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POLICY FRAMEWORK AND PROCEDURES

MANUAL

FOR THE DIVESTMENT OF GOVERNMENT-OWNED LANDS

2015



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FOREWORD

Land is finite but is one of the most significant State assets for economic and social development. Recognizing the importance of security of tenure to sustainable development, the Government of Jamaica is committed to establishing and implementing a system of divesting government owned lands that is transparent, fair and efficient.

This Policy Framework and Procedures Manual for the Divestment of Government-owned lands was developed with a view to harmonize the various mechanisms and procedures that now obtain in several public sector entities, which are custodians of government lands.

I am therefore pleased to present this Divestment Manual which sets out a comprehensive and unified approach to privatization of government owned lands that will result in effective management and yield optimum benefits to the nation.



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Minister of Water, Land, Environment and Climate Change
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EXECUTIVE SUMMARY

Land is a significant and important asset for economic and social development. This Policy Framework and Procedures Manual for the Divestment of Government-Owned Lands has been crafted to govern the land divestment process for the benefit of all Jamaicans.

There have been concerns expressed about the process by which public lands are divested, principal among them being the multiplicity of standards used by relevant agencies, and inadequate transparency in the process. This Land Divestment Policy (“The Policy”) has been developed as a clear response to these challenges. It is built on the guiding principles of transparency, equity, sustainable land utilization and management, and the use of the divestment process to build social and economic capital.

The general aim of this policy therefore, is increased transparency and efficiency in the process by which government-owned lands are divested by all public sector entities. Among the stated objectives are:

- To maintain clear guidelines, procedures and institutional mechanisms to ensure transparency.
- To ensure standardization and harmonization of land divestment policies and procedures.
- To guide a strategic public land divestment programme.
- To promote and facilitate equitable, broad-based ownership of land.

This policy is relevant for all custodians of Government-owned land. While mechanisms may vary, all government agencies divesting land shall adhere to the policy framework and the guiding principles. The procedures outlined herein speak specifically to the divestment of Crown lands; however, all entities that dispose of government lands shall be required to adopt similar management frameworks, while strictly adhering to the policy. It recognizes that various government entities, based on their unique responsibilities and regulations that govern their operations, have specific mechanisms for the divestment of land under their control. In this regard, the policy aims to create a general framework that will govern the divestment process.

The Policy Framework details the purposes and modalities of divestment, and pricing policies to be followed. Some of the major policies outlined are:

1. The Government will divest land for varying purposes: to promote economic and infrastructural development; to promote social capital formation and for the preservation of natural resources and the environment.

2. The land divestment process shall be based on a system of equity, accountability and transparency. As such, all properties for divestment shall be advertised save and except in certain instances, for example where the divestment is to another government entity. Competition for parcels of land within land settlement schemes shall be restricted to persons within the community.
3. Strategic decisions on land divestment shall be made on the basis of comprehensive inventories.
4. The Government shall ensure that divested property is optimally utilized, with the divesting entity undertaking periodic reviews of the terms and conditions of leases.
5. The Government shall seek to optimize income from the divestment process by divesting lands at current market value, except in certain instances where special considerations may apply.
6. There shall be built in mechanisms in the divestment process for minimizing speculation.

The policy has a built-in evaluation and monitoring component for the divestment process. Entities divesting government-owned lands shall be required to provide annual reports.

The Policy and Procedures Manual seeks to provide the Government and people of Jamaica with a strategic operational guide for the management of Jamaica's most precious natural resource. It is the effective sustainable management of our land resources that will provide economic development and social capital to successive generations of Jamaicans.

INTRODUCTION

1.1 Background

Land represents the country's single largest asset, with Government being the largest land owner, having an estimated 35,000 parcels ranging from less than 1 to over 2,000 hectares. There are several public sector entities in which land is vested. Chief among them are the Commissioner of Lands (COL), the Minister of Housing, the Urban Development Corporation (UDC), the Development Bank of Jamaica (DBJ), Jamaica Bauxite Mining (JBM), Sugar Company of Jamaica Holdings Limited (SCJH), Local Authorities and the National Water Commission (NWC).

With land being such a significant and important asset for economic development, economic livelihood, social development and income distribution, the government's land divestment policy and practices have to be structured to create an environment for it to be used as a vehicle to create opportunities and optimize the fiscal, economic and social benefits to the country and the people of Jamaica.

The Government's land divestment programme is an ongoing exercise. It includes lands for agricultural, residential, recreational, conservation, commercial, institutional and industrial activities.

1.1.1 Concerns and Challenges

There have been concerns expressed about the process by which public lands are divested, several of which have been enunciated in the 1996 National Land Policy. Principal among these are:

- The lack of a comprehensive inventory to direct a strategic divestment process.
- The multiplicity of standards being used by different agencies to divest land.

- Inadequate transparency in the process used for disposal of land and perceived inequity in land distribution.
- Insufficient collaboration between government entities holding, divesting and acquiring properties for development.
- Insufficient monitoring and control of the use of divested government lands.

The public has been critical of the manner in which government-owned lands are divested and there is a general lack of confidence in existing practices. The Contractor General has noted that the sale of land should be awarded on the basis of competitiveness, impartiality and merit.

1.1.2 The General Policy Response

Government has adopted a general policy of divesting economic assets including land at an accelerated pace. The broad policy framework for privatization set out in Ministry Paper No. 34 (1991) and the National Land Policy entails:

- Broadening the base of ownership so that individuals, employees, small businesses, and the landless could get access to it as an opportunity to have sustainable livelihood and a higher standard of living.
- Simplifying and standardizing the process for divestment/privatization including adherence to clear procedural guidelines for the allocation of land.
- Streamlining the governance structure to improve accountability.

1.2 Legislative Framework

Crown lands are vested in the Commissioner of Lands by virtue of the Crown Property (Vesting) Act, 1960. Section 3 (2) of the Act confers powers on the Commissioner of Lands “...to acquire, hold and dispose of land and other property of whatever kind.” Under the Act, this power cannot be exercised without either general or specific authority in writing from the Minister with responsibility for land. The Act is being amended to provide for the appointment of a Land Divestment Advisory Committee to make recommendations to the Minister. The Committee will play an advisory role in the divestment of Crown lands.

There are however other government entities, which own and manage lands by virtue of their own legislation, for example the Minister of Housing, the Urban Development Corporation, Sugar Company of Jamaica Holdings Ltd. and the Development Bank of Jamaica. These entities therefore have their own governance framework.

Environment and planning legislation (such as the Natural Resources Conservation Authority Act, the Town and Country Planning Act and the Local Improvements Act) are also relevant, as divestment of any government-owned land should be informed by the land use and planning regulations.

Notwithstanding the varied legislation, a harmonized policy framework in the process of divestment should be adopted.

1.3 Vision

The divestment of government-owned land in an efficient, strategic, transparent and effective manner, thereby broadening the base of land ownership in Jamaica and contributing to sustainable land management and overall national development.

1.4 Policy Aim and Objectives

Aim

Increased transparency and efficiency in the process by which government-owned land is divested by all entities.

Objectives

1. To maintain clear guidelines, procedures and institutional mechanisms to ensure transparency and fairness in the allocation of government lands.
2. To ensure standardization and harmonization of land divestment policies and practices among all government entities involved in divestment.
3. To contribute to national socio-economic goals through the implementation of a strategic land divestment programme.
4. To promote and facilitate equitable, broad-based ownership and appropriate utilization of land as an important economic asset.
5. To strengthen the monitoring, control, evaluation and co-ordination of the Government's divestment programme.
6. To ensure that land as far as possible, while a scarce and valuable national resource, is put to its highest and best use.

THE POLICY FRAMEWORK

2.1 Guiding Principles

This policy is built on the basis of the following guiding principles:

1. A transparent and progressive divestment policy framework that affords strategic decision-making and analysis.
2. The utilization of the land divestment process as a stimulant to economic growth and development.
3. Prudent and sustainable land utilization and management practices, with due regard to environmental and planning regulations.
4. The effective management of the land divestment process to enhance the building of social and economic capital.

2.2 The Policy

This policy is relevant to **all** custodians of government-owned land. While mechanisms may vary, all government agencies divesting land shall adhere to the policy framework, the guiding principles and the accompanying procedures manual. This includes but is not limited to the Commissioner of Lands, the Urban Development Corporation, the Minister of Housing, The Development Bank of Jamaica, Ministry of Agriculture, Sugar Company of Jamaica Holdings Limited, Local Authorities, and National Water Commission.

