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PARTICIPATORY AND INCLUSIVE LAND READJUSTMENT: A PRO-POOR LAND MANAGEMENT STRATEGY FOR CITY REDEVELOPMENT (THE CASE OF MEDELLIN, COLOMBIA)

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Abstract

This paper explores the advantages of using PILaR (Participatory and Inclusive Land Readjustment) as a potentially comprehensive and effective tool for city redevelopment and urban regeneration in cities with high population growth rates, high levels of informality and inequality. It also argues its potential as an alternative to conventional land readjustment for a pro-poor land management strategy: participatory in the process and inclusive in the outcomes. The arguments presented in this paper are based on the experience from a small neighbourhood in Medellin, Colombia called La Candelaria which was chosen as a pilot to develop the PILaR strategy within an urban project for renovation or regeneration. The paper argues that conventional land readjustment doesn't guarantee community participation in the redevelopment process when applied in conditions such as those in places like La Candelaria: i.e. high legal informality among residents – landowners, holders and tenants – and poor or low economic capacity to support the costs incurred by redevelopment actions. It then concludes that land readjustment in a PILaR model becomes an integrated and comprehensive strategy better designed to solve the real problems and challenges that both the community and the city face in many developing countries.

Key Words: Inclusive; Land Readjustment; Participatory; Pro-poor; Urban regeneration

This paper is based upon GLTN/UN-Habitat's experience in implementing PILaR pilot project in La Candelaria, Medellin, Colombia under the Achieving Sustainable Urban Development (ASUD) program. It also draws from the PILaR Source, "Remaking the Urban Mosaic: Participatory and Inclusive Land Readjustment" currently being finalized. The PILaR Source book has been produced with contributions from GLTN/UN-Habitat partners, staff and other stakeholders with funding for the project being provided to GLTN from Norwegian, Swedish and Dutch governments.

INTRODUCTION

PILaR – Participatory and Inclusive Land Readjustment is a mechanism through which land units that have different owners and claimants are combined into a single area through a participatory and inclusive manner for unified planning, re-parceling and development. The development usually includes serviced urban land delivery made possible by the provision of infrastructure, public space and other urban amenities at a reasonable standard. The infrastructure and services often give rise to increased land value making the land that remains with the land owners more valuable – the extra incentive that motivates land owners to voluntarily surrender a portion of their land and participate in LR schemes. PILaR borrows from conventional land readjustment which has over the years enabled planned extension and densification of cities. It adapts the traditional tool of land readjustment to developing country contexts by placing greater emphasis on the process being *participatory* while outcomes *inclusive* by relying on negotiated processes that allow local authorities and stakeholders to articulate their interests, exercise their formal and socially legitimate rights, meet their obligations, and mediate their differences.

In recognition of its potential to rationalize land allocation and use in and around cities of developing countries, land readjustment is one of the eighteen tools that the Global Land Tool Network (GLTN) identified for further research and innovation. UN-Habitat has also realized the value this tool adds in managing contemporary urbanization and has in recent years engaged in a range of knowledge management, research, and capacity development activities. These have culminated in the Global Pilot PILaR under the Achieving Sustainable Urban Development (ASUD) program. The Global Pilot is in a small neighbourhood of Medellin, Colombia called La Candelaria. The design phase is nearing completion and will soon be implemented. Although the name PILaR is often associated with the Global Pilot, it is in fact a generic brand that represents the type of land readjustment that UN-Habitat/GLTN is keen to promote.

In the course of developing knowledge and providing technical assistance (TA) to the Global Pilot, UN-Habitat and its partners have reviewed, analyzed and documented notable practices of land readjustment from around the world. This has produced a good understanding of what works and what does not in developing countries. This knowledge and expertise is being distilled into a practical Source Book that is expected to enable the PILaR thinking and practice to spread and take root particularly in parts of the world that are witness unprecedented rates of urbanization. The source book not only lays out the relevant themes of PILaR, but also provides clear, easy and “step-by-step” guidelines to those providing Technical Assistance in the field.

This paper therefore explores the advantages of using PILaR a potentially comprehensive and effective tool for city redevelopment and urban regeneration in cities with high population growth rates, high levels of informality and inequality. It will argue that conventional land readjustment does not guarantee community participation when applied in conditions such as those in places like La Candelaria: i.e. high legal informality among residents – landowners, holders and tenants – and poor or low economic capacity to support costs incurred in redevelopment actions. It will further argue its potential as an alternative to conventional land readjustment for a pro-poor land management strategy in the redevelopment processes.

The paper starts with a brief contextualization of La Candelaria. This includes the characterization of the community and the neighbourhood and the expectations and the objectives of the various actors. In terms of participation, the paper shows how different options were built, not only based on the tenure situation of the residents but considering many other interlinked variables – social, economic and legal – to establish different patterns existing in the community. It then provides an overview of conventional the land readjustment tool based on the practice of several countries. The core of the paper is the discussion of the PILaR methodology, including evidence of how its main goals of participation in the process of land readjustment and inclusiveness in outcomes could be guaranteed by two main principal ideas: the shift from the consideration of landowners towards residents, and the shift from land as the main element in the process towards built space. It then presents the experience in implementing PILaR as evidence of its viability as an alternative strategy. The paper concludes that land readjustment in a PILaR model becomes an integrated and comprehensive strategy better designed to solve the real problems and challenges that both the community and the city face in many developing countries.

