

Resettlement Planning Document

Draft Resettlement Framework for Land Pooling Related-works of Component A (Thimpu)
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Bhutan: Urban Infrastructure Development Project

Prepared by the Department of Urban Development and Engineering Services

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A. Background

1. The Project will improve urban infrastructure, planning, and management; enhance urban livelihoods; and increase capacity for administering urban infrastructure supply and maintenance works through four components. Component A for Thimphu includes: (i) city-level works (water supply, upgrading of the existing wastewater treatment plant, and solid waste management), and (ii) roads and drainage, and water supply and sewerage connection in four areas of southern Thimphu extended areas. Component B for Phuentsholing includes: (i) roads and drainage, (ii) footpaths and pedestrian bridge, and (iii) social infrastructure (fire hydrant and street lights). Component C for Dagana includes: (i) water supply and sanitation, and (ii) road and drainage. Component D which is for institutional development includes: (i) technical support on unaccounted for water and water calibration, (ii) operational efficiency, (iii) public awareness support, and (iv) financial management. The main benefits of the Project will be (i) improved urban environment, public health, and living standards in Thimphu, Phuentsholing, and Dagana; (ii) effectively managed, reliable, and sustainable urban services; and (iii) improved economic and social conditions from investments in roads and drainage, water supply and sanitation, solid waste management, and other urban amenities.

2. Component A comprises two parts: (i) city-level works (water supply, upgrading of the existing wastewater treatment plant, and solid waste management), and (ii) roads and drainage, and water supply and sewerage connection in four areas of southern Thimphu extended areas. To deliver the second part (ii) the Thimphu City Corporation (TCC) has studied various urban development methods (Appendix 1) including site and services, guided land development and land pooling (LP). Based on extensive discussions and consultations with the local population, TCC's evaluation shows that LP is the most suited option for the required works in the four areas of southern Thimphu extended areas given the plot configuration, topographical conditions, and envisioned Local Area Plan (LAP) development.

3. LP is a technique for carrying out the unified servicing and subdivision of separate landholdings for planned urban development. It is also known as urban land consolidation, land readjustment, land replotting, and land redistribution in particular countries because it involves these processes. It is widely used in Japan, South Korea and Taiwan and in some cities in Australia and Canada. A somewhat similar technique known as plot reconstitution is used in some cities in India.¹ LP has also been applied in an ADB-funded project in Nepal.²

¹ Archer, R.W., 1983. "The Use of the Land Pooling/Readjustment Technique to Improve Land Development in Bangkok." HSD Working Paper no 10 (Bangkok: Urban Land Program, Human Settlements Division, Asian Institute of Technology, August, 1983) 1-8. AIT: Bangkok.

² Nepal: (Loan NEP-1240). Kathmandu Urban Development Project (KUDP). ADB's evaluation of the KUDP revealed that while LP often suffers from serious delays, it can become efficient when the preparation of new plots is combined with the provision of basic infrastructures (roads, drainage, as well as provision for water supply, sanitation, and electricity). When people see the value-addition in donating part of their plots in terms of increased value of the remaining portion they still own, they support LP.

B. Land Pooling Process in Thimphu

4. LP will be undertaken in four areas of southern Thimphu extended areas namely: Babesa, Changbangdu, Lungtenphu, and Simtokha. The total area required for establishing urban infrastructure facilities (roads, drainage, water supply, and sewerage connections), public amenities, and green areas is 99 hectares (ha).

5. The LP process followed in Bhutan is shown in Figure 1. LP in southern Thimphu was initiated in 2001. To illustrate the LP process, a summary of major processes followed in the most advanced area (Lungtenphu) is in Figure 2. The complete timeline is in Appendix 2.