It is not considered expedient to divest all Government-owned lands. The Government will therefore continue to reserve land for recreation, conservation, urban expansion, and institutional purposes such as schools, hospitals, cemeteries, etc. Land shall therefore be strategically divested under varying tenure arrangements. Government is also committed to the development of comprehensive inventories to guide the divestment process.

This policy **does not** govern the divestment of government houses, as this is dealt with separately under the ***Policy for the Divestment of Government-owned Houses***.

The following policies shall apply:

A. Purposes of Divestment

The government shall divest land for the following purposes:

2.2.1 The promotion of economic and infrastructural development

- a. As equity in strategic investments in joint venture arrangements.
- b. To facilitate investment in commercial, residential and industrial enterprises.

- c. To facilitate investment in social and economic infrastructure, including but not limited to schools, health care facilities and roads.

2.2.2 The promotion of social capital formation

- a. As a socio-economic equalizer such as subsidized inputs for: low income housing, education projects, strategic and sustainable job creation industries in economically disadvantaged and high unemployment communities.
- b. For safeguarding the livelihood and general welfare of vulnerable groups.
- c. To strengthen land ownership in existing communities, broaden the base of land ownership and increase security of tenure island wide, with emphasis being placed on those persons who do not already own land.

2.2.3 The preservation of natural resources and the environment

- a. To protect and maintain the integrity of cultural and historically significant or heritage sites.
- b. For the management of conservation areas or parks and protected areas.

B. Modalities of Divestment

2.2.4 The land divestment process shall be based on a system of equity, accountability, integrity and transparency

- a. There shall be periodic public education programmes on land divestment opportunities, policies and procedures.

- b. Government shall make strategic decisions about divestment on the basis of comprehensive inventories of government-owned land. Lands may be allocated to achieve government's strategic direction and priorities, as may be expressed through goals, strategic plans, Ministry/Agency/Department development plans, sector strategies, business plans and other decisions of government.
- c. **All** properties for divestment shall be advertised through at least two (2) of these media: print media, electronic media, website, community buildings or on site. Properties valued at \$10 million and over shall be required to be advertised in the print media along with any other medium. The properties that are exempted from advertisement include the following:
- i. The divestment is to other government agencies or ministries.
 - ii. Land is to be used for relocation and/or resettlement and regularization.
 - iii. The applicant is a lessee in good standing with an unexpired term and makes an application to purchase.
 - iv. The divestment is to a registered non-government organization, community-based organization or other social development agency for community or social development purposes.
 - v. Management Agreements are in place with mining companies which deal with disposal of land for relocation/resettlement purposes and mining operations.

- vi. The divestment is categorized under “*sale in special cases*”, that is, there exists *exceptional and special* circumstances by virtue of which the purchaser has an interest in the acquisition of the land, over and above that of any other purchaser. (See procedures set out in section 5.2.5).

- d. Competition for parcels of land within land settlement schemes and small rural communities shall be restricted in the first instance to persons in the community as a means of minimizing dislocation of members of the community and strengthening communities.

- e. The divesting entity shall have built-in mechanisms for accountability and transparency, which includes the submission of annual performance reports relating to information on lands divested, the persons to whom such lands have been divested, and the value of the transactions.

2.2.5 The divestment of Government land will be consistent with safeguarding the integrity of the environment

- a. Land that has high vulnerability to environmental risk or which is environmentally sensitive should not normally be divested but where this has to be done, it shall be subject to intense assessment by the relevant experts and their recommendations considered.

- b. There must be an adherence to the planning, building and subdivision regulations.

- c. Consultations must be held with relevant regulatory agencies prior to disposal of government-owned lands, to ensure that the proposed use will not compromise the integrity of the environment.

2.2.6 The Government will ensure that land divested by way of lease is optimally utilized

- a. Where lands are leased, the permitted use shall be maintained and enforced. Conditions will be imposed in leases to ensure that the permitted use for which lands are divested is maintained.
- b. The divesting entity shall ensure that there are periodic reviews of the terms and conditions of leases to ensure that these are being adhered to and that the property is being optimally utilized for the leased purpose.
- c. Consultations must be held with relevant regulatory agencies prior to disposal of government-owned lands, to ascertain the suitability for the proposed use.

C. Pricing

In determining the price for the use or purchase of land, the over-arching goal is a fair return for the use or disposition of the land, based on market values. Different uses of land will confer different market values, but generally, the market value will be associated with the highest and best use of the land.

2.2.7 The Government shall seek to optimize income from the divestment process

- a. All government-owned lands shall be divested at current market value **EXCEPT** where:
 - i. Government is undertaking special/social projects.
 - ii. Land is being divested for use by government agencies/statutory bodies.
 - iii. Land is being divested for designated low income housing.

- iv. Land is being divested to registered non-profit/charitable organizations for schools, churches, community use, recreational purposes, etc.
 - v. Land is being divested for strategic purposes as determined by government policy.
 - vi. Land settlement lots with existing contractual obligations are being regularized. (Refer to Framework for Dealing with Regularization of Land Settlement Lots).
-
- b. Peppercorn rentals may be recommended where divestment will be for social purposes including but not limited to social housing, schools, churches, registered non-profit/charitable organizations.
 - c. Concessionary/nominal rentals may be recommended where land is being divested to undertake activities of national interest.
 - d. Royalties may be charged for lands divested for the mining or quarrying of materials. Royalties shall be based on the market value of the raw material and royalties may be established after consultation with the Mines and Geology Division or other relevant agency and are based on market assessments.
 - e. Opportunities for equity/joint venture proposals may be considered where necessary for socio-economic development.
 - f. All lands to be divested shall be valued by the Commissioner of Land Valuations or by a Chartered Valuation Surveyor.

- g. Consistent with the value threshold required for Cabinet's approval, a minimum of two valuations are required for divestment of properties above that threshold. The second valuation sought from the applicant will be at the sole cost of the applicant.
- h. Where the property is below threshold value and a lessee has applied to purchase the land, or where there is an unsolicited application, the Committee has the option to request a second valuation. In the event that the two valuations differ by more than 20%, the matter may be referred to a Sub-Committee of the Land Divestment Advisory Committee for its recommendation. Where the two valuations differ by less than 20%, the Committee may recommend the sale price based on the highest or average of the two valuations.
- i. Valuations shall not be older than 12 months.
- j. In instances where land is being leased at a peppercorn price, a valuation is not required.

2.2.8 There shall be built in mechanisms in the divestment process for minimizing speculation

- a. Leasing shall be the preferred mode of divestment for agricultural and mineral-bearing lands, beaches and attractions.
- b. Where applicable, should a purchaser, having bought land at a reduced rate decide to resell in less than five (5) years after purchase, having not put the land to its intended use, then the Government shall have the right of first refusal at the original sale price within six (6) months of being notified of the intention to sell.

2.2.9 Where applications are made for the regularization of illegal occupiers, a penalty of 10% of the current market value of the property may be applied to the price (purchase/lease) or a rental may be charged for the use and occupation of the land for the period of occupation/or such amount as recommended by the Land Divestment Advisory Committee.

- a. Land settlement terms and conditions of payment (that is up to 25 years to pay) may apply where it can be proved that affordability is an issue.
- b. Other pricing policies may apply where existing land settlements are under consideration, depending on the particular situation. (*Refer to the Framework for Dealing with Regularization of Land Settlement Schemes at Section 5.3.5*).

THE POLICY MANAGEMENT FRAMEWORK

3.1 Governance Structure

The following policy management and operational framework shall obtain. It shall apply directly and specifically to the divestment of Crown Lands, however, all entities that dispose of government property shall be required to establish similar management frameworks, while strictly adhering to the policies and procedures and the guiding principles outlined earlier.

- **The Commissioner of Lands (COL)** has responsibility for the day-to-day operating functions of the land divestment portfolio including receiving and processing applications. The COL shall be responsible for making recommendations to the Minister through the Land Divestment Advisory Committee.
- **The Land Divestment Advisory Committee (LDAC)** shall have responsibility for evaluating applications from the Commissioner of Lands and making recommendations to the Minister.
- **The Minister** with responsibility for Crown Lands grants approval for the divestment of all Crown Lands, in accordance with the Crown Property (Vesting) Act, 1960.

Where the value of the land exceeds the stated threshold value – guided by the threshold established and followed by the National Contracts Commission for procurement, the matter shall be presented to the **Cabinet** for approval and thereafter, Ministerial approval will be sought as required by the aforementioned legislation.

MONITORING AND EVALUATION

The Government is committed to implementing this policy by ensuring that all entities involved in divestment adhere to the policy framework and the procedures for divestment, although mechanisms may vary.

