

Report to the Economic and Social Council on Sustainable Quality of Life in Human Settlements in the 21st Century

Table of Contents

Chapter	Heading	Page
	Executive Summary	3
I.	Consideration of Sustainable Sustainable Quality of Life in the 21st	
	Century	5
	A. Recommendations, Deliberations and Dissenting Opinions	5
	I. Introduction to European Housing Policy	5
	II. Ecological Housing and Renovations	5
	III. Improvements in Urban Planning	6
	IV. Green Initiatives	7
	V. Plans for Recycling and Refuge Maintenance	7
	IV. Social Cooperation	8
	IIV. Financing	8
	IX. Revamping the Best Practices Database	9
	X. Research Recommendations	10
II.	Adoption of the Report	10

Executive Summary

1 2

During the special session for the Economic Commission for Europe, held on 19 to 22
November 2011, the Economic Commission for Europe considered Sustainable Quality

of Life in Human Settlements in the 21St Century, and the review of relevant United

Nations plans and programs of action pertaining to the situation of housing developments and sustainable quality of life.

On the priority themes, the Commission held caucusing discussions elaborating on sustainable quality of life and housing settlements, taking into account the relationship with poverty eradication and energy efficiency. The Commission adopted this report by consensus with the follow Member States abstaining: Czech Republic, Cyprus, Estonia, Iceland, Latvia, Russian Federation, Spain, Turkmenistan, and Ukraine.

The first chapter discusses ecological housing and improvements in Urban Planning. The discussions included several recommendations brought about by Member States including the proposal of new standards for energy efficiency during the renovation of aged and historically significant homes. The Commission also suggested further research and development for energy efficient materials in hopes of making these materials available for all to ensure that all citizens have not only affordable housing but also efficient housing. Furthermore, the Commission recommended new ideas and regulations for urban planning models to help reduce the problems created by pollution, natural disasters, and overcrowding.

The second chapter details the discussion on Green Initiatives. During this discussion, the Member States suggested further promotion of public transportation to help reduce pollution and the further use of energy rating systems throughout all of the ECE Member States.

The third chapter recommends research for Plans for Recycling and Refuge Maintenance. The Commission recognized that in order to promote a sustainable quality of life in human settlements, the ECE must find better and more efficient ways of managing waste and freeing up land that would otherwise be used for land fills. The Commission agreed to promote the further research of biodigestors and aerobic hydrocarbon breakdown in an attempt to reduce pollution of air and water resources and perhaps eventually be able to use this waste as a form of energy.

The fourth chapter offers suggestions for Social Cooperation which would include ideas to promote social unity and cooperation in hopes that cooperation throughout the community would result in more environmentally friendly initiatives, education throughout the community, and more engaged residents to preserve the integrity of the community as a whole.

The fifth chapter details all Financing recommendations for this respected report. While there was much debate about how to finance the recommendations within this report, the Commission does recognize that these are only suggestions and it is up to the Economic Social Council and the entire General Assembly to finally approve a method/methods for DOC:175

financing. However, the Commission did make several suggestions including ideas on micro finance to corporations that will implement energy efficient products in housing and suggestions for the International Monetary Fund and World Bank to reduce interest rates and increase monetary contributions for such products that meet the criteria necessary in order to promote sustainable housing settlements and quality of life. The Commission also promoted ideas as to how individual states could finance their own housing improvements.

The sixth chapter recommends a Land Value Tax for financing which would allow the tax to be decreased based on energy efficiency and certain criteria in quality of life.

The seventh chapter suggests an overhaul of the Best Practices Database to increase user efficiency to further promote the goals of the ECE through UN-HABITAT which would promote human settlements and environmental sustainability.

The eighth chapter details the suggestion of a report to be issued annually by both the Housing Land Management and Sustainable Energy committee with the purpose of researching and implementing new energy efficient technologies into proposed housing developments throughout all Member States.