Figure 1: Land Pooling Flowchart

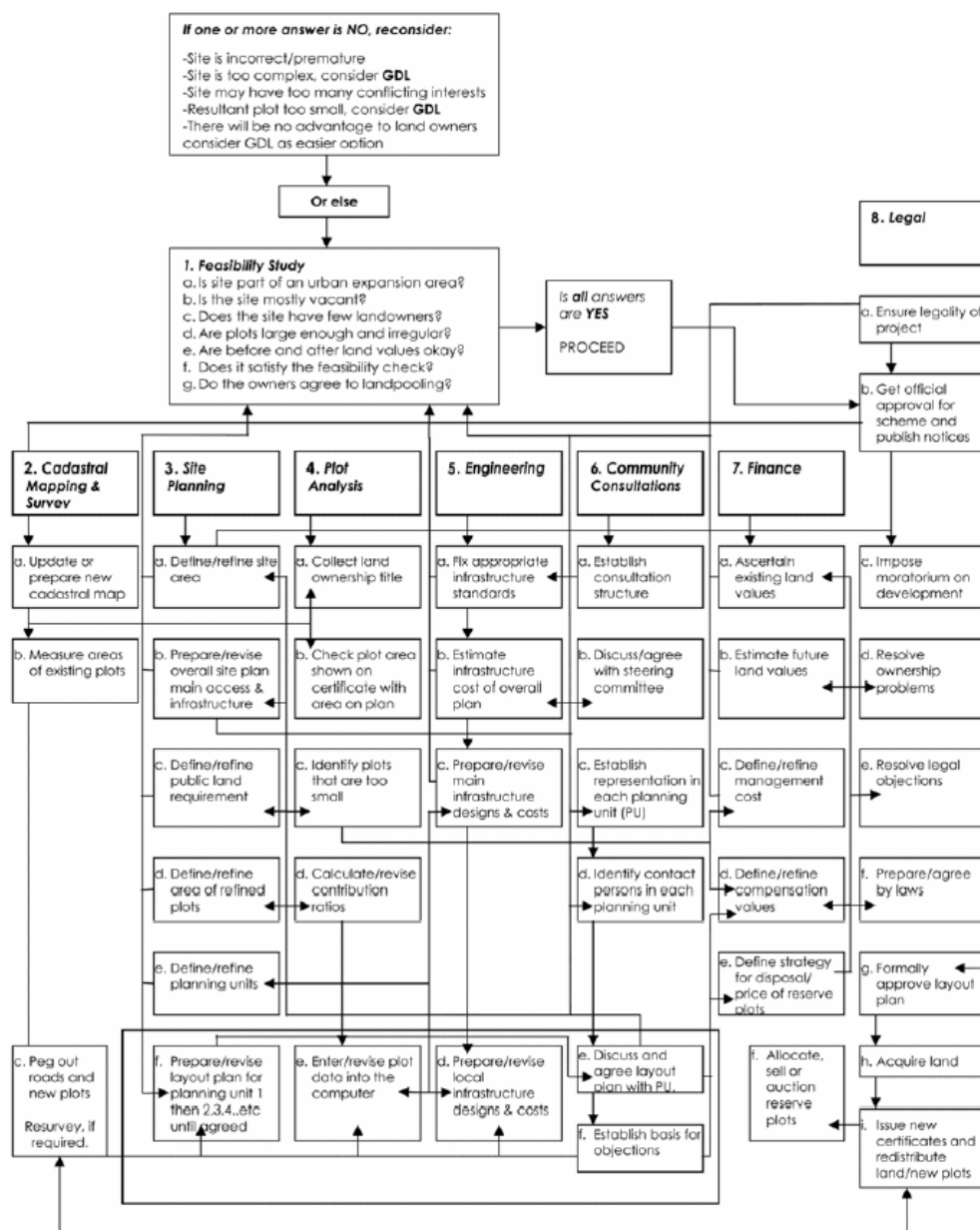
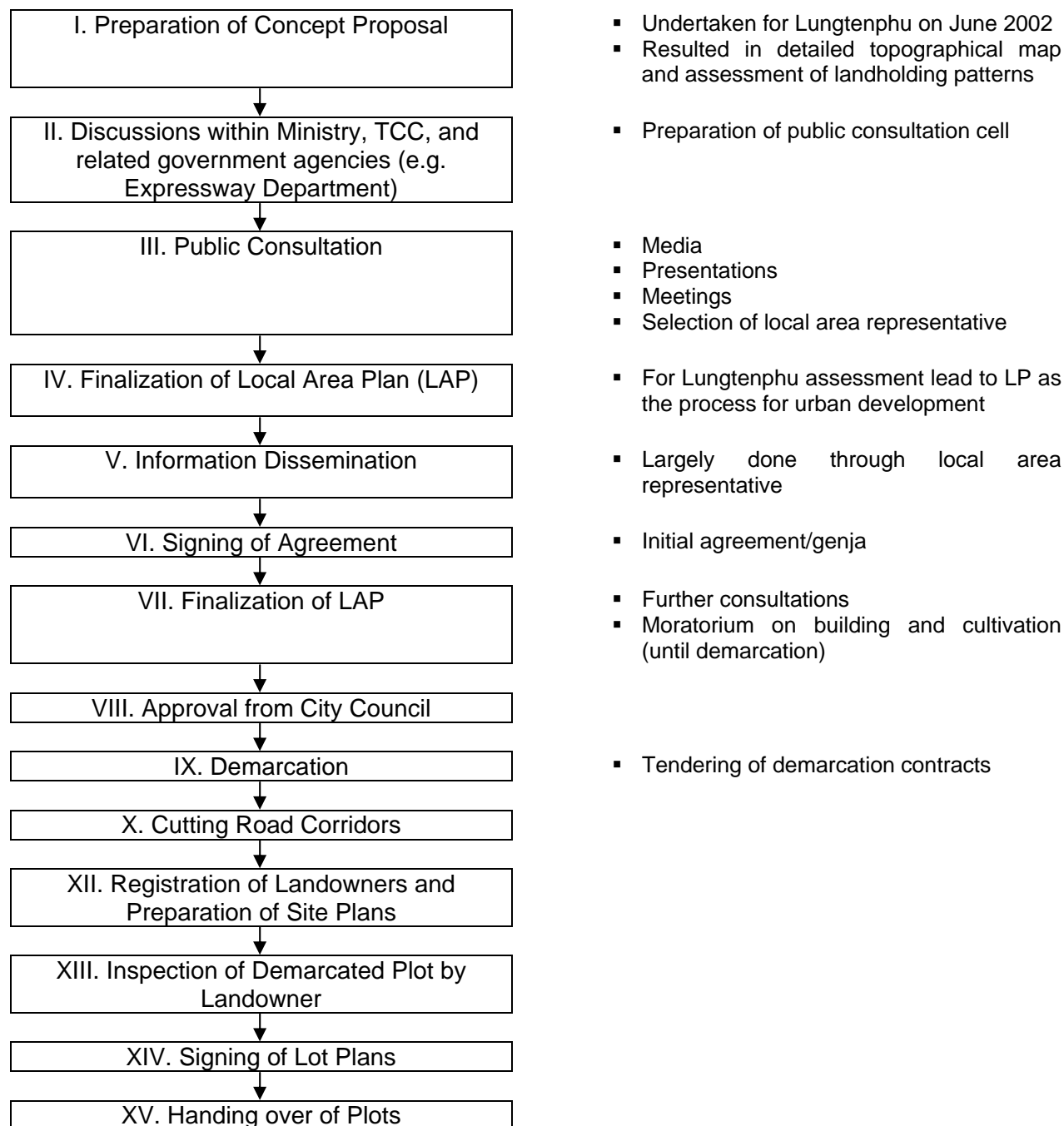


Figure 2: Stages in Local Area Plan Preparation and Land Pooling (Lungtenphu Area)



Work in Lungtenphu reached stage IX prior to ADB project preparation, as a result of ADB project preparation, more consultations have been undertaken and those who have not signed agreements (stage VI) signed the revised agreement in the presence of the Office of Legal Affairs (OLA). Those who had already signed the genja were asked to sign the revised agreement in the presence of OLA.

6. Figure 2 and Appendix 2 show that consultations were key in developing the local area plans and the LP process. The key issues raised during consultations were addressed in the following manner: LP will exclude traditional villages³ (and keep neighbors together to the extent possible); will ensure no impacts on residential and commercial structures (impacts on other structures such as boundary walls, and other assets such as trees will be compensated at replacement cost); will not allocate surplus land from the local area to finance LP; will include government land to reduce the contribution required from each landowner; and will minimize shifts in land plot owned but where it cannot be avoided, new plots will be within the same local area with similar physical characteristics.

1. Planning Process

7. Copies of all land ownership is first collected. Land ownership certificates are then assessed against the land survey. If there are any discrepancies, these have to be resolved by agreement with the concerned landowners.

8. **Small plots.** If some existing plots are small (less than 4,000 square feet) they may become less than the minimum permitted size after they have been pooled. Such plots will be consolidate with other smaller plots. The new plot will be within the same local area with similar physical characteristics. The requirements for shifting to new plots are discussed in the resettlement framework's principles.

9. **Contribution ratios.** The contribution ratio will be similar to the extent possible. Based on evaluations by TCC, the contributions required to optimize LP averages 29% and will not exceed 30%. The contribution ratio may vary within the site to reflect the proportion of land that a landowner may have already contributed to create existing access roads.

