

Helpdesk Research Report

Urban poverty in Nepal

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Question

What are the issues and trends in relation to urban poverty in Nepal? Include data on key trends as well as a qualitative overview of the issues pertaining to informal settlements, housing and access to services that make poor people more or less vulnerable to hazards.

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1. Overview

Urban poverty is becoming more pervasive in Nepal: The poverty rate is increasing in urban areas, whilst it is declining in rural areas (ADB, 2013; UNDP, 2014). There has been a noticeable improvement in the rural Human Development Index (HDI) value between 2006 and 2011, whilst the urban HDI value has remained constant (UNDP, 2014).

Urban poverty rates vary substantially across Nepal: Urban areas in the hill ecological zone are the least poor with a poverty incidence of 8.7 per cent. This increases to 22 per cent in urban parts of the Tarai, whilst Kathmandu has a poverty rate of 11.5 per cent (CBS, 2012).

Informal settlements are a relatively new phenomenon in Nepal and there is a poor understanding of the overall context of slums and squatter settlements (UN, 2013). The key trends are that:

- **Informal settlements are increasing in number and growing in population:** The slum population as a proportion of the urban population increased in absolute numbers from 1.2 million in 1990 to 3.1 million in 2009, before reducing again to 2.8 million in 2014 (UNSD, n.d.). Squatter

settlements are rising in fast-growing cities such as Kathmandu and Pokhara, as well as in urban areas such as Dharan, Birganj, Bharatpur and Mechinagar (MoUD, 2015).

- **Increasing urban land and house prices are contributing to the growth of squatter settlements.**

The housing problem is particularly acute in the Kathmandu Valley (UN-HABITAT, 2010: p. 40).

The urban poor are vulnerable to natural hazards because of the location of informal settlements in marginal areas, the poor quality of housing, and the lack of assets to assist in their recovery. Slums and squatter settlements are often located in ecologically sensitive and marginal areas such as riverbeds, lowlands, and flood-prone areas (Muzzini & Aparacio, 2013: p. 63). Unplanned growth and poor enforcement of building regulations have led to substandard housing and the loss of open space. Narrow streets and the incremental growth of informal settlements increases the vulnerability of the urban poor to seismic hazards (Bajracharya et al., 2015; Muzzini & Aparacio, 2013).

Several **dimensions of poverty** that impact upon the vulnerability of the urban poor can be identified:

- **Property rights and security of tenure:** Without secure tenure and land title documents, squatter residents can be subject to harassment by the authorities and access to public services, credit and livelihood opportunities are limited (UN-HABITAT, 2010: p.9). Fear of eviction is a key factor preventing investment in structures and housing improvements (Bajracharya et al., 2015: p.25).
- **Access to infrastructure and public utilities:** The provision of water and sanitation is not sufficient to meet the demands of rapid urbanisation (Muzzini & Aparacio, 2013). Access decreases drastically for the poorest urban quintile (MoUD, 2015).
- **Health:** As a result of inadequate water and sanitation facilities, waterborne epidemics occur regularly in Nepal, affecting the poor and marginalised the most. Overcrowding has increased vulnerability to communicable diseases such as influenza and diarrhoea (Shrestha, 2013). Poor children and women are particularly vulnerable (Gupte & Bogati, 2014; HKI, 2010).
- **Social exclusion:** There is a strong sense of social exclusion amongst squatter and slum communities. They are often treated as temporary settlers and outsiders - the lack of tenure and the inability to obtain election cards deprives them of the right to participate in political processes (Shrestha, 2013).
- **Crime and violence:** There is an absence of the rule of law in slums, along with a lack of social protection mechanisms and isolation from other settlements (UN, 2013: p. 81).

A number of factors contribute to increasing the resilience of the urban poor: Social organisation within informal settlements, local level initiatives and self-help schemes are helping to reduce vulnerability of the urban poor. Squatters are relatively organised in demanding their rights (UN, 2013: p. 83), whilst locally established saving and credit groups and cooperatives are providing access to credit and financial assets (Dahal, 2011).