4.1 Reporting

The Secretariat shall prepare annual reports. These reports will give information on the parcel of land divested, the successful applicant, the intended use, the price, etc. Annual Reports shall be tabled by the responsible Minister in the Houses of Parliament.

4.2 Evaluation

The Government, in consultation with relevant stakeholders shall conduct an evaluation of this policy at the end of two years of its implementation. Revision of the policy and the status of its implementation shall be conducted once every three years thereafter. Progress and analysis with respect to the policy's impact shall be included in the annual reports. The Ministry with responsibility for the land portfolio shall lead this process of evaluation as well as the public education and awareness surrounding the policy and the procedures framework.

THE PROCEDURES MANUAL

The Land Divestment Procedures Manual is to be used as a guide by all government entities divesting lands. The procedures outlined hereunder shall apply directly and specifically to the divestment of Crown lands and indicate the best management of the divestment policy framework.

5.1 Modes of Divestment

The land divestment process can be initiated in any of the following ways:

- A Request for Proposals;
- A Request for Offers to Purchase/Lease (either initiated by the COL or by an applicant);
- An Unsolicited proposal for the use and development of land;
- Public Auction.

The modes of divestment will adhere to the procedure detailed at Section 5.2.4 and the Land Divestment Process as shown by Figure 1 on page 24.

5.1.1 Divestment by Way of Requests for Proposals

Requests for proposals (RFP) are relevant when the land use has been pre-determined for example, the construction of a residential/commercial complex or an agricultural development project. Due diligence/research on the property would already have been conducted and a valuation on the property carried out. A request for proposals for the use and development of land may be used to achieve optimal development of a site.

5.1.2 Divestment by Way of Requests for Offers to Lease/Purchase

Land may be divested by way of a request for offers to lease/purchase (RFOLP), which may be initiated by the COL. RFOLP can allow land to be offered to the public through a request for sealed bids. It may be used where the highest and

best use of the land is known and a minimum price at which it will sell has been established. Requests for Offers to Purchase are appropriate when the principal reason for accepting or rejecting an offer is the price.

5.1.3 Divestment by Way of an Unsolicited Proposal

An applicant may submit an unsolicited proposal for the use and development of Crown lands. Proposals may be for the purchase or lease of the land. The Commissioner will consider any proposal which seeks to enhance the value of its properties and contribute positively to national economic development.

The prospective developer must possess a high reputation and a good track record in carrying out developments and have the financial strength to successfully carry out the acquisition of the land and the proposed development. The developer will be required to demonstrate that the proposed development is satisfactory in terms of risk and returns in investment and its contribution to the economic and social well-being of the Jamaican Society.

The required information is to be provided in the form of an individual or company profile and a project profile that will require an outline of general information on the company and its principal shareholders and details on the proposed development. (Schedules IV and V show templates of project/company profiles required for submissions to be considered under this category).

All applications received shall be advertised (except those exempted) and evaluated by a technical team based on established/agreed criteria. In considering applications, special weights shall be allotted to the applicant who had identified the land and brought it to the attention of the Commissioner. See rating sheet on page 45, criteria # 12.

5.1.4 Divestment by Way of Public Auction

Public auction allows interested parties to bid against each other for the right to purchase an interest in Crown land (sale or lease). This process may be used where the divesting entity's research demonstrates that the demand for the parcel is high. Auctions shall be conducted in accordance with current industry practices. This activity may be outsourced to a registered and licenced auctioneer.

Owing to the fact that there is a contractual obligation with respect to land divested by this mode of divestment, Ministerial approval shall first be sought to engage the use of this method at a reserve price to be determined by conducting an appraisal.

5.2 The Process

The following are common to all the modes of divestment.

5.2.1 Advertisements

1. Subject to the policies outlined in Section 2.2.4, properties for divestment shall be advertised in at least two (2) of the following media: print media, electronic media, community buildings (RADA Parish Office, Local Post Office, government office, Church Bulletin Board), on site or on the Agency's website. Advertisements shall be run once weekly for two (2) successive weeks, and shall include the following information:
 - the name and location of the property
 - the proposed use of the property
 - the number and size of lots to be divested
 - the terms under which the lots are to be divested
 - the date and place at which application forms can be obtained
 - the date and place where application forms should be returned

Advertisements posted at Community Buildings and/or the Local Post Office should be verified by way of a declaration or attestation from the person in charge of Community Building and/or the Local Post Office.

2. Advertisements should, as far as possible, include statements to the effect that “The Commissioner of Lands is not bound to accept the highest or any offer.”
3. Where an RFP is the mode of divestment, the COL shall, as far as possible, prepare information packages outlining the following details on the land and all interested parties shall be provided with this information package containing, inter alia:
 - a summary of salient facts on the property
 - a location map and/or survey plan, if available
 - permitted land uses and development potential of the site
 - special conditions for land development, if any
 - information concerning eligibility requirements
 - instructions to prospective purchasers
 - application forms, if applicable
 - location, time and date for receipt of offers.

5.2.2 Evaluation and Acceptance

1. Within twenty-one (21) working days of the close of an advertisement, an evaluation panel or technical review committee shall be convened to evaluate and assess the proposals/offers. This Panel shall comprise such persons as are deemed necessary by the Commissioner including persons with the requisite expertise in relation to the purpose for which the land is being divested.

2. Proposals will be assessed against pre-set evaluation criteria but in general, evaluation Criteria shall reflect the following objectives:

- economic benefits – potential employment, infrastructure development, capital investment, industrial development, agriculture, climate change adaptation, etc;
- environmental benefits – positive effects through restoration work, clean up of abandoned site, etc., or minimizing negative impacts through environmental technologies, staff training, low-impact development, etc;
- social benefits – education and training opportunities, partnerships, community health and welfare;
- revenue benefits for the government – price offered, taxes, downstream benefits, etc; and
- viability/feasibility – based on business plan, financing, experience of applicant.

The criteria to be used for the evaluation are set out at Schedule III.

3. All proposals shall be carefully analyzed for compliance with specified requirements and the requirements outlined in the RFP or RFOLP.

5.2.3 Receipt of Offers/Proposals and Opening Procedures

1. RFPs and RFOLPs shall be received in sealed envelopes at a location and on a date to be clearly stated in the advertisement. Advertisements shall also include information on whether the official opening for offers/proposals will be public or not. No offer/proposal is to be altered after it has been received. The following information shall be recorded and announced:

- the name and address of each applicant,
- the amount of the offer.

2. As it regards RFOLP's, where the highest offer meets or exceeds the minimum price, and there is a tie, all of the bidders may be advised to the 'tie-bid situation' and be invited to tender a further bid, which is to exceed their existing bid.