 93 Chapter I

Consideration of Sustainable Quality of Life in Human Settlements in the 21st

95 **Century**

96 97

94

A. Recommendations and Deliberations

98 99

I. Introduction to European Housing Policy

100 In 1947, the Economic Commission for Europe (ECE) set up a Panel on Housing 101 Problems, which later evolved into the Committee on Human Settlements and after the 102 reform in 2005 and 2006 into the Committee on Housing and Land Management. The 103 Committee is an intergovernmental body of all ECE Member States. It provides a forum 104 for the compilation, dissemination and exchange of information and experience on 105 housing, urban development and land administration policies. Through various 106 workshops, research on urban issues, land administration, and analysis of the housing and 107 real estate sector, the Committee advises member countries on human settlements policies 108 and strategies and encourages their practical implementation. The Committee supports 109 the economic and social stabilization of Central and Eastern Europe by suggesting 110 innovative ways of cooperation between different levels of government. In 2010, the ECE 111 published the Action Plan for Energy-Efficient Housing in the ECE Region 112 (ECE/HBP/164). This Action Plan provides a framework for the Member States of the 113 region to raise energy efficiency in the housing sector and thus enable them to more 114 effectively address environmental and economic challenges and meet social needs. The 115 Action Plan lists a range of measures aimed at removing barriers to energy efficiency and 116 progressively moving towards a low-energy and ultimately zero-energy and carbon 117 neutral housing sector. In October 2011, the ECE worked towards a possible Legally 118 Binding Instrument on Affordable, Healthy and Ecological Housing in the ECE Region. 119 This agreement would be one that, if approved, would require all Member States to adopt 120 certain agreements and goals for building designs, public transportation methods, and 121 environmentally friendly housing projects.

122 123

124125

126

127

128

129

130

II. Ecological Housing and Renovations

In keeping with current standards of achieving the ECE standards and goals established in the ECE Draft Action Plan, submitted at the 71st session, special attention should be devoted to incorporating various methods of sustainable energy with the issue of providing adequate levels of affordable housing. In developing regions, there is a demand for affordable housing which is not coupled with a sufficient supply. Providing affordable housing is within the United Nations' goal of eradicating poverty, efforts to increase the availability of affordable housing across the region should be at the forefront of development strategies.

131132133

134

135

136

137

138

139

The ECE recommends that in an attempt to increase ecologically friendly housing there should be a conscious effort to improve historically significant sites through energy efficiency improvements. Currently, many sites of historical significance are protected from being changed or improved in any way to ensure their historical integrity through the United Nations World Heritage Convention. However, historical integrity and energy efficiency can co-exist. The ECE also encourages fellow states to consider the potential risks associated with older housing communities. These risks can include but are not

DOC:175

limited to: lead paint, risk of collapse, and excessive accumulation of hazardous materials such as mold. The commission suggests research into Eco-friendly ways of restoration with states working within their own borders to encourage and develop new and safer ways of housing development.

This process would be similar to that of the European Union and action 2002/91/EC which requires a minimum standard for both new and heavily renovated buildings. With this method, states would be able to utilize their historical buildings while still maintaining their historical significance and utilizing new environmentally efficient technologies¹. This research would help to encourage individual states to encourage corporations with tax breaks for participating, and include further tax breaks for property owners of these environmentally friendly establishments. We also recommend that gradual improvements in construction methods and improvements in construction materials be implemented.

Newer developments and future planning should implement new ecological standards that will increase efficiency for the new development as a whole. This commission also recommends that there be an annual conference focused on technological innovations and how they apply to ecological housing information and new building standards that can be updated as new technologies are introduced and shared with the entire commission. We also encourage investments in areas of ecological housing and development of technologies that will benefit the development of more energy efficient products.² We also recognize that these efforts are part of a long term process and will require the commitment from states without the hopes of short term profits.

III. Improvements in Urban Planning

As part of a larger plan for improvements in urban planning, we recommend Eco-friendly urban construction and re-construction for the purpose of energy efficiency for not only new developments but also the renovation of older communities to match new building standards. We also recommend that there be new technologies in safety, transportation, and efficiency in production. For example, buildings within certain areas would be required to utilize new technologies to encourage safety such as: areas within fault lines that are subject to many earthquakes, and areas that are within known flood zones. These recommendations would help to maintain efficient and safe housing even with the threat of natural disasters. We also want to encourage planning of urban space in order to reduce inefficient uses of energy such as traffic jams that contribute to climate problems due to

¹ Iceland expresses disappointment at the lack of specific methodology proposed in the document and thus suggests that access to public transportation be increased through the introduction of subsidized busing for persons who do not own vehicles, the implementation of end-point programs such as municipal, short-term bicycle rental programs to facilitate more efficient movement from mass transit hubs to destinations, government amelioration of costs associated with car share programs, bike rack installation programs in public spaces, efforts to widen and clean sidewalks and pedestrian paths and similar efforts

The Czech Republic and Spain would like to see the inclusion of specific plans or guidelines in a further report concerning renovations of publicly held historic sites, seeing as many historic sites are not subject to private ownership.

² The Czech Republic and Spain are concerned that, without "the hopes of short term profits", there will be a lack of adequate motivation for actors to carry out the desired reforms.

higher rates of pollution³. It is important to ensure easy access to public transportation for all people. We also look to encourage the use of more energy efficient forms of transportation that can be readily available to all residents of the community such as bike lanes and expanded public transportation.

It is imperative that there be a significant focus on geographic placement on newly built housing. Strategic planning is clearly necessary in order to maintain sustainable, safe housing. As can be imagined, natural disasters, mudslides, erosion and other physical features affect the existence, the overall usage, and zoning of residential infrastructure.