Government policies on urban poverty and informal settlements do not directly address the issue of land tenure (UN, 2013), and no policy exists to prevent unnecessary evictions and violations of housing rights (UN-HABITAT, 2010: p. 59). There is a lack of public investment in slums and squatter areas, and housing development trends in Kathmandu largely ignore the urban poor (Shrestha, 2013; UN, 2013). Evidence on the efficacy of government resettlement schemes is limited. Squatters have been refusing to stay in the new settlements due to the inadequate size of the new housing units, the location of sites far away from their jobs and the lack of facilities such as markets and schools (B. Shrestha, personal communication, 20 December, 2015).

2. Urban poverty trends and data

Urban poverty is becoming more pervasive

The UNDP (2014: p. 27) states that poverty is rising in urban areas, whilst it is declining in rural areas.

- Using the poverty head count rate, the poverty rate is lower in urban Nepal than in rural Nepal, although rural poverty is declining at a faster pace than urban poverty.¹ Urban poverty fell from 21.6 per cent in 1996 to 10 per cent in 2004, and increased to 15.5 per cent in 2011. Rural poverty declined continuously from 43.3 per cent to 27.4 per cent between 1996 and 2011 (ADB, 2013: p. 1).
- The absolute number of urban poor increased from 500,000 in 1996 to 800,000 in 2011. This is compared to a reduction in the rural poor from 8.3 to 6.8 million during the same period (Mathur, 2013: p. 85).
- According to the poverty gap index, the urban poor are escaping out of poverty at a slower pace than the rural poor (ADB, 2013: p. 3).
- Using the squared poverty index, inequality amongst the poor is lower in urban Nepal than in rural Nepal, but inequality amongst the urban poor is increasing. The urban squared poverty index decreased from 2.65 to 0.70 and then rose to 1.01 in 1996, 2004 and 2011 respectively. In contrast, rural inequality amongst the poor continuously decreased from 4.83 in 1996 to 2.00 in 2011 (ADB, 2013: pp. 2-3).
- Based on the Gini coefficient, inequality in urban Nepal is wider than in rural Nepal and in Nepal as a whole. Urban inequality increased from 0.43 in 1996 to 0.44 in 2004 and decreased again to 0.35 in 2011. In rural Nepal, Gini coefficient rates decreased continuously from 0.34 in 1996 to 0.33 in 2011 (ADB, 2013: p. 3).
- The urban Human Development Index (HDI) value in 2011, at 0.630, remains higher than the rural HDI value of 0.517. However, for the period 2006 to 2011, the urban HDI value remained constant whilst there was a noticeable improvement in the rural HDI (UNDP, 2014: p. 17).

Urban poverty varies across Nepal

Table 1 shows that urban areas in the hill ecological zone are the least poor with a poverty incidence of 8.7 per cent. This increases to 22 per cent in urban parts of the Tarai. Kathmandu has a poverty rate of 11.5 per cent (CBS, 2012).

¹ According to the 2010-11 poverty line, an individual in Nepal is considered poor if his/her per-capita total annual consumption is below NRs. 19,261 (CBS, 2012).