10. **Moratoriums.** Official approval is sought for the LP with the Project Implementation Unit (PIU) adequately established, staffed, and equipped. The PIU should be close to the site (or alternatively have a temporary branch located in the site) so that affected persons (AP) can visit and consult easily. As soon as LP is formally endorsed a moratorium (prohibition) of all development will be declared. This will apply to all development that has not already been approved. The duration of the moratorium will be at least 18 months on an extendable basis. Public notices will be displayed on the site and in mass media to announce the start of the LP process.

2. Legal Process

11. **Ownership issues.** In cases where there is no land ownership certificate, if local information can substantiate claims, land will be registered and a temporary certificate issued, prior to a permanent certificate after pooling. Only land properly titled, free of encroachment, and free of disputes will be included in the LP.

12. The LP will include clear building by-laws: comprising regulations for the development of a plot, including: plots coverage, maximum height, set back and side margins, architectural appearance, wastewater disposal, fire protection, etc. It will also include planning by-laws: comprising regulations governing the land uses/activities that may take place within the site, as determined by the predominant land use zones. These will be established and agreed with

³ Traditional village is an enclosed area with traditional structures (houses, warehouses, and animal sheds) that has historical values for conservation designated by the Government.

landowners. These by-laws will come into force when layout plans are formally approved and the moratorium lifted.

C. Issues in the four Thimpu Extended Areas Land Pooling Process

13. **Extent of LP Area and Landowners Affected.** The total area required for establishing urban infrastructure facilities (roads, drainage, water supply, and sewerage connections), public amenities, and green areas is 99 ha. Of this area, 53.7 ha or 54.2% will be from contributions of 898 landowners⁴; 45.3 ha (45.8%) will be Government contribution. The average contribution is 29% of affected plots. The maximum contribution is 30%. Tables 1 to 4 show the breakdown of land requirements for LP in each of the four areas.

Table 1: Area Requirements for Lungtenphu

Sr.No.	Types of land	Area (In hectares)	Percentage to the total Existing private land taken up for plotting (Row-1)
1	Total land taken up for planning (plotting/pooling)	49.49	100
2	Total Private land under plotting/pooling (including land registered under monk body and various other government institutions).	36.964	74.6
3	Total land required to be pooled (for amenities, infrastructure facilities and green areas)	26.83	54.21
4	Government land utilized for public amenities, infrastructure facilities and	12.526	25.31
5	Total private land pooled for amenities area (including land registered under monk body and various other government institutions).	14.30	28.90

Table 2: Area Requirements for Changbangdu

Sr.No.	Types of land and their allotment	Area (In hectares)	Percentage to the total Existing private land taken up for plotting (Row-1)
1	Total land taken up for planning (plotting/pooling)	29.60	100
2	Total Private land under plotting/pooling (including land registered under monk body and various other government institutions).	24.05	81.25
2	Total land required to be pooled (for amenities, infrastructure facilities and green areas)	13.81	46.66
3	Government land utilized for public amenities,	5.55	19.16

⁴ A socio-economic profile of landowners is in the RP.

	infrastructure facilities and		
5	Total private land pooled for amenities area (including land registered under monk body and various other government institutions).	8.26	27.50

Table 3: Area Requirements for Babesa

Sr.No.	Types of land	Area (In hectares)	Percentage to the total Existing private land taken up for plotting (Row-1)
1	Total land taken up for planning (plotting/pooling)	40.20	100
2	Total Private land under plotting/pooling (including land registered under monk body and various other government institutions).	29.39	73.10
3	Total land required to be pooled (for amenities, infrastructure facilities and green areas)	28.66	71.29
4	Government land utilized for public amenities, infrastructure facilities and	17.86	44.42
5	Total private land pooled for amenities area (including land registered under monk body and various other government institutions).	10.80	26.87*

Table 4:Area Requirements for Simtokha

Sr.No.	Types of land	Area (In hectares)	Percentage to the total Existing private land taken up for plotting (Row-1)
1	Total land taken up for planning (plotting/pooling)	70.15	100
2	Total Private land under plotting/pooling (including land registered under monk body and various other government institutions).	50.22	71.58
3	Total land required to be pooled (for amenities, infrastructure facilities and green areas)	29.70	42.33
4	Government land utilized for public amenities, infrastructure facilities and	9.36	13.34
5	Total private land pooled for amenities area (including land registered under monk body and various other government institutions).	20.34	28.99*

14. **Agreement of Landowners.** Agreement from 100% landowners on a zonal basis is required for ADB financing. Written agreements have been made for contributing to LP between the TCC and landowners since 12 March 2003. Consistent with ADB safeguard policies, TCC identified the Office of Legal Affairs (OLA) in 2005 as an independent third party to verify agreements. The current agreement describes LP, identifies forgone compensation, identifies

the extent of land required for donation, and shows a lot plan of the landowners plot after LP. A sample agreement is in Appendix 3. The OLA, formed in 1998, is an autonomous agency which advises various government agencies on legal matters. Under OLA's legal services drafting division, a lawyer has been assigned to witness and verify voluntary donations from landowners. The OLA will ensure that there is no coercion and that landowners understand that they have the right to refuse participation in LP. The OLA will provide quarterly reports to ADB on agreements verified. Where 100% agreement is not obtained, TCC will redefine the zone to exclude non-agreeing landowner's plots. If such rezoning is not possible, ADB will not finance urban development through LP in the said zone. OLA will provide periodic reports to ADB on agreements verified.

15. **Minimizing Impacts on Landowners.** Impacts on landowners are minimized through (i) limiting the contribution required, and (ii) minimizing impacts on living standards. To limit contribution required: (i) LP contributions will be kept at similar percentages to the extent possible and will not exceed 30%; and (ii) the Government, to the extent possible, will include Government land to reduce LP contributions. To minimize impacts on living standards: (i) LP will exclude traditional villages, LP will exclude land with residential and commercial structures, and LP will minimize shifts in land plot owned. Only land rendered inefficient from the perspective of agriculture or for future structures will be considered for shifting. These are lands below 4,000 square feet. Landowner agreement will be required prior to shifting the location of plots, and the reallocated plot will be within the same zone

16. **Benefits to Landowners.** Landowners contributing to LP will directly benefit from roads and drainage, and water supply and sewerage connections. During consultation, landowners will be informed by the Government of the Project's implementation schedule and the expected timeframe for the delivery of benefits.

17. Based on the economic analysis for the Project, the net economic benefit from the land pooling exercise was quantified for land owners as follows: without land pooling, the existing land would continue to have an economic value as agricultural land. Given the typical agricultural activities assumed for the areas, the land is valued at Nu.29,500 per ha, which is the present discounted value of net agricultural income over 30 years. With land pooling, the remaining land will be developed as urban residential areas and the main income from land will be rent from housing units. Given the typical rental value Thimpu, the remaining land can be valued at Nu.563,100 per ha, which is the present discounted value of net rental income over 30 years. For a typical land owner who owns 1.9 ha and contributes 29% of his land, the net economic benefit due to land pooling will be Nu.478,000 per person, which is 15 times as large as the economic value of his land without land pooling.

