Summary

After five decades of pursuing land reform, Nepal is in the process of revising its legal framework governing land rights. Forming the basis of this framework are principles articulated in key documents such as the 2007 Interim Constitution, the 2006 Comprehensive Peace Agreement, the 2007 Common Minimum Program of the National Consensus Government, and the Ministry of Land Reform and Management’s Three Year Interim Plan (2007/08–2009/10).

As civil society organizations (CSOs) continue to implement various land rights programs, a new initiative has been the development of CSO land reform monitoring indicators. The Community Self-Reliance Centre (CSRC) spearheads the effort in coordination with the Asian NGO Coalition for Agrarian Reform and Rural Development (ANGOC) and Land Watch Asia. In the course of developing the indicators, CSRC has analyzed the status, scope, issues, and challenges relevant to the monitoring indicators for land reform.

The monitoring indicators have been developed according to inputs, outputs, outcomes, impact, and processes involved. The latter

List of Acronyms used

ADB Asian Development Bank
ANGOC Asian NGO Coalition for Agrarian Reform and Rural Development
CBS Central Bureau of Statistics
CPN Communist Party of Nepal
CSOs civil society organizations
CSRC Community Self-Reliance Centre
Danida Danish International Development Assistance
HUGOU Human Rights and Good Governance Advisory Unit
DFID Department for International Development
FAO Food and Agriculture Organization of the United Nations
GON Government of Nepal
IDP internally displaced person
IFAD International Fund for Agricultural Development
NLRF National Land Rights Forum
NGO non-government organization
MLRM Ministry of Land Reform and Management
SAE Small Area Estimation
UNDP United Nations Development Programme
USAID United States Agency for International Development
VDCs village development committees
WB World Bank
WFP World Food Programme

An abridged version of the paper, “Land Reform Monitoring Indicators, Nepal”, prepared by the Community Self-Reliance Centre (CSRC)
(institutional capacity, stakeholders’ involvement, and policy processes) are the most important ones for CSO monitoring where critical feedback and support are needed for improvement of the processes. The key variables and their indicators are as follows:

**Table 1. Key variables and indicators for land reform monitoring in Nepal**

| Inputs | • Policy: Land reform provisions in the Constitution and other policy documents  
• Budget: Percentage of revenue generation, share of internal foreign aid in budget, allocation of budget to land reform and agriculture  
• International conventions: Ratification and commitment to adjust national policies |
| --- | --- |
| Process | • Institutional capacity: Organizational structure technical staff/human resource (number of offices, staff)  
• Stakeholder involvements: Partnerships and collaborations (number of collaborators)  
• Policy formulation: Policy decision, court order (number of court decisions, processing time) |
| Outputs | • Land entitlement: Number, area, and change in landless people; recipients of certificates, land ownership resume (sharecropper, wage labor, companies)  
• Tenant eviction and legal treatment: Number of households displaced from farms, number of casualties and cases in court, number of displaced migration  
• Land fragmentation, common land and real estate land grabbing: area of land, number of real estate companies, cabinet decisions  
• Displacement: Number of cases in police stations and in courts |
| Outcomes | • Change in landholding: Number and percentage of landowners (categorized)  
• Change in land resume: Area of fallow land  
• Rural-urban employment mobility: Number of people (migrants)  
• Food security: Annual food deficit and surplus; percentage of population consuming less than minimum recommended calories in the reporting period; number of malnourished and undernourished; export-import data; malnutrition |
| Impacts | • Poverty reduction and livelihood standard: Change in percentage of absolute property, per capita income  
• Agriculture production and productivity: Production and growth |

The process of developing CSO monitoring indicators revealed the information and data gaps in various components of land reform policies and implementations. These gaps relate mainly to policy compliance. Accordingly, the study recommendations to government bodies, donors, and CSOs are:

**Government**

- Form an independent land monitoring committee acting under clear Terms of Reference.
- Provide the public with valid information through a widely accessible database.
• Ensure that the land reform policy framework includes all the stakeholders who can assist with the periodic review of indicators, collection, and release of recommendations.
• Ensure that the Land Reform Commission is an inclusive body, involving the landless sector.
• Make effective use of the investment of bilateral agencies.

