



Land Reform in Nepal

Where is it coming from and where is it going?

Liz Alden Wily

with

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SUMMARY

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The Findings of a Scoping Study on Land Reform
for DFID Nepal

November 2008

SUMMARY

This document provides a summary of a scoping study of land reform undertaken by the authors for DFID Nepal. It comprises an Overview, a summary of General Conclusions and summaries of Main Findings from each of the four chapters of the volume. Two summary tables are also provided.

The full volume may be obtained from DFID Nepal.

The findings and views expressed here are those of the authors and should not be taken as necessarily those of DFID.

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Note

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1. OVERVIEW

This is a summary of a book which reports upon a review of land reform in Nepal. The book finds that state-led reformism is far from new in Nepal. Since the late 1950s governing administrations of all political hues have pronounced *land to the tiller* redistribution necessary to abolish feudalism and advance economic transformation. And yet they have as recurrently failed to achieve these objectives.

Although overlord powers of landlords and colonising agents have been successfully diminished, other destructive characteristics of feudal land relations continue to flourish. These include high levels of absentee landlordism, large areas of underutilised farmland, and failure to reform the conditions of those who farm others' land, some of whom, extraordinarily, remain in debt peonage until today and despite repeated legislation against this. Insecurity of tenure afflicts the entire farming sector, a main cause of its stagnation. Farming has become one of the least appealing ways to survive and yet continues (and will of necessity continue) to underwrite the economy. This is itself truncated through failures to restructure farm tenure relations and force idle landlord capital into off-farm productive enterprise.

Breaking out of this cycle has become paramount to post-conflict and now republican New Nepal. Recommitment to abolition of feudalism through land reform has been given declamatory constitutional force. Reform is now termed *scientific land reform*, seemingly to reflect what is fast emerging as its dominant focus upon the commercialisation of agriculture.

While rhetorically, the link between redistribution with growth is retained, plans to actually carry out redistribution do not yet appear. Limitations on farm size or absentee landlordism are no longer mentioned and taxation (inducing sales to better-off farmers) is offered as the mechanism to reduce idle lands. The heat is to be taken out of popular demand for land by providing tiny plots of public wasteland to groups of the ultra-poor, and to those who have voted with their feet time and time again over the last 50 years and once again begun to occupy public lands in organized squatter camps.

This strategy has ominous echoes of former decades. It enables the State to avoid tackling the founding issues of unjustly acquired properties in the private sector and the rampant exploitation which continues to affect up to 2.8 million households who either have no shelter or farm of their own or not enough land to even subsist from – and while 7.5% of rural households still retain over a third of the cultivated land area, and a much greater proportion of the private property estate overall, significant parts of it idle.

It also enables the State to sidestep the increasingly pressing question as to how it has come to be the largest landholder in Nepal in the course of reforms, a situation at least partly engineered on the back of classical abolition of customary land rights in the name of modernization, and the co-option of naturally collectively owned assets like forests and pasturelands to its own purse and presumed superior guardianship. This has been a strategy upon which it has wisely but as yet highly partially back-tracked, in the form of handing over managerial control of mainly degraded forests to community bodies. In the process it has set up a new set of awkward institutional precedents which inhibit full restitution of property rights to either customary or modern community possession, and which trigger increasingly tense contestation over rights at the local level and especially between indigenous and non-indigenous communities.

This is however unlikely to be the end of the story. Although often un-crystallized in its vision, public demand for reform seems to heighten in this post-conflict period. This looks to real reform not just in the pivotal landlord-tenant relationship but in State-people relations, in terms of both power over property and the status of public lands. Meanwhile a High Level Commission is to be formed to produce concrete recommendations for land reform. A new Constitution is to be drafted in 2009 providing another opportunity for a fresh approach to property matters.

How far they will be able or enabled to take up the challenge of *reforming reform* remains to be seen. The risks of not doing so are high, with weary return to interventions of old likely, but with promises that this will work better this time on the basis of anticipated stronger political will. Indeed, lack of political will is identified by this study as historically the outstanding impediment to successful redistributive reform around the world. Nonetheless, too much reliance upon this is unreliable in a modern democratic state and within one which is so vibrantly Party-riven and where the age-old alliance of (often absentee) landlordism and officialdom appears to remain surprisingly intact. That is, sufficiently robust political will may be difficult to achieve now as in the past.

Democratising land reform itself offers a better chance of success, in the sense of looking to public will. This requires structuring reform as a people's programme in which every village community is empowered to control its own land relations, within the parameters of broad national principles and more exacting inclusive process. This offers a more workable route out of the quagmire of broken promises, breakdown in the rule of land-related law, and a narrowness of objective and remedy than back to business as usual with some tinkering can achieve.

Correctly empowered communities will have a better chance of breaking the chains of the embedded landlord-State allegiances which limit change. With control over their own community land registers, they will be better able to ensure the long-term occupancy and rights of each household are registered and disputes around these more quickly resolved. A community based approach, working in an incremental manner, and on an area by area basis, will also be better able to tackle the rights and governance grievances which embrace much of the public land estate, including existing and future protected areas. Relieved of powers to manage land distribution itself and the opportunities for rent-seeking which afflict current systems, district authorities will be better able to neutrally facilitate delivery and monitor, with accountability systems firmly embedded in local populations, not upwards to central government.