18. **Vulnerable Affected Persons.** During project preparation, three categories of affected persons were identified which would require compensation and assistance. A sample survey showed that LP will have impacts on vulnerable landowning households, and non-titled APs (leaseholders/tenants and agricultural workers/employees). While the sample survey does not reflect single parent female-headed, disabled-headed, or indigenous peoples-headed households, there are an estimated 54 landowning households with reported incomes below the poverty line. The survey also indicates that there are potential impacts on an estimated 497 seasonal agricultural workers and 173 leaseholders. A resettlement plan (RP) has been prepared to address resettlement impacts for vulnerable APs. The entitlement matrix is shown in Table 5.

19. While the survey shows that the average seasonal worker is employed for 9-10 days in a year and that impacts on seasonal workers are not anticipated to be significant, a socio-economic survey on agricultural workers/employees and leaseholders/ tenants will be undertaken during the preparation of an updated resettlement plan (RP) for Component A at detailed design stage. A socio-economic survey of landowners and an assessment of vulnerabilities will also be conducted as part of updating the RP. The number of APs will be confirmed through the socio-economic surveys. In addition to vulnerable households identified in the RP based on being headed by single-parent females, indigenous peoples—special attention will be made to capture vulnerability: due to the loss of land (from reduction of income or reduction of source of subsistence); from being close to the poverty threshold and thus having potential to become below poverty due to the loss of land; and other sources of vulnerabilities. Understanding vulnerabilities is required to ensure entitlements and assistance provided are appropriate. ADB review and approval of the revised RP is required prior to award of civil works contracts; and compensation of APs is required prior to commencement of civil works.

20. **Implementation of LP.** The Department of Urban Development and Engineering Services (DUDES) of the Ministry of Works and Human Settlement (MOWHS) will implement the ADB-financed Project. The EA will establish a PMU located at DUDES premises and headed by the Project Manager. The PMU with 3 professional/technical staff and 2 support staff, supported by a team of Project Management Consultants, will be the key organization in ensuring overall execution and implementation of the Project. The PMU will be responsible for planning, monitoring and reporting on the Project. A Project Implementation Unit (PIU) will be established in Thimphu City Corporation (TCC). The PIU will have 15 professional/technical staff and 4 support staff. The TCC currently has 7 professional/technical staff for the project and the rest of the staff requirement will be recruited. The PIU will manage the day-to-day operations and implement the RF.

21. A Social Development Specialist at the PMU (for Thimpu) will coordinate land acquisition and resettlement activities through the PIU with support from the Project Management Consultant's Resettlement Specialist. RP implementation, excluding RP monitoring which will be undertaken throughout the project period, is expected to be completed within 12 months. RF implementation and oversight of RF monitoring will be directly undertaken by the Social Development Specialist (SDS) at the PMU in coordination with the Sociologists at the PIU. The SDS will be supported by the Project Management Consultant's Resettlement Specialist. External monitoring and evaluation will be undertaken by the independent monitor engaged for the RP. Local Area Representatives or City Committee Members who act as liason between APs and TCC will first receive AP grievances. Institutional roles and responsibilities are further detailed in the RP.

Table 5: Entitlement Matrix (Impacts from Land Pooling)

	Type of Loss/ Application	Entitled Person	Compensation Policy	Implementation Issues	Responsible Agency
1	Loss of land/rented or leased	Tenants and leaseholders	<ol style="list-style-type: none"> 1. Reimbursement of rental deposit or unexpired lease amounts. 2. Lump sum shifting allowance of Nu.1,000. 3. Lump sum rental assistance of 2 months current rental rate. 4. Rights to salvage material from structure improvements and other assets constructed by the AP. 5. Notice to harvest standing seasonal crops. 6. Compensation for perennial crops and trees. 7. Provision of six months notice. 		<ul style="list-style-type: none"> ▪ IA will confirm rental rates, ensure that leaseholders receive reimbursement for deposit or unexpired lease amount. ▪ Compensation for perennial crops and trees will be determined by the LARC through an assessment of market values based on the Land Compensation Act.
2	Loss of livelihood	Tenant or leaseholder farmer, or agricultural worker/ employees	<ol style="list-style-type: none"> 1. Assistance for 1 month of lost income for tenant or leaseholder farmer 2. Assistance for 1 month lost income for workers/employees 3. Assistance in suitable skill development training for alternate livelihood 4. Assistance in locating alternate jobs 5. Provision of six months notice 		<ul style="list-style-type: none"> ▪ IA will confirm business losses, confirm minimum wage rates, and provide skills development training/assistance in locating alternative jobs.
3	Assistance to vulnerable landowners	Vulnerable landowners ¹	<ol style="list-style-type: none"> 1. Rebate on demarcation charges 2. Prioritization in project employment. 3. Assistance in suitable skill development training for alternate livelihood. 	<ul style="list-style-type: none"> ▪ Vulnerable landowners will be identified during the census. 	IA will identify vulnerable households, ensure prioritization in project employment, and provide skills development training.
4	Loss or disruption of common resources	Community local body	<ol style="list-style-type: none"> 1. Replacement or restoration of affected community facilities such as irrigation facilities, cultural resources, etc. 2. Enhancement of community resources where possible. 		IA to determine the extent of losses or disruption, and ensure contractor performs restoration.
5	Any other loss not identified		1. Unanticipated involuntary impacts will be documented and mitigated based on the principles provided in ADB's Involuntary Resettlement Policy.		IA

¹ Vulnerable landowners include single parent female-headed households, disable-headed households, indigenous persons-headed households, and Below Poverty Line households.

22. **Grievance Redress.**

23. Any grievances by landowners or non-titled affected persons can be first brought to the attention of the Local Area Representative for the Local Area Plan or the elected City Committee Members. Grievances not redressed within 15 days will be brought to the PIU and the PIU head will coordinate with the TCC public consultation cell on grievance redressal. Grievances not redressed by the PIU within 15 days will be brought to the Land Acquisition and Resettlement Committee¹ acting as a grievance redress committee. The Committee will meet when a grievance is not resolved by the PIU. They will be given notice of the meeting, meet to determine the merit of the grievance, and resolve the grievance within a month of receiving the notice for the meeting. Further grievances will be referred by APs to appropriate courts of law. The grievance redressal procedures are further detailed in the RP.

