

Land and housing in an urbanizing Nepal



Introduction

Nepal is one of the fastest urbanizing countries in South Asia. Over the last decade from 2012 to 2022, the area of urban spaces has increased to 66% from 17% in 2011. The country's Central Bureau of Statistics declared all 293 municipalities in Nepal to be urban areas in 2021. However, experts are concerned whether all the municipalities meet the criteria of urban spaces.

The rate of urbanization and the trend of population growth are unevenly distributed with greater concentrations in Terai and Kathmandu Valley. With higher growth and more opportunities in urban areas, an increasing number of people are migrating to cities. The key factors for rural-to-urban migration include a lack of quality education and health facilities as well as employment and livelihood opportunities. Extreme weather events, due to the impacts of climate change, also result in the loss of land and housing. Such factors must be considered at every local level while developing housing plans for urban and rural areas.

Despite the challenges, Nepal has the opportunity to address the need for adequate housing and land tenure security, particularly in urban informal settlements. Let us work toward a sustainable and more equitable future for all.

According to the National Land Commission, about 1.3 million families in Nepal have informal tenure over their land. They include the landless, land poor and people living in informal settlements. The UN-Habitat estimates that these families hold nearly 10 million parcels of land without formal recognition and are under continued threat of eviction. Conventional methods of delivery are unable to meet the urgent housing needs of residents of urban informal settlements. They live in inadequate housing with limited or no land tenure security and a lack of access to basic services such as water and sanitation.

The Nepal Urban Dialogue was held in September 2023 in Kathmandu. The theme was “Land and Housing Rights in Urbanizing Nepal: Solutions and Way Forward.”

Organized by Habitat for Humanity Nepal, the conference gathered people, public and private stakeholders to identify key solutions for improving the lives of marginalized urban dwellers who lack access to land tenure security, adequate housing, and basic services

The Urban Dialogue in Nepal was organized under the umbrella of the Asia-Pacific Urban Dialogues. The discussion will help shape the establishment of the urban housing practitioners hub in Asia-Pacific.

At the Nepal Urban Dialogue on September 15, 2023, participants focused on issues such as equitable access to land and housing through land education, land use plans, innovative housing initiatives, access to basic services, localization, partnerships, and the need for an integrated approach to work within the housing ecosystem. At the close, key government officials, who were among the participants, committed to providing a platform for follow-up discussions.

Recommendations included cultivating partnerships to improve land literacy among people, ensuring inclusive, integrated land and housing policies at the local level, and amending National Land Commission's guideline.

This policy brief is produced by Habitat for Humanity Nepal. For more information, please email Tripti Mahaseth at Tmahaseth@habitatnepal.org.

Recommended solutions



Resource allocation for formalization of land ownership rights

The National Land Commission continues to work with the Ministry of Land Management Cooperatives and Poverty Alleviation to amend the land policy. The commission is revising its guideline to ensure adequate resources for effective implementation.



Land literacy for all

The Land Management Training Centre, part of the Ministry of Land Management, Cooperatives, and Poverty Alleviation, has taken the initiative to co-develop a land literacy program. The move towards land education aims to raise awareness among landless and marginalized communities. This will also enable them to make informed decisions regarding their rights along with their responsibilities in relation to land for housing.

Barriers to equitable land and housing

1. The National Land Commission has been mandated to resolve issues of landlessness and informal tenure within three years. According to the commission's chairperson, this cannot be achieved within the next 10 years given the current constraints. The commission distributed about 5,500 land titles in the past two years. Due to a lack of human and financial resources, many local governments that have signed memoranda of understanding with the commission could not clearly identify the landless and informal settlers, and determine land plot sizes. This is complicated by inadequate operational procedures or guidelines at the local level and a lack of a minimum acceptable size of land plots in related policy documents.
2. The governance, use and management of land is complicated and often contested due to diverse sociocultural practices. According to the Land Management Training Centre, the highest number of contested cases in Nepal relates to land. In addition, there is limited understanding and application of the Land Act, Land Use Policy and Land Policy. For systemic change, Nepalis need to understand the laws to fully enjoy their rights and fulfill their responsibilities. Hence, they have to be educated about land-related matters to ensure informed decision-making.



Knowledge-sharing platform

Establish a multi-stakeholder platform for sharing knowledge and best practices for efficient implementation of existing policies including the Land Policy and the Land Use Policy. The Ministry of Land Management, Cooperatives, and Poverty Alleviation is committed to serving as a conduit between different stakeholders and establishing a platform for collaboration, including partnering with the Ministry of Urban Development. Collaborative efforts involving civil society, academia, and communities can be guided by the government to better allocate resources and initiatives in alignment with the government's priorities.



Localization of land governance and management

Formulate local-level integrated land and housing policies or plans, land use acts, housing acts and related guidelines based on the constitutional rights enshrined in Schedule 8 and 9, with sufficient resources and human talents. Involve geomatics engineers and mediators at local levels in land-related grievances to help resolve conflicts.

Barriers to equitable land and housing

3. Among the various groups that are addressing land and housing issues in urban areas, they possess significant expertise and valuable insights. However, their experiences and successful approaches are within the confines of the respective organizations. There must be a platform to bring together these stakeholders to exchange knowledge, cooperate on policy solutions, and implement them.
4. Localization of land management is a crucial step towards the creation of contextualized policy solutions. There should be support from the federal government to build capacity at the local level. At the same time, there should be accountability from local governments to establish — with transparency and efficiency — land rights, housing, and land-use initiatives for equitable access to land and housing.
5. One in two people in Nepal lives in substandard housing. The 2015 earthquake left a need for housing support to be delivered to an [estimated 900,000 households](#). The existing social housing program is unable to address the deficit. A radical shift in modalities is required. A collective approach or a cooperative housing modality can increase sustainability compared to an individualized approach. Considering the increasing land prices and limited land, low-rise high-density models of development could be effective in urban areas. If cooperative housing is linked to social housing, such an approach could be successful.



Innovative housing modalities

Include a homeowner-led approach in existing social housing programs such as Janata Awas where families can add their own funding and modify designs to suit their needs.



Coordination for land and housing

Include cooperative housing and rental housing in the National Shelter Policy to encourage integrated- and people-centered housing programs.

Barriers to equitable land and housing

6. The Department of Urban Development and Building Construction builds houses through its Janata Awas program for families who have land ownership. As a result, landless and marginalized groups are left behind. If Janata Awas is integrated with the National Land Commission's guideline on equitable access to land, landless and marginalized people can gain access to both land and housing. This must be complemented by the provision of basic services such as water and electricity through coordinated efforts by the relevant line ministries.
7. Four in 10 people in Nepal rent their homes while the figure is higher at 60% of the population in the capital city of Kathmandu. Promoting rental housing may be a viable solution for improving families' living conditions. However, renters are at risk of being evicted due to the absence of programs or policies that safeguard their rights. They may also be forced to occupy land without secure tenure if they could not afford to pay higher rent.

Follow-up plan

1. Conduct localized dialogues in Sudurpaschim and Madesh Provinces.
2. The National Planning Commission will ensure inclusion of relevant land and housing initiatives in the 16th National Plan.
3. Continuous engagement and follow-up with stakeholders to operationalize recommendations.
4. Voice national challenges and recommendations at the Asia-Pacific Housing Forum. Emphasize regional focus and partnerships on equitable access to land for housing in an ever-urbanizing Asia-Pacific region.