CSOs

• Form a common platform of all CSOs working on land reform issues, particularly on the development of a uniform monitoring mechanism among CSOs.
• Generate and use relevant information and data that will inform the land reform advocacy campaign.
• Coordinate with other stakeholders for policy development and implementation.

Donors

• Provide funding support to the development of the land reform monitoring system, CSO capacity building, and further research activities.

Context: Status of land reform

Land ownership in Nepal in the past five decades (1961-2011) shows the following disturbing trends:

• The number of landholdings has more than doubled, mainly because of population growth and continuous dependence of people on land-based livelihoods.
• The average landholding has been declining continuously, reaching 0.8 ha (per family) in 2001, and declining further to 0.6 ha in 2009 (CBS, 2009).
• Cultivated land area increased very marginally, especially in the last two decades. Only 21% of total area of the country is cultivable.
• Land fragmentation remains a major problem. There are about 3.3 parcels in each landholding with average parcel size of 0.24 ha in 2001. Such a small size of a parcel is also not suitable for the use of modern inputs, especially in building infrastructure like irrigation facilities.

The country’s low land productivity is the result of Nepal’s feudal agrarian system and its inherent exploitative relationships. In recent times, the issue of agrarian reform has become more contentious in the absence of opportunities to expand land for cultivation and to divide landholdings among the inheritors. Agrarian reform is also imperative to address the widespread poverty of marginal farmers and landless people whose access to and control of a productive resource are hindered by highly unequal land distribution.

Inequality in land distribution in terms of size and quality of the landholdings has always been correlated highly with economic status. As measured by the Gini coefficient, this inequality was 0.544 in 2001 (CBS, 2006). About 47% of land-owning households have claim to only 15% of the total agricultural land with an average size of less than 0.5 ha, while the top 5% occupy more than 37% of land. Marginal farmers and small cultivators own less than 1
acre or 1-2 acres (0.4 to 0.8 ha) only. About 29% households do not own any land (UNDP, 2004). The most impoverished groups are indigenous peoples (mostly marginal farmers) and Dalits (mostly landless, 44% living in Terai, 22% in the Hill region). The gender dimension of land distribution is even more critical: men own 92% of the landholdings (Adhikari, 2008).

The Land Act (effective since 1964) put a ceiling on lands an individual could own, provided for ways by which a tenant could have land under his name, and fixed the rent on land. The law has seen six amendments, indicative of major issues: the legislation contained significant loopholes; the land ceilings were set relatively high; and implementation of the ceiling provisions was lackluster in most areas. The Fourth and the Fifth amendments (done in 2001) were the major revisions. Only recently has a court ruled for the full implementation of the Land Act. Subsequently, the Government of Nepal established a land reform commission to produce a report. This is to be made public eventually. But in the interim, doubts about the implementation of the commission’s recommendations heighten.

As for the national budget share and allocation for the land reform activities, only less than 1% of national budget is allocated to the Ministry of Land Reform and Management (MLRM). More than 70% of budget goes to human resource and administrative costs (Red book, Ministry of Finance, 2011).

**Conceptual framework and indicators**

CSRC has identified a number of key variables with corresponding indicators and verifiers, as well as identified data gaps that should be addressed before monitoring can be done effectively.

**A. Input indicators**

1. **Legal framework**


The Interim Constitution of Nepal, which became effective in 2007, grants every citizen the right to acquire, own, sell, and otherwise dispose of property. The Interim Constitution calls for the elimination of feudalism and prohibits forced labor and the exploitation of people on the basis of custom, tradition, or usage (GON Interim Constitution 2007a).

The process of developing the new legal framework from the current one takes into consideration a history of legal enactments. There have been 59 acts and 23 regulations that have been constituted for the purpose of land reform.
2. Budget share and allocation

An insignificant less-than-1% of national budget share and allocation for the land reform activities is a major hindrance to effective implementation. More than 70% of the budget goes to human resource and administrative costs (Red Book, Ministry of Finance, 2011).