5.2.4 The Procedure

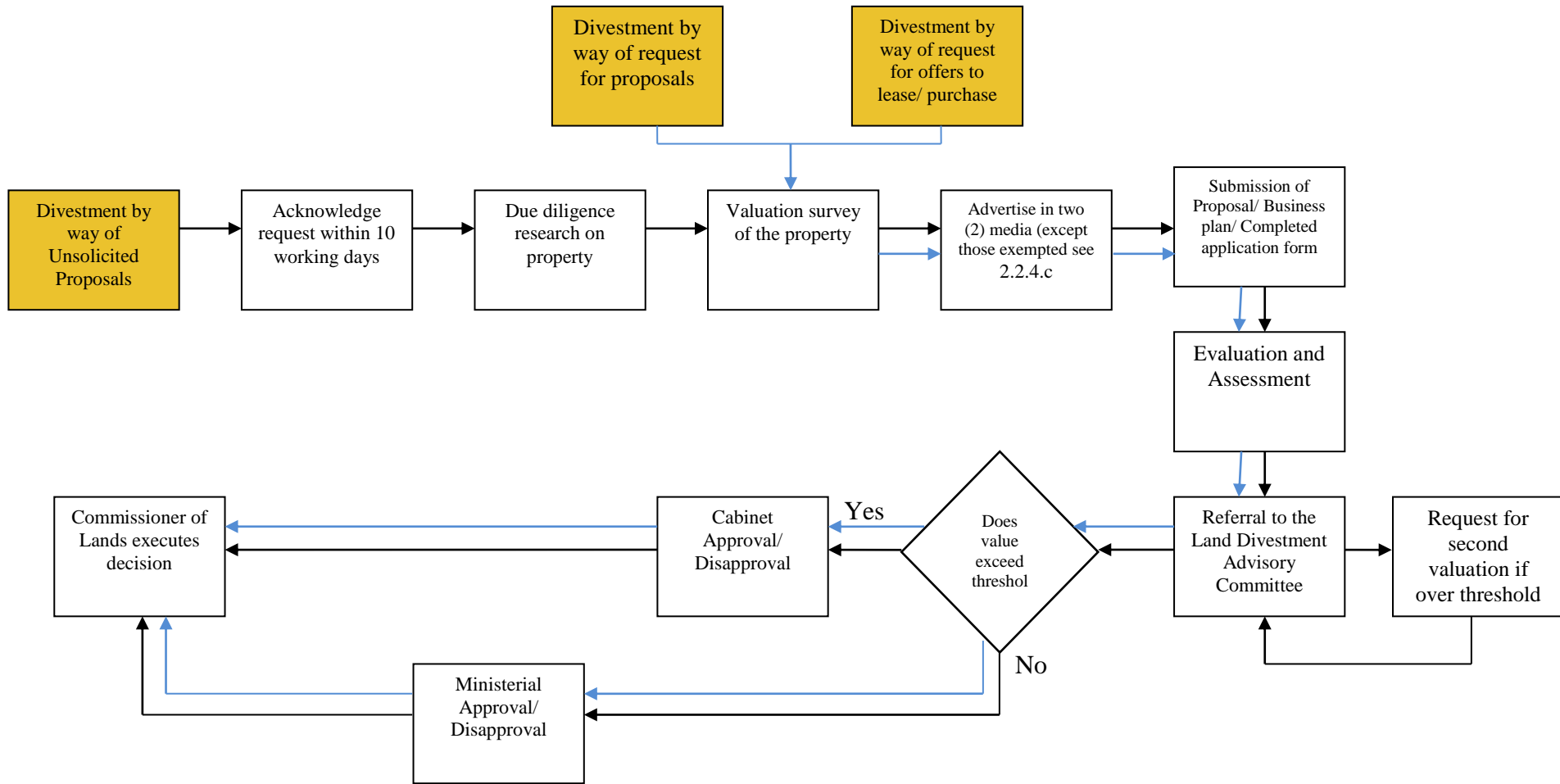
See Figure 1 for a schematic representation of the land divestment procedure. The following general procedure shall apply:

1. The Commissioner of Lands will acknowledge the receipt of application for divestment within ten (10) working days.
2. The Commissioner of Lands will conduct the necessary due diligence within sixty (60) working days to determine availability and suitability for intended purpose.
3. A valuation of the property is conducted to ascertain the current market value.
4. Subject to the policies outlined in section 2.2.4, the property shall be advertised in at least two (2) media.
5. All applications received shall be evaluated by a technical team and rated based on established/agreed criteria.
6. The COL shall submit a report with recommendations to the Land Divestment Secretariat.

7. The LDAC shall review the recommendations of the Commissioner and make a recommendation to the Minister for approval. The Committee is not bound to accept the recommendations of the Commissioner; however, the Commissioner's position shall be recorded in the minutes of the meetings and also in the submissions presented to the Minister for approval.
8. If the divestment was not initiated by the COL, and the value of the property is at or above the threshold value required for Cabinet approval, the Land Divestment Secretariat shall advise the Commissioner of Lands to request a second valuation from the recommended applicant. The cost of this valuation shall be borne solely by the applicant.
 - i. The second valuation report is submitted to the LDAC, which will make a final recommendation. In the event that the two valuations differ by more than 20%, then a Sub-Committee may be established to review both valuations and advise the LDAC of their recommendation.
 - ii. The Ministry then makes a submission to the Cabinet based on the recommendations of the LDAC and the Commissioner of Lands.
 - iii. Upon receiving Cabinet's approval, the Commissioner will seek the Minister's approval in accordance with the Crown Property (Vesting) Act, 1960.
9. The Land Divestment Secretariat shall ensure that all recommendations of the LDAC are forwarded to the Minister including matters not recommended for approval and the stated reasons. The LDAC must also be advised of the Minister's decisions in relation to its recommendations.

10. Within seven (7) working days, the decision of the Minister shall be communicated by the Secretariat to the Commissioner of Lands for execution.
11. The successful candidate shall be notified by the Commissioner and the necessary documents prepared. The Commissioner shall ensure that as far as possible, there are built-in mechanisms in the lease or agreement for sale which may result in the property being returned to the government if it is not optimally utilized within a stipulated timeframe and in accordance with the development proposal. (See policies outlined in Section 2.2.8).

THE LAND DIVESTMENT PROCESS



Divestment by way of Public Auction

Divestment by Public Auction will be in accordance with the procedures laid down at paragraph 5.1.4 . See page 18.

5.2.5 Divestment in Special Cases

The principle that shall govern the divestment of land in special cases is that there must exist **exceptional and special** circumstances by virtue of which the purchaser has an interest in the acquisition of the land, over and above that of any other purchaser. In those circumstances, the land can be disposed of by sale without advertisement. For example, where:

- sale/lease of the land to an existing licensee would result in greater efficiency in the execution of an undertaking such as a power generating plant, construction of harbours and ports, or environmental projects such as forestry;
- a hotel or industrial site needs to expand and the only available land belongs to the government;
- lands to be developed adjoin lands owned by the government and the acquisition of the government's property would greatly enhance or benefit the development;
- landlocked and other properties are not separately viable except to the purchaser / prospective lessee;
- the land is needed to restore access or frontage to a property cut off by realignment or closure of roads;
- divestment is being carried out subsequent to an unsuccessful public offering;
- land is being exchanged;
- there is need for rectification of boundary due to encroachment.
- land is required for strategic investment projects which will contribute to national/economic development.

As with the foregoing procedures, the following shall apply specifically and directly to Crown Lands but should be adopted by all Government entities, which may wish to divest lands under this category:

1. An application is made to the COL for the divestment of lands under the category of special cases: the application must identify the basis of exceptional and special circumstances.
2. The COL acknowledges receipt of application within ten (10) days.
3. The Commissioner submits a report to the Land Divestment Advisory Committee along with the valuation report, with the recommendation stating whether the land may be divested under the category of 'special cases'.
4. The LDAC considers the application and submits its recommendation to the Minister stating whether the application could be considered as a 'sale in special cases'.
5. The Minister will consider the recommendation of the LDAC and may carry out any consultations deemed necessary.
6. If the Minister approves the sale to the applicant under 'sale in special cases', the Commissioner and the LDAC will be so advised. As with normal divestment, lands valued at or above the threshold required for Cabinet approval will be submitted to Cabinet by the responsible Minister and a second valuation will be requested of the applicant.
7. If the Minister does not agree with the sale under special circumstances, the Commissioner of Lands will be directed to advertise the property and the usual process is applied.

5.3 Framework for Dealing with Regularization on Land Settlement Terms and Conditions

5.3.1 Background

In the 1940's the Government started the Land Settlement Project. The concept was to sell land under special terms and conditions to persons in society who would have otherwise been landless. It was a means of redistributing land. The land provided under the project was to be used for either residential or agricultural purposes and in some cases both.

The terms and conditions governing sale included *inter alia* 25 years for the purchaser (otherwise called the allottee), to pay for the land. Within that time the Commissioner of Lands would survey and put in the necessary infrastructure, to facilitate the issue of a registered title.

5.3.2 Applying for Vacant Land Settlement Lots

Lands sold under Land Settlement Terms and Conditions offer flexible terms of payment as the primary focus is to provide the landless with access to land particularly for agricultural purposes. Competition for parcels of land within land settlement schemes shall be restricted in the first instance to persons within the community as a means of strengthening communities. The procedure for application is as follows:

1. The Commissioner of Lands advertises the land by posting notices on site, at the parish RADA Office, the Post Office, Community Centre, or church bulletin boards, inviting applications from prospective purchasers.
2. Applications are to be submitted on or before the expiration of thirty (30) days commencing from the date when the advertisement first appears.

3. Applications are processed and assessed by the Office of the Commissioner of Lands using the criteria set out in Schedule 3 of the Procedures Manual.
4. A recommendation is sent to the Land Divestment Advisory Committee for review and a recommendation is made to the Minister for approval.

5.3.3 Allotments

An application is deemed to have been accepted by the Commissioner of Lands only when all of the following criteria have been met:

- a. Ministerial Approval has been granted;
- b. The prescribed application form has been completed;
- c. The requisite deposit has been paid within three (3) months of being advised in writing by the Commissioner of Lands; and
- d. A Notice of Allotment has been issued.

The boundaries of any lot as fixed by the Land Surveyor approved by the Commissioner of Lands shall be binding on the purchaser.