LA CANDELARIA: BRIEF CONTEXTUALIZATION

For years, Medellin has become one of the main cities of arrival of new population in the Colombia, largely from families with very low incomes. Many of these families were forced to settle in places where the presence and state control were weaker since the city could not formally incorporate them into its development process nor supply them enough affordable housing. One of those places was La Candelaria.

In the process of socio-economic and physical characterization many different qualitative and quantitative methodologies were used which incorporated comparative analysis, opinion polling, ethnographic analysis and identity elements of the sector. While it is true that each of these methodologies used led to different results, the sum of all them allowed a permanent data triangulation enabled a deeply understanding of La Candelaria. The participatory and inclusiveness character of the Land Readjustment project required a deep understanding of the different patterns existing in the community and their

relationship with the built space of La Candelaria, not only regarding the housing but also the spatial configuration of the whole neighbourhood.

La Candelaria is a small area of 5.8 hectares located on both sides of the river bed of the stream La Quintana, one of the major river systems in the Northwest area of the city, and which flows into the Medellin River. Despite its strategic location in the city, La Candelaria has become a bag of insulation and environmental degradation by its current physical configuration: on the one hand, the stream La Quintana is a physical barrier, generating north-south discontinuities, and on the other, the area has a complex topography coupled with its informal origin has resulted in discontinuous routes and scattered urban settlements in the whole area. In short, La Candelaria is strategically located, but lives apart from its surroundings and undermining its potential.

This territory has served as a reception and an arrival place for different types of low-income families. The first inhabitants of La Candelaria were peasants whose origins date back mainly in Southwest Antioquia running away from increasing processes of violence experienced in the countryside along the 50s. The following waves of migrants were mainly urban populations from low income neighbourhoods of Medellin and from other municipalities within its metropolitan area. Since the 90s the majority of La Candelaria population has turned to be mainly urban original, over 70%. The current population living in La Candelaria is 2.616 people (according to the different surveys carried out at the beginning of the project in 2014).

La Candelaria was built in a disorderly way without planning and for many years showed main characteristics of informal settlements: overcrowding of houses – some of them located in the river flood or few meters away from electric wiring –, basic infrastructure deficiencies, without public space and labyrinthine narrow roads. However, it has achieved some improvements over time for example: partial titling programmes or basic infrastructure works – 100% of the houses has electric services, sewage and waste collection, even the few green areas and common spaces are regularly maintained by the municipal administration. But, regardless all these improvements, La Candelaria still shows a dynamic which combines informal-illegal and formal-legal conditions as a constant in its development and growth. Usually the occupiers (*moradores-propietarios*) built without the necessary permit and over the years they manage to obtain the titles which legalise and formalised their properties. The last attempt to regularize the tenure situation of la Candelaria was in 2007 and 7 years later the results were very poor and the measures adopted in the plan to improve the urban environment were never implemented. Even though

the process was not finished, some changes in La Candelaria's social structure and its urban morphology occurred and are at this moment affecting the community.

One of the most relevant changes in La Candelaria has been the shift in its character from a reception and arrival location to a transitional one, in which nowadays over 52% of the people living in La Candelaria are tenants and this percentage has increased since 2007 by 13%. This trend is very relevant taking into account that from the beginning the proposed land readjustment, participatory and inclusive pursues that "who lives in La Candelaria, stays in La Candelaria".

The characterization work reflects this transitional character of La Candelaria so that the owners search for the profit of the floor and the housing while the tenants recognize the benefits of the area's location, its centrality. Low-income tenants often overlook the urban shortcomings of the area but take advantage of its strategic location. A conclusion reinforced by the fact that the majority of the tenants have been living in La Candelaria for less than 3 years. The data collected in the area reflect that 41% (170) of the owners who live in Candelaria are renters and a total of 35% (222) owners do not live at the moment in the area and are also renters.

This new trend has caused an ongoing and continuous change in the housing typology, from the original one floor single house occupied by a single household, to a two or three stories house subdivided in different apartments. While the owner will remain on the ground floor the tenants occupy the upper stories, reducing the number of people per household and the size of the housing units and increasing the average height of La Candelaria, in order to increase the profits from the original plot.

In La Candelaria women are slightly predominant, accounting for a 52% of the population and 54% of the number of heads of household. The most significant type of household is of single-parent nuclear households, with a higher number of female head of households over men. Half of the population in La Candelaria is younger than 25 years, and from them 60% are under 18 years old. The level of education is low in average, but it increases within the younger population. The level of unemployment is quite high, only 37% of the population is employed, and in 65% households only one person works. The student population represents close to the 30% and over 15% is devoted to household tasks.