3. International convention/commitment

There is no right to land explicit in the international legal framework. Land rights have been considered in several international principles and interpretive documents. They are invoked in a number of key areas but not defined wholly, suggesting that further consideration by the international community is necessary (Wickeri and Kalhan, 2010).

B. Process indicators

There are three process indicators that are the most critical for feedback and program implementation improvement, as analyzed by CSRC: institutional capacity, stakeholders’ involvement and policy formulation process.

1. Institutional Capacity

The Ministry of Land Reform and Management (MLRM) is the main government agency responsible for land reform activities. Its Minister, State Minister and Secretary head different divisions responsible for general administration, planning and coordination, land reform, land management training, land information, and a special program for freed bonded labor, haliya and haruwa/charuwa. However, its human resources and technical capacities are too limited to handle land reform activities.

2. Stakeholders’ involvement

The stakeholders in the land rights movement are peasant organizations, donor coalition partners, local CSOs, and international organizations involved in land issues. Leading the movement are the National Land Rights Forum (NLRM), an umbrella organization of landless peasants supported financially by coalition partners; Action Aid Nepal, Care Nepal, Oxfam GB, Lutheran World Federation, Danida HUGOU, CCO/CEDA. The NLRF is organized into district chapters where local CSOs (like CSDR Banke, SWAN Dang, Jana Chetana Dalit Sangam, Saptari, Abhiyan Nepal Sunsari, CDECF, Sindhupalchok, RDS Sindhupalchok) facilitate and support the capacity building activities. Several donor field projects are supported by IFAD, FAO, DFID, USAID, ADB, and WB.

3. Policy formulation process

Policy formulation is confined within the Ministry of Land Reform and Management. Its Three-Year Interim Plan (2007/08 to 2009/10) has a multi-focus on, among others: (i) land allocations for the poorest; (ii) reorganization of land administration, development of a land information system and digitization of the cadastre/land records; (iii) land registration for women and marginalized groups at half-price; (iv) development of a legal framework that includes leasing and cooperative farming; (v) review of the role and scope of the Guthi (Trust) Corporation and arrangements for administering Guthi land through revenue offices; (vi) capacity building for land officials; and (vii) removal of the backlog of pending land dispute cases (Alden Wiley et al. 2008).
Indeed, land reform through the acquisition of private land has been very controversial and politically unfeasible. The recent attempt to formulate land use policy and its recommendations recognizes the critical importance of land reform. It proposes an institutional setup to accelerate land use plans at different levels rather than proposing concrete plans of action for land use.

These heavy challenges, unfortunately, are compounded by the limited consultation mechanism of the MLRM to ensure the participation of all concerned stakeholders.

C. Output indicators

To monitor the effective implementation of the land reform activities, the following indicators are: i) changes in land area, distribution, entitlement; ii) tenant eviction and legal treatment; iii) land fragmentation, common land and real estate land grabbing; and iv) displacement.

1. Land area, distribution, entitlement

Nepal is a land scarce country. Only about 21% out of the total area of the country (147,181 sq km) is cultivable. About 83% of Nepal’s 28.5 million people rely on agricultural land, forests, and fisheries (20% of total land area) for their livelihood.

There are 2.5 million ha of agricultural land (2001 figures) that comprise Nepal’s three ecological belts: mountains where 7.3% of the population live; hills inhabited by 44.3%; and the Terai or plain lands inhabited by 48.4%. The country’s agricultural production is concentrated in the Terai, the country’s source of cereal crops and some vegetables, fruits, and other crops (World Bank 2009; Sharma 2001; Silpakar 2008; ADB 2004). Table 2 shows the country’s ecological regions and their area as a percentage of the total.

<table>
<thead>
<tr>
<th>Region</th>
<th>Area in %</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Terai</td>
<td>20</td>
<td>Southern plains bordering India</td>
</tr>
<tr>
<td>Foot hill/midhill</td>
<td>56</td>
<td>Central part</td>
</tr>
<tr>
<td>High Mountain</td>
<td>24</td>
<td>Northern area bordering China</td>
</tr>
</tbody>
</table>

Source: Land Reform and Management Department Annual Report 2007

An average land holding size is 0.96 ha (CBS, 2002: 45). Out of the total land holdings, 1.4% landowners occupy 14% of arable land. Of the total cultivable land, about 9% is under tenancy system (CSRC, 2005).

