

Thimphu City -- The Real Challenges

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Introduction

The process of urbanisation picked up when Bhutan initiated planned development in the 1960s. The modernisation of administration and the need for essential goods and housing for the workforce moving to Thimphu and then to other towns, accelerated the trend. The process was driven by the need for services and facilities for schools, hospitals, service forces and the business community.

A professional structure plan (1986 - 2000) for Thimphu was prepared by the National Urban Development Corporation, as a guide to shape the city. In 1998, a strategic plan was drafted and, although not implemented, it influenced the government to extend the municipal boundary from Changtagang to Ngaberongchhu and the forest boundary on the side slopes, thereby forming the urban agglomeration.

A more visionary Thimphu Structure Plan was prepared by professional planners who based it on public consultations. It was approved by the Council of Cabinet Ministers in 2003. Accepting that cities are the engines of growth, the plan prioritised investments in city development. It is a fact that planned cities are more vibrant than unplanned settlements.

Land Pooling

Land pooling was adopted for local areas because the government was facing difficulties in acquiring land for service infrastructure and social amenities. This gave an opportunity to develop newly urbanising areas, where landowners would get infrastructure built for their contribution of undeveloped land. The development of identified areas was initiated by conducting stakeholder meetings where land pooling was proposed. Draft proposals were presented at subsequent meetings, justifying the need for various infrastructures and proposing a land contribution ratio. The consultation resulted in an agreement of the contribution ratio, level of infrastructure and the timeframe for completion of the plan, service provision, and private constructions.

Those with grievances could appeal to higher authorities. There is no compensation for land, but there is for structures and horticultural properties. Some owners went to court and local governments lost, but the schemes generally moved forward as a majority of landowners agreed with the plan.

Building Architecture

For Thimphu, attractive settlements were proposed with architectural regulations. The policy of maintaining traditional architecture in all buildings initially met with resistance, but a maturing society increasingly appreciated the value of architecture. These policy documents influenced the promotion of traditional architecture:

1. Bhutan Building Rules 1983 made traditional architecture mandatory in all new buildings.
2. Bhutan Building Rules revised in 2002.
3. Rural Construction Rules introduced in 2013.
4. Bhutan Building Rules further revised in 2018.
5. The development control regulation dealing with construction on slopes and various precincts.

Buildings constructed in the 1960s, 1970s, and early 1980s had little traditional architecture as there were neither strong policies nor Bhutanese expertise. The architecture was influenced by “Traditional Architectural Guidelines 2002” which was reviewed in 2014, and all architects had to follow the guidelines. The construction of traditional houses in the recently planned town of Trashiyangtse was considered best practice and is appreciated by both locals and foreigners.

Resources

Urban development is expensive, as resources like land and water are essential and services must be delivered to doorsteps. Infrastructures and services like roads, sewerage, solids waste disposal, drainage, and social amenities like schools and hospitals need to be developed. As domestic resources are inadequate to develop such facilities, the government relies on external borrowings and grants. Policymakers felt that as most Bhutanese live in rural areas, resources should be allocated where the majority

live. While the argument is valid, it is important to understand that infrastructure development in clustered settlements cannot be deferred, as quality of life will deteriorate, leading to epidemic outbreaks or disasters. The urban population will exceed 50% in 30 years, as per the National Statistics Bureau. How long can we continue to deceive urban dwellers? How do we accommodate migrants seeking jobs?

Urban Taxation

Urban taxes were revised in 1992 and are very low. The cost of collection is higher than the tax. To develop infrastructures for major towns, the government has been borrowing from the World Bank and ADB. With this, liveability has improved, and property values increased tremendously. Property owners are not paying additional taxes, and *thromdes* (municipalities) are expected to plan for financial sustainability. The taxes have to be revised for a number of reasons:

1. To meet the recurring cost of maintaining infrastructures.
2. To rationalise taxation from an area-based to a value-based system. The mindset of having uniform urban taxes needs to change, as the purpose, value and usability of town properties vary. Deferment of tax revisions has an enormous cost to the national exchequer. Development activities are undertaken with borrowed resources and loans are repaid by the national government, whereas the primary beneficiaries are property owners who doubly benefit, as property values increase manifold with infrastructure building.
3. To discourage rural-urban migration by enhancing urban property tax and making consumers pay for all services.
4. To allow *thromdes* to periodically revise service charges as per clauses no. 64 and 65 of Local Government (LG) Act 2009.
5. To rationalise urban taxation and adhere to a national land use plan that will encourage people to cultivate their ancestral land in rural areas. This would reduce the amount of fallow rural land and gungtongs (vacant houses).
6. To enhance the urban economy, residents should pay significant tax rates and service charges. Thus, people would think twice about whether to live in cities or move to villages or smaller towns.

Strategic Environment Assessment 2018

A Strategic Environment Assessment (SEA) was carried out for the Thimphu Structure Plan (TSP) between 2016 and 2018. This study was conducted by a group of multi-disciplinary professionals from the government and UNDP, with technical assistance from the Korean Environmental Institute. As per the SEA Act 1999, it is mandatory for planners of large-scale urban developments to conduct a SEA.