As it has been mentioned already, La Candelaria is a community of estrato 1 and 2, so the revenues produced through renting is crucial to support the weak economy of most of the households. Among the

tenants their economy capacity is also precarious but most of them are employed – formal or informally – which allow them to afford the rents and the living expenses.

In summary, the limited space to settle, the continuous flows of migrants, the lot by lot building processes, the search of new spaces for rent, have led to the increase in the deficit of public space, social facilities, and housing quality in the sector. This phenomenon persists despite the processes for the integral improvement of the neighbourhood. The activities performed in the framework of the latest regularisation plan focused in responding to housing need through the project Quintana 1 – the only two housing blocks built on the implementation process of the plan – however, have being insufficient for the demand of space that the community requires on public space, community facilities and in the quality of the housing.

In the light of the characteristics explained in the previous chapter, the conclusion was that it is not feasible to address in the sector an integral upgrading lot by lot in small-scale interventions. The sector requires an integral renewal treatment with an urban proposal that exploits its potential and gives back to the city a renewed area under parameters of participation and inclusion and better conditions of mobility, public space, facilities and housing to the residents of La Candelaria.

Given the progress made on the latest regularization plan (legalization and entitlement plan) and the need to ensure a better and more comprehensive framework of action for the urban transformation of the sector, the new POT of Medellin adopted by the Agreement 48, 2014, modifies the urban treatment of this area. The new treatment assigned is urban renewal.

The purpose of this change was guided by the evidence that it is not feasible to address in the sector an integral upgrading lot by lot in small-scale interventions. The sector requires an integral renewal treatment with an urban proposal that exploits its potential and gives back to the city a renewed area under parameters of participation and inclusion and better conditions of mobility, public space, facilities and housing to the residents of La Candelaria. In order to achieve an integral renewal, the need to create a more favourable condition for integral transformation while allowing both a significant increase in housing density, a greater mix of uses and the application of land management tools which can facilitate the reconfiguration of the land plots in accordance with the new urban design and the equitable distribution of charges and benefits among urban landowners and property owners.

In particular, the objectives fulfilled in the definition of the project were:

- To contribute to the development of an integrated compact and connected city through a long-term urban planning.
- To combine the local and national legal and administrative framework to implement land readjustment responding to the needs of the community while reflecting the best international practices.
- To provide an alternative financial model for the regeneration of the city which will allow the inhabitants – either owners (propietarios and poseedores) or tenants – to remain in the community if they wish.
- To facilitate dialogues on PILaR proposal between the city and the community while increasing levels of governance through participatory processes.
- To provide the conditions for inclusion which will enable people of La Candelaria to remain in the territory if they wish: "who lives in La Candelaria, can stay in La Candelaria".

From the Community point of view, their expectations were collected by a series of workshops with specific focal groups mostly by location within the neighbourhood and by tenure situation (owners, poseedores and tenants). The main concern among the owners – landowners or poseedores – was not only caused by the possible loss of the benefits of the sector in terms of location, low taxes (according to the stratification population law of Colombia), or their ways of living, but mainly by the loss of the income that they obtain from the building possibilities of the sector and the increase of revenues associated with the optimization of the houses as much as possible.

In order to allow all types of inhabitants in La Candelaria to remain after the renewal process, three major population groups depending on the type of property - owners, possessors and tenants – were considered. Each of them presented particularities according to the use of their housing units as home, business unit, or source of income and to other social and personal conditions – for example age or household composition. The proposal designed specific solutions to attend those particularities, giving alternative options, so that each owner, possessor or tenant would choose among them.

The main criteria for the proposal are:

- *To compensate the built space instead of the land.*

The previous regularization plans, and in particular the most recent one in 2007, created a certain fear and a sense of vulnerability among the community. In that plan and in order to undertake the works,

the land was acquired by the administration through voluntary land disposal or administrative expropriations. On the contrary, in the PILaR pilot proposal for La Candelaria the land is given by the community, individually of course, so that they become stakeholders of the whole project and the compensation is based on the built space.

- *To guarantee enough housing units to replace the ones used for residential purposes.*

By this way, the proposal wants to put a special care on those who live in La Candelaria, no matter their tenure situation, instead of those who owned housing units but do not live there.

- *To create an extra pool of units for renting or selling.*

Part of them could be acquired by inhabitants of La Candelaria – with part of the compensation they have received on the first stage.

It is important at this point to reinforce the fact that one of the main goals of this proposal is to guarantee the participation of the community not only along the design process, but also to encourage an active participation as real stakeholders of the outcomes, and as such, to create an internal demand for housing units among the community. In parallel, the new urban layout promotes new housing units for the free market, so that the project generates extra revenues to cover part of the costs.

A short reference has to be made regarding the productive units, commercial activities operating in La Candelaria. The proposal also defines different alternatives and compensations for those who own or run the different activities. The main purpose is to keep them as much as possible in La Candelaria by facilitating their relocation in case they are occupying public spaces in an informal way or by designing housing and building typologies which allow commercial or small light industrial activities on the ground floor, even in coexistence with residential uses.