Although all types of lands are state property, agricultural lands are privately owned. Registered state-owned and public lands are as shown in Table 3.

An estimated 27% of land in Nepal is privately-held in ownership or under leasehold and the rest is private land (73%). The guthi1 land, the third type of land, is only 0.03% of the total.

Land is unevenly distributed, and the size and quality of the landholdings has always been highly correlated with economic status. Throughout the country’s history, Nepal’s few elite have held the majority of land and

1 An endowment of land made for religious or philanthropic purposes
profited from land-based resources. Seventy-six percent of the country’s poor are small and marginal landholders (Karki, 2008; Savada 1991; GoN, 2004). There is rapidly growing urban/periurban areas, internal migration, increasing trends of keeping agriculture land fallow. In one hand there are 300,000 haliya, haruwa and charuwa, who are landless (CSRC, 2009) and on other hand, there are fallow agriculture lands.

Beginning in the 1950s, Nepal has made several efforts at land reforms, including the imposition of land ceilings and tenancy reforms designed to equalize landholdings. Neither approach was very effective. The ceilings were set relatively high, the legislation contained significant loopholes, and implementation of the ceiling provisions was lackluster in most areas. Land officials designated less than 1% of cultivated land as above-ceiling and redistributed only half of the above-ceiling land to landless and land-poor households; the remainder continued to be held by the landowners (Regmi, 1976).

The state’s effort to deliver land to the tiller by registering tenants and granting them half their tenanted land has been largely unsuccessful. About 541,000 tenants registered, but various sample surveys suggest that the number of tenants is at least three times as high. Some researchers suggest that the main effect of the attempted tenancy reform was to push many tenancy relationships underground. A constitutional challenge delayed awards of land to tenants, but the GoN asserts that about 180,000 ha will be registered in the names of registered tenants (Alden Wiley et al. 2008).

Table 3. Types of land ownership and their areas

<table>
<thead>
<tr>
<th>Ownership type</th>
<th>Total area</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>in Bigha*</td>
<td>in Ropani**</td>
<td></td>
</tr>
<tr>
<td>Public land</td>
<td>2359245</td>
<td>33178141</td>
<td></td>
</tr>
<tr>
<td>Registered government land</td>
<td>15326</td>
<td>110514</td>
<td></td>
</tr>
<tr>
<td>Lease</td>
<td>220</td>
<td>2850</td>
<td></td>
</tr>
</tbody>
</table>

Source: Land Reform and Management Department Annual Report 2007/2008

* In Nepal’s Terai region, a bigha is about 6,772.63 sq m or 2,900 sq feet.
** A ropani is a unit of measurement used in the hill districts, comprising 5,476 sq feet.

Table 4. Land ownership according to class group and size

<table>
<thead>
<tr>
<th>Ranking</th>
<th>Total Household</th>
<th>Ownership in Hectares</th>
<th>Recommended number for land distribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Landless</td>
<td>287,100</td>
<td>0-0.1</td>
<td>There is a need to distribute 421,770 ha.</td>
</tr>
<tr>
<td>Marginalized</td>
<td>670,000</td>
<td>0.1-0.3</td>
<td>Land to 1,407,100 landless people for residential and farming purpose.</td>
</tr>
<tr>
<td>Small</td>
<td>648,000</td>
<td>0.3-0.5</td>
<td></td>
</tr>
<tr>
<td>Medium</td>
<td>1,131,560</td>
<td>0.5-3</td>
<td></td>
</tr>
<tr>
<td>Rich</td>
<td>93,700</td>
<td>3-10</td>
<td>Estimated land available for distribution is 492,851 ha.</td>
</tr>
<tr>
<td>Richest</td>
<td>3,800</td>
<td>More than 10</td>
<td></td>
</tr>
</tbody>
</table>

Source: CBS 2006
The ownership of the land is very uneven among the various categories of the landowner. In Table 4, land ownership by class group and size is given.