24. **Monitoring.** Monitoring will cover physical and financial components and provide feedback and assessment. The PIU will carry out internal monitoring and provide monthly progress reports. The PMU will appoint an independent monitor to undertake external monitoring. The independent agency will monitor the Project on a half-yearly basis and submit its reports directly to the PMU. The PMU will submit all reports to ADB for review. Monitoring indicators will be developed by the Project consultants to ensure that the RF principles are followed. The RP has separate monitoring requirements which are detailed in the RP.

D. **The Land Pooling Process and ADB Safeguards Policy**

25. The relevant Government and ADB policies applicable to LP are: Bhutan's Land Pooling Manual, and *Land Compensation Rate* (1996); and ADB's *Policy on Involuntary Resettlement* (1995)—particularly sections on voluntary donation. ADB policy specifies that required safeguards include (i) full consultation with landowners and any nontitled affected people on site selection; (ii) ensuring that voluntary donations do not severely affect the living standards of affected people, and are linked directly to benefits for the affected people, with community sanctioned measures to replace any losses that are agreed to through verbal and written record by affected people; (iii) any voluntary "donation" will be confirmed through verbal and written record and verified by an independent third party such as a designated nongovernment organization or legal authority; and (iv) having adequate grievance redress mechanisms in place. A comparison of ADB's Policy against actions already taken based on the Bhutan Landpooling Manual are provided in Table 1.

Table 1: Comparison of ADB Policy and Land Pooling in Bhutan

ADB Policy	Land Pooling	Measures to Address Gaps
Consultation with landowners and any nontitled affected people on site selection.	Consultations have been undertaken since LP was initiated by the Government in 2001. Consultations have focused on landowners and no consultations have been undertaken with non-titled APs (agricultural workers/employees and leaseholders/tenants).	Consultations with non-titled APs will be undertaken as part of RP preparation. LP principles address this requirements.
Ensuring that voluntary donations do not severely affect the living	Through mitigation measures such as preserving traditional villages and ensuring no impacts on	The LP principles state that non-titled APs are

¹ The LARC will be composed of a local government representative, the head of the PIU, local area representatives, and AP representatives (one BPL household, one tenant/leaseholder, and one agricultural worker/employee)

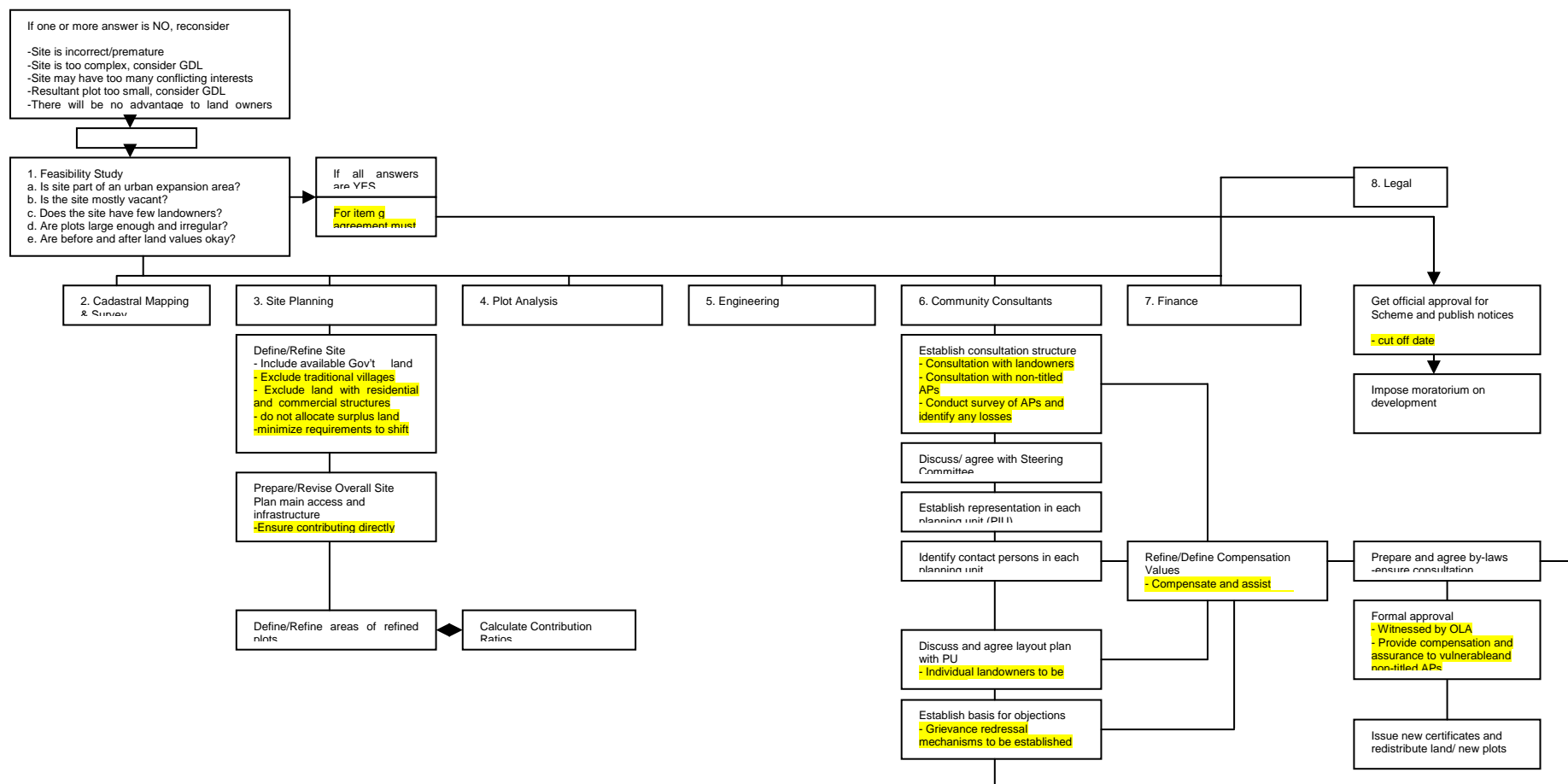
ADB Policy	Land Pooling	Measures to Address Gaps
standards of affected people, and are linked directly to benefits for the affected people, with community sanctioned measures to replace any losses that are agreed to through verbal and written record by affected people.	residential and commercial structures, impacts on landowners are minimized. Affected trees and boundary walls have been compensated using the Bhutan Schedule of Rates (BSR). Vulnerable landowners and non-titled APs have not been assisted/compensated. Benefits from LP clearly accrue to affected landowners.	entitled to compensation and assistance and entitlements for non-titled are detailed in the entitlement matrix.
Any voluntary "donation" will be confirmed through verbal and written record and verified by an independent third party such as a designated nongovernment organization or legal authority.	Landowners agreement to LP are confirmed through written records initially verified by a designated witness. During project preparation, the Office of Legal Affairs (OLA) has been identified as an independent third party for verification.	The requirement for written records and verification by the OLA is an LP principle..
Having adequate grievance redress mechanisms in place.	Grievance redress is primarily through TCC.	The requirement for an adequate grievance redress mechanisms is an LP principle.