This study thoroughly assessed the TSP and its findings were discussed with stakeholders at meetings in Thimphu and adjoining districts. The SEA highlighted the following issues:

1. Although the TSP was prepared with full consultation with all stakeholders, many property owners and some government agencies have not accepted it and have not complied, resulting in many deviations.
2. The absence of a Spatial Planning Act has undermined the physical development proposals, and landowners and government agencies do not respect the plan.
3. The comprehensive development plan encompasses many proposals that promote liveability of the town. However, some property owners influenced local governments to change the plan.
4. With the election of local governments, the affected landowners pressurise elected councillors to change the plan. Since such councillors lack a proper understanding of the long-term physical development plan, they succumb to the pressure of voters and insist on change.

The SEA has confirmed that the TSP is a valuable document, prepared professionally, with vision. Professionals have recommended that the plan be implemented both in spirit and letter, to develop Thimphu as a liveable city.

The structure plan includes many good proposals that need prioritisation and implementation to achieve the goal of balanced development:

1. **108 steps:** Building 108 steps from river Wangchhu to Memorial Chorten was proposed, to respect religious sentiments and promote spiritual health, increase the green space, streamline the physical movement of people, reduce pollution, and enhance the town aesthetics.

2. **Open spaces:** Open space development, like Chhubachhu Stream Park, and linkage of open spaces to enhance quality of life. The *thromde* should not concentrate only on hard infrastructure but add soft landscaping to promote city greening.
3. **Chubachhu stream park:** It promotes open spaces to segregate residential and institutional areas. This stream has perennial water and a deep gorge created by the 1968 flood. The body of water, which is literally a garbage dump, needs cleaning, landscaping along the side slopes, and construction of a footpath along the water channel with some log bridges. Some vehicle parking spots have also been identified.
4. **Footpaths and open space systems:** Open spaces linked by footpaths and cycle tracks along the municipal boundary. An attempt was made to construct bicycle tracts in some stretches, but this should continue, ensuring that viewpoints and picnic spots are created along such tracks.
5. **Construction of a new bus terminal:** A new bus terminal at Olarongchhu needs to be prioritised by acquiring land for construction and promoting a transportation hub to connect long distances. The existing bus terminal could serve local needs, but with improved connectivity.

Political leaders stated recently that the area was too small for a bus terminal, but this is untrue. Such delaying tactics will result in a lost opportunity, and the pressure group opposing such public amenities will only gain a short-term benefit.

6. **Automobile workshops:** The concentration of automobile workshops at Olarongchhu has made it very convenient for people, but it also results in traffic congestion, and increased travel time for those living in northern Thimphu. Maintenance of roads in the area and waste disposal is a management challenge.

Locating another automobile workshop at Jungshina will give people more choice of services. The completion of the bridge linking Taba and Jungshina has improved accessibility. The *thromde* should facilitate the establishment of automobile workshops despite resistance from landowners.

7. **Lungtenzampa bridge reconstruction:** The existing Lungtenzampa Bridge is a massive structure not aesthetically pleasing. It needs reconstruction to enhance the environment and efficient movement of traffic.
8. **E4 precincts:** These precincts have slopes and development should be cautious, considering the carrying capacity of fragile slopes, changing climatic conditions, and risk of disaster. This was discussed with landowners and compromises were made during consultations. But people are now pressurising the city management to review this proposal, to allow them to increase density and height on steep slopes, under the pretext that there is a shortage of buildable land. It is a challenge to provide infrastructures for water delivery, sewerage and roads on such slopes.

Implementation Weaknesses

The report of the Compliance Division (DHS) observed that development control issues are emerging as the biggest problem, as aesthetics and key functions like transportation and parking are increasingly being compromised and becoming chaotic. The *thromde* has to be vigilant and follow the plan. These policy interventions need prioritisation to bring positive changes to the function, aesthetics and image of the town. The present practice of developing infrastructure in all parts of Thimphu has resulted into creating facilities that are underused and individual developers pressurise the management to cover areas where the *thromde* has not reached. The best tool to control speculators is to impose penalties for keeping the serviced land vacant.

Development Control Regulation

Development Control Regulation (DCR) is a part of the structure plan and gives a clear-cut guideline for its management. DCR lays down permissible land uses, the size and height of structures. All those involved in implementation of the plan refer to DCR at every step, but property owners and top management see it as an obstacle without any room to manoeuvre. Such property owners appeal to top management to allow them to develop their property without complying with the approved plan. The

top management allows property development by bending rules or even ordering the controlling officers to deviate from them. The fundamental issue is that the land is privately owned, and the owners feel that it is their right to develop their own property with no obligation to the TSP.