The last national survey in 2001/02 reported the continuation of a significant imbalance in land distribution, as shown in Table 5 below.

There are some land areas available for distribution. These are identified as degraded forest land, public land, Guthi, river basin and land to be received from ceiling (See Table 6).

Eighty-four percent of farms in Nepal are owner-operated. About 10% of land is reported under some form of registered tenancy. The actual incidence of tenancy is likely significantly higher due to the presence of informal, unregistered tenants. Sharecropping is the most common form of tenancy. Landless farmers (32.1% of households (CBS, 2002: 45) work about 2% of total farm holdings; most leased land is worked by households that farm their own land, and rent additional land when they have the capacity (GON, 2004; Karki, 2008; Chapagain, 2001).

Women hold about 5% of the land in Nepal. A GON 2006/07 directive waived registration fees for land registered in the name of women, the disabled, and members of disadvantaged groups. Following this directive, land registration in women’s names more than doubled. In 2008, 33% of landholdings registered in 11 districts were under women’s names (Alden Wiley et al., 2008).

Table 5. Land distribution in Nepal

<table>
<thead>
<tr>
<th>Size of landholding</th>
<th>Population as % of total</th>
<th>Number of landholdings as % of total</th>
</tr>
</thead>
<tbody>
<tr>
<td>3 or more ha</td>
<td>5</td>
<td>27</td>
</tr>
<tr>
<td>0.5-3 ha</td>
<td>51</td>
<td>59</td>
</tr>
<tr>
<td>0.5 ha or less</td>
<td>44</td>
<td>14</td>
</tr>
<tr>
<td><strong>Average land holding = 0.8 ha</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>


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Table 6. Land available for distribution

<table>
<thead>
<tr>
<th>Source of land available for distribution</th>
<th>Available land area (in ha)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Degraded forest land</td>
<td>31,184</td>
</tr>
<tr>
<td>Public (ailani, parti)</td>
<td>329,098</td>
</tr>
<tr>
<td>Guthi</td>
<td>3,069</td>
</tr>
<tr>
<td>River basin</td>
<td>4,000</td>
</tr>
<tr>
<td>Ceiling</td>
<td>125,500</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>492,851</strong></td>
</tr>
</tbody>
</table>

2. Tenant eviction and legal treatment

Numerous cases of tenant eviction and land disputes are not found in official records and are not addressed through a mechanism providing legal treatment to the victims. CSRC has also begun collecting data on this.

Among the categories of land disputes identified were:

- improper demarcation of parcel boundary on the ground;
- errors in trace copy of original cadastral maps and wear and tear of documents;
- errors in file maps prepared in larger scale from original maps;
- displacement in the location of features, natural as well as cultural, with respect to existing maps.

Nepal’s Three-Year Interim Plan noted that there was a backlog of 103,000 land cases awaiting resolution (ADB 2007; Alden Wiley et al., 2008).

Adjudication of rights within the formal court system (district courts, appellate courts, and a Supreme Court) requires time, knowledge of the system, and financial resources. The poor and marginalized tend to pursue claims in other more accessible forums, including District Revenue Department offices and, in isolated cases, “People’s Courts” (established by the Maoists). The Local Self Governance Act, 1999, gave the village development committees (VDCs) the power to handle 13 different types of disputes, including some land-related matters such as boundary issues and encroachment. The extent to which VDC courts are operating is unknown (Alden Wiley et al., 2008).

3. Land fragmentation, common land, and real estate land grabbing

There is massive land fragmentation caused by prevailing land inheritance practices and private land use for housing, and more recently, land plotting in the urban and semi-urban areas. Recently, Nepal’s land-sale market has been active in both rural and urban areas, but the bulk of sales transactions are in urban land. Land developers are often selling land without verification of boundaries, instead relying on inaccurate documents, including maps. The unregulated practices are leading to sprawling, unplanned urban development, land disputes, and insecure tenure (Acharya, 2009).

There is no national database on the land grabbing and real estate activities that affect access to public land, agricultural production, and productivity. Some anecdotal cases suggest that land grabbing occurs at a massive scale.

