



HOW TO ADDRESS THE oversupply of BUILDING DEVELOPMENT ZONES?

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This article examines the main obstacle to the effective implementation of No Net Land Take (NNLT) in Wallonia: the oversupply of building development zones. After sketching the regional context and the related ‘spatial optimisation’ strategy, we will be exploring two approaches that aim to achieve the NNLT goal while avoiding financial compensation for ‘downzoning’. The first approach involves the introduction of a new form of zoning that overlays existing land-use plans. This is currently being pursued in Wallonia through the delineation of ‘centralities’. The second approach consists of downzoning areas that are not eligible for financial compensation.

The Walloon approach¹

The regional context

Two main characteristics are prerequisites for understanding how spatial planning works in Belgium in general and in Wallonia in particular (Halleux and Lacoere 2023). The first characteristic relates to the Belgian cultural and political context, in which spatial planning traditionally plays a decidedly weak role. The result of this situation is a particularly diffuse urban sprawl. The second characteristic is the federal status of Belgium. Spatial planning in this country is currently the exclusive responsibility of four federal entities: the Brussels-Capital Region, the Flemish Region, the Walloon Region and the German-speaking Community².

The research synthesized in this article has been carried out in Wallonia. More precisely, these regional studies have been conducted to assist the regional government in its commitment to limiting urban sprawl (Bernier et al. 2021; Defer et al. 2022). In 2024, this commitment resulted in the formalisation of the objective of NNLT by 2050, as part of the Territorial Development Scheme (SDT or *Schéma de développement du territoire*), i.e. the strategic master plan for the region.

The key strategy highlighted by the SDT has been officially named 'spatial optimisation' (*optimisation spatiale* in French) by the Walloon government. As we shall show below, NNLT is one of the main components of the concept of spatial optimisation. At the same time, the SDT also emphasises the ambition to concentrate new residential developments in 'centralities'.

The oversupply of building land

This article discusses the main obstacle to the effective implementation of the NNLT target in Wallonia. As in Flanders, the obstacle lies in the oversupply of building development zones within the regional plans for land use (Lacoere P. and Leinfelder H., 2022; Lacoere et al., 2024). Those plans are referred to as *plans*

de secteur in Wallonia and *gewestplannen* in Flanders.

Historically, the significant oversizing of residential zones in the regional plans can be explained by the introduction of a compensation mechanism for downzoning in the 1962 Planning Act. Fearing large compensation payouts, planners and politicians were generous in designating large greenfield areas for residential use to avoid legal challenges by landowners who might have claimed compensation (Halleux et al. 2012; Lacoere and Leinfelder 2020).

Today, the oversizing of residential zones represents a major obstacle for putting the NNLT strategy into practice. For Wallonia, the amount of residential building land zoned by the regional land use plans amounts to 175,000 hectares, including 50,000 hectares of greenfield land (2024). This oversupply is due to landowners' indefinite right to compensation. Several decades after the land use plans came into force, the right to compensation remains, making governments reluctant to implement downzoning.

The current political objective of 'spatial optimisation'