IV. Green Initiatives

The ECE looks to acknowledge transportation concerns and carbon emission problems throughout Europe. By promoting public transportation, safer building codes, and plans for renovations, it helps to improve the environment by decreasing pollution and providing more housing opportunities through renovations that will increase the efficiency of these older homes and buildings. We would also like to recommend that the building standards for new construction and renovations of old structures be held to different standards based upon the starting point of the building process. This process would be similar to that of the European Union and action 2002/91/EC which requires a minimum standard for both new and heavily renovated buildings. With this, older structures will be able to improve without completely removing them from within a community. By these means, these buildings may not be able to reach European Union Energy Star status but would still be able to improve their own efficiency to create a marginal improvement. This committee asserts the need for ecological change in the housing and building sector as a large portion of the energy used creates carbon emissions. This commission recognizes all Member States of the ECE and their valuable role in the contributing towards subsidiaries focused on promotion that meets green building standards.

V. Plans for Recycling and Refuge Maintenance

In order to better promote a sustainable quality of life in human settlements, the ECE seeks better methods to manage waste, freeing up land that would otherwise be used for landfills, and preventing contamination of water and food resources by human waste and garbage. To promote the sustainable management of urban waste, the Economic Commission for Europe recommends investment in research on biodigestors and anaerobic hydrocarbon breakdown. This would help to reduce pollution in air and water resources which would increase quality of life among the local communities utilizing these technologies. These processes have the potential to efficiently break down large amounts of waste and reclaim energy that would otherwise be lost in landfills. The ECE sees the potential of methods similar to biodigestors to ameliorate the urban waste management issue on a large scale in the future, and encourages further scientific development to improve the energy and cost efficiency of the process. Such methods allow the harvesting of burnable gasses such as methane from garbage and human waste, while producing no more carbon dioxide than would result from burying the waste in a traditional landfill or sewer.

³ Iceland is perplexed as to who has the capability and the impetus to begin such programs. DOC:175

VI. Social Cooperation

223 The ECE encourages the awareness of social complications involved with sustainable 224 practices. We recognize that some important factors of human quality of life in the long 225 run include the promotion of sustainable social processes such as the strengthening 226 cooperative social environments and a promotion of social unity. Some examples of this 227 would be cooperation within the community to form a group or club that all members of 228 the community can get involved in such as a neighborhood watch group in which every 229 member of the society would be responsible for a achieving a particular task. In order to 230 engage and implement these measures, we recommend enhancing the knowledge base of 231 citizens to increase their activity and efforts in sustainable social practices and 232 development of social cooperation between locally, as well as, internationally diverse 233 inhabitants⁴. The construction of contemporary Eco-friendly housing, if made affordable 234 to all members of a community, would attract residents of all income levels, due to the 235 appeal of environmentally friendly initiatives, and in course encourage social interactions 236 between citizens of diverse income levels, ultimately reducing social segregation and 237 improving the overall quality of life for all citizens.

238239

240

241

242

243

244

245

246

222

VII. Financing ⁵

In order to ensure that sufficient funding be given to this venture, as part of both a commitment to providing affordable housing as well as ensuring the reduction of carbon footprints in cities resulting from urbanization, it is absolutely crucial that adequate financing be given to ensuring that green energy be incorporated in any and all future housing construction. The simple fact remains that while the initial investment will be increased, the money saved prior to investment will make the housing more affordable for those inhabitants who have to pay the energy costs of such housing, thereby making affordable housing more sustainable both economically and environmentally.

247248249

250251

252

To provide financing for the inclusion of green technology, micro financing may play a role in funding for the energy efficient aspect of construction. As it stands now, current regulations on micro financing in the European region limits funds to the amount of 25,000 euro, and is restricted from providing in the areas of property and is aimed at

⁴ The Czech Republic fails to see how the ECE, ECOSOC, or any other UN subsidiary body would take action to promote the formation of "a group or club that all members of the community can get involved in".

⁵ Iceland questions whether the IMF in an appropriate body to foment sustainable development in the ECE region.

⁶ Iceland questions whether the concept of Micro-Financing is misappropriated in addressing infrastructure improvements. It seems that traditional founts of capital, such as banks, investment firms, venture capital funds and individual entrepreneurship are better conditioned to fund such development. Iceland wonders whether micro-finance was proposed as a manner of conceding to the fact that such programs are not economically viable to the level that they would be considered by traditional sources of capital.

Iceland further questions what specific elements, other than a funding cap, micro-finance offers such that it uniquely pursues the goal of sustainable human habitats.

The Czech Republic would like to note that the current limitations on micro-finance loans both in terms of the amount type allowed are in place for good reasons. Micro-finance loans are traditionally applied in areas where a lack of legal structure and collateral inhibits borrowers. However, these conditions are usually not prohibitive in the case of European countries. The Czech Republic would object to a radical restructuring of the role of micro-finance, but would commend the use of small scale financing, possibly using the property to be renovated as collateral.