The leasing of land for agricultural purpose is another phenomenon. In the national estimate, 30% of the rural population rents agricultural land. Almost all rural land is rented under sharecropping agreements rather than for monetary payments (GON, 2004; Alden Wiley et al., 2008).

4. Displacement

Floods, landslides, and other natural hazards displace large farming populations from their farm lands. Most of these are poor indigenous people and Dalits who are forced to reside in marginal lands.

More than 70,000 people were displaced during the 10-year conflict (1996–2006)
between the Government of Nepal (GON) and the Unified Communist Party of Nepal (Maoists). Internally displaced persons (IDPs) — children and women — are particularly vulnerable to trafficking, sexual exploitation, and child labor (IDMC, 2010). The thousands of IDPs unwilling or unable to return to their homes joined the migration of rural residents in search of employment in urban areas, causing rapid urbanization and the “mushrooming” of informal settlements hurriedly built on government and public land in urban and peri-urban areas.

In the 1990s, approximately 100,000 Bhutanese of Nepali origin either fled or were forcibly expelled from Bhutan. The refugees have, for close to twenty years, lived in seven camps located in southeastern Nepal. The camps are entirely dependent on the support of the international community and their long-term presence has caused tensions with host communities because natural resources are overexploited (Laenkholm, 2007; UNHCR, 2009).

D. Outcome indicators

Five indicators are taken into account:

• change in landholding;
• land regime;
• rural-urban mobility;
• food security; and
• change in cropping pattern

There are, however, no national data to establish the changing trends.

1. Change in landholding

There is significant change in the landholding in the 1980s because of the internal migration, as previously mentioned.

2. Change in land regime - (no data)

3. Rural-urban employment mobility

There is huge rural-urban mobility across the country. In search of employment opportunities, better education, and health facilities, many rural families leave their villages for town centers. Similarly, outbound migrants in search of employment opportunities are growing in number.

4. Food security

The recent increase (2005-2008) in international food prices and the diversion of resources to produce non-food crops has increased the concern on food security. The present food crisis is stalking the small-scale farms and rural areas of the world, where 70% of the world’s hungry live and work. Even though prices have gone down compared to 2008, the prices of cereals are still more than 63% of what they were in 2005.

Higher food prices are caused by several factors: low agricultural productivity in the world; high population growth rate in most food-insecure countries; problems with water availability and land tenure uncertainty; more frequent occurrences of floods and drought; and low investment in agriculture, which remained about 4% of the total investment in most developing countries.
Another phenomenon associated with rising food prices and decline in food production is the global hunt for land in developing countries, or “land grab” by the Gulf countries, China and Japan, for example. The Food and Agriculture Organization (FAO) estimates that “land grabbed” areas could be about 74 million ha. In most cases of “land grab”, productivity has increased almost four times, but the local population is deprived of their livelihood opportunities. In the future, this is going to be a major food security issue.

5. Arrangement for cropping - (no data)

Monitoring the various arrangements for cropping (sharecropping, leasehold, family farm, and company farm) would provide good indicators of outcomes of land reform at the local level. However there are limited national data on the changes in the land ownership. Various case studies and local evidence suggest that there are decreasing trends of sharecropping due to urban and foreign migration and increased leasehold for commercial farming.

E. Impact indicators

Poverty reduction and livelihood standard; and agricultural production and productivity are the two impact indicators of land reform. However, there has not been much improvement in this component.

1. Poverty reduction and livelihood standard

The study of Small Area Estimation (SAE) carried out by CBS, WFP and the World Bank indicates that 37% of the rural population is living below the poverty line of 7,696 Rs (or $101) per year, compared to 13% in urban areas, and 31.9% in overall areas. The estimated 2010 poverty rate in Nepal was 25%, and most of it was considered to be reduced because of increased access to remittances (National Planning Commission, 2004).

Food insecurity in the surplus areas of the Terai and Lower Hills is foremost an issue of food access. Although the incidence of poverty in these areas is generally lower than in the Hills and Mountains of the Far and Mid-West, the concentration of poverty (as measured by the number of poor people per square kilometer) is very high.