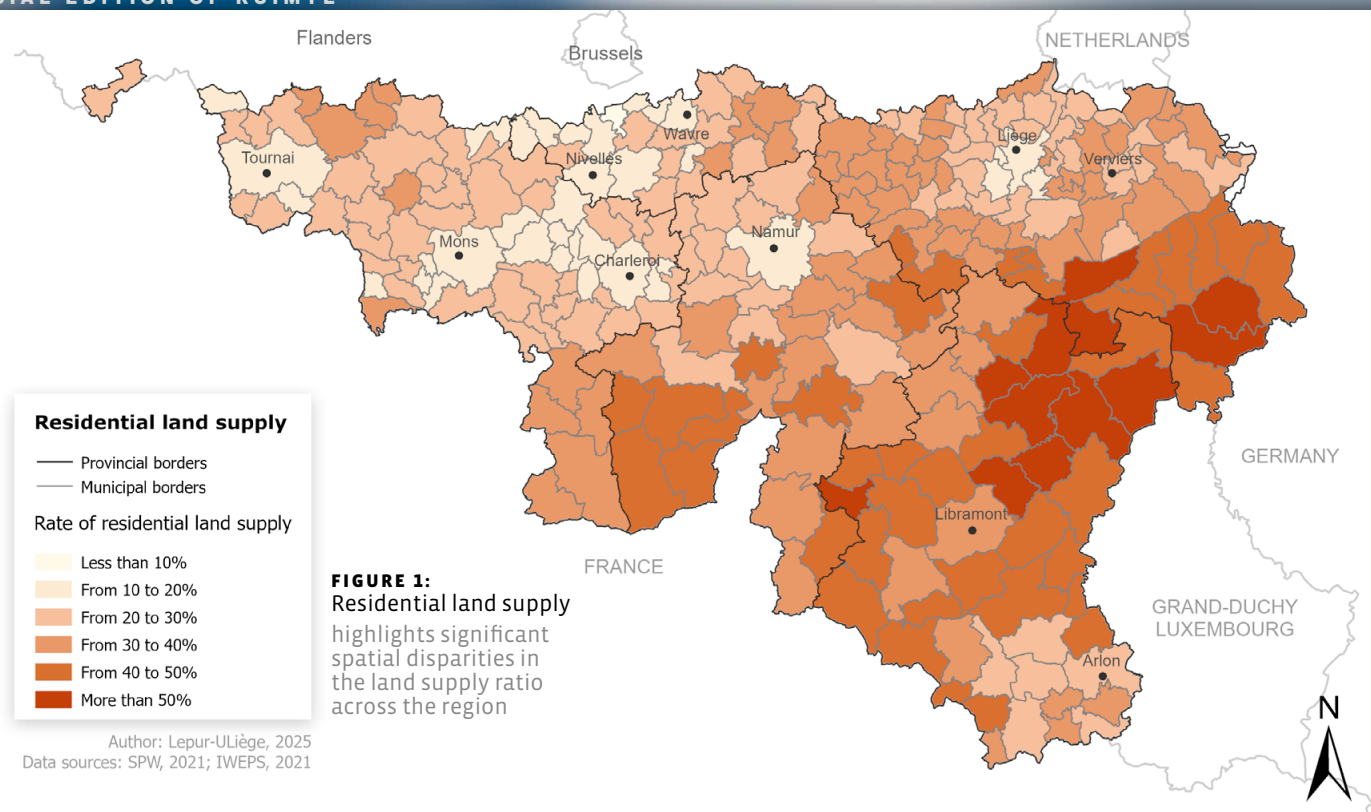
The Walloon government put forward the NNLT objective in 2019 as part of its regional master plan (SDT). This initiative came partly as a response to both the European agenda and the Flemish government's goals. As in Flanders, the NNLT objective was coined in the media as the 'concrete stop' (*Betonstop* in Flanders and *Stop béton* in Wallonia).

In Wallonia, land use data based on cadastral information are used to monitor land take. Between 2009 and 2019, the net annual land take was estimated at 12 km² per year (IWEPS 2024). The 2019 SDT aimed to reduce land consumption by half, from 12 to 6 km²/year by 2030, and moving towards a zero net land take by 2050. However, the Walloon government did not set a firm date for the implementation of the SDT and related measures, and the document was eventually shelved in 2022.

In April 2024 the Walloon Government finally approved a revised version of the SDT, with the measures officially entering into force in August 2024. The NNLT objective remains similar

¹ A longer version of this article was published by the same authors in *Urbanistica Informazioni* (n°320, 2025).

² From a territorial standpoint, the German-speaking Community is part of the Walloon Region. However, since 2020, this entity has held its own competence in spatial planning. The German-speaking Community comprises nine German-speaking municipalities, while the remainder of Wallonia consists of 252 French-speaking municipalities. In the rest of this article, references to "Wallonia" will, in fact, refer specifically to these 252 French-speaking municipalities.



to the one in the 2019 SDT, although the interim milestone for 2030 is no longer included. In 2024, the neutral term '*optimisation spatiale*' was coined for this new land policy.

