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SUBJECT: Workshop on Regularizing the Informal Land Development Process

A workshop titled *Workshop on Regularizing the Informal Land Development Process* was held on November 1, 1990, in Washington, D.C. The meeting, organized by the Office of Housing and Urban Programs, was attended by sixty participants from the regional bureaus in A.I.D., the World Bank, and experts from U.S. private institutions and universities.

The objective of the workshop was to review the experience of developing country governments and the informal sector as they have sought regularization of informal land developments. The meeting considered the costs and benefits to the beneficiaries, both formal and informal, of regulatory reform and the roles played by national governments and local authorities as they have worked with the informal sector to implement this process.

Following an introduction by Peter Kimm, Director, Office of Housing and Urban Programs, opening remarks were presented by Henrietta Holsman Fore, Assistant Administrator, Bureau for Asia and Private Enterprise. She emphasized the significance of this workshop as complementary to APRE's other informal sector activities, specifically the IRIS (Institutional Reform and the Informal Sector) and GEMINI (Growth and Equity through Microenterprise Investments and Institutions) projects. The objectives of the meeting - an examination of the complexities of translating the goal of regularization into workable policies - was provided by Monique Cohen of the Office of Housing and Urban Programs.

PAPERS PRESENTED

A background paper, *Regularizing the Informal Land Development Process*, prepared by Mona Serageldin, Harvard University Graduate School of Design, set the framework for the workshop by providing an overview of regularization policy and the elements common to the regularization process. Recognizing that the process of informal land development varies significantly by region, Serageldin presented the legal background and the evolution of land development regulations by drawing on examples from a wide range of countries. Her presentation also identified different strategies of regularization, contrasting the process of

legitimization of previously owned public land with land that had been privately owned. Serageldin concluded by arguing that the problems of urban land are inextricably tied to the problems of urban management.

Session II of the workshop, which looked at the costs and benefits of regularization, began with a paper entitled *Informal Residential Land Development in Indonesia* by Michael Hoffman of the Urban Institute, and a paper by David Dowall of the University of California at Berkeley entitled: *Less Is More: the Benefits of Minimal Land Development Regulation* was also relevant to the discussion. The dialogue focused on the need for regularization to be seen as more than the securing of legal title but also to encompass security of tenure even where owners have legal claims, and the provision of infrastructure and services to the informal sector. The forum also drew attention to the difference between regularization and deregulation in order to assess what standards and regulations are appropriate and the point in the development process at which regulations should be applied.

LOCAL LEVEL STRATEGIES

Local level strategies for legitimizing informal land development were the theme of Session III. Albert Forsyth, Institute for Liberty and Democracy (ILD) in Lima, Peru, explained the goals and implementation of the ILD property rights program giving particular attention to its decentralization beyond Lima to the rest of Peru, including rural areas. Discussion also focused on the sustainability of this property rights program, both in covering local land registry operating costs over the long run and the integration of the property rights program with municipalities' responsibilities for land management. Currently the new registries are not being used as a basis for municipal property tax collection. The minimal integration of this Peruvian system of mass registration into the municipal development process contrasted strongly with the strong role played by municipalities in regularizing informal land development in Jordan. This experience and that of Montfleuri, Morocco, were explored in a paper presented by Gerald Erbach of PADCO, *On Land Tenure in Jordan: Informal Markets and the Resolution of Problems.*

In her concluding remarks Sonia Hammam, Assistant Director, Urban Policy and Programs Division, Office of Housing and Urban Programs, drew attention to the need to distinguish between inappropriate regulations and the capacity of institutions to implement regulations. The workshop, in reviewing successful experiences with regularization, identified the importance of a strong political commitment and the role of outside forces which can act as catalysts to this process and the involvement and participation by the community.

CONCLUSIONS AND RECOMMENDATIONS

Among the conclusions and recommendations of the meeting was a recognition that the informal sector should not be seen apart from the rest of the urban economy. Moreover, the approach taken to integrating the informal sector into the economy should reflect the customs of the informal settlements and draw on their informal rules of land development. This also includes full recognition of the practical and strategic needs for women in securing title. Any approach to legitimizing the status of the informal sector also requires an examination of the costs and benefits of regularization to not only the household but also the community and municipality. Indeed, future considerations of these informal land issues should be in the broader context of effective urban management. Public authorities will increasingly find it untenable to assume sole responsibility for regularization. They will find it far more fruitful to redefine their role as catalysts in bringing about land regularization through negotiation and integration. The challenge is to create an enabling institutional framework within which activities at the local level can be structured and coordinated in support of a coherent land management policy.

For copies of the papers and further information about the meeting, please contact Monique Cohen, APRE/H.

DISTRIBUTION:

A.I.D. List #1 and List #2