

Introducing the conference theme – Mark Napier, Programme Director: Urban LandMark

Mark Napier expressed the hope that the conference would be host to an interesting and relevant conversation, which would address the realities of how to open up land, space, location and rights to African cities. The theme for this event was 'Investing in land and strengthening property rights'. Urban LandMark believes that one needs investment if access for all is going to happen and continue to happen in the medium and long term. Thus, what is needed is investment by the state, by communities themselves and by big and small business.

The opening address focussed on three main areas: it introduced the theme and what it means; it described what has changed in the environment over the last five years, which also served the purpose of introducing many of the topics being discussed during the two days; and it gave a detailed example of how evidence-based policy change, namely through Urban LandMark's 'Delays in title deeds project', is taking place and its effects.

a) Introducing the theme

Urban LandMark chose the conference theme quite carefully. 'Property' is a contentious word. Investing in land and strengthening property rights are two parts of the equation which lead to improved resilience, economic growth and sustainable and equitable cities and settlements. At Urban LandMark's last conference, towards the end of 2010, it was argued that 'land security' (which is a combination of land access and tenure security) should be seen as a development fundamental, along with food security, income security and safety, peace and security, and that these should be combined with mobility and market access in order to ensure that things will work better and more sustainably. What Urban LandMark was arguing for and focussing on at this conference, using this theme, was clear actions at many levels, which, together, will enhance growth, resilience, mobility and access for all urban residents. In order for this to happen, investment needs to be stimulated and a practically workable system of property rights, which will be relevant for African cities in their great diversity, must be established. The drivers of economic growth have to be accompanied by proactive initiatives to ensure that all people have fair access to the fruits of that growth. It is meaningless to talk about realising land rights without also talking about the delivery of land, the economic model in which land can be distributed sustainably, and the way cities and property markets can grow sustainably and contribute towards national and regional well-being.

For housing and development, one key enabling factor is adequate incomes. Housing, land and services can be supplied, but they do not become more affordable because they are handed out. There is still a fissure between informal and formal land supply. The two systems, which can also be described as sub-markets, overlap, duplicate and compete. The responsibility to establish a relevant and efficiently performing unitary system sits with government. The ongoing lack of resolution of the predominant land and property systems holds back development in many countries. The UN-Habitat *2010 State of African Cities Report*, when introducing the issue of urban land markets, states that governments should seek ways to overhaul formal land markets and their various dimensions.

Sorting out some of the land administration and management problems will certainly start to attract greater investment. It also creates the conditions for more complex land commodity markets, which the state and other actors can stimulate, incentivise and regulate in a myriad of ways. This cannot

continue to be just about a single layer of basic occupation rights laid down on the ground, with a one-to-one mapping between occupier and space. It needs much greater complexity to evolve which, ironically, often already exists on 'the fringes'.

The state has a key role to play in improving access to, and securing the claims of poorer people and communities, to land and property. Evidence shows that this is one of a number of key elements which can unlock full participation by the poor in the economy. That is why Urban LandMark has chosen this theme for the conference.

b) What has changed in the environment?

In order to give an overview of Urban LandMark's work and the challenges and opportunities in the sector, it is useful to mention some things which have shifted in the urban/land/housing environment. The first group has to do with heightened awareness of urban land markets: urban land markets in five sub-regions of the African continent were profiled in UN-Habitat's *2010 State of African Cities Report*. These are now being followed through with a call to action from the United Cities and Local Governments of Africa Association (UCLGA) and UN-Habitat to implement urban land market improvements at the local authority level. Furthermore, there is more and more interest in land markets and property rights within DFID, the World Bank, UN-Habitat, Cities Alliance and the African Union. The overall message is that the multilaterals and bilaterals have realised the critical role of land in development and of land security, and are prepared to invest in it. In South Africa, urban land market guidelines appear in the National Development Plan issued by the National Planning Commission.

The second group has to do with programmatic changes, which hold out hope for greater recognition of better land rights, mainly in South Africa. There is now a clear shift towards funding informal settlement upgrading, and away from mass housing in poor locations. The Housing Development Agency is mandated to assemble land for housing and thus addresses part of the location equation. There is broad recognition that the residential market is important for the national Department of Human Settlements (DHS) and that title deeds are important for people living in RDP housing. Lastly, the Spatial Planning and Land Use Management Bill (SPLUMB) is almost through Parliament, with the last draft accepted by Cabinet and now out for a final round of comment. This Bill will revolutionise planning, and is touted as being far more concerned with low-income earners' access and secure tenure than previous formulations.

The third group is about private sector patterns of investment: the largest area of growth in the retail space market has been in the historical 'townships' and rural nodes, and there is growing interest by the private sector in forming partnerships to achieve value creation and value capture in ways which achieve a more inclusive city.

c) Title deeds as an example of evidence-based policy change

Over the past five years, Urban LandMark has been focussing on 'evidence-based policy change'. An example is the fact that Urban LandMark had become concerned that many title deeds were not getting to the beneficiaries of the state housing programme. There was evidence of this in Urban

LandMark's very early research, with only one-quarter of people in three RDP settlements surveyed in 2007 actually in possession of their property registration papers (another tenth of these households said they were expecting their papers soon). If this were the case, then there was severe dysfunctionality in the market. While Urban LandMark does not suggest that having a title deed is the panacea for poverty, it seemed a lost opportunity that people in formally built houses, on registered land, did not have their papers. Furthermore, according to official figures, one million houses were built in just over six years. No-one was sure how to prove this independently. Urban LandMark found a way to verify the state's claims around housing delivery. This was largely through the work of the Centre for Housing Finance in Africa and their Affordable Land and Housing Data Centre, which was able to use the Deeds Registry to filter out properties on the deeds register, which looked like new RDP houses. Government also keeps a list of all beneficiaries of its housing programme, both those waiting in line and those who have received their houses. By matching up the identity numbers and the deeds records, the researchers could 'see' the RDP houses in the national records.

The findings of the investigation were released late last year by FinMark Trust and Urban LandMark, and provided, for the first time since the new housing programme was introduced, independent evidence of over 1.4 million properties having been built by the state. In total 1.44 million government-subsidised properties were formally registered on the Deeds Registry. These comprise 24% of all formally registered residential properties in South Africa. At the time that the research was done, government reported 2.94 million deliveries. Thus, the deeds registry is exactly 1.5 million short. Urban LandMark is working on this with the DHS, and has a good idea of where some of the deeds registration and township establishment processes are stuck. However, the staggering fact was that state delivery so dominated the national property register.

The DHS and the Housing Ministry have welcomed this message and want to make it part of their action plan for the coming year. It was only when the evidence was so clearly uncovered and communicated that it became possible for the state to engage with the issue. This is the point of evidence-based policy research - it enables the possibility of causing change for the better. Urban LandMark is hoping that the emphasis on unblocking title and establishing a more accessible land system unlocks access for the many households waiting for deeds, land and housing in the future.

d. Conclusion

Urban LandMark hoped that the conference would cast some light on these issues, both on the investment side and the rights side. Urban Landmark's shared aim and belief are in pro-poor urban development and wealth creation using land and market access as a base. Urban LandMark also thanked the people who organised the event, research theme coordinators and consultants, and DFID for its support.