5.3.4 Issues

There are several issues relating to land settlements. These include:

1. Regularization of land settlement lots where no Ministerial Approval has been granted;
2. Regularization of land settlement lots where no Ministerial Approval has been granted but the Commissioner of Lands' records reflect that a deposit has been paid by the applicant;
3. Applicant claims that he was placed on the lot legally but the Commissioner has no information to support this allegation;

4. Formalization of settlers in instances where there are administrative errors or the unavailability of supporting documentation.

5.3.5 Regularization of Occupants in Land Settlement Schemes

The regularization of occupants in land settlement schemes is critical if government is to achieve its stated objective of increasing the base of land ownership islandwide.

1. Where no Ministerial Approval was granted, and where regularization is required, the occupant, having been in occupation, shall be treated as an illegal occupier and the lot shall be sold at current market value, with the application of a penalty of 10% of the market value rolled into the price and included in the payment. Consideration may be given to land settlement terms and conditions as indicated above, that is, up to 25 years to pay. The Commissioner and/or the Land Divestment Advisory Committee may make a recommendation for the non-consideration of the 10% penalty based on the circumstances surrounding a particular case and the reasons for non-application of the penalty shall be clearly provided.
2. In instances where there have been administrative errors in the allocation of lots, for example:
 - a. Where Ministerial Approval was granted for a lot, the deposit was paid, the Notice of Allotment was not issued, and the allottee was inadvertently placed on a different lot, then the applicant shall not be penalized but approval shall be sought for the sale of the property to him at the value at which the original lot was sold.
 - b. Where Ministerial approval was granted for a lot, the deposit was paid, the Notice of Allotment was issued, but the allottee inadvertently took

possession of a different lot then approval may be sought for the sale of the property to him at the appropriate purchase price, with the necessary adjustments.

- c. Where no Ministerial Approval was granted, the deposit was paid, there is a balance purchase price outstanding, and the purchaser was placed in possession by the Commissioner of Lands, then approval shall be sought at the original sale price. However, a rental may be charged for the use and occupation of the land for the period of occupation from the date of possession. Alternatively, the original sale price may be adjusted for inflation or the sale may be executed at current market value, whichever is less.
3. Where an applicant makes a claim that he was placed on the lot but has no documentary evidence to support his claim, he shall be treated as an illegal occupier and the land shall be sold at current market value with a penalty of ten percent (10%) of said market value or such amount for the use and occupation/or such amount as recommended by the Land Divestment Advisory Committee shall apply.

5.4 Matters Exempt for the consideration of the Land Divestment Advisory Committee

1. Lands held in trust by the Commissioner of Lands for and on behalf of:
 - i. the National Insurance Fund,
 - ii. the National Water Commission,
 - iii. the KSAC and Parish Councils,

shall not be referred to the Land Divestment Advisory Committee for review, as their respective Boards would already have approved the divestment consistent with the divestment policies and procedures framework.

2. In the case of the mining companies, the Agency Agreement with the Government of Jamaica authorizes them to acquire/divest lands for resettlement, relocation and mining purposes.
3. The handing over of lands, owned or held in trust by the Commissioner of Lands to other government entities, for their use and/or occupation.
4. The rental (or divestment by way of lease) of Government owned houses, which is dealt with in the Policy for Divestment of Government owned Houses (finalization in progress).

5.5 Roles and Responsibilities

5.5.1 The Minister

The Minister shall be responsible for:

1. Appointing the Land Divestment Advisory Committee.
2. Granting approval for the divestment of all Crown Lands in accordance with the provisions of the Crown Property (Vesting) Act, 1960.
3. Referring divestment matters to Cabinet when the value of the land is at or above the threshold value.
4. Issuing general policy directives in respect of the divestment of lands.

5.5.2 The Commissioner of Lands

In accordance with the provisions of Section 3(2) of the Crown Property (Vesting) Act, 1960, the Commissioner of Lands is a Corporation Sole and shall have the power to acquire, hold and dispose of land and other property of whatever kind.

The Commissioner of Lands shall:

1. Accept and process applications for divestment.

2. Identify and verify the availability of the lands which could involve consultation with relevant agencies.
3. Obtain valuation of the land to be divested.
4. Advertise the land for sale or lease.
5. Undertake due diligence/research on the property and the prospective applicant.
6. Prepare information packages in respect of land to be divested.
7. Prepare development plans for the use and development of Crown lands.
8. Constitute the Evaluation Panel/Technical Review Committee.
9. Submit recommendations to the Minister through the Land Divestment Secretariat for consideration by the Land Divestment Advisory Committee.
10. Execute the Minister's decision.
11. Make recommendations to the Minister in respect of policies relating to the divestment of government-owned lands.

5.5.3 The Land Divestment Advisory Committee

The Land Divestment Advisory Committee shall play an advisory role only to the Minister in respect of the divestment of government-owned lands. It shall be appointed by the Minister for a period not exceeding three (3) years. The Committee shall:

1. Examine, evaluate and make recommendations on applications forwarded by the Commissioner of Lands to the Minister for divestment of Crown lands.
2. Review recommendations for applicants to receive subsidies, discounts and/or incentives for lease/sale of lands under exceptional and special circumstances and finalize recommendations for the Minister's approval.

3. Convene regular monthly meetings in order to ensure a timely divestment process. Special meetings may be convened depending on the volume or urgency of particular matters.
4. Keep strictly confidential, all applications before the LDAC for consideration and recommendations until the responsible Minister has made a decision in relation to the recommendations.
5. Be guided by policy directives issued by the Minister and as such may consult the Minister on fundamental matters of policy only.
6. Exclude from the deliberation, any member who has an interest in any matter which is being dealt with by the Committee, whether directly or indirectly. The member shall disclose the nature of his interest and shall not take part in the decision of the Committee with respect thereto.
7. The Land Divestment Advisory Committee may:
 - i. Invite applicants for interview in support of their application if necessary.
 - ii. Recommend a replacement applicant in the event an applicant on the recommendations forwarded by the Commissioner of Lands is not considered suitable by the Committee. This should be based on the ranking on the rating sheet (See Schedule III).

5.5.4 Role of the Land Divestment Secretariat

The Secretariat to the Land Divestment Advisory Committee shall:

1. Arrange meetings of the LDAC and provide the administrative support necessary for the efficient functioning of the Committee.
2. Arrange meetings between the Minister and the Land Divestment Advisory Committee, as and when required.
3. Receive recommendations from the Commissioner of Lands. The Secretariat is not empowered to make changes to any document or recommendation.
4. Provide a Recording Secretary to take minutes of meetings. The minutes of meetings must be confirmed at the next meeting of the Committee. These minutes must be kept in a secure place and shall be treated as official records.
5. Advise the Commissioner of Lands to request from the applicant a second valuation, where required.
6. Forward submissions to the Minister with the recommendations of the LDAC and the Commissioner of Lands.
7. Ensure that the original approval of the Minister is forwarded to the Commissioner of Lands.
8. Ensure the preparation of the requisite Submission to the Cabinet in respect of a divestment.

9. Advise the COL of the Minister's decision within seven (7) days of receipt.

5.6 General Issues

- The divesting entity may charge fees for divestment.

- The divesting entity reserves the right to determine the method of competitive divestment that will be used.

- Some services such as valuation, surveying, legal services and promotion or marketing of the properties may be outsourced when it is more cost effective or efficient to do so.