Parallel to the NNLT target, the spatial optimisation strategy also aims to reduce the sprawl of new residential developments. By 2050, at least 75% of new dwellings are expected to be located within designated 'centralities'. The share of new dwellings in 'centralities' in the total production of dwellings is currently estimated at 50%. The 75% objective is intended to prevent further expansion in remote residential areas. However, discussions are still ongoing regarding the precise delimitation of the 'centralities' and the specific regulations that will apply to planning applications both inside and outside these areas.

The impact of the 'centralities' concept on the supply of land

In line with the SDT strategy, centralities are parts of villages and urban areas that combine three key characteristics: (i) a concentration of housing, (ii) good accessibility by public transport, and (iii) proximity to services. Centralities play a central role in reducing residential urban sprawl: by 2050, the ratio of new dwellings developed within their boundaries should have increased from 50% to 75%. In this regard, centralities introduce a new zoning logic that complements the existing framework of regional land use plans.

The adoption of the SDT in 2024 marked a first step in implementing the centralities instrument with a tentative outline of their boundaries. In this first proposal, centralities account for 6.4% (103,000 hectares) of the regional territory³. The proposal was developed at regional level using quantitative GIS data. In

the next phase, each of the 252 concerned municipalities will prepare a municipal master plan (*Schéma de développement communal* or SDC), which will outline the definite boundaries of the centralities through a complementary local approach.

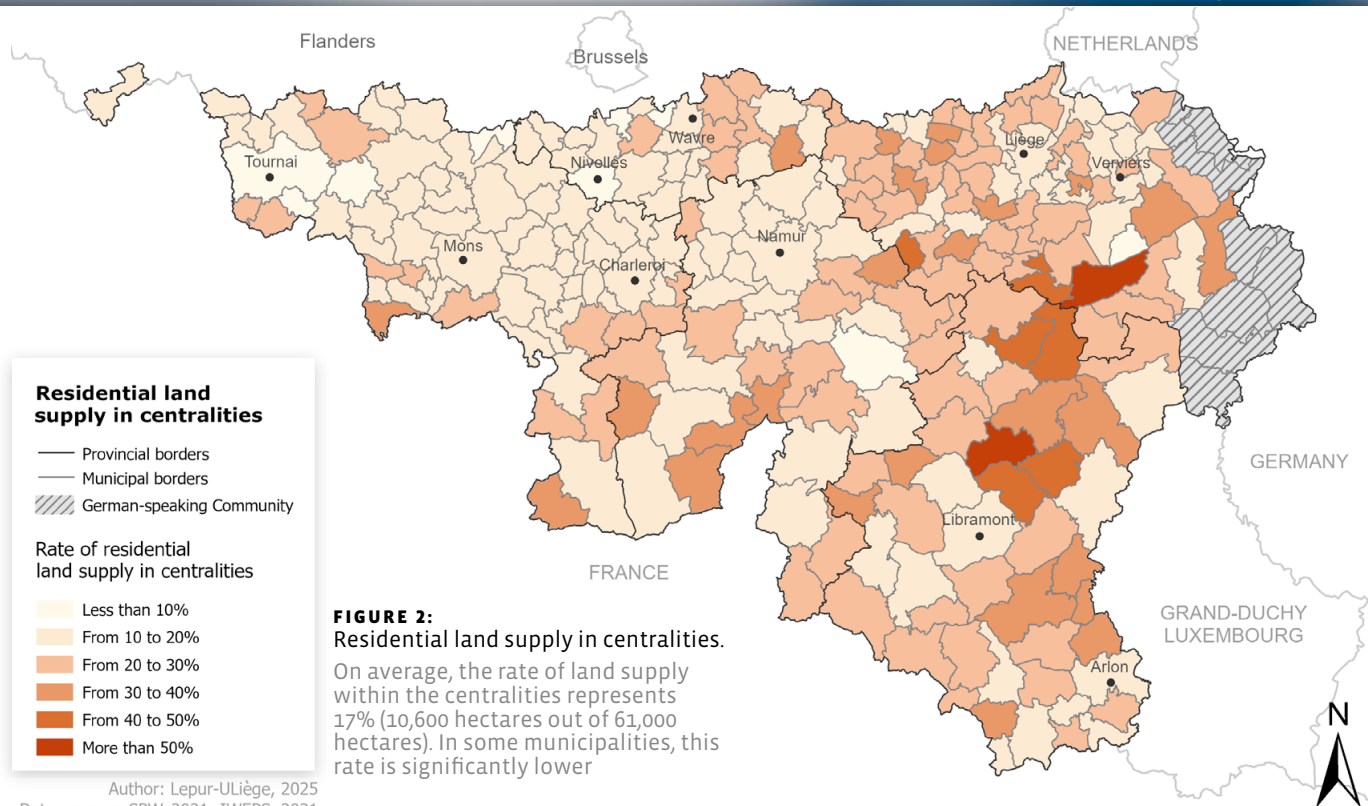
The SDT also introduced temporal trajectories for monitoring key objectives at both regional and sub-regional levels. This includes the monitoring of land take and the spatial distribution of new dwellings (i.e. whether they are located inside or outside the centralities). In parallel, each SDC will have to define corresponding temporal trajectories at the municipal level. These trajectories must include intermediate thresholds for six-year periods.

