Land Bank Programme for Landless Poor in Nepal

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Abstract: The problem of poverty and backwardness still exists in Nepal. The Tenth Periodic Plan (2002-2007) in itself is the strategic document for alleviating poverty. This plan is formulated with the sole objective of poverty alleviation. In this context, the plan has accepted the land as the primary means of increasing productivity and a major asset in the Nepalese social and economic set up. The plan has then set forth its objectives of the land reform and management sector to go ahead in the utilization, distribution of the remaining land achieved from the to the marginalized sections of the society and increase access of land to those whose skills and labor are directly linked with farm with the view of poverty alleviation. In the last February 2005, the government has announced mainly two programmes for landless people: (i) The Land Bank will be established to fulfill the basic needs (esp. food and shelter) of landless poor, landless peasant and freed bonded laborers (ex-kamaiyas). The land will be justifiably distributed to them through the Land Bank. (ii) The programme will be carried over for the construction of the riverside walls to protect the land from the river-flood caused by the rivers which follow widely in Terai plains. The excess land achieved from river-flood control will be used for the rehabilitations and development of landless poor. The preliminary concept of Land Bank has been approved with its short and long term programmes. The short term activity to provide loan to the landless peasant, bonded laborers and the tenants to purchase land from the landowners is going to be executed immediately. This programme will be implemented only in two districts Banke and Kailali as pilot where bonded laborers exist. This paper intends to highlight the concept of Land Bank in Nepal with the view of poverty alleviation and also expected inputs from the land professionals, experienced individuals and academicians.

Keywords: Land Bank, freed bonded laborers (ex-kamaiyas), landless, poverty alleviation

1. Generic Facts

Nepal having an area of 147,181 sq. km. is bounded by the Latitude of 80 to 88 degrees east and 26 to 31 degrees north. It has a population of 22.3 millions and is heterogeneous in terms of ethnicity, language and culture. Majority of them live in rural areas depending solely on subsistence farming. Nepal has remained an agricultural country for centuries. Therefore, agriculture is the predominant sector of economy but is still overwhelmingly subsistence oriented and highly diversified farming.

Due to diversity of climate and topographical condition and cropping pattern, agriculture pattern and yields vary from region to region. Population growth has increased the fragmentation on lands which has forced the people towards off-farm employment and because of the lack of occupational stream lining, agricultural production is decreasing. As a result, agriculture sector has unsatisfactory performance. Also, the high pressure on migration to urban and Terai lands (plain lands) has created unplanned mess settlements and environmental deterioration. People are surviving with inadequate basic infrastructures and utilities.

The Tenth Plan (2002 – 2007) has realized the size of land ownership which is gradually shrinking and establishing the land rights to those people who are directly associated with the land, that is the marginalized sections of the society. In this context, the government has announced to establish Land Bank to support landless and freed bonded laborers (Ex-kamayyas) with the view to alleviate poverty.

2. Vision

Land is the prime asset for human settlement. Land development, decent dwellings and healthy conditions for the people and social justice can only be achieved if land is used in the interest of society as a whole. Government has to accept the national obligation of supporting shelter for every citizen. The fundamental demand of shelter for the poor and meeting the rapidly growing need of new poor families is another challenge. The government needs to concentrate on
devise programmes and simplify procedures for accessing land to the poor. As and when one will have his land feels as a honored and secured citizen. This is the reality in Nepalese context. The Land Revenue Acts, 2034 B.S. (1977) which has the provision of land registration says that each and every piece of land in the country should be registered in the Land Registry. Almost all private land have been registered in the official register. The person who has absolute ownership on land, indeed desires to enjoy it from various aspects such as plantation, conservation, farming and expects collateral from financial institutions. But this is not so in the Nepalese context. The market value and the probability of the transaction are only considered by the institutions which do not support owners’ objectives. Therefore, the optimum use of land in the developing countries is only possible if one dedicated institution stands for the betterment of lands, landowners and their mobilization. Land Bank could be the right approach among others. The another logic in recent times is that the tenants, landless and freed bonded laborers will get loan in very low interest rate from the bank and purchase land from the landowners. Loan will be paid within 15 years of time. Skill development trainings with the view of income generating activities will be initiated in the community groups.

