

## Explained: Informal Settlements, Between Laws of Development and Urban Planning

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To address real estate issues in informal settlements, legislative authorities in Syria issued the Real Estate Development and Investment Law No. 15 of 2008 and the Urban Planning and Urbanisation Law No. 23 of 2015, which are similar yet differ in a number of aspects.

### Objectives and scope of application

Real Estate Development and Investment Law No. 15 of 2008 was issued to attract investments in the real estate development process, which includes “supplying the housing sector with integrated urban building complexes, and securing the housing needs of those with a limited income, as well as establishing integrated new residential cities and suburbs and urban communities.” The process also would include “addressing informal housing areas.” The law would be applied in real estate development areas—that is, real estate and parts of both public and private properties, built or not, inside or outside the zoning plans.

For its part, Urban Planning and Urbanisation Law No. 23 of 2015, was issued to achieve a number of goals: either to get rid of areas with informal housing located within zoning plans and enter them into the zoning areas, or to rehabilitate areas that have witnessed disasters or wars, or to implement zoning plans via expropriation in accordance with Expropriations Law No. 20 of 1983, or to build residential areas in accordance with Law No. 15 of 2008. That is, Law No. 23 for 2015 gives administrative authorities a choice of what steps to take if there are areas with informal housing within approved zoning plans: Either apply its provisions, apply the provisions of the Expropriations Law, or apply Law No. 15 of 2008.

### Legal documents

Law No. 15 of 2008 considers a legal document for creating a real estate development zone to be a decree issued by the prime minister, based on a proposal submitted by the board of directors of the [Real Estate Development and Investment Commission](#), which is affiliated with the [Ministry of Public Works and Housing](#), as well as to take into consideration the opinion of the local administrative unit (municipalities and governorates) where the zone is to be created.

Meanwhile, according to Law No. 23 of 2015, a decree issued by an administrative unit or municipality can serve as the legal document needed for incorporating an area into zoning plans, if there are spots within the zoning area that include informal settlements.

### Percentage of expropriations

If a real estate property is expropriated by the administrative unit in accordance with Law No. 15 of 2008, then compensation to its owners should be made according to the provisions of Expropriations Law No. 20 of 1983. That is, there is no specific percentage for expropriation or deduction, as the administrative unit may expropriate real estate properties or parts of properties from individuals for the purpose of creating real estate development zones, in return for “fair compensation”. Law No. 15 of 2008 obliges the administrative unit to allocate 40 percent of the residential floor area (plots) for sale to the owners of the expropriated properties, each according to the percent of total area expropriated from their property.

In Law No. 23, the administrative unit has the right to take 40 to 50 percent of the total area of the

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property when it includes it into the zoning plans, without compensation. The law considers that the real estate will earn interest through being serviced and will gain purchasing value after being included into the zoning plan—this justifies the large deduction rate and lack of compensation. If the administrative unit is compelled to take more than 50 percent of the property, then it must compensate the owner only for the excess deduction.

## **Routes for implementation**

Real estate development operations that are in accordance with Law No. 15 of 2008 can take place in two ways: through the administrative unit expropriating properties located within real estate development zones, or through an agreement between property owners in the area and the real estate developer.

Meanwhile, zoning can occur in two ways, according to Law No. 23 of 2015: either according to the zoning process for the administrative unit to implement the approved plans, or according to the division process carried out by the owners through dividing the land into zoning sections with the intention of constructing buildings and facilities on them.

## **Alternative housing**

**As stipulated in the two laws**, real estate development work—or planning and division—leads to the eviction of the owner from his property. In both cases, legislators did not attempt to secure alternative housing from the administrative unit for evicted owners.

Law No. 15 of 2008, however, obliges the developer to secure alternative housing for occupants, or pay them cash compensation based on an agreement between the two parties.

## **Return of rights holders**

Regarding the possibility of real estate owners returning to their areas after the completion of construction work, Law No. 15 of 2008 stipulates that owners of expropriated properties be allocated residential units in the real estate development zone, which they can purchase back.

At the same time, Law No. 23 of 2015 mandates the formation of a Compulsory Distribution Committee, which must aim “to the extent possible” to give all the rights holders their shares, whether on the same location as their old property, or nearby.