OVERVIEW OF LAND READJUSTMENT

Land readjustment is one of the oldest land management instruments that urban local governments have employed to improve the availability of serviced urban land in and around cities. It has proven to be exceptionally useful in countries like Germany, Japan, Spain, South Korea, Turkey, Thailand and Colombia. In some of these countries, a third of the built-up environment was created or recreated using land readjustment. The tool facilitates planned city extension or densification through negotiated processes that can lead to more orderly and proactive supply of land for urban development. The fundamental tenet of land readjustment is voluntary land contributions, in regard to not all, but the majority of participants' of a land readjustment scheme. The process involves pooling all the land parcels in a particular area and planning them as a unit: putting in roads, sewerage and other

infrastructure, and then dividing up the land again to the original owners. A proportion of the land is used for roads and public space. The unit is then re-divided into parcels and re-allocated to the owners according to the size or value of the land that each has contributed. When assembling land for redevelopment, land owners and other interested parties must devise a system through which collective action can be fostered and benefits and costs of the process shared equitably. An appropriate legal framework within which negotiations between land owners and other interested parties should also be in place and agreements arising from the process should be enforceable.

The readjustment of land parcels into a more systematic development with infrastructure and service provision, and the sometimes the accompanying rezoning of use or permitting of greater intensity of use, give rise to increased land value. This makes the land that remains with the land owners more valuable – an inherent incentive that motivates them to voluntarily surrender a portion of their land and participate in land readjustment schemes. The landowners get back an amount of land usually smaller than what each contributed, but the value has increased because of the improved infrastructure. The excess land is used for public amenities such as roads and open space. Some land may be set aside as a reserve to be sold to cover the costs of the readjustment. **Figure 1** below graphically depicts land readjustment process – before and after – while **Figure 2** depicts this rise in value of the readjusted parcels.

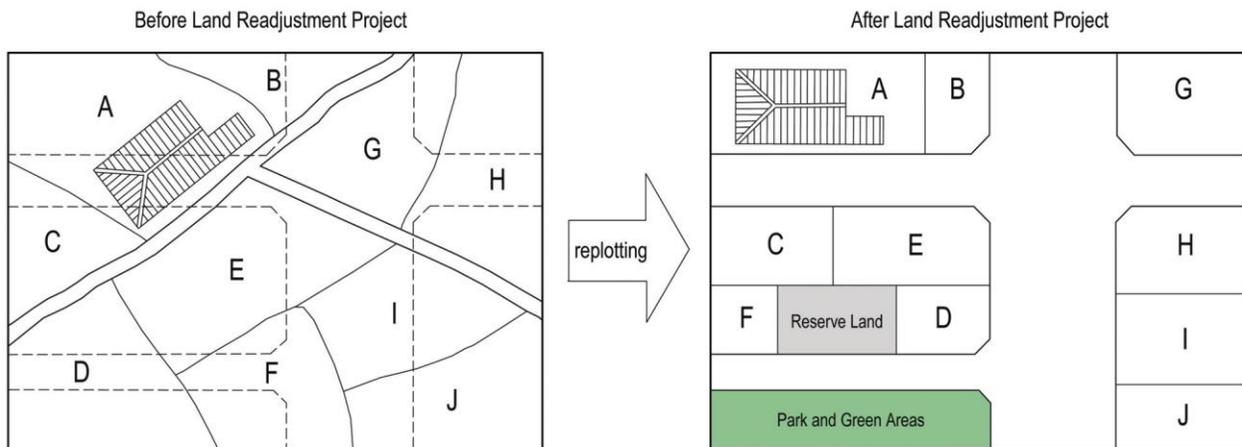


Figure 1: An Example of Land Readjustment

Graphic adapted from Kiyotaka Hayashi, Land Readjustment in international perspectives <http://tinyuril.com/pd99xbr>