APPENDICES

- SCHEDULE I : APPLICATION TO ACQUIRE LAND**
- SCHEDULE II : LAND SETTLEMENT CONDITIONS OF SALE**
- SCHEDULE III : EVALUATION FORM**
- SCHEDULE IV : GUIDELINES FOR PREPARING AGRICULTURAL BUSINESS PROPOSALS**
- SCHEDULE V : GUIDELINES FOR PREPARING BUSINESS PROPOSALS**

SCHEDULE I

APPLICATION TO ACQUIRE LAND



National Land Agency Estate Management Division

APPLICATION TO ACQUIRE LAND

Item	Information to be provided by Applicant
1.	Applicant's Name
2.	Organisation or Company
3.	Postal Address
4.	Telephone Number
5.	E-mail Address
6.	Type of Tenure Request to Lease <input type="checkbox"/> Request to Purchase <input type="checkbox"/>
7.	Property Have you identified a specific property?
	<input type="radio"/> Yes - complete # 8 -14 <input type="radio"/> No - complete # 8 & 14
8.	Location Property Address
9.	Title Reference & Valuation Roll (If available)
	Volume Folio
	Valuation #
10.	Site Plan (Detachable) Have you attached a sketch, plan or map of the property?
	<input type="radio"/> Yes <input type="radio"/> No
11.	Current use
	<input type="radio"/> Agricultural <input type="radio"/> Residential <input type="radio"/> Commercial
	<input type="radio"/> Industrial <input type="radio"/> other (please specify)
12.	Existing Building(s)
	<input type="radio"/> Residential <input type="radio"/> Commercial
	<input type="radio"/> Other, (please specify)
13.	Existing Infrastructure
	<input type="radio"/> Road access <input type="radio"/> Electricity <input type="radio"/> Telephone <input type="radio"/> Water <input type="radio"/> Sewer
14.	Proposed use
	<input type="radio"/> Agricultural <input type="radio"/> Residential <input type="radio"/> Commercial
	<input type="radio"/> Industrial <input type="radio"/> other (please specify)
15.	Proposed Infrastructure
	<input type="radio"/> Road access <input type="radio"/> Electricity <input type="radio"/> Telephone <input type="radio"/> Water <input type="radio"/> Sewer
16.	Area of Land Requested
	Hectare Acres Roods Perches
17.	Adjoining Boundaries (should only be complete if "Yes" is answered at #10)
	North _____ South _____
	East _____ West _____
18.	Date Required
19.	Payment Plan How will you pay for this property?
20.	Comments or Additional Information (Attach additional pages, if necessary)

I hereby declare that all the above information is true and accurate to the best of my knowledge and acknowledge that the submission of any false or deliberately misleading information shall be grounds for the Commissioner of Lands to reject this Application.

Name

Signature

Date

SCHEDULE II

LAND SETTLEMENT CONDITIONS OF SALE

DEFINITIONS

1. "Commissioner" means the Commissioner of Lands.

"Application" means an application to purchase from the Commissioner.

"Notice of Allotment" is a signed agreement between the Commissioner (Vendor) and the applicant (Purchaser) confirming the sale of the lot.

"Purchase price" includes the value of land, permanent building, economic crops and trees standing and growing at the time of the purchase.

"Legal Fees" shall include registration fees and attorney's cost for preparation of transfer documents.
2. (a) Upon being required to do so the applicant shall pay to the Commissioner, the requisite deposit on the price of the land, standing buildings and crops for which application is made; provided always that the Commissioner may in any specific case extend the time for payment of the whole or part of the deposit for a period not exceeding three (3) months from the date of approval.

(b) The money so deposited will be returned to the Applicant should the Commissioner of Lands refuse to accept the application. No interest shall be payable on any such deposits.

(c) If any application is accepted but the applicant fails to comply with the other conditions of sale, the money deposited in respect of such application, an amount not exceeding 10% of the purchase price, shall be forfeited, provided that in any particular case the Commissioner may in his absolute discretion waive his right of forfeiture.
3. Neither the Commissioner nor the Government of Jamaica shall be liable in any action, or other claim in respect of any damage occasioned by the failure of the Commissioner to allot to any applicant all or any part of the land of which he may have been a tenant.

SURVEY

4. The Purchaser will be liable for the full cost of final survey.

SPECIAL CONDITIONS FOR DEVELOPED LANDS

5. (a) Where there are buildings of a permanent nature on the land being sold, the value of such buildings shall be added to the value of the land to determine the full purchase price of the lot.
- (b) Where the purchaser of any land on which there are buildings of a permanent nature does not pay the full value of such buildings before being let into possession of the land, he shall immediately upon being so let into possession insure the said buildings for its full replacement value as determined from time to time under the Standard Fire or comparable policy available in Jamaica, extended to include insurance against such perils as may reasonably be available in Jamaica including, but not limited to flood, earthquake, tornado, hurricane, windstorm and fire following any of the insured perils in an insurance company approved by the Commissioner in writing and shall keep the said buildings so insured until the purchase price shall be paid in full and shall duly and punctually pay all premiums or other moneys necessary for effecting and keeping up such insurance immediately upon the same becoming due and shall deliver to the Commissioner the policy of such insurance and on demand shall produce the receipt for every such payment. If the purchaser shall fail to pay duly and punctually any premium or other moneys necessary for effecting and keeping up such insurance as aforesaid, it shall be lawful for the Commissioner to advance any moneys necessary for such purpose and any moneys so advanced shall be repayable on demand and until repaid may be added to the amount of the purchase price and the provisions of these Conditions shall apply thereto in the same manner in which they apply to the purchase price **PROVIDED** that the Commissioner shall have the right to apply any payment by the purchase subsequent to the making of any advance or any portion of such payment of such advance.

ALLOTMENT

6. (a) An application is deemed to have been accepted by the Commissioner only when a Notice of Allotment in writing is made to the applicant. Such Notice of Allotment shall include such other restrictive covenants as may be imposed upon the land.
- (b) The boundaries of any lot as fixed by the Land Surveyor or other authorized person approved by the Commissioner shall be binding upon the purchaser and no compensation shall be payable for any damage to crops occasioned in the execution of the survey.

INSTALMENTS

7. For the purpose of calculating the Purchase Price of the land allotted to the Purchaser, the area of the said land shall be deemed to be the area specified in the Notice of Allotment, provided that where after survey, such area is discovered to be incorrect such adjustments in the amount of purchase price and of the half-yearly instalments payable by the purchaser, as may be necessary shall be made.
8. Notwithstanding the provisions relating to payment of instalments, the Commissioner shall have the power to require the purchase price of any land sold to a purchaser to be paid in full at the time of allotment or by such instalments as the Commissioner may deem fit.

PROPERTY TAXES

9. The Purchaser shall, from the date of the Notice of Allotment be liable for the payment of all taxes upon his allotment.

TRANSFERS

10. (a) No purchaser shall without the consent in writing of the Commissioner, part with the possession of, mortgage, charge, sublet, subdivide or otherwise encumber his allotment, or any part thereof, so long as title has not been issued. Where the purchaser desires to sell before title has been issued, the Commissioner shall have the right of first refusal. The obligation of this Condition shall be binding on the purchaser.

(b) The purchaser shall pay such Legal Fees, Stamp Duty and Transfer Tax as may be applicable upon any assignment of an allotment made with the consent of the Commissioner of Lands prior to the issue of title.

(c) If any person, without the consent in writing of the Commissioner, being first had and obtained should part with the possession of, mortgage, charge, sublet or sub-divide or otherwise encumber his allotment or any part thereof, before title has been issued, the Commissioner may, by notice under his hand, forthwith determine this Agreement for the purchase of the said allotment, take possession of the same, and forfeit an amount not exceeding 10% of the purchase price.

LAND USE

11. (a) The purchaser shall on the terms and conditions hereinafter set out, cultivate, properly develop and maintain his allotment to the satisfaction of the Commissioner as follows:
 - i. an area of not less than one-third of the arable portion of his allotment within one year of the date of the Notice of Allotment;
 - ii. an area of not less than one-half of the arable portion of his allotment within a period of two years of the date of the Notice of Allotment;

iii. an area of not less than three-fourths of the arable portion of his allotment within four years of the date of the Notice of Allotment.

The Commissioner may however determine the level of agricultural development as circumstances dictate, including but not limited to considerations with respect to technology and agricultural techniques.

- (b) The purchaser shall carry out such approved agricultural practices and institute such soil conservation measures, etc., as may be directed by the Commissioner from time to time.
- (c) The purchaser shall maintain and keep the land in good condition, observing such soil conservation, drainage, or other improvements as may be required from time to time.
- (d) Economic trees, which are those trees defined as valuable timber, may not be cut down without the permission of the Commissioner, who will mark all trees, which he permits to be removed.
- (e) The use of running fires for clearing land is prohibited.
- (f) The purchaser shall maintain in proper condition any drain passing through his holding and serving more than one holding.
- (g) If at any time before the issue of title, the purchaser has not used the major part of his agricultural lot for more than two years and/or his farmstead for the same period he shall be liable to dispossession and forfeiture.
- (h) At any time before the issue of Title to the purchaser in respect of any allotment, the Commissioner or any officer authorized by him may, at all reasonable times, enter upon such lot and inspect the cultivation, soil conservation work, drainage, other improvements and the buildings thereon.

ERECTION OF BUILDINGS

12. It shall be necessary to obtain the approval of the Commissioner and the Parish Council before any building is erected on a holding. Any building erected without such approval is liable to be destroyed and no compensation shall be payable.

FORFEITURE

13. If any purchaser shall fail or refuse to comply with any of the provisions of these Conditions for the space of six months after having been served with a notice in writing by the Commissioner requiring him to comply with such Condition or Conditions, the Commissioner may determine the Agreement to purchase and take possession of the allotment, and an amount not exceeding 10% of the purchase price shall be forfeited.