26. The main issues to be addressed are: (i) ensuring consultation with non-titled persons, (ii) identifying impacts on all APs and ensuring compensation at replacement cost for vulnerable and non-titled APs, (iii) agreement from 100% landowners verified by the Office of Legal Affairs (OLA); and (iv) improving mechanisms for grievance redress. Addressing these issues and how it fits in the process of LP is shown in Figure 2. Figure 2 is adopted from the LP flowchart in Figure 1 and identifies in yellow highlight the required actions to meet ADB's safeguards policy. The RP addresses these issues. Further, LP will be guided by the following principles:

- (i) All APs (titled and non-titled) will be fully informed and consulted on LP sites, compensation, entitlements, and resettlement assistance;
- (ii) Lack of formal legal land title is not a bar for compensation and assistance;
- (iii) LP contributions will be confirmed by written record signed by the landowner, TCC, and verified by the OLA—with copies retained by the three parties;
- (iv) Agreement from 100% landowners on a zonal basis is required for LP;
- (v) LP contributions will be kept at similar percentages to the extent possible and will not exceed 30%;
- (vi) Landowners contributing to LP will directly benefit from roads and drainage, and water supply and sewerage connections. During consultation, landowners will be informed by the Government of the Project's implementation schedule and the expected timeframe for the delivery of benefits;
- (vii) LP will not severely affect living standards APs and the following measures will be ensured:
 - a. LP will exclude traditional villages
 - b. LP will exclude land with residential and commercial structures
 - c. LP will minimize shifts in land plot owned. Only land rendered inefficient from the perspective of agriculture or for future structures will be considered for shifting. Landowner agreement will be required prior to shifting the location of plots, and the reallocated plot will be within the same zone
- (viii) The Government will not allocate surplus land from the local area to finance LP;
- (ix) The Government, to the extent possible, will include Government land to reduce LP contributions;

- (x) All non-titled APs whose income or livelihood is affected is entitled to receive assistance to restore income and livelihood at pre-project standards, and all vulnerable APs are entitled to receive additional assistance; and
- (xi) Adequate grievance redress mechanism will be in place with APs having recourse with regard to non-delivery of benefits.

Figure 2: Land Pooling Flowchart and Resettlement Framework Principles



**PERI-URBAN DEVELOPMENT ALTERNATIVES:
Land Pooling versus other Techniques**

	Site and Services: Involuntary Land Acquisition	Guided Land Development (GLD)	Land Pooling (LP)
What is it?	<p>Traditionally, many planning agencies have used site and service as the technique to develop large areas of cities and suburban areas. For example, most homes in USA and UK in the outskirts of large cities were developed by private sector companies (real estate companies) who operated site-and-service schemes.</p> <p>Basically, site and service involves the purchase of land, the preparation of a new subdivision plans, followed by sale or allotment of the new plots with high level amenities and service, and the land price reflects the appreciated land value.</p>	<p>It involves advising the land owners about the best alignment for roads entering and serving the site on the understanding that owners on either side of roads give up the same amount of land, as measured to the centerline. The land for roads and infrastructure has to come from somewhere and as most governments have insufficient money to intervene (through land purchase of rights of ways) the people themselves must create the roads by donating a strip of land along their plot frontage.</p> <p>This is fairly easy to implement because the technique assists what anyway will happen as a natural process. The speed of implementation can vary according to the requirements of each individual plot. Any plot owner who wishes to continue agriculture can do so, while all around his neighbors are busy building houses. Compared to LP, this is a major advantage as the nature of urban development in the informal private sector is incremental.</p>	<p>It is called Land Pooling, because all owners pool their land into a single large plot, normally held in the name of the planning agency or the local government. A new plan is prepared by the agency or municipality; and used as the basis for subdivision of the large plot into a number of smaller plots that are redistributed to the original owners.</p> <p>The size of each redistributed plot is less than the original size by an amount calculated according to agreed proportions. These are called the contribution ratios. The total public land created from the contribution ratios of all plots is sufficient for the newly planned roads, services, public facilities and open space.</p>
Strength/ Advantage	<p>Since private real estate agency (or agencies) have purchased the land, there are less stakeholders than the original number of landlords.</p> <p>As private sector is involved for profit; maximum profit per acre is usually pursued with high density.</p> <p>Minimum amenity and services are usually provided to attract buyers.</p>	<p>As many as possible of the existing land owners are the beneficiaries of the scheme;</p> <p>The land owners/tenants have to agree to the scheme, before any GLD implementation takes place, so once it is started, there is not significant delay.</p> <p>Land assembly costs (through acquisition of land) are minimized, as donations from landlords are embedded in the scheme.</p>	<p>As many as possible of the existing land owners are the beneficiaries of the scheme;</p> <p>The land owners/tenants have to agree to the scheme, before any implementation takes place, so once it is started, there is not significant delay.</p> <p>Land assembly costs (through acquisition of land) are minimized as donation from landlords are embedded in the scheme.</p> <p>The standard of design/environment that the people and the planning agency aspire to is high. Adequate and spacious layout for long-term. Eventually, the land value will be the</p>

	Site and Services: Involuntary Land Acquisition	Guided Land Development (GLD)	Land Pooling (LP)
			<p>highest per acre of all three for original landlords.</p> <p>The degree of cooperation and cohesion amongst the residents is high.</p> <p>If topography is not flat- but rather with slopes, LP can be a strong option. Based on equal share contribution, the topographical challenges can be absorbed by the community at large, rather than sacrificed by particular households.</p>
Weakness/ Disadvantage	<p>However, in the Asian context this has not been successful as the agency seldom has sufficient money to acquire the land, and there are few private sector companies in operation, and those that are ten to cater for the high end of the market.</p> <p>Land owners feel dispossessed as they tend not to be the beneficiaries of completed schemes, i.e. private company will buy out the land from landlords cheaply and later sell them with much more expensive figures. As a result, site and service projects are generally disliked and often meet with intense resistance.</p>	<p>In field boundaries are irregular; road alignments are irregular and lack proper geometry. Tight bends and excessive gradients are common, especially if the site is located on steep land. Once the alignments are established they are very difficult to change and will influence the provision of all services, since these generally follow roads.</p> <p>Owners are reluctant to give up sufficient land to provide adequate right of ways in GLD. This is understandable if the majority of owners do not possess vehicle.</p> <p>Infrastructure servicing can be inefficient and expensive. Because road alignments are determined by plot boundaries, and in turn these are a function of agricultural systems that have nothing in common with the modern needs of water supply, sewerage and drainage, the end product is often unworkable. Drainage is typically the casualty. Narrow lanes cannot have drains on both sides of the roads.</p> <p>People are basically self interested and owners are not willing to give up land on more than one side of their plots. The end result is that plots to the rear have no access due to the absence of side roads. Such areas, often referred to as backlands are landlocked by neighbors who refuse to relinquish any part of their plots for an access road.</p>	<p>LP is not an easy proposition if a significant proportion of plots within the sites are already developed. People who have already invested in constructing buildings and have provided land for the creation of roads, drains, etc., do not usually welcome LP and are likely to resist. Even if they agree, the permanence of their buildings is an unwanted limitation to the layout design.</p> <p>The smaller the plot, the more protective owners are about how much land they have to contribute. If the plot is only just big enough to accommodate a simple house, it is unlikely that the owner will agree to contribute any of his/her land, thus LP is workable when most of plots involved are fairly large and undeveloped in the country context.</p>

