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FIG Task Force on Real Estate Market Study Progress Report

1. SETTING UP THE TASK FORCE

The Task Force on Real Estate Market Study was established at the GA of the FIG WW2015 in Sofia. It was considered good for Surveyors to increase their knowledge and activity in real estate markets and on current challenges. The Task Force (TF) was proposed to focus on the ECE region where there are several countries struggling to improve their property markets and overcome crisis. The TF was to carry out a study on the real property markets concerning mainly countries in an economic transition process in its different phases.

The Task Force is chaired by Pekka Halme, Director of Strategic Development, from the National Land Survey of Finland.

The other members of the task force are:

- Orhan Ercan, Turkey
- Sonila Jazaj, Albania
- Dennis Lindén, Sweden
- Vasily Nilipovskiy, Russia
- Steven Nystrom, USA
- Helge Onsrud, Norway
- Chryssy Potsiou, Greece
- Ionut Savoiu, Romania
- Winrich Voss, Germany

Also experts from the target countries in the region can be used to form a network to assist the task force in its work. The decision on the network will be taken during the project.

2. THE TASK FORCE ACTIVITIES

The first meeting was held in Cape Sounio, Greece, on September 1, 2015. Six members had the opportunity to attend.

2.1. FOCUS/THEMES

The original list of relevant topics that was presented in the General Assembly in Sofia was discussed and developed in the first meeting. The agreed list is shown below.

- Government guarantees to register information; Security of ownership/tenure
- Property taxation, appropriate valuation
- Land-Use restrictions, Permitting procedures

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- Legislation, relevant recent legislative and administrative reforms and involved governmental agencies for regulation
- Existing registers/databases, information services
- e-gov, m-gov, transparency
- Processes, efficiency of services, customer friendliness of procedures
- Players/actors, investigation of the investors' needs
- Time, fees and costs required
- Sustainable financing mechanisms, access to credit and mortgages
- Prerequisites for Sustainable Growth; conversion of unused or underused resources into productive capital to increase employment and reduce poverty; energy efficiency measures and investment in their implementation on new constructions and existing buildings' refurbishment
- Affordable housing
- Education, training, professional capacity development.

The TF cannot cover the whole spectrum of the factors mentioned above but rather will prioritize the importance and choose to focus on some aspects before the others.

A possible perspective to take is on how the system functions in the countries in the region and try to find out if there is a gap between theory and reality and identify the major challenges in the countries under study.

A report on the situation in the target countries or the ECE Region overall has a value in itself for the countries in question. However, the target has to be set higher or the report should also give a non-region-specific view on the problems and challenges, and provide tools to deal with them for the governments and professionals on a more global scale.

2.2. WORK PLAN

The Task Force discussed the Work plan and agreed on the following:

The work will be carried out during the years 2015-2018 and the final report will be published at the FIG Conference in Istanbul in 2018.

The work will comprise initially:

- task force meetings (at the FIG WGs and independently)
- decision on methodology or framework,
- desk study (existing data and reports),
- decision on target countries,
- decision on the topics,
- collection of additional information from target countries,
- potential field visits,
- potential coordination with the WB for a joint study,
- elaborating the results,
- drafting the report

The different steps of the project are:

1. TF meetings and other means of keeping contact

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Most reporting within the TF will be done by emails and other electronic channels. The TF will have one or two meetings every year.

The TF will organize a session for the FIG WW in New Zealand, May 2016. The session has been accepted as part of the WW program and the papers to be presented in the session are in progress. There will also be a session in the FIG WW in Finland, May-June 2017.

As agreed in the meeting, the TF will arrange two focused seminars of which the first one will be held in Greece on September 18-19, 2016. A first invitation will be sent out early 2016. The seminar will concentrate on getting additional information from the target countries and discussions on the findings and preliminary results gained by then. The Task Force will invite speakers to bring the additional knowledge they can offer. The second seminar, again with invited speakers, will be held in Turkey in 2017 and concentrate on the draft report and conclusions.

2. Methodology or framework and target countries

A desk study will be carried out concentrating on existing reports and materials.

- The International Property Market Scorecard will be used as one of the corner stones for the work and provide the Task Force members with analysis early in 2016. The target countries are preliminarily Russia, Turkey, Greece, Ukraine, Armenia, Romania, and Bulgaria. The Russian and Turkish TF members will then go through the facts concerning their respective countries. Prof. Potsiou will analyze property market needs and challenges in Greece. A basic general study on the target countries is in progress and will be elaborated further by target country representatives. A paper on at least Turkey and Russia will be presented in WW2016.
- The World Bank Doing Business Reports will also be reviewed and the findings will be reported within the TF early 2016.
- Based on the above a list of general questions (topics) will be prepared.

3. Collecting additional information from target countries

This will be done either in the seminars, through the expert network, or through field studies.

It can also be discussed whether any information from developed systems in the non-transitional countries like the U.S., Germany, or the Nordic Countries would be needed for comparison. A definitive decision on the issue as well as on potential field visits will be taken later.

4. Elaboration of the results

This will be done by the Task Force and discussed in the seminars. Beside the conclusions concerning the situation in the target countries, the work should aim at a more general or global level of thinking to assist government and professionals in all parts of the world to deal with the real property market issues.

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5. Drafting the report

The report itself will be written by the end of the year 2017.

3. FUNDING

There is no formal budget for the Task Force so far. The funding can potentially be provided from three sources i.e. the TF members' own organizations, the FIG, and external players like the World Bank.

Carrying out the task generates costs for travels, accommodation, and meeting facilities of the TF meetings themselves. Additional costs are caused by the meeting facilities and catering for the seminars as well as through participation of the TF members. The amount of these costs/expenses can be estimated as follows:

Item	2016	2017	2018
TF meeting room	300	300	300
TF accommodation (6)	900	900	900
TF flights (6)	1500	1500	1500
Seminar meeting room	1000	1000	
Seminar catering	1000	1000	
TF attendance in seminars			
- accommodation	900	900	
- flights	1500	1500	
Total	7100	7100	2700

4. OUTCOME

Report on the current situation in the real property market in the region, its challenges, and main lines of development as well as recommendations and views on potential ways of dealing with the real property market imperfections will be presented in the FIG Congress in Istanbul in 2018.