TITLE

14. If the purchaser shall have complied with all the provisions of these Rules and shall have paid the purchase price, and the required legal fees, he shall receive from the Commissioner a Certificate of Title for the land purchased by him, such Certificate of Title to have endorsed thereon any Restrictive Covenants subject to which he may have purchased the land.

RE-ENTRY DUE TO PUBLIC PURPOSE

15. In the event that the Commissioner shall require all or any part of the allotment for a public purpose (and a duly gazetted declaration to this effect by the relevant Minister shall be conclusive as to the public purposes requirement):
 - (a) The Notice of Allotment shall determine where all of the lot is so declared; and
 - (b) Where only portions of the said lot are so declared this Notice of Allotment shall determine in relation to those parts of the allotment so declared and the purchase price shall be adjusted in proportion to the portions so declared. The Commissioner shall be entitled to re-enter and take possession. Compensation shall be awarded pursuant to the Land Acquisition Act, and any outstanding purchase price shall be deducted from the compensation payment.

SCHEDULE III

EXAMPLE

EVALUATION FORM

CRITERIA	RATING
----------	--------

Relationship with Property

- | | |
|--|----|
| 1. Applicant's Present Relationship with Property | |
| a. Lessee with no option to purchase/renew | 20 |
| b. Live/operate enterprise adjacent to the property | 15 |
| c. Live/operate enterprise within the community | 10 |
| d. Does not live/operate enterprise in the community | 0 |

Level of Compatibility

- | | |
|--|----|
| 2. Compatibility of Proposed Use with Land Use Zoning Classification | |
| a. The proposed use of the property is exactly compatible with land use zoning classification | 20 |
| b. The proposed use of the property is in accordance with but not compatible with land use zoning classification | 15 |
| c. The proposed use of the property is not in accordance with but compatible with land use zoning classification | 10 |
| d. The proposed use of the property is not compatible with land use zoning classification | 0 |

Project Sustainability

- | | |
|---|----|
| 3. Economic and Social Sustainability of the Project | |
| a. Project demonstrates economic and social sustainability | 20 |
| b. Project demonstrates 1 out of 2 criteria of economic and social sustainability | 10 |
| c. Project does not demonstrate economic or social sustainability | 0 |

Planned Development Period

- | | |
|---|----|
| 4. Expected Completion Period of Proposed Project after Acquisition | |
| a. Under one year | 20 |
| b. One to three years | 15 |
| c. Four to six years | 10 |
| d. More than six years | 0 |

CRITERIA	RATING
----------	--------

Finance and Development

- | | |
|--|----|
| 5. Ability to Finance the Acquisition and Development of Property | |
| a. Bank guarantee covering the full cost of the acquisition and development of property | 20 |
| b. Bank statement, including average balance over two years, confirming adequate ability to finance acquisition and development of property | 15 |
| c. Letter from a registered financial institution confirming that applicant has equity and ability to obtain financing for acquisition and development or a financial undertaking accompanied by a two year audited financial statement. | 10 |
| d. Insufficient financial information provided. | 0 |

Proposed Development Plan

- | | |
|--|----|
| 6. The Proposed Acquisition Meets National Development Objectives | |
| a. Proposed development aligns with/meets national development objectives | 30 |
| b. Proposed development meets most (greater than 50%) of the national development objectives | 20 |
| c. Proposed development meets some (less than 50%) of the national development objectives | 10 |
| d. Proposed development does not align with national development objectives | 0 |

Offer Price

- | | |
|---|----|
| 7. Offer Price as a Percentage of Capital/Rental Valuation of the Property | |
| a. Percentage of Property Valuation more than 100% | 30 |
| b. Percentage of Property Valuation greater than 90% and less than 100% | 20 |
| c. Percentage of Property Valuation greater than 75% and less than 90% | 10 |
| d. Percentage of Property Valuation less than 75% | 5 |

National/Public Interest

- | | |
|---|----|
| 8. The Development is in the Public Interest | |
| a. Beneficial and very important to the national/public interest | 20 |
| b. Project has some advantages and is in the national/public interest | 10 |
| c. Project not beneficial and not in the public interest | 0 |

Experience

- | | |
|---|----|
| 9. Relative Experience at Proposed Development | |
| a. Significant experience (15 years or more) | 20 |

CRITERIA	RATING
b. Moderate experience (more than 8 years - less than 14 years)	15
c. Some experience (more than 3 years -less than 8 years)	10
d. Inexperienced (less than 3 years)	5

Regulatory Compliance

10. Compliance with Existing Laws and Regulations	
a. Compliant (excellent compliance with tax laws and regulations, statutory deductions, and registrar of companies; TRN, TCC)	20
b. Becoming compliant (in the process of meeting eventual compliance within three months with tax laws and regulations, statutory deductions and registrar of companies: TRN, TCC)	10
c. Not compliant	0

Previous Land Transactions with Government

11. Has the Applicant Been a Beneficiary of a Grant of Interest in Land from the Government of Jamaica in the Past?	
a. Applicant has never been approved for land grant or divestment	20
b. Applicant was approved for land grant/divestment and is in good standing	10
c. Applicant was approved for land grant/divestment but interest repossessed/forfeited	0

Submission of Application

12. Rating Regarding Submission of Application	
a. Applicant submitted application with all relevant documentation prior to advertisement	30
b. Applicant submitted complete application within the prescribed deadline	10
c. Applicant submitted incomplete application within the prescribed deadline	0

Use of Local Goods and Services (if applicable)

13. Expected Contribution to Local Employment	
a. Greater than 30 persons to be employed	
b. 15 to 30 persons to be employed	20
c. Ten to fourteen local persons to be employed	15

CRITERIA	RATING
d. Fewer than 10 local persons employed	10
	5
<i>The following evaluation criteria (14-17) apply specifically to Government Land Settlement schemes and divestment for low income housing</i>	
Current Income (Land Settlement)	
14. Current Income per Annum (Land Settlement)	
a. Under \$200,000 per annum	20
b. Greater than \$200,000 but less than \$500,000 per annum	15
c. Greater than \$500,000 but less than \$1,000,000 per annum	10
d. Greater than \$1,000,000 per annum	5
Dependents	
15. Number of Dependents	
a. Six and over dependents	20
b. Three to five dependents	15
c. Two or less dependents	10
d. No dependents	5
Employment Status	
16. Employment Status of Applicant	
a. Employed	30
b. Unemployed	10
Current Land Tenure	
17. Status of Applicant's Current Land Tenure	
a. Applicant has leasehold on property and is in good standing	20
b. Applicant has leasehold at a subsidized rate	15
c. Applicant already owns property	10
d. Applicant is an illegal occupier	5
Overall Compelling Reason	
18. Overall Compelling Reason why Applicant should Acquire the Property	
a. The project will contribute directly to the national economy, and to overall employment	20
b. The project will contribute to the local community development	15
c. There is a demand for the project activity within the area.	10

CRITERIA	RATING
----------	--------

d. Personal benefit to applicant

5

- Score an additional 30 points if applicant was the first to identify the land and initiated the divestment.

Note

The Rating Sheets may be revised based on the requirements for divestment.

SCORE SHEET

Property Name _____

Date _____

Name of Applicant _____

CRITERIA	SCORE
1. Applicant's Present Relationship with Property	_____
2. Compatibility of Proposed use with Land Use Zoning Classification	_____
3. Economic and Social Sustainability of the Project	_____
4. Expected Completion Period of Proposed Project after Acquisition	_____
5. Ability to Finance the Acquisition and Development of Property	_____
6. The Proposed Acquisition Meets National Development Objectives	_____
7. Offer Price as a Percentage of Capital/Rental Valuation of the Property	_____
8. The Development is in the Public Interest	_____
9. Relative Experience at Proposed Development	_____
10. Compliance with Existing Laws and Regulations	_____
11. Has the Applicant Been a Beneficiary of a Grant of Interest in Land	_____
12. Rating for Submission of Application	_____
13. Proportion of Project that uses Local Goods and Services (including Employment)	_____
14. Current Income	_____
15. Number of Dependents	_____
16. Employment Status of Applicant	_____
17. Status of Applicant's Current Land Tenure	_____
18. Overall Compelling Reason why Applicant Should Acquire the Property	_____
TOTAL SCORE OF APPLICANT	_____
MAXIMUM POSSIBLE SCORE	_____
FINAL SCORE (%)	_____