TIMELINE FOR LOCAL AREA PLAN PREPARATION AND LAND POOLING

Time Chart Illustrating the list of Public Meetings / Consultations / Site Visits/ Announcements carried to explain the Local Area Plans and Land Pooling Process									
No.	Date of Announcement/ Meeting	Stages of Meetings / Announcements and Plan Preparation	Type of Public Meetings / Consultations / Announcements	Purpose	Medium of Announcement	Medium of Presentation	Highlights of the Meeting/ Announcement	Available records	Organizations / Involved
Local Area Planning Process and Public consultation carried prior to Structure Plan									
9	29 th September 2001	Declaration of Moratorium on Construction for extended areas till the end of April 2002	Public Announcement	<ul style="list-style-type: none"> To avoid any adhoc, unplanned development in the extended areas, since the planning process was under progress. 	Announcement in Kuensel and BBS			Announcement made by DUDH, MoC in Kuensel	DUDH, MoC
13	23 rd February 2002	Second Announcement - Moratorium on Construction for extended areas.	Public Announcement	<ul style="list-style-type: none"> To avoid any adhoc, unplanned development in the extended areas, since the planning process is under progress. 	Announcement in Kuensel and BBS			Announcement made in Kuensel by TCC/DUDH	DUDH, TCC and CCBA
35	11 th January 2003	Announcement to land owners falling within the extended areas which are under planning to continue with cultivation for the year 2003	Public Announcement	<ul style="list-style-type: none"> To inform the landowners that the plans are ready for Lungtenphu, Babesa and Taba and plan preparation is under process for the rest of the areas. And also to inform them that the implementation of the plan would take some time therefore the landowners can start cultivation for the year 2003. 	Announcement in Kuensel, BBS and through representatives			Announcement made in Kuensel	DUDH, TCC, CCBA
40	6 th February 2003	Announcement on extension of Moratorium on Developmental activities in the areas under planning.	Public Announcement	<ul style="list-style-type: none"> To inform the landowners about the extension of moratorium on developmental activities in the extended areas due to the LAP plan preparation process. 	Announcement in Kuensel, BBS and through representatives			Letter sent by TCC to Kuensel and BBS. Announcement made on 8th Feb 2003	DUDH, TCC and CCBA
50	2 nd and 16 th August 2003	Announcement of Moratorium for extended areas on subdivision/ land transaction.	Public Announcement	<ul style="list-style-type: none"> To inform the landowners that the LAPs are in the process of getting finalized after series of public meeting and daily public consultation in TCC. Therefore a moratorium was declared to facilitate early completion of the plans. 	Announcement in Kuensel and BBS.			Public Announcement made in Kuensel. Article published in Kuensel online on 20th September. Letter sent by TCC to Kuensel and BBS.	Thimphu City Corporation
56	13 th September 2003	Public Announcement on moratorium on land dealings and subdivision	Article published in Kuensel by TCC	<ul style="list-style-type: none"> To inform the landowners the need to freeze the land transaction and subdivisions in order to facilitate early completion and finalization of LAPs 	Kuensel Article published on 30th September 2003	Land Dealings Put on Hold to Finalize LAP (article)		Kuensel Article published on 30th September 2003	Thimphu City Corporation
60		Announcement to Lungtenphu Land owners not to cultivate for next season due to planned demarcation process.	Public Announcement	<ul style="list-style-type: none"> Announcement was made to landowners not to start with cultivation for the year of 2004 	Announcement in Kuensel, BBS and through representatives				Thimphu City Corporation
64	13 th March 2004	Starting of Demarcation of Lungtenphu LAP	Public Announcement	<ul style="list-style-type: none"> Intimation to Lungtenphu landowners about the demarcation of the plan and requesting their cooperation to support the demarcation team. 	Announcement in Kuensel, BBS and through representatives			Public Announcement made in Kuensel.	Thimphu City Corporation
65	15 th March 2004	Meeting with Chang Representatives on implementing the Chang (Southern LAPs) - TCC Conference hall	Meeting with representatives from Lungtenphu, Simtokha and Babesa	<ul style="list-style-type: none"> To inform the LAP representatives about the starting of implementation of LAPs in South and also to inform about the status of the LAPs 	Official letters		The representative welcomed TCC for starting the demarcation and also requested TCC to complete the plan implementation as early as possible. It was also decided to form LAP Implementation Committee.	Minutes of the meeting and Attendance list	Thimphu City Corporation