Table 1: Poverty profile by geographical/analytical domain

Region	Incidence			Distribution	
	Headcount rate	Poverty gap (x100)	Poverty gap squared (x100)	of the poor	of the population
Urban	15.46	3.19	1.01	11.7	19.0
Rural	27.43	5.96	2.00	88.3	81.0
Eastern	21.44	3.81	1.01	19.8	23.3
Central	21.69	4.96	1.76	30.8	35.7
Western	22.25	4.27	1.38	16.9	19.2
Midwestern	31.68	7.74	2.69	16.4	13.0
Farwestern	45.61	10.74	3.77	16.0	8.8
Mountain	42.27	10.14	3.54	11.8	7.0
Hill	24.32	5.69	2.09	42.8	44.2
Terai	23.44	4.52	1.31	45.4	48.7
Mountains	42.27	10.14	3.54	11.8	7.0
Urban - Kathmandu	11.47	2.77	1.00	2.6	5.7
Urban - Hill	8.72	1.75	0.54	1.5	4.4
Urban - Terai	22.04	4.31	1.29	7.5	8.6
Rural Hills - Eastern	15.93	2.91	0.82	4.0	6.3
Rural Hills - Central	29.37	8.52	3.70	10.8	9.3
Rural Hills - Western	28.01	5.31	1.75	10.5	9.5
Rural Hills - Mid and Far Western	36.83	8.89	3.13	13.3	9.1
Rural Terai - Eastern	20.97	3.67	0.91	9.6	11.6
Rural Terai - Central	23.13	4.14	1.08	13.9	15.1
Rural Terai - Western	22.31	4.40	1.35	5.9	6.6
Rural Terai - Mid and Far Western	31.09	7.17	2.47	8.5	6.9
Nepal	25.16	5.43	1.81	100.0	100.0

Source: CBS, 2012: p. 17

3. Informal settlements trends and data

The UN (2013) states that comprehensive data and analysis on slums dwellers and squatters is unavailable.² The information available is inconsistent, lacks clarity and is Kathmandu-centric but the key trends are outlined below.

² The literature on informal settlements in Nepal makes a distinction between slums and squatter settlements. The UN (2013: p.80) states that: 'Slums are highly populated urban areas characterised by substandard housing and squalor. The United Nations Human Settlements Programme (UN-HABITAT) defines a slum household as a group of individuals who have one or more of the following characteristics: poor (structural) housing quality; overcrowding; inadequate access to safe water; inadequate access to sanitation and other infrastructure; and insecure residential status. Squatters (sometimes referred to as sukumbasi in Nepal), on the other hand, are slum dwellers settling on land without legal right, neither as tenants nor as owners. These people may live on the land for decades, but have no legal title to it'.

Informal settlements are increasing in number and growing in population

The slum population as a proportion of the urban population increased in absolute numbers from 1.2 million in 1990 to 3.1 million in 2009, before reducing again to 2.8 million in 2014. The slum population as a percentage of the urban population has decreased from 70.6 per cent in 1990 to 54.3 per cent in 2014 (see table 2) (UNSD, n.d.).³ In 2005, 137 slum neighbourhoods were identified in Kathmandu, with 6,985 households and 31,463 people (UN, 2013: p. 80).

Table 2: The proportion of the urban population living in slums

Year	1990	1995	2000	2005	2009	2014
Slum population as a percentage of urban (percentage)	70.6	67.3	64	60.7	58.1	54.3
Slum population in urban areas (millions)	1.2	1.6	2.1	2.6	3.1	2.8

Source: UNSD (n.d.)

Muzzini and Aparacio (2013: p. 62) state that the squatter population of Nepal is relatively low compared to neighbouring countries, but the situation is quickly becoming a serious social predicament:

- Squatter settlements are rising in fast-growing cities such as Kathmandu and Pokhara, as well as in urban areas such as Dharan, Birganj, Bharatpur and Mechinagar (MoUD, 2015).
- The MoUD (2015: p. 28) estimates that about 10 per cent of the total urban population in Nepal comprises of squatters.
- In 1985, there were 17 squatter settlements in the Kathmandu Valley, which increased to 64 by 2003, with a seven-fold increase of the squatter population from 2,134 to 14,500 during the same period (Shrestha, 2013).
- UN-HABITAT (2010: p. 9) state that in 2010, Kathmandu city had over 12,000 squatters in more than 40 settlements, and an additional estimated 40 per cent of squatters were occupying public buildings, bringing the total squatter population to around 20,000.
- In 2012, Kathmandu city had 29 riverside squatter settlements with 2031 households, and 17 settlements in other locations with 467 households (MoUD, 2015: p. 28).

Increasing urban land and house prices are contributing to the growth of squatter settlements

The combination of increasing land prices and rural-urban migration means that the urban poor often have no option other than to squat on public land. The housing problem is particularly acute in the Kathmandu Valley (UN-HABITAT, 2010: p. 40).