Taking into account the experiences of innovative community based approach to land rights reform elsewhere, we do not find it too fanciful to envision a thriving future Nepal as a mosaic of some 4,000 or more collectively-governed community land areas embracing the entire rural landscape; and within which elected Community Land Boards govern not only private land holding but the regulation, use and management of collectively owned resources including pasturelands and protected forests and reserves, under the oversight of national or federal legislation and technical agencies.

How far emergent reformism can extend its vision and scope in such ways (and similarly embrace the equally pressing issues around rapid urban growth and speculative land hoarding and housing developments once again to the detriment of the poor, in especially peri-urban villages, not covered in this volume) remains to be seen. Ironically, intensive politicisation along party lines may yet serve to limit the level of community-driven empowerment needed to drive real change in this areas In the interim, every assistance should be afforded the debate and policy-makers to maximise the current opportunity to genuinely move forward.

2. GENERAL CONCLUSIONS

On the whole land reform has failed so far in Nepal

Land reform is not new to Nepal, with initiatives begun from the 1950s. There have been successes, such as the early removal of land authority from local overlords, and most recently land allocations to some ultra-poor and fee waivers successfully encouraging women to register land in their own names. A small amount of private land has been redistributed (under one percent of cultivated land) and 180,600 ha has been earmarked for partition to registered tenants (but partially implemented). An unknown number of land poor families may also have received plots in the 1970s and 1980s under parallel schemes to open up to the Tarai to farming and especially through the regularization of squatter camps which followed.

Nonetheless, the fundamental task of classical land reform is to ensure secure, sufficient and equitable access to land by all those who till, and this has not been achieved over half a century of reformism in Nepal.

While farm size has on paper declined this is much more due to inter-generational subdivision and distribution among family members to conceal farm sizes than to adherence to limitations on farm size.

Even with ceilings set, distribution is not significantly less skewed than in 1950. Moreover cultivable land stands idle while at least half the rural population (or an estimated nearly 3 million households) have no land or not enough even to feed themselves, let alone secure extra income to free themselves from crushing debt or to invest in the farm.

The most tangible distribution has been only in recent years and comprised allocating a mere 1,609 ha of land to 12,019 freed bonded labourers (*Kamaiya*) in one small part of the country. Moreover this land derived from marginal public land, not the private farming sector. Prospect of delivery and registration of partitioned land meanwhile fades as these properties are bogged down by disputes and a backlog in the courts of over 100,000 cases along with laborious, and to this study, unnecessary, survey requirements.

Nepal has performed poorly

These outputs compare poorly with redistributive reform around the world. The better of these have seen more than 60% of rural households benefit (e.g. Vietnam, China, Taiwan, Japan, Korea, Cuba, Ethiopia, Mexico, Russia, Armenia) and deliver land to nearly a billion beneficiaries overall. However, the results are not worse than for the Indian sub-continent as a whole, excepting the Indian state of West Bengal.

Failure to reform the farm-based economy has failed transformation overall

Meanwhile the uncertainties created by poorly enforced reforms have played a main role in inhibiting agricultural development and prosperity. Half a century after the first significant land reform legislation (1957) neither land owners nor tenants and workers have clear and stable control over the founding means of production – the land. Out-migration from agriculture has become the major escape route but largely excluding the *most* poor. Agriculture itself stagnates.

Perhaps worse, failure to perform, or misconstrued reform, have often made things worse for the disadvantaged majority.

Even ‘successes’ have their pyrrhic underside. For example, a main output of imposing ceilings was concealment of ownership and severe erosion of the integrity of records. A main effect of tenancy registration was eviction; a main effect of taking uncultivated land from the rich was dispossession of the poor, and a main effect of presumed modernisation of tenure forms was characteristic abuse of customary property rights. Failure to perform overall contributed to civil war, land reform becoming a clarion call of the Maoist insurgency.

The institutional basis of feudalism has been weakened but its subjects not yet liberated

As public documents acknowledge, elements of feudalism continue to exist in 2008. These manifest most painfully in the persistence of serfdom, despite repeated legal outlaw of such conditions (in fact first in 1924). More widely there is unjustified rife indebtedness in the rural sector, caused by sustained exploitation of tenancy and worker arrangements, and gross insufficiency of land of their own to farm.

Nor has absentee landlordism been removed. This is integral to a continuing economic malaise through which better-off owners still gain more benefit from underpaying labour to produce food crops than from investing in the farm (and labour) to increase, improve, and diversify production.

Land reform did succeed in undercutting the powerbase of feudal property relations as taxers and controllers of land access. However the powers these characteristic feudal *zamindari* (*talukdar* and *jimidar*) lost became powers of the central state, not ordinary citizens.

Nationalisation of collective assets has been a questionable output of the reforms

Reforms have also seen the state emerge as the *majority landholder* through nationalisation of forests, wastelands and pastures and the abolition of customary property rights affecting those resources. This too was to the loss of the majority poor. While this has proven a common thread in so-called modernization of land relations globally including post-feudal and post-colonial reformism, reversals are ultimately proving necessary.