66	17 th April 2004	Announcement on on-going demarcation process in Lungtenphu Local Area and the anticipated completion date.	Public Announcement	<ul style="list-style-type: none"> Intimation to Lungtenphu landowners about the demarcation of the plan and requesting their cooperation to support the demarcation team. 	Announcement in Kuensel, BBS and through representatives			Public Announcement made in Kuensel.	Thimphu City Corporation
68	15 th May 2004	Second Announcement on on-going demarcation process in Lungtenphu Local Area and the anticipated completion date.	Public Announcement	<ul style="list-style-type: none"> Intimation to Lungtenphu landowners about the demarcation of the plan and requesting their cooperation to support the demarcation team. 	Announcement in Kuensel, BBS and through representatives.			Public Announcement made in Kuensel.	Thimphu City Corporation
69	May - June 2004	Completion of Demarcation Process of Lungtenphu LAP							Thimphu City Corporation
70	22 nd July 2004	Announcement on completion of Lungtenphu LAP demarcation and Announcement on starting of Road Cutting.	Public Announcement	<ul style="list-style-type: none"> Thanking the Lungtenphu landowners for their kind cooperation provided during the demarcation process and intimating them about the starting of road cutting process. Requesting landowners to report to TCC for any clarification regarding the demarcated plot. 	Announcement in Kuensel, BBS and through representatives.			Official letter sent by TCC to Kuensel and BBS.	Thimphu City Corporation
73	23 rd October 2004	Announcement on commencement of Babesa demarcation after 2004 harvest.	Public Announcement	<ul style="list-style-type: none"> Public announcement on commencement on Babesa LAP demarcation after harvest 	Announcement in Kuensel, BBS and through representatives			Public Announcement made in Kuensel.	Thimphu City Corporation
75		Starting of Babesa LAP Demarcation	Public Announcement		Announcement in Kuensel, BBS and through representatives				Thimphu City Corporation
82	18 th March 2005	Announcement on Postponement of Demarcation of Simtokha LAP due to request from Landowners for cultivation.	Public Announcement	<ul style="list-style-type: none"> To inform the landowners to cultivate their land for 2005 and to inform that the demarcation would start after the harvest. 	Announcement in Kuensel and BBS.			Letter written to Chang Representative by TCC	Thimphu City Corporation
85	12 th July 2005	Lungtenphu LAP representatives submitted a request to implement the infrastructure facilities immediately						Signed letter submitted by the representatives.	Thimphu City Corporation
86	Nov 2005	TCC's UPD Started with handing over of plots in Lungtenphu as per Zones	Handing over of plots on site	To officially verify the demarcated plots as per the LAP and handing over the plots to the respective landowners after their acceptance and agreement.	Announcement in Kuensel, BBS and through representatives	Official handing over sheet and on site verification of demarcated pillars	The sites boundaries are illustrated on the site, each and every pillar were shown to the landowners for their acceptance. Missing pillars would be demarcated. Physical Characteristics are explained. Road access to the plot and precinct sanctity is also explained.	Copy of letter sent to Kuensel for public announcements. Copy of Kuensel announcement. Signed handing over documents.	Thimphu City Corporation
87	24 th & 25 th November 2005	Socio – Economic Survey of the landowners, leaseholders and laborers under the landpooled areas of Chang area as per the questionnaire finalized by ADB.	Interview/ Survey with the landowners at Chang/Imithang Ground	<ul style="list-style-type: none"> To understand the socio – economic status of the landowners, laborers and lease holders in the land pooled areas as per ADB's requirements. To identify any vulnerable APs if any within the land pooled areas. 	Announcement in Kuensel, BBS and through representatives	Questionnaire prepared by TCC and finalized by ADB.	The survey was carried out by independent enumerators hired by TCC under the supervision of ADB's local consultant Mr. Megay.	Survey form which are already available with the ADB's consultants	Thimphu City Corporation, Asian Development Bank, Connell Wagner Consultants, and Gylteshen Consultants.
88	26 th Nov & 12 th Dec 2005	Socio – Economic Survey of the landowners, leaseholders and laborers under the landpooled areas of Chang area as per the questionnaire finalized by ADB.	Interview/ Survey with the landowners at field – Door to door survey	<ul style="list-style-type: none"> To understand the socio – economic status of the landowners, laborers and lease holders in the land pooled areas as per ADB's requirements. To identify any vulnerable 	Announcement in Kuensel, BBS and through representatives	Questionnaire prepared by TCC and finalized by ADB.	The survey was carried out by independent enumerators hired by TCC under the supervision of ADB's local consultant Mr. Megay	Survey form which are already available with the ADB's consultants	Thimphu City Corporation, Asian Development Bank, Connell Wagner Consultants,

SAMPLE AGREEMENT

Briefing : Agreement on Land Pooling/Land Contribution/Land Donation.

Land Pooling is a planning tool used in community development and local area plan preparations, in which each and every land owner within the community or Local Area has to pool/contribute certain percentage of their plot's registered area in order to service their own plot and their community with roads, footpaths, potable water, drainage, electricity, telecommunication, recreational open spaces, public amenities like, health clinic, creche, post office, banks, fire service station, police out post, shopping center etc. Apart from the above-mentioned the plot's shape would be regularized and would become a qualified urban plot with increased land value. In addition, Thimphu City Corporation would invest for the preparation of the Local Area Plans and would also invest in providing the infrastructure/facilities (Roads, water supply, drainage, development of neighborhood node etc.) for the particular plot and for the entire Local Area/ Community.

Land Pooling (Land Contribution/ Land Donation) Followed by Thimphu City Corporation.

As per the Local Area Plans prepared by Thimphu City Corporation, the pooling percentage was kept predominantly below 30%, relaxing the provision to have reserved plots for sale as per the Land Pooling technique which are commonly in practice (To recover the cost of the investment made in plan preparation and in providing infrastructures facilities). Thimphu City Corporation has also utilized the available government land within each L.A.P in order to maintain the pooling percentage below 30% in majority of the Local Areas. In this process of providing infrastructure facilities the land would get shifted from its original location, but care is taken that the shifted plot remains within the same local area and with similar physical characteristics of its original location. Apart from the above-mentioned factors the landowners would also gain in terms of increased land value/property value due to the process of Urban Development promoted within the area.

Other Planning techniques available

In the current context of the Local Areas, where almost every plot is of irregular shape and are landlocked without any infrastructure facilities, there are very few options available to promote urban development in these areas. One of the options available is to acquire all the land parcels falling within the proposed services and amenities. In this process number of

Thrompon
Thimphu City Corporation

Date: Place:

**Donation**

Therefore Land Pooling is the best and appropriate technique to promote Urban Development on these local areas, which are predominantly landlocked.

Option A available for Land Owners who are not interested in Land Pooling (Land Contribution/ Land Donation):

If a particular land owner is not interested or does not agree with the concept of Land Pooling or Land Contribution or Land Donation, his/her land would be acquired as per the provisions of Land Act and the compensation rate for the land would be as per the "Fair Price" or any other reasonable rate/price approved by Royal Government of Bhutan.

Agreement

I, Teck Beda Shelly owner of Plot No. 114/B Thimphu, No. 1364 with registered area of 17.19 sqm / sqm located in Banphola Local Area, has read and understood the concept of Land Pooling/Land Donation/Land Contribution, the alternative options available and I voluntarily agree to pool/contribute/donate 5% of my plot registered area as per the Banphola Local Area Plan, towards the infrastructure and amenities development.



Signature of the Neutral Party

Name:

Designation: Legal Officer
(Office of Legal Affairs)

Date: Place:

Signature of the Plot Owner

Name: Teck Beda Shelly

Designation: Bureaucrat

Contact No. 32938733

Date: 17/02/2019 Place: Thimphu