- In 2010, the average price of a house was nearly four times higher than the annual urban household income (UN-HABITAT, 2010: p. 50).
- In 2010, more than 75 per cent of the urban population did not have a sufficient income to afford a 50 square metre (sqm) self-constructed house on an 80 sqm plot on the outskirts of a

³ This calculation is based on UN-Habitat's definition of slums. It is not clear if these figures include squatter settlements as defined in the Nepali context.

city. 95 per cent could not afford to purchase a readily built property. 90 per cent could afford to rent one or two rooms, whilst only 40 per cent could afford to rent a basic four-bedroom suburban apartment (ibid).

- Land prices increased by 300 per cent between 2003 and 2010. This is due to people investing in land and housing during periods of political and economic uncertainty, and further fuelled by local banks that had few investment alternatives (UN-HABITAT, 2010: p. 9).

4. The vulnerability of the urban poor to hazards

The Post Disaster Needs Assessment for the April 2015 earthquake states that widespread destruction of housing and human settlements occurred. Nearly 500,000 houses were destroyed and more than 250,000 houses were partially damaged. Rural areas were more affected, but the effects were also visible in roadside market towns, heritage settlements, peri-urban neighbourhoods, emerging cities and several dense neighbourhoods in the Kathmandu Valley (NPC, 2015: p. 3).

Several studies published prior to the 2015 earthquake foresaw the impact of the earthquake and emphasised the vulnerability of the urban poor to natural hazards. This is because of the location of informal settlements in marginal areas, the poor quality of housing, and the lack of assets to assist in their recovery.

The location of informal settlements on marginalised land

Slums and squatter settlements are often located in ecologically sensitive and marginal areas, such as riverbeds and lowlands, and along dangerous flood areas (Muzzini & Aparacio, 2013: p. 63). Settlements located on riverbanks often have to contend with the problem of floods during rainy seasons, where there is a high risk of flooding and liquefaction during earthquakes (Bajracharya et al., 2015; Shrestha, 2013: p. 129). Settlements not located on rivers are often located in areas prone to mudslides (UN, 2013: p. 81).

Squatters occupying public spaces and heritage sites, such as temples and monasteries, are extremely vulnerable to life-threatening events. These large structures are often constructed of heavy rock, bricks, mud mortar, masonry and timber, have low tensile strengths, and are at risk from being destroyed even in moderate earthquakes (Muzzini & Aparacio, 2013: p. 66).

The poor quality of urban housing

Unplanned growth and poor enforcement of building regulations have led to substandard housing and the loss of open space. Narrow streets and the incremental growth of informal settlements increase the vulnerability of the urban poor to seismic hazards (Bajracharya et al., 2015; Muzzini & Aparacio, 2013).

Most informal housing in the Kathmandu Valley is built with local materials with levels of construction that do not meet health and safety requirements and earthquake proofing standards (Muzzini & Aparacio, 2013: p.64). In Kathmandu Valley, 48 per cent of squatter houses are temporary structures and only two per cent were durable (pukka) structures with cement, brick or concrete block walls. Over 92 per cent of slum houses in the urban Tarai are temporary (UN, 2013: p. 81). These make-shift shelters provide little protection from monsoon rains or heat (UN-Habitat, 2010: p. 40).

Slums are characterised by a lack of space, high occupancy, cohabitation and a high number of single-room units. In Kathmandu Valley, it is common for three to four people to share a room of 12–15 square metres (Muzzini & Aparacio, 2013: p. 63; UN, 2013). In some cases, houses are extended vertically as families grow, with small frontages and rooms aligned one behind another. Limited lighting, ventilation and space contributes to overcrowding and other environmental risks (Bajacharya et al., 2015: p. 23). This ‘infill housing’ has also resulted in a significant decrease in open spaces for people to gather in for protection from seismic risk (Muzzini & Aparacio, 2013: p. 65).