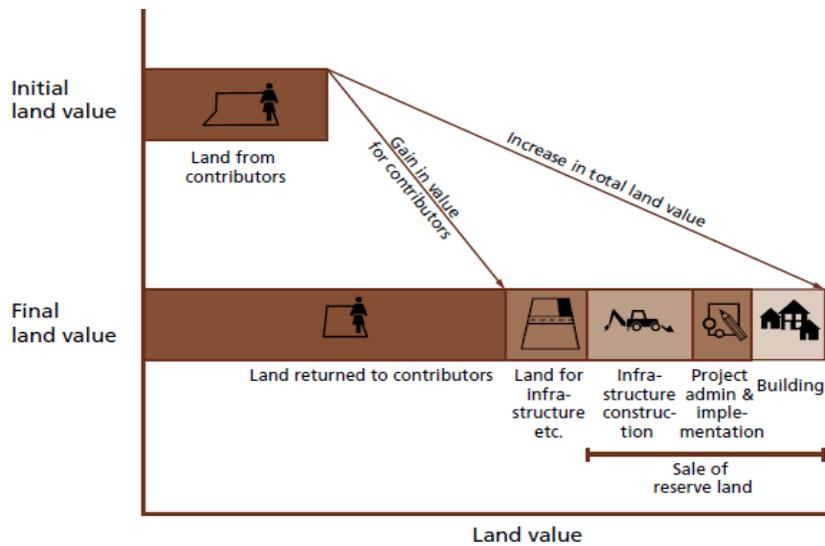


Figure 2: Graphic representation of change in land value

Theoretically, the agency implementing the land readjustment project does not require the substantial upfront capital to buy-out existing owners or government assistance to acquire land compulsorily. However in practice, this may not necessarily be the case although transaction costs are often reduced. Also redeveloping land to its highest and best use should ideally be welcomed by land owners and other interested parties. This however does not always happen in practice for example due to disagreement by land owners on how land value increment is distributed or other interests that are not taken into consideration and hence hinder the planned redevelopment. The risk of holdouts is therefore real and one way to avert this is having consensus on the exchange value of the property before assembling the land. Key considerations when conducting a land readjustment project are interests of different stakeholder groups, existing public agencies with good reputation to drive the process and trust in other parties and in the public agencies.

Since conventional land readjustment projects primarily involve land owners affected by the redevelopment, issues of horizontal equity may be experienced. For example, properties abutting a land readjustment project could see their values rise as a result of the improvements in roads, parks and other public facilities in the neighbouring community. This is primarily because this land is not included in the project and the owners did not have to give up any land to pay for the public facilities. A ‘free-rider’ problem can then come to fore. A way of mitigating the ‘free-rider’ problem is to ask land owners in the adjacent properties to reimburse the land readjustment district a portion of local infrastructure costs, assuming these costs do not outweigh the benefits. Conversely, negative externalities from the redevelopment may exist which can affect neighbouring properties and yet there are no built-in

mechanisms to compensate these. If issues of externalities are not taking into consideration, property owners on the fringe of the redevelopment area may refuse to join.

THE PILaR METHODOLOGY

In the context of PILaR, participation engages not only landowners, but also other stakeholders such as tenants and informal occupiers, who need to be sufficiently consulted and involved in the decision-making process. Their views and interests are taken into account while winning their trust, support, acceptance and ownership of the process. The expectation is that this process leads to outcomes that are inclusive. And these should be reflected in neighbourhoods that bring together different income and social groups as opposed to segregated neighbourhoods and gated communities. Because existing land owners and claimants share in both the costs and benefits of the project, PILaR is also a fairer and more equitable approach to land development which is another element of the concept of inclusivity.

Participation and engagement thus lie at the heart of PILaR with a specific emphasis on engaging the poor and marginalized and of recognizing particular vulnerabilities such as gender, age and youth. The approach also emphasizes early, consistent, but realistic, stakeholder participation to encourage community input and the ultimate ownership of the urban redevelopment. Local dynamics, such as community networks, heritage, culture and local business are also identified as a means to maintaining the core positive ‘local dimensions’ of a place within the change process. Stakeholder participation is also developed at other levels, including effective engagement with land owners, civil society, academia and public and private sector property developers as well as financial institutions. These participatory and inclusive priorities are considered within the context of developing appropriate governance, legislative and regulatory mechanisms to better facilitate planning, participation and land value sharing – with the ultimate aim of delivering a sustainable, dynamic and inclusive redevelopment.

How PILaR is Different from Conventional Land Readjustment

PILaR differs from conventional land readjustment in that it emphasizes a **participatory** process by engaging all stakeholders – landowners, tenants, informal residents, the municipal authorities, land professionals, community organizations, absentee landowners, people in neighbouring areas, etc (**see Figure 3**) – in planning and making decisions and not just landowners. These stakeholders are the major audiences that the PILaR project must serve and they should be reached through an appropriate communication strategy depending on the unique contexts and interests. This helps to maximize the

likelihood of consensus, reduces risks of disruption to the project while at the same time protecting weaker or vulnerable groups within the community.