At this stage, it is still not clear how the regional strategy should be integrated into the SDCs. With respect to the trajectories, the only current regional requirement concerns the 2050 target. At this moment, there is no framework that indicates how these trajectories should be progressively implemented at the local level.

In Wallonia, the traditional approach to measuring land supply is based on the residential zones as defined by the regional land use plans. Throughout the remainder of this article, the expression 'land supply' will refer to land within designated residential zones that has not yet been affected by urbanisation. We will also use the expression 'rate of land supply' to denote the ratio between the land supply and the total area of residential zones as defined by the regional land use plans.

For the whole of Wallonia, the rate of land supply is estimated at 29% (IWEPS, 2024). Figure 1 highlights significant spatial disparities in the land supply ratio across the region. The rate of land supply tends to be higher in municipalities located further from urban centers than in those situated nearby. Residential greenfield land is primarily located outside the centralities. On average, only 21% of it lies within centralities (10,600 hectares out of 50,000

³ More precisely the territory of its 252 French-speaking municipalities.



hectares). This configuration appears to be in conflict with the goal of concentrating 75% of new dwellings within centralities. Consequently, achieving the 75% target will be a challenge.

On average, the rate of land supply within the centralities represents 17% (10,600 hectares out of 61,000 hectares). In some municipalities, this rate is significantly lower (Fig. 2). With limited land supply, densification becomes the primary means of increasing the housing stock within centralities. This is supported by the SDT, which includes net density requirements for projects exceeding 0.5 hectare. Depending on whether the centrality is located in a village or an urban area, development projects must achieve a net housing density of at least 20 to 40 dwellings per hectare. However, such densities can present challenges in terms of both economic feasibility and public acceptance.

Net density regulations can also create market challenges in the 'outside' areas. According to the SDT density guidelines, housing projects over 0.5 hectare outside centralities must have a net density of fewer than 10 dwellings per hectare. This density regulation of 10 dwellings per hectare was introduced to limit new developments outside the centralities without resorting to downzoning and eliminating building land. However, as small-scale developments remain permissible, it is likely that urban sprawl will continue to grow.

Reduction of land supply without compensation

In Wallonia, planning legislation falls under the Territorial Development Code (*Code du Développement Territorial* or CoDT in French). This legislation outlines the conditions under which landowners may claim compensation for downzoning their property. Generally, compensation can only be claimed if the

property (i) is adjacent to a 'sufficiently equipped' road and (ii) is considered 'suitable' for building. The 'suitability' of a property refers to the risks and constraints the competent authorities may invoke to refuse planning permission (Defer et al. 2022).