3. Policy

Whatever plans and programmes are devised in land related activities, it should be focused to Lands and/or Land Management perspective. The primary objective is to calculate the total land acquired by different means such as from the land ceiling programme, public lands (seek forest, land left by the river etc) and government lands. In acquiring land for landless poor, authorities must pay attention to the need of the poor to employment possibilities or other income sources. In market economy, land banking can control city growth influence, excess land prices and discourage informal settlements. The Legislation for public land acquisition is the next issue including land use, land for housing, compensation for public land, financial implications of public land, the security of tenure of informal settlements and services to them. Similarly, land registration systems are needed not only for ownership but also for public and physical planning. All of these above mentioned themes are governed by proper Land Management. The commitment, Reliability and Accountability, Role of local authorities, people’s participation and the role of co-operatives are the other factors to be considered.

4. Land Bank: Proceedings

The concept of Land Bank is just new in the Nepalese context. To address the issues related to landless poor, homeless and Ex-kamaiyas families and the likes, HMG/N proposed to establish the land bank in Nepal. It was thought to establish the land bank also for the optimum solution of the problems regarding to dual ownership. HMG/N for the first time, in 2061 B.S., declared that the land bank will be established in the fiscal year 2061/062 B.S. for the sustainable solution of the problems arisen in the sectoral area of land reforms and management and carried out the preparatory attempts about how to establish the land bank and to regulate it in the long term. For the establishment of land bank, Rs 50 million was allocated both in the Fiscal year 2061/062 and 2062/063.

The establishment of land bank was also included in the 21th item programme of HMG/N in 2061 B.S. for addressing the problems of landless and homeless poor and landless peasants. After that, a task force chaired by the deputy Governor of Nepal Rastra Bank was formulated. The main tasks of the task force were: to study the Land Bank related provisions, laws, bylaws and policies of respective countries including the neighboring country India, to suggest the institutional framework, to project the financial resources (foreign assistance, internal sources), to suggest the procedural and policy provisions for the proper distribution of land and conduction of upliftment programme for Ex-kamaiyas, landless and homeless poor, to recommend the other necessary requirements. After the working period of 10 weeks, the task force prepared its final report and submitted it to HMG/N.

Since it was felt that it needed a comprehensive preparation from government’s side for the sustainable programme launch of the land bank, the task force, in its final report, suggested two types of programmes: short term programme and long term programme. The report pointed out that it would take a comprehensive knowledge, up to date information system, infrastructure development, and basic organizational structures for the programme execution. On the basis of the report, HMG/N formulated the policy for providing loan to landless ex-kamaiyas to purchase land. According to this policy, the short term programme will be conducted in the following proceedings:

- The programme will be conducted as pilot especially on the selected areas of Banke and Kailali district excluding the area reaching 5 kilometer from the highway and municipality both.
- The main target group will be the landless ex-kamaiya families in the respective districts.
• The ex-kamaiyas family will be provided by the loan for purchasing up to one bigha (about 6773 square meter) of agricultural land through The Agricultural Development Bank of the related districts with the recommendation of the District Level Committee as formulated by the governmental policy.
• For this, the related Agricultural Development Banks will be provided the required amount of money as per the decision of HMG/N. It is more or less decided that the maximum amount of money will not exceed 150 thousand rupees.
• The loan provided to ex-kamaiyas should be returned back by them in 15 years period.
• The interest of the loan should be paid monthly at 3% per annum.
• The functions of the district level committee, which will be participatory in nature, will be as following:
  1. to justify the appropriateness of the land price that is to be bought by ex-kamaiyas family.
  2. to select the piloting area
  3. to prepare the required working procedure if needed and implement it
  4. to prepare a criteria for providing loan for ex-kamaiyas family
  5. to prepare the required loan asking format
  6. to conduct other related programmes concerning to the career development of ex-kamaiyas
  7. to coordinate the concerned organizations if needed

5. Final Remarks

The government of Nepal has committed to launch short term programmes with the view towards establishing Land Bank. Indeed, it is new concept in the Nepalese context that is it the programmes and activities will proceed on the basis of learning by doing. It is expected that the interested institution will take concern on the humanitarian ground so as to support poverty reduction goal in Nepal.

References

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