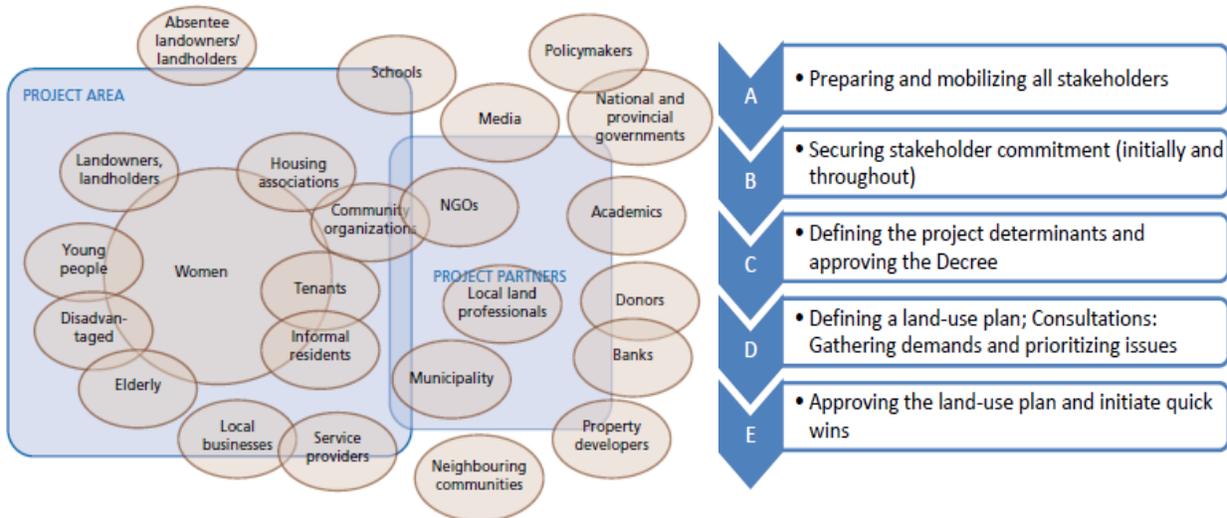


Figure 3: Stakeholders in a PILaR Project and Stakeholder Engagement

It is also **inclusive**: it ensures that the poor and disadvantaged also benefit by aiming to achieve consensus among all stakeholders and avoid forcible removals or evictions. The inclusive nature of PILaR ensures that disadvantaged segments of population for example women, youth, the elderly, the disabled, ethnic or religious minorities, lower castes, illegal immigrants, etc who often have little say in decisions that affect them also benefit from the process. In many countries particularly in developing country context, women are often disadvantaged when it comes to land rights. They may lack formal legal rights or tradition or law may not allow them to own or inherit land. They may also not be allowed to appear or speak in public. The youth also have their own interests that older people may ignore or not realize the importance of for example space for playgrounds or sports facilities. They also typically lack the opportunity to express their views in public. How then does the redevelopment process ensure that their interests and concerns are taken into consideration? This can only be achieved through meaningful engagement of such segments of the population.

A conventional land readjustment projects will improve urban conditions but not necessarily the lives of the existing population since it does not always necessarily operate in favour of the poor but instead excludes many residents in the project area, either legally or through economic reasons. This is because it only considers landowners and the city actors in its processes while the inclusive approach of PILaR is reflected in the development of different options for the different situations of the inhabitants: owners,

land holders, tenants and informal occupants. Poorer residents who often lack formal title to the land or who have informal tenure are ignored or pushed out. The absence of an obligation to deliver solutions for renters and informal occupants and the tendency of land readjustment to raise living costs that must be met from disposable income and to gentrify an area are also major factors. This frequently leads to the displacement of the existing community into new fragile neighbourhoods, an outcome which is contradictory with the main goal or objective of a socially targeted redevelopment project. PILaR however corrects such imbalances through making provisions for different principal types of situations or alternative output options since it gives all the various actors a voice and an interest in the outcome of the redevelopment project.

Through PILaR, it is also possible to shift the redevelopment of a project area from the two dimensional land oriented model that is typical of conventional land readjustment to a three dimensional built space model that prioritizes the provision of shelter, connectivity and economic activity as was the case in La Candelaria. The first was the PILaR strategy opting for an exchange model that was not based on the purchase or expropriation of land (or proxy values thereof) and the second was where the project placed greater emphasis on built space over land for exchanges of residential or commercial space as a basic mechanism instead of exchanges of land.

The PILaR Process

The PILaR process consists of five major steps (see Figure 4) which overlap or be repeated, and the number, details and order may vary according to the situation. In reality, the process can however be more complex where a number of iterations, overlap or repetitions happen. At each step, some tasks are done by the implementing organization for example a municipality, while others involve engagement with the community and other stakeholders.

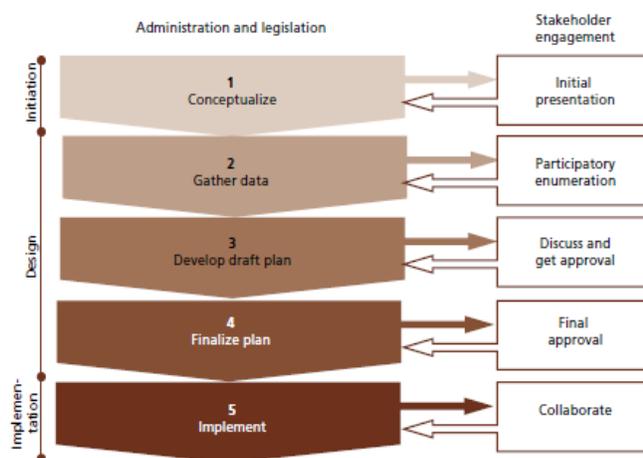


Figure 4: Simplified steps in a PILaR Process

1. Conceptualize

The first step is the conceptualization stage. During this stage, the appropriate legal framework is identified to support the implementation of the redevelopment. Without it, the process can easily become

bogged down in lawsuits brought by unhappy stakeholders who feel their interests are not being taken into account. A dedicated law may not be required, but it may be necessary to amend existing laws or local authority regulations. Another key step at this stage is choosing the location for redevelopment based on a number of criteria in close consultation with the stakeholders. These include accessibility and connection to trunk infrastructure, suitable topography, the allowed intended land uses and densities, areas where there will be minimal costs for environment and heritage and in the jurisdiction of proposed implementing authority. Other criteria includes selecting an area where there will be minimal demolition when re-drawing boundaries, where the current land records are reasonably adequate and importantly an area where majority of the local land right holders and residents support the project.