After a review of law cases, two essential criteria for a road to be considered 'sufficiently equipped' have been identified: first, it must have both water and electricity connections; second, it must have a solid surface. Since these conditions are cumulative, roads that lack water or electricity infrastructure or are unsuitable for vehicles are not considered 'sufficiently equipped'.

Due to a lack of available data, the presence of solid road surfaces was not taken into account in our analysis. Regarding water and electricity supply, the extent to which roads are serviced was determined using data on the location of underground networks. Land was considered to be equipped if it was located less than ten meters from a sufficiently equipped road. The criterion concerning the absence of water or electricity supply affects approximately 21,000 hectares, representing around 37% of the residential land supply.

As mentioned above, the 'suitability' of a property for building refers to the risks and constraints that authorities may invoke to refuse planning permission. These are mainly related to exposure to natural hazards such as flooding, rockfall, landslides or karst phenomena, as well as proximity to areas designated for nature conservation.

Regarding flood risks, the CoDT does not specify the level of risk that would justify the refusal of compensation in the event of a change of land use. Adopting a restrictive approach, only areas classified as being at high flood risk were considered. These correspond to areas where the risk of flooding due to river overflow occurs at least once every ten years. In that case, the total area of residential land supply affected by high river flood risk is estimated at 926 hectares.



In the Belgian cultural and political context, spatial planning traditionally plays a decidedly weak role. The result of this situation is a particularly diffuse urban sprawl. © J.M. Halleux

For karst phenomena as well, there is no clearly defined threshold for refusing a planning application. Consequently, the analysis was limited to areas that are subject to 'severe' karstic constraints. The total surface area of residential land supply affected by a high risk of karstic collapse is estimated at 53 hectares.

The CoDT does not define 'proximity' to protected areas as a criterion that would justify the refusal of financial compensation. Adopting a restrictive approach, our analysis was limited to land within designated protected areas. The total surface area of residential land supply falling within a "nature conservation" site is estimated at approximately 1,400 hectares.

Overall, based on the adopted restrictive approach, we estimate that approximately 42% of the greenfield residential land supply could be downzoned without requiring financial compensation. Despite this substantial potential, it is noteworthy that the Walloon government chose not to support a policy aimed at downzoning land without compensation. This suggests that the barriers to zoning reform are not only legal and financial, but above all political. Indeed, from an electoral perspective, implementing an effective downzoning policy is perceived as politically risky.

Conclusion

The requirement to provide financial compensation for downzoning explains the progressing land consumption and urban sprawl that characterize Belgium in general and Wallonia in particular. At the same time, it remains one of the main obstacles to implementing the NNLT objective due to the overabundance

of building zones designated in the old regional land use plans. This article has explored two potential strategies to overcome this obstacle.

The first strategy – superimposing a new zoning framework – is currently being pursued in Wallonia through the delineation of 'centralities'. Based on the strategic SDT plan, the objective is to increase the share of new dwellings built within centralities from approximately 50% today to 75% by 2050. A significant milestone was reached in 2024 when, as part of the SDT, the Walloon authorities published a map of these perimeters using a homogeneous delimitation approach developed at regional level. A second major step has been planned for 2030, when the 252 municipal authorities should have defined the definitive boundaries of their centralities. Beyond the question of their final delimitation, the implementation of the centrality-based approach remains unclear in two key respects. First, the regulations concerning permit applications for sites located inside and outside the centralities have yet to be defined. Second, the temporal trajectory for reaching the 75% objective at municipal level remains uncertain.

To address the issue of financial compensation for downzoning in a more straightforward and effective manner, a second strategy involves downzoning land that does not meet the legal conditions for compensation. Our estimates indicate that over 40% of currently designated building development zones could be downzoned in this way, without imposing any burden on the public budget. However, this strategy seems to attract little interest from the Walloon authorities at present, probably because of its perceived electoral risks.

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