Summary: Session 4. Land Market Assessment

Key Messages from Presentations
In his introductory presentation, Dr. Mark Napier from CISR presented key features of Land Market assessment:

- What are LMAs
- What different types of LMA exist
- Why should we conduct LMA and what can we achieve?
- Conclusion: doing LMA is beneficial, that it is a small investment, with huge beneficial implication. Keep it simple, do what you can and there is no perfect way to do it.

Korean case presented by Dr. PARK from Seoul University was on the system of Officially Assessed Land Prices in South Korea. PNV (Public Notice of Real Estate Value) system in Korea was introduced because there was the need to make large urban development projects through public acquisition of land – there was a need to have price criteria for compensation. Before the PNV system had been introduced, there were several systems of valuation in place, kept by different ministries. The system is transparent, as it is published publicly. The prices are mapped and they are set in KLIS (Korea Land Information System). Real Estate transactions are also recorded in the separate system - Real Estate Management System. Main implications of establishment of PNV: the confidence in official prices has increased, alleviation of tax imbalances between regions, ground work for public concept of land has been laid.

The second Korean case presented during the session was on Building Information System of Real Estate Price, presented by Dr. Kim, from Korea Appraisal Board. Dr Kim explained the technical part of PNV system. Korea Appraisal Board has a supervisory role to control the ethic of private appraisers. The system is applied in whole country and the data are included in GIS. In the Q&A session, Korean experts provided answers to queries related to ethical issues and rights to appeal to the appraisals.

Key conclusions and comments after the presentations:
- Policy making should consider land markets, but the market has to be efficient. That means that all actors are informed about the prices, and that regulations are in place. That is usually not the case in developing countries.
- Korean system is very transparent.
- Limited access to internet can be an obstacle. Phone apps can be used as good tool to overcome this problem, since so many people use phones nowadays. Many developing countries are still very behind in this area.
- Development of such system can contribute to development of land market in a country.

Participant Presentations on Land Market assessment and Data and Information of Land and Housing Markets in their Countries
In Azerbaijan, The World Bank is supporting the process of preparation of development plan for greater Baku region. Previous plans (Master plan from 1985) were prepared following the centralized system of
planning. Now the planning paradigm has been changed. The data for planning are collected from different stakeholders. One of the critical challenges to be solved through the new plan is creation of new housing.

In Tanzania, one of the main causes of urban management challenges in the capital city is existence of informal land market. Land reform in Tanzania has begun in 1997. Land has been given an economical value. At that time illegal encroachment on land started. Informal acquisition of land is manifested through purchase, invasion, informal subdivision etc. Government is not able to capture transaction gains, many land conflicts are present and economic value of land is not adequately realized.

In Bangladesh, high density of population is one of the biggest issues. There is a long tradition of urban planning in Bangladesh (since 1917). The new plan for Dhaka metropolitan area has been adopted in 1995, and Dhaka structure plan is in place since 2016. In spite of that, only 10% of plans have been realized. In the past, all the land for development has been allocated through compulsory acquisition. The new financing system needs to be established for housing. There is a need for a successful pilot project. Development authorities are lacking sufficient technical personnel.

In India, 70% of population lives in class 1 cities. Cities are growing rapidly. The main challenge is infrastructure in these cities. It is overburdened. In Mumbai, 54% of people live in slums. At the same time there is a surplus in high income housing. There is no homogenous land market in India. Land management in Delhi – there are too many institutions on city level that are in charge of planning, housing, infrastructure and finance. There is an evident lack of coordination.

In Philippines, many institutions can issue land titles. Land registration authority is in charge of valuation and taxation. In the present, Land legislation is inconsistent and outdated. It is characterized by ineffectiveness and lack of coordination between land administration institutions. Local governments are in charge of urban planning, but there is no national framework for urban planning. Existing housing programs are fragmented.