A multi-disciplinary project management team would also need to be set-up which ideally should be hosted by an implementing agency and a feasibility study conducted to reveal whether the proposed location is indeed suitable. At some stage during the conceptualization, the project proponents and the management team introduce the idea of the project to the major stakeholders – landowners, tenants and occupiers. They describe the PILaR process and how it might work in the area, and explain what the next steps might be. This meeting (or meetings, as several may be needed) aims to get the stakeholders' initial reactions, gauge their expectations, answer their questions and allay their fears, and invite them to nominate representative to join the management team and advisory committee. After this presentation, it may be necessary to go back to re-conceptualize the whole project.

2. Gather data

The management team organizes the collection of data about the proposed project area with the types of data and how to gather them depending on the situation. This process may fall into three phases: i) baseline study; ii) stakeholder mapping to identify stakeholders and institutions for the redevelopment; and iii) detailed enumeration of each land parcel to identify both formal and informal claims to each parcel (ownership titles, tenancy, tenure, occupancy), the identity of the claimants, their socioeconomic situation, etc. During the data gathering process, participatory enumeration techniques should be used. In such cases, the local people are involved in collecting information about the community and its members, mapping the location of boundaries of each land parcel and holding discussions to find solutions to address potential disputes.

3. Develop a Draft Plan

In conventional planning, professionals draw up a plan and then present it to the authorities and other stakeholders for approval. In PILaR, the stakeholders are involved throughout the planning process in a continuous series of meetings and consultations. The management team then analyses the data to not only

understand the local situation but also to make sense of all this information in order to come up with a draft plan showing different alternatives including proposed areas where roads, sewers and infrastructure will go. If the boundaries of the project area have not yet been fixed, this would be the time to do so. Considerations will include the interest of the landowners and other stakeholders in participating, the feasibility of providing infrastructure and services to particular areas, and the financial situation.

Financing for the project including calculating the cost of the project and the revenues (primarily from the increase in land values) is then determined plus determining the size and boundaries of individual plots. The management team then presents the draft plan to the stakeholders to get their comments and suggestions. They are unlikely to approve the first draft and may want radical or minor revisions, or may reject it entirely. Several rounds of discussion and revision may be necessary before the stakeholders agree to the plan. In general, the more stakeholder involvement in the planning process, the better. Depending on the legal framework, complete consensus may not be necessary. In countries with land readjustment laws for example, the law specifies what percentage of landowners (holding what percentage of the total area) are required to approve a plan.

4. Finalize Plan

Once the draft plan is approved or if approved with some amendments, the final plan is prepared and submitted to the stakeholders and the appropriate authority (usually the municipal council) for approval. If the council requires changes, the revised plan must again be re-submitted to the stakeholders for their scrutiny and approval.

5. Implement

At this point, the project is now read or implementation on the ground. New boundaries are marked on the ground to mark plot boundaries. Plots are then assigned and compensation is managed. Each of the stakeholders who are entitled to a plot gets possession of that plot and the relevant documents (a title or other document specifying their rights). Some stakeholders may receive a smaller plot than they are entitled to; they must be compensated financially. Others may receive a bigger plot; they must pay the difference. The land registry formalizes the transaction by recording the new location and size of the plot received by each stakeholder. Thereafter, the infrastructure is built. At this stage, the project may be phased where a small area is cleared first to provide temporary accommodation for the residents as they await taking possession of the allocated plots. The municipality may also reserve a proportion of the land to sell or develop. Selling will help to cover part or all of the project costs. The reserved land may also be used for other desirable uses such as social housing, shops, public buildings or open space.

Building Blocks of PILaR

A PILaR project draws on various fields and types of expertise: governance, policy, law, planning and design, land surveying and valuation, data gathering and analysis, community work, finance, communication, engineering and monitoring and evaluation. Specialists in some of these areas (such as engineering) will not need additional skills to work on a PILaR project (though they may need to adapt to a new workflow and the involvement of the community in making decisions). Others will need new skills or will have to learn and adapt to new procedures with the degree of involvement of each of the various thematic field