Due to high poverty levels, people have limited purchasing power to buy food in the markets. Vulnerable communities such as Dalits, adivasis, Janajatis\(^2\) and kamaiyas\(^3\) often struggle to access sufficient food. The result is that very high wasting levels above emergency levels characterize the Terai. Unfortunately, no disaggregated data are currently available that provide insight about the food security situation of marginalized communities in the Terai. Other important factors contributing to food insecurity and malnutrition include limited nutritional knowledge, inappropriate hygiene and caring practices, and the gender division within the household, which places women in a disadvantaged position.

The rural poverty rate is almost twice as high as the urban poverty rate, and ranges from 28% in the eastern hill/mountain region to 72% in mid-western and far western hill/mountain regions.

Within the rural population, poverty rates are highest among landless and near-landless.

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\(^2\) Ethnic and indigenous nationalities in Nepal
\(^3\) A bonded labor system widely prevalent in the five district in the Mid and Far Western development region of Nepal
people of different caste and ethnic groups: 58% among agriculture wage laborers and 50% among agriculture dependent smallholders.

2. Agriculture production and productivity

The primary impact of land reform is increased agricultural production and productivity. Although it is not the only factor to improve production and productivity, ownership and access to productive land resource is a precondition.

The trends in production and productivity of land resources have not been satisfactory in the last two decades. The trends in crop production, total agricultural production and the share of the agriculture sector in the budget are some indicative examples of production and productivity.

Data Gaps

There are various data and information gaps in the various components of land reform. There is an urgent need to update the data/information so that the policies and practices can be monitored and the gaps in these areas tracked.

Conclusions and Recommendations

The development of CSO monitoring indicators identified the information and data gaps in various components of land reform policies and implementations. Mainly, these gaps relate to policy compliance. Accordingly, the study recommendations to government bodies, donors and CSOs are:

Government

- Form independent land monitoring committee to act with a clear Terms of Reference (TOR).
- Ensure the access and validity of information thru a publicly accessible database.
- Ensure that the land reform policy framework includes all the stakeholders who can assist with the periodic review of indicators, collection of recommendations and release of the same.
- Ensure that the Land Reform Commission is an inclusive body, involving the landless.
- Make effective use of the investment of bilateral agencies.

CSOs

- Form a common platform of all CSOs working in land reform issues, particularly on the development of CSOs monitoring mechanism.
- Generate and use relevant information and data to inform land reform advocacy campaign.
- Coordinate with other stakeholders for policy development and implementation.

Donors

- Provide funding support to the development of the land reform monitoring system, CSO capacity building, and further research activities.
Table 7. Summary of variables for land reform monitoring in Nepal

<table>
<thead>
<tr>
<th>Components</th>
<th>Key Variables</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Input</td>
<td>Policy</td>
<td>Need periodic review of national policy documents</td>
</tr>
<tr>
<td></td>
<td>International convention/commitment</td>
<td>Review ratification and monitor proposed action plans</td>
</tr>
<tr>
<td>Processes</td>
<td>Institutional capacity</td>
<td>Need to review and synthesize</td>
</tr>
<tr>
<td></td>
<td>Stakeholders’ involvement</td>
<td>Not available</td>
</tr>
<tr>
<td></td>
<td>Policy formulation</td>
<td>Review policy formulation process of government</td>
</tr>
<tr>
<td>Outcomes</td>
<td>Change in land holding</td>
<td>Look for the CBS data and compare</td>
</tr>
<tr>
<td></td>
<td>Change in pattern of land holding</td>
<td>Review case from CSRC report</td>
</tr>
<tr>
<td></td>
<td>Rural-urban, employment, mobility</td>
<td>Review migration study report</td>
</tr>
<tr>
<td></td>
<td>Food security</td>
<td>UNESCAP food security and nutrition monitoring data (UN), CBS, UNDP, MoAC</td>
</tr>
<tr>
<td>Impact</td>
<td>Poverty reduction and livelihood standards</td>
<td>Review trends on periodic poverty per capita income</td>
</tr>
<tr>
<td></td>
<td>Agriculture production and productivity</td>
<td>Review changes in budget investment and production and growth</td>
</tr>
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