Poor accessibility

Haphazard urban development has decreased the capacity of emergency services to cope with the challenges associated with disasters. In the Kathmandu Valley, emergency services are unable to provide access settlements because of narrow streets and the presence of sturdy fences erected for security reasons are posing problems of accessibility (Muzzini & Aparacio, 2013).

5. Dimensions of urban poverty

Property rights and security of tenure

Without secure tenure and land title documents, squatter residents can be subject to harassment by the authorities and access to credit, public services and livelihood opportunities are limited (UN-HABITAT, 2010: p.9). Fear of eviction is a key factor preventing investment in structures and housing improvements (Bajracharya et al., 2015: p.25).

Shrestha (2013: p. 125) states that perceptions of tenure security in the squatter settlements of Kathmandu Valley vary from settlement to settlement. In more established settlements, occupants have a high level of ‘de-facto land tenure’; many have been present for more than 20 years and the large size and population of the settlements offers a sense of security. In Kathmandu Valley, more established squatter settlements often include permanent houses, as well as schools, businesses and other public buildings (Acharya, 2010: p. 186).

Access to infrastructure and public utilities

Access to water and sanitation is poor and provision is not sufficient to meet the demands of rapid urbanisation. The quality of the water supply is inadequate in most urban areas, and many municipalities face chronic shortages. The urban environment is becoming highly degraded due to the discharge of untreated wastewater into water bodies and unmanaged solid waste (Muzzini & Aparacio, 2013: pp. 68 - 74).

Water

The MoUD (2015: p. 19) states that basic water supply coverage is 80 per cent nationally, 94 per cent in urban areas and 72 per cent in rural areas. However, only 49.3 per cent of urban households have access to piped water. Access to piped water decreases drastically for the poorest quintile, where only 6.6 per cent have a piped water connection in their house (ibid).

The provision of piped water in urban areas varies considerably by region. In Kathmandu Valley, 72 per cent of households have access to piped water. In the Hill and Tarai regions, 81.2 per cent and 32.9 per cent of urban households have access to piped water respectively (ibid).

Nepal's piped drinking water is unsafe in most locations (Muzzini & Aparacio, 2013: p. 70), and slum and dwellers and squatters are largely excluded from the formal water supply network (UN-HABITAT, 2010: p. 64). The time, resources and effort needed to fetch water has become a challenge to the urban poor, who are often compelled to buy water from private tanker services (UN-HABITAT, 2010: pp. 63-65).

Sanitation

2011 census data shows that whilst that 88.2 per cent of urban households have toilets in their households, only 56.1 per cent are covered by the sanitation system. For the poorest quintile, 22.8 per cent have toilets in their household but only 6.6 per cent have access to the sanitation system (MoUD, 2015: p. 21).

Solid Waste Management

Municipal solid waste management (including waste collection, treatment, and disposal) is inadequate. 42.7 per cent of urban households have access to a garbage disposal system, this drops to only 0.6 per cent for the poorest quintile (MoUD, 2015: p. 22). In most cases, the main waste disposal sites are riverbanks, depressed land and dumps, open pits, or temporary open piles (ibid).

Health

The UN (2013) argues that the poor health condition of slum dwellers is a strong indication of vulnerability. As a result of inadequate water and sanitation facilities, waterborne epidemics occur regularly in Nepal, affecting the poor and marginalised the most. Overcrowding has increased vulnerability to communicable diseases such as influenza and diarrhoea (Shrestha, 2013). The ADB (2010, p. 36) finds that households spend a huge percentage of their family income on food, followed by education and clothes, with health being the lowest priority.

Poor children and women are particularly vulnerable. Gupte & Bogati (2014: p. 30) state that children from the poorest urban quintile are 4.5 times more likely to die before the age of five than children from the wealthiest urban quintile. A survey conducted in Kathmandu Valley of 194 slum households with children aged 0 to 5 years found that 38 per cent of the children were stunted, 29 per cent were underweight, and nine per cent were wasted. Furthermore, anaemia affected 35 per cent of children and 16 per cent of mothers (HKI, 2010). Women from slum communities are vulnerable to sexually-transmitted diseases such as HIV, particularly in those families whose male members are working abroad (UN, 2013: p. 81).