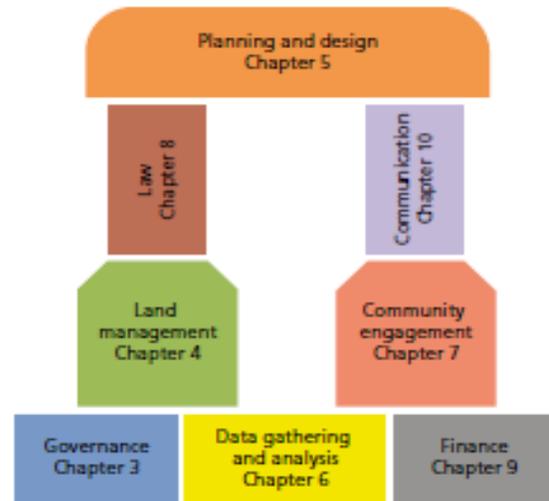


Figure 5: Main Building Blocks of PILaR

depending on the situation. For example, where a clear policy on land readjustment already exists, there may be few policy issues to address. In situations where policy does not exist, more work will inherently be needed. In an urban expansion project on the edge of the city, there may be few, if any, residents, so less effort will be needed in this aspect. The timing and order in which the fields are needed will also depend on the situation. These various thematic fields can therefore be thought of a building blocks (see **Figure 5**) or components of PILaR.

Conventional land readjustment is a complex process, and the addition of participatory and inclusive elements in PILaR makes it more so. The source book developed by UN-Habitat and its partners offers suggestions and recommendations that should not be taken as absolute musts but should be adapted and revised to suit a particular context or situation since a solution that works well in one country or city may not work in another. It was produced through an intense collaborative process called a Writeshop (see <http://www.iirr.org/index.php/trainings> for further info on this) has drawn on the expertise and experience of 20 renowned, substantive experts and process facilitators. It was further subjected to further scrutiny in March 2015 in Washington DC on the sidelines of the 2015 World Bank Land Conferencet during a validation workshop jointly organized by UN-Habitat and the Inter-American Development Bank (IDB). The book builds on experiences in land readjustment in various developing countries around the world especially Colombia, Angola, India and Turkey. These experiences have applied the conventional land readjustment approach in a participatory and inclusive way. Most have not been labelled “PILaR” as such but nevertheless, each has certain elements that would fit well in a PILaR project which shows the main

building blocks a full-blown PILaR might look like. To fill in any remaining gaps, the book draws on other aspects of land administration.

Chapter 1 provides an **introduction** to some of the urbanization challenges and how land readjustment an old land management tool can be adapted to a developing country context to contribute to sustainable urbanization. **Chapter 2, Using PILaR**, describes when PILaR is a useful approach and then summarizes the stages in a typical PILaR project. **Chapter 3, Governance** , looks at the governance and management issues that will affect the project. When looking at governance, issues considered are not just how the decisions are made, but also what is at stake if they are not made properly. The chapter further lists the relevant principles of good governance and human rights, describes ways of improving governance to support a PILaR approach, and outlines approaches to evaluation. **Chapter 4, Land management** , gives some general policy guidelines to support the PILaR project including issues to consider when selecting a site. **Chapter 5, Planning and design** , describes how to turn the general policies and agreements into plans and maps in addition to take into account both the planning guidelines and the real situation on the ground to produce realistic plans that would result in an improved urban environment.

Chapter 6, Collecting and analyzing data , describes various techniques for gathering information about the area, its land ownership and residents, and the various legal and financial requirements that will guide the PILaR project. **Chapter 7, Engaging with the community and other stakeholders**, describes the various stakeholder groups and explains how to involve them in the project. It focuses especially on how to deal with women, youth and other vulnerable groups. **Chapter 8, Legal issues**, looks at the various legal concerns that can support or hinder a project. **Chapter 9, Finance**, describes the principles that guide the financial aspects of the project. It suggests sources of funding for the municipality and the residents, and outlines how to calculate the costs and benefits of the project and the amounts of land that each stakeholder must contribute and will get back in the end. **Chapter 10, Communication** , summarizes the major audiences that the PILaR project must serve and how to reach them and finally **Chapter 11**, suggests a way forward for beginning to put the guidelines offered in this book into practice.

In a nutshell, key defining features of PILaR that can be identified are that it is not only a technical exercise, it is governance focused, it is broadly consensual, heavily community driven, based on voluntary land sharing and it is pro-poor, gender responsive, etc. Additionally, PILaR also provides for equitable distribution of costs and benefits and value sharing in addition to providing opportunities to mediate differences among the different actors.

CONCLUSIONS

PILaR is a promising way to reorganize the land-tenure rights and use of land in a variety of situations in and around cities. Land readjustment in a PILaR model is also better able to solve the real problems and challenges that both the community and the city face in many developing countries and should therefore become an integrated and comprehensive strategy in contributing to sustainable urbanization. This is because it introduces a pro poor way of using land re-adjustment, that is designed to help national and local governments build sustainable cities.

There is however no one-size-fits-all solution and each situation should be looked at in context and the approach adapted appropriately. In situations where the legal environment permits, the way to start would be to do a small-scale pilot project in a relatively simple, clear-cut situation. If this is successful, the approach can be adapted and scaled up to larger areas and more complex conditions. If the legal situation is less conducive, it will be necessary to find related rules and legislation that can be used as a framework, then to design a pilot project. Changes in the law can then be proposed on the basis of the experience. Committed leadership, sustained commitment and creativity will also be pre-requisite in order to implement a PILaR project successfully.

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