Evaluator 1 _____
 Evaluator 2 _____
 Evaluator 3 _____

Evaluator 4 _____
 Evaluator 5 _____
 Evaluator 6 _____

SCHEDULE IV

GUIDELINES FOR PREPARING AGRICULTURAL BUSINESS PROPOSALS

Applicant Summary/Profile	
Name(s) of Applicant/Organization	
Address of Applicant/Organization	
Address of Subject Property sited for agricultural purpose(s)	
Applicant Contact Information Telephone Numbers Email Address	
Investor/Farmer Profile: <i>(Indicate experiences in Farming or Industry)</i>	
Advisors and Human Resources <i>(e.g. RADA, JAS etc):</i>	
References (for the business) TRN Tax Compliance Certificate	

Project Summary	
Company Name	
Legal Structure	
Year Incorporated	
Name and Title of Contact Person (s):	
Company Strategy	
Available Markets	<i>(To whom are you planning to sell?)</i>
Farm's Marketing Objectives	
Market Segmentation	<i>(Breakdown of the customers into groups based on their buying patterns, contracts and consistency etc)</i>
Market Positioning	
Sales Strategy	<i>(How will you enter into the market if you have not already done so)</i>
Customers	
Suppliers	
Competition	
Farm/Land Size (acre)	
Farm Location	
Intended use	<i>(livestock, crops, greenhouse, etc)</i>
Project Goals and Specific Objectives	
Expected Outcomes/Benefits	
Project Justifications	
Brief Project Description	<i>(What the investor/farmer intends to do)</i>
Project Sector	

Investment Information Sheet

Projected Capital Investment Required	J\$
Projected Financing Plan	<i>Give as much details as possible. Equity (must be valued at 30% of the Projected Capital Investment)</i>
Loan Request	J\$
Funding Source	<i>(People’s Cooperative Bank, Commercial Banks, Credit Unions, other lending institutions)</i>
Collateral/ Security	<i>(140% of loan requirement if using land title as security <u>or</u> 60% of vehicle value depending on age if using vehicle as security)</i>
Name(s) of investors and Sub-borrowers	
Name(s) of main shareholder	
Historical Financial Analysis	<i>(Include banking information that will speak to credit worthiness and how the 30% equity will be financed)</i>
Current Indebtedness	<i>(List any outstanding loans with banking institutions with the accompanying documentation)</i>

Estimated Costs

Fill in the spaces. The detailed budget may be attached as an appendix for additional space. This is a generic format; some aspects may not apply to your business and should be omitted.

Capital Expenditure (J\$)					
Item	Unit	Quantity	Area	Rate/Unit	Total(\$)
Land Preparation (Clearing, Furrowing and digging holes)					
Buildings and Structures					
<i>Sub total</i>					
Equipment and Material					
<i>Sub total</i>					
Breeding Stock					
<i>Sub total</i>					
Works					
<i>Sub total</i>					
Project Documentation & Loan Processing Charges					
Project Documentation					
Loan Processing Charges (15,000 + 2% of Loan Requirement)					
Evaluators Report					
<i>Sub total</i>					
% Capitalization of Year 1 Operating expenses					
Total					

Project Implementation Schedule

Planned Activities	Time-Line (Months)											
	1	2	3	4	5	6	7	8	9	10	11	12

SCHEDULE V

GUIDELINES FOR PREPARING BUSINESS PROPOSALS

Company Profile	
Required Information	
Incorporated Trade Name of the Company	
Date of incorporation of Company	
Registration Number	
Business Address	<i>local/overseas</i>
Phone/Fax/Website	
Type of Company	<i>Partnership/limited liability/etc.</i>
Corporate Affiliation	<i>Parent Company; subsidiary or associated Company</i>
Nature of Business	<i>Developer/financial/trading/etc.</i>
Financial Status of Company	<i>Audited financial statements should be provided for the last three years</i>
Main Bankers or Financial Institution (s)	
Projects Status of Company	<i>List of projects undertaken</i>
Principal Shareholders/Directors	
Principal Project staff	<i>List of project team members</i>
TRN	<i>Individual & Company</i>
Tax Compliance Certificate	

Project Profile	
Required Information	
Type of Proposal	<i>The business plan should indicate type of relationship being proposed with the COL for example. Joint Venture Partnership</i>
Identify the specific property or properties required for the proposed development	<i>Indicate location and amount of land required</i>
Indicate the purpose for which the property is required	<i>That is type of development whether residential, commercial, resort etc.</i>
Provide a brief outline of the proposed development plans	<i>Attach site plan/floor plans/elevations/impressions/etc.</i>
Outline the project development budget	<i>Identify all the elements of capital expenditure and indicate their related cost</i>
Outline the proposed project financing plan	<i>Indicate the amount of borrowings and share capital and identify the sources</i>
Indicate the product(s) services(s) to be provided; number of units to be produced and their relative prices.	
Identify Target Groups and outlines summary of any market survey demand analysis carried out	<i>Details of market surveys and demand analyses to be attached</i>
Financial analysis	<i>To include projected income statements; projected cash flow analysis and balance sheets, sensitivity and break even analysis</i>
Outline the proposed project scheduling program	<i>Indicate design and planning, implementation and operation phases</i>
Outline program for project management indicating shareholding and control and the roles during implementation and operations.	
Identify any risk or constraints.	<i>What constraints may impact negatively on the feasibility of the proposed development? Outline planned means of minimizing or eliminating such risk or constraints.</i>
Project Status	<i>Indicate the status of the project in terms of required corporate and statutory approvals.</i>

GLOSSARY OF TERMS

Allotment	Plot of land let to an individual from a local authority particularly for farming purposes.
Allottee	Person to whom an allotment has been issued.
Approval	Expressed authority in writing from the Minister indicating his acceptance of a recommendation from the Commissioner
Commissioner of Lands	Corporation sole appointed under Section 3 of the Crown Property (Vesting) Act to acquire, hold and dispose of land and other property of whatever kind. Under the Act, this power cannot be exercised without either general or specific authority in writing from the Minister.
Concessionary/nominal Rental	Discounted rental charge.
Crown Lands	Government lands owned or held in trust by the Commissioner of Lands by virtue of the Crown Property (Vesting) Act
Divestment	Disposal of an interest in land whether by lease or sale.
Land Settlement	An orderly method of settling people on land in considerable numbers as small holders and providing them with assistance in marketing, instruction, cultivation and livestock and at times credit facilities. Land Settlements may be for agricultural or residential purposes or both.
Low Income Housing	A term used to describe dwelling units whose total housing costs are deemed "affordable" to those that have a median income.
Market Value	Market Value is defined as the estimated amount for which a property should sell on the date of valuation between a willing buyer and a willing seller on appropriate terms, in an arm's length transaction, after property marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.
Notice of Allotment	A signed agreement between the Commissioner of Lands (Vendor) and the applicant (Purchaser) confirming the sale of the lot.
Peppercorn Rental	The minimum rental charge for land which is being leased for a social purpose.
Regularization	To bring into conformity with rules or principles of usage. This refers principally to the formalization of tenure of illegal occupiers.
Reserve Price	The minimum price (usually the appraised current market value) acceptable to the commissioner for land which is being divested.
Land Settlement Terms and Conditions	Generous terms of payment granted to allottees in land settlement schemes.

AGENCIES INVOLVED IN THE POLICY DEVELOPMENT PROCESS

The following stakeholders were involved in the development of the Policy and Procedures Framework or were consulted prior to finalization.

- Office of the Prime Minister
- National Land Agency
- Ministry of Local Government and Community Development
- Development Bank of Jamaica (formerly National Investment Bank of Jamaica)
- Jamaica Promotions Corporation
- Land Administration and Management Programme
- Ministry of Agriculture and Fisheries
- Ministry of Finance and Planning
- Ministry of Transport, Works and Housing
- National Environment and Planning Agency
- National Housing Trust
- Office of the Cabinet
- Office of the Contractor General
- Urban Development Corporation
- Ministry of Science, Technology, Energy and Mining
- Ministry of Water, Land, Environment and Climate Change
- Mines and Geology Division

LIST OF ACRONYMS

COL	Commissioner of Lands
KSAC	Kingston and St. Andrew Corporation
LDAC	Land Divestment Advisory Committee
NEPA	National Environment and Planning Agency
NLA	National Land Agency
RADA	Rural Agricultural Development Authority
RFP	Request for Proposal
RFOLP	Request for offer to Lease/Purchase
UDC	Urban Development Corporation

transparency

fairness

equity

equity

fairness

transparency

fairness

equity

fairness

transparency

equity

“Jamaica, the place of choice to live, work,
raise families, and do business”

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Ministry of Water, Land, Environment and Climate Change