Income, skills and education

The literature does not provide a clear picture on the income, skill levels and educational attainment of the urban poor in Nepal, and how this affects their vulnerability.

The UN (2013: p. 81) states that most slum dwellers and squatters have a low income. In the Kathmandu Valley, the average monthly income for a slum household is NRs 4,173 (which is less than half a dollar a

day) and only four per cent of the slum population earns more than NRs 10,000 per month (UN, 2013: p. 81).

The ADB (2010: p.36) states that there is a wide variation in the monthly family income of squatter residents in Kathmandu, ranging from NRs 6,000 for entire families to NRs 40,000 for individual residents. According to them, this income variation is mainly due to remittances forwarded by family members working abroad.

Acharya (2010: p. 188) comments on the social mobility of residents in Kathmandu's Shankhamul squatter settlement. Literacy levels are fairly high in relation to national levels, but lower than the average educational attainment of Kathmandu. 53 per cent of inhabitants are involved in labour work, 17 per cent in the services industry, 15 per cent have small businesses and 15 per cent in irregular and informal employment. Women and girls are at a disadvantage: they have lower educational attainment levels - 86 per cent of male respondents were literate compared to 65 per cent of female respondents – and lower levels of employment (ibid).

Social exclusion

Shrestha (2013: p. 130) states that there is a strong sense of social exclusion amongst squatter and slum communities in Kathmandu. They are often treated as temporary settlers and outsiders - the lack of tenure and the inability to obtain election cards deprives them of the right to participate in political processes and have a political voice. Furthermore, a general perception that slums and squatter settlements are insecure and crime-ridden means that these localities are cordoned off and searched when crime takes place in the city (ibid).

Little evidence on the relationship between caste/ethnicity and urban poverty was found but there is some coverage of the ethnic composition of slum and squatter residents. Tanaka (2009: p. 145) states that in Kathmandu Valley, slums are occupied primarily by socially deprived lower caste Newaris, who are the original residents of the Kathmandu Valley and have legal entitlement to ancestral lands, but poor access to public infrastructure. In contrast, squatter settlements in the valley are heterogeneous in terms of place of origin, present occupation and income, family structure and reasons for squatting (Shrestha, 2013). Tanaka (2009) states that the majority are immigrants from other parts of Nepal. The UN (2013) states that more than 50 per cent of squatters in Kathmandu Valley belong to indigenous groups, with the Tamang being the largest group.

Crime and violence

There is an absence of the rule of law in slums, a lack of social protection mechanisms and isolation from other settlements. Overcrowding is associated with crime and other antisocial behaviour (UN, 2013: p. 81).

Gupte and Bogati (2014: pp. 31-32) argue that urban sprawl and the lack of planning impacts upon the maintenance of law and order in informal settlements, which are fertile territories for the proliferation of criminalised and armed groups. Jurisdictional and resource constraints mean that these settlements are not sufficiently covered by police patrols, resulting in slow police response times and violent crime going unreported or unrecorded (ibid).

6. Factors that contribute to increasing resilience of the urban poor

There is some evidence that social organisation within informal settlements, local level initiatives and self-help schemes are helping to reduce vulnerability and increase the resilience of the urban poor.

Social capital

Squatters are relatively organised in demanding their rights (UN, 2013: p. 83), and an 'important aspect of informal settlements is the social organisation and sense of community' (Bajracharya et al., 2015: p.26). Tanaka (2009) states that squatters' organisations have been a driving force of civil society movements in Nepal. Lumanti, a Nepali NGO working on issues of housing and shelter, has supported a national civil society network of squatters headed by the Nepal Basobas Basti Samrakchan Samaj (NBBSS - Nepal Settlement Protection Society) and Nepal Mahila Ekata Samaj (NMES – Nepal Women's Unity Society). This network has been operating savings and micro-credit cooperatives which have provided the basis for raising residents' collective voice for rights (ibid).

