

PREFACE

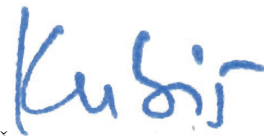
A fully functioning and well regulated real estate market can be an important factor to enhance the economy of countries in the UNECE region, both through upgrades in the housing stock and building capacities as well as the development of mortgage finance. The real estate sector also plays a fundamental role in the transition and consolidation of green economies, with the related generation of employment and growth. Finally, a solid real estate economy is necessary to guarantee mobility of the labour force and improve adjustment to migration flows within countries.

Analyses of the current global economic crisis have shown that unclear regulatory frameworks in the financial and real estate sectors were among its main causes. The crisis brought up a range of problems and demonstrated the urgent need for UNECE to respond by providing guidance and promoting sound real estate markets in the region.

The present *Policy Framework* complements current efforts by authorities in the region to stem the effects of the current economic downturn. The crite-

ria defined for sound real estate markets should not only help accelerate the economic recovery in the short run, but also promote long-term sustainable development and green economies. The study offers institutional advice on issues such as the establishment of financial markets backed by real estate as collateral, harmonized valuation standards for real property and transparency in investment risk assessment. It also advocates a more integrated and holistic approach towards the establishment and management of real estate organizations, especially for economies in transition.

I trust this work offers a general overview of the institutional pre-requisites for a solid real estate sector in the region, which in turn will facilitate the achievement of social and economic objectives. The principles proposed by the REM Advisory Group will serve as a permanent contribution to government authorities as well as private investors, real estate appraisers and consumers at the time of discussing particular actions to be undertaken in each national context.



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