The capital city contains the influential, rich, and powerful. For the short-term benefit of property owners, proposals designed for the public good are undermined. The top management blames urban planners if the town becomes shabby or congested or lacks facilities. On the other hand, when planners follow the DCR that helps to shape the “urban form”, they are accused of being non-accommodating and short-sighted. Also, whenever a new management takes over, it feels the need to change some proposals that affect its vote bank or relative or some organisation or another. Thus, the plans are deviated, and the public interest is compromised, and a scapegoat is found in the planning profession. If property owners sitting on decision-making bodies over-rule planning proposals that affect their interests, the urban fabric will decay, and development becomes chaotic.

“The destruction of Thimphu will not take place dramatically in a day or a month, or in a year. It will happen quietly and gradually, such that the people living in the valley never know what happened. One fine morning they will all wake up and find that the city they loved is gone forever”. (TSP 2002–2027 page 18).

Post of *Thrompon*

The concept of appointing *Thrompons* (Mayor) was introduced by the third Druk Gyalpo in 1972, with the appointment of a Red Scarf officer as the *Thrompon* of Thimphu, acknowledging the complexity of urban management. The post of an elected *Thrompon* is recognised by the Constitution and facilitated by the LG Act. The *Thrompon* is assisted by an executive secretary who is also a bridge between the regular staff, government policies and the elected *Thromde Tshogde*.

They focus on urban development and management. Since the formal election of a *Thrompon*, residents are demanding a higher level of services.

Emerging Problem of Housing

The influx of people seeking jobs in Thimphu has led to a housing shortage. The conventional thinking that housing promotes rural-urban migration, but people will still return to their villages, is not valid; it is rare for workers to do so. Though the Ministry of Works and Human Settlement revised the housing policy of 2002, it does not cater for the needs of common people, as there is no time horizon for home ownership and affordable housing. It is alleged that many of those responsible for approving the housing policy were house owners who do not appreciate the plight of the homeless. So, the following issues need attention:

1. The revised housing policy of 2002 has not facilitated the promotion of affordable housing and home ownership.
2. Promote real estate developers to construct affordable mass housing for the lower income group.
3. Review the existing housing finance policy and segregate residential houses from commercial buildings, by not charging interest at the same rate. In some South-East Asian countries, the interest rate for residential housing ranges from 2% to 6%, whereas in Bhutan, it ranges from 9.5% to 14%. Why is the interest rate for residential housing so high?

Thimphu's De-congestion.

The population projection for Thimphu is 160,000 by 2027. The TSP indicated that 26 sq. kms can accommodate 110,000 people, and additional land is to be identified for the balance of 50,000 people, in the national capital region, extending to Paro, Punakha, and Wangdue Phodrang. However, this situation has marginally changed as the housing density has increased, due to additional floors allowed by political intervention. Some of the population is also accommodated in the urban peripheries of Thimphu, e.g, Debsiphaka, Kabisa, Begana and Namseling.

People come to Thimphu to seek jobs and an education, and eventually settle down. Some government and semi-government institutes located in other *dzonkhags* have moved to the capital on the pretext of managerial convenience, defeating the spirit of decentralisation and the philosophy of balanced development, and with short-term benefit only for the top management.

On social media, there is a strong movement to shift many government institutions to other *dzonkhags*, to avoid congestion, housing shortages and imbalance in development. The issue was also debated in Parliament but was not conclusive. Therefore, there is a need to review development trends in the city.

The most practical way is to develop Khasadrapchhu *YenlagThrom* (satellite town) as declared by Parliament in 2015. A bold decision is required to move all financial institutes, banking headquarters, meetings, innovations, conferences and exhibitions, research & training institutes to the *YenlagThrom*, the most viable solution in the long run. The developed assets of different organisations can easily accommodate some ministries and departments, as those are operating from small and shabby structures.

Conclusion

The “Thimphu Structure Plan 2002-2027” envisaged a dream city, if there is a strong political will. Its complimentary documents, like “Development Control Regulation” and “Investment Plan”, can guide the development. Such documents have been made mandatory, but the implementing authorities, policy makers, and the national resource managers follow this very selectively. This happens when a society is very small, and everybody knows everybody else. Nobody wants to hurt the feelings (disrupt the development in the pipeline) of their bosses, subordinates or relatives.

It has also been revealed that planners in charge of development control struggle to make changes in the plan so that property owners benefit. The result is that public interest is compromised and the whole town suffers. For example, a few landowners resisted the acquisition of land for the construction of a bus terminal. Such issues are emerging because of the following reasons:

1. The absence of “Spatial Planning Act”.
2. The LG Act 2009 and 2014 is weak. The elected leaders of LG are selectively using powers conferred by LG Act.
3. The acts of other organisations overrule urban development.
4. The TSP does not have the power to penalise any deviation from the plan, as it is not backed by a legal framework.

5. Urban planning is a social issue and an individual -- particularly a property owner -- can feel that his interests overrule all others’.
6. The compliance report is meant to alert authorities to deviations in the implementation of the approved plan, and various shortcomings. This can be corrected only if the municipal authorities recognise the report, and the Royal Audit Authority and the Anti-Corruption Commission also use such reports to streamline development plans and procedures.
7. During the resource allocation, the *thromde* development does not get priority, under the pretext that a majority of the population lives in rural areas.

References

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