Access to credit and financial assets

Locally established saving and credit groups and cooperatives have acquired formal legal status and are delivering credit services to residents of squatter settlements. Dahal (2011: p. 36) states that there are 20 cooperatives, 463 groups and 11,032 members in Kathmandu city. These disburse small loans to members, which are used for investing in businesses, land purchases, housing improvements and foreign employment.

Tanaka (2009) notes how residents have used group savings towards environmental improvements through the installation of water pipes, toilets and sewage systems, the paving of muddy streets and the establishment of waste management.

Social integration

By demonstrating the ability to manage and improve their own environment, squatter settlement residents have helped change attitudes and perceptions amongst other city residents. This has led in some cases to collaboration and cost-sharing with non-squatter residents for local infrastructure improvement activities (Tanaka, 2009). There are also indications that residents are becoming more assertive in their identities, with less hesitation in revealing their identities as squatters to other city residents without fear of reprisals (ibid).

7. The impact of government policy and planning on urban poverty and vulnerability

Policy and legislation

There are several central government agencies working on issues of urban poverty, informal housing and disaster management, but with little coordination. These include the Ministry of Urban Development, the Ministry of Federal Affairs and Local Development, the Ministry of Physical Planning and Transport, the Ministry of Environment and Population, and the Ministry of Home Affairs (B. Shrestha, personal communication, 20 December, 2015).

According to the UN (2013: p. 82), Nepal's 2007 Interim Constitution included provisions relating to education, health, housing, land and social security for the landless and squatters. The Town Development Act 1988, Local Self-Governance Act 1999, National Housing Policy 1996, National Urban Policy 2007 and Town Directives all include provisions to address the problem of housing for slum dwellers.

The National Urban Water Supply and Sanitation Sector Policy (adopted in 2009) for the first time included water provision for slum dwellers and squatters, and the Nepal Water Supply Corporation has in some cases installed water connections in poor communities through intermediaries such as ward offices or NGOs (UN-HABITAT, 2010: p. 64).

However, none of these policies directly address the issue of land tenure (UN, 2013), and no policy exists to prevent unnecessary evictions and violations of housing rights (UN-HABITAT, 2010: p. 59). The government has yet to formulate clear policies and strategies to identify genuine squatters and informal settlements - so far numerous committees have been formulated but plans and policies have not been implemented (B. Shrestha, personal communication, 20 December, 2015).

Therefore, slums and squatter settlements do not come under the government's regulatory purview, and even those individuals who are willing to invest in housing improvement lack the ability to do so because of the lack of land ownership certificates (B. Shrestha, personal communication, 20 December, 2015).

There is some evidence that government policies have contributed to increasing women's security of tenure. Women's property holdings have increased dramatically over the period 1970 to 2010. In 2010, 30 per cent of registered households were owned by women. Government policies to provide a 25 per cent tax rebate to women-owned properties, along with the large number of men migrating abroad and the impacts of conflict, have contributed to the increasing trend of women-headed households (UN-HABITAT, 2010: p. 92).

Investment in informal settlements

There is a lack of public investment or support in slums and squatter areas (UN, 2013: p. 82). Shrestha (2013) argues that housing development trends in Kathmandu largely ignore the urban poor. New housing developments are expensive and are mostly owned by elite investors, often as second homes. Conventional housing finance, such as bank loans and mortgages are not available to those living in Kathmandu's squatter settlements (ibid).

The government proposed to improve five squatter settlements in the Tenth Five-Year Plan (2002–07), but the amount allocated was only NRs 1.5 million (UN, 2013: p. 82). Evidence on the efficacy of government resettlement schemes is limited. B. Shrestha (personal communication, 20 December, 2015) states that resettlement schemes, such as the Kirtipur Squatter Resettlement Project in Kathmandu, have largely been designed without the input of squatter communities. Subsequently, squatters have been refusing to stay in the new settlements due to the inadequate size of the new housing units, the location of sites far away from their jobs and the lack of facilities such as markets and schools.

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