253 providing contributions to entrepreneurs and newly forming markets. Therefore, funds 254 can be administered to green technology projects in keeping with current standards by 255 merely using affordable housing construction projects as the venue for future applications 256 of green technology installation. Allocations of funds to green energy technology projects 257 may be directed at various forms of green energy such as solar technology, biomass 258 heating plants, energy efficient insulation, waste, water purification plants, etc. This 259 commission recommends that the funding go to businesses and entrepreneurs that would 260 create or supply the technology needed for the respected changes. We also recommend 261 that these programs be supported by state governments and larger municipalities in order 262 to properly distribute funds based on eligibility and need.

The ECE also commends the Energy Star rating system that is already in place throughout the EU but we would like to encourage further development of tax incentives within Member States to encourage further development and widespread use.

IIX. Land Value Taxation as a sustainable housing option

Land Value Taxation (LVT) is a concept that would be able to encourage greater settlement opportunities and greater use of environmentally friendly housing by reducing the tax on persons or corporations that implement particular plans that the United Nations wishes to see adopted such as Eco-Friendly homes or housing for low-income individuals. Land value taxation operates by charging a flat rate, typically 10%, against the un-adorned value of the underlying land. This assessment does not change based on development added to the land, so, two adjacent blocks of the same size or value would be taxed identically, even if one were undeveloped and another the headquarters of a major Financial Institution. The prime advantage of such a tax regime is that it highly encourages the use of underdeveloped land within high cost areas (such as cities) as well as improving the incentives for marginal land developments; as these would face the lowest rates. Such a policy would encourage the building of affordable housing as such use of underdeveloped or marginal land would produce a system to offset the LVT. Additionally, allowing the LVT to be mitigated by developments that meet sustainability and affordability criteria could incorporate further incentives toward sustainable development. By doing so a clear motive is generated to meet the criteria necessary to mitigate the tax. LVT is highly advocated as it works with market mechanisms to produce results and has a low distortion effect hence low deadweight loss. Existing LVT schemes, such as those in Estonia, have proved successful.

While LVT can be left to Member States to implement as they see fit, it is further recommended that a basic standard should be set in order for efficient organization between Member States. The commission observes that were such a tax to be established through all of Europe, with revenues remitted to a central body, the LVT could be a credible method for raising revenues to help achieve other sustainability and affordability guards as outlined in this report.

IX. Revamping the Best Practices Database

Regarding the Best Practices database on sustainable human habitat development 298 maintained by The United Nations Human Settlements Programme, UN-HABITAT, and the ECE sees a number of potential areas for improvement. UN-HABITAT is the United

263 264

265

266

267 268

269

270

271

272

273

274

275

276 277

278

279

280

281

282

283

284

285

286

287

288 289

290

291

292

293

294

295 296

297

299

300 Nations agency for human settlements. It is mandated by the United Nations General 301 Assembly to promote socially and environmentally sustainable towns and cities with the 302 goal of providing adequate shelter for all. As described by their purpose, a better 303 maintained database would further help those individuals and Member States that are 304 looking to utilize its information. These improvement recommendations include the 305 database to becomes a more powerful toolkit for implementing innovative and situation 306 specific development strategies that range from improving energy efficiency, improving 307 access to housing and decreasing the cost of housing. To this end, the ECE suggests that 308 ECOSOC create a task force on urban planning innovation to investigate the utility and 309 the veracity of information of the best practices database through the following methods: 310 confirmation of the references and contact points listed in the best practices database; 311 better organization of best practices such that they can be located on the basis of region, 312 size of urban area, topic, time frame and expected cost; addition of commentary provided 313 by thematic experts such as engineers, economists, urban planners and social organizers 314 in order to objectively assess the cost/benefit, long term feasibility, potential risks, and 315 necessary resources thus making implementation of best practices easier in both 316 developed and developing countries.

317318

319

320

321

322

323

324

325

326

X. Research Recommendations

The ECE currently has a committee on both Housing Land Management and Sustainable Energy. A formal research initiative should be formed in conjunction with the committees on sustainable energy as well as housing, with the purpose of researching and creating a report to both the ECE and ECOSOC on possible measures that can most adequately and cost effectively ensure the ongoing progress and increase of affordable housing supply in impoverished regions, while infusing such measures with the ongoing inclusion of energy efficient technologies from the green energy sector. It shall be however the purpose of this proposed initiative to provide insight to any state looking to incorporate energy efficiency into proposed housing developments.

327 328 329

Chapter II.

Adoption of the report of the Economic Commission of Europe

330 331 332

333

At its meeting on 22 November 2011, the draft report of the Commission was made available for consideration. The Commission considered passed the report.