sector) for the application of accurate and transparent rating mechanisms for real estate properties to be used as a collateral for financial products.

It will include criteria and methodologies for an appropriate risk assessment of real estate properties that will be comparable across borders.

The implementation would help member States to improve their national legislations on real estate property and market risk evaluation.

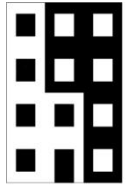


Activities:

- (a) Conduct research and analysis and collect inputs from international experts and organizations.
- (b) Summarize key findings and post them online for additional comments and suggestions.
- (c) Develop the first draft of the guidelines on Real Estate property and market risk evaluation.
- (d) Organize a Risk Assessment and Rating of Real Estate Forum in order to present, review and discuss the first draft; seek for additional inputs from participants.
- (e) Consolidate key recommendations and finalize the draft guidelines.

Outcome:

Guidelines on Risk Assessment for the Real Estate Market.



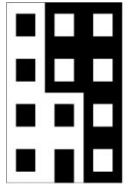
Area III:

Valuation standards and financing of real estate markets

The REM Advisory Group contributes to the creation of more efficient and developed markets through improving the reliability of property valuation standards and the promotion of sustainable financing of the real estate sector. This will be done through capacity building activities and the development of a study.

Activities:

(a) At least one capacity building workshop on the subject of valuation standards and financing of real estate markets. The workshop(s) are aimed at strengthening the capacity of national authorities and the private sector in reviewing valuation standards and issues related to financing of real estate markets;



(b) As a contribution to the work of the WPLA on the benchmarking study on land administration cadastre systems, a complementary study on property valuation for tax purposes will be developed;

(c) Subject to availability of funding, possible development and publication of Policy Guidelines on Valuation Standards and Financing of Real Estate Markets, in cooperation with other stakeholders in the real estate sector.

Outcome:

- (a) Improved national capacity for undertaking valuation assessments, and improved national valuation standards.
- (b) The development of a study on property valuation as a contribution to the work of the WPLA.

Thank you for your attention

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