Modernization has in respects aided polarisation

The earliest and arguably most successful thrust of land reform from the 1950s was to consolidate holdings as fungible *private property*, whereas prior to this, many lands were held to be easily revertible to King and State without compensation. Without protection of tenants or labour included in this process, this too played its role in diminishing the rights and security of the majority, by finally sealing the gap between overlords and tillers; *the former became registered land owners, the latter, mere tenants.*

Poorly seen-through tenancy reform has backfired

An uncertain tenancy strategy followed and compounded failure to deliver land to tillers. Its shortfalls have made tenants even *less secure* than previously in their occupancy and conditions of labour. This is because it has been fully possible for landlords to evict tenants and/or put them on different annual terms. In this way, landlords rather than tenants have been liberated from the obligations inherent in feudal relations.

Plans to enable registered tenants to gain a share of the tenanted land were sound but weakly implemented. They also provoked a classic ill of failed reforms, a rise in under-used farmland in the midst of land shortage, landlords preferring to leave their lands idle (and being permitted to do so) than to risk tenants claiming partition rights.

Lack of will to reform lies at the root of failures

Reasons for failure in Nepal's land reform mirror those seen in other weak redistributive reforms. The immediate cause has been the repeated leaving of

space for landlords to avoid or manipulate new legal requirements (and through this putting rule of law itself in jeopardy).

This shortfall in turn stems from weak will to succeed. This has been, compounded by a too imitative approach, relying upon orthodoxies which were never going to be easy to achieve in the best of circumstances and even less so in the progressively challenging times of the last half century. In many ways, and especially since the 1980s, Nepal was too late with adoption of a reform primarily built around militant and post World War conditions. This has not been an experience unique to Nepal, quite common in Latin America.

Successful reforms (and there have been a number, especially the 1940s to 1960s) have avoided this by being characterised by -

- a) forceful, comprehensive and speedy implementation, preventing lack of adherence or avoidance by landlords (the most successful were completed within two to five years);
- b) substantial support for beneficiaries beyond provision of land, enabling them to launch self-reliant and competitive farming as independent producers;
- c) backing up the sector as a whole with significant investment in irrigation and roads, seed and fertilizer supply, technology, and cost-effective marketing systems;
- d) recognition of the power of indebtedness to prevent and derail reforms and making credit not just cheap but directly and easily accessible to the very poor, and on a sustained basis;
- e) the nesting of land reform in a well-thought through agricultural investment strategy and linking this to intelligent off-farm light industrial development;
- f) in particular keeping redistribution out of the marketplace by compensating landlords at well below market values and in shares or bonds which allow them to access their compensation only by investing in off-farm productive enterprise, and with encouraging supporting assistance from the state; and
- g) involving beneficiaries from the outset in implementing, regulating and monitoring reforms.

None of these conditions have existed in Nepal despite some being recognised as essential, most comprehensively by the High Level Land Commission of 1994-95 and now rearticulated to an extent in 2008.

Driving this has been equally characteristic lack of genuine political will, unwillingness to sacrifice privilege, or to fracture longstanding shared interests of the landlord and bureaucratic elite.

Ironically, Nepal's emerging democratisation over the same period has not helped, depriving the state of the *militant autocracy* which, for better or worse, has been a common factor in those land reforms which performed well during the 20th century.

In recent years the replacement of autocracy with *popularly-driven reform* has become the logical precondition of successful land reform. This requires however much more devolved forms of land governance to work.

While constraints and challenges abound, positive conditions for reform exist

New Nepal has revitalised its commitment to land reform. This is now termed scientific land reform to denote the inseparability of redistribution and growth and to emphasise the investment needed in the farm sector, alongside removing grossest inequities and labour exploitation. inequities.

Positive conditions for seeing this through exist including –

- a) Growing frustration with the continued stagnation of agriculture and acknowledgement that failure to reform is a main impediment that must be removed
- b) The reshaping of democracy towards more genuinely inclusive representation of landless, land poor and exploited sectors excluded in the past
- c) A more politicised society overall in which the rural poor begin to find their voice
- d) The experience of civil war which has demonstrated how real land grievance is and how easily grievance can turn into violence
- e) The fact that all parties in principle acknowledge feudal relations must be done away with once and for all and almost all have signed up to 'scientific reform' as the vehicle

- f) A more supportive global environment with rising concern as to the continuing plight of the world's three billion poor, most of whom live in agrarian societies where farming is the foundation of livelihood
- g) The maturation of redistributive reform beyond its anti-feudal and anti-colonial origins into a human rights context
- h) Better global understanding of the economics of land reform as social and economic transformation; following a period in which the links were doubted and large estate farming again favoured, there is renewed recognition of the role which landlessness and homelessness plays in sustaining rural, and by association, urban poverty. This is especially urgent in agrarian economies where it is becoming clear that hoped-for industrial revolution will be slow and limited in their absorption of labour, and
- i) Acknowledgement that while equitable farm ownership is not a precondition to growth, peaceful and sustainable growth is difficult to achieve without it in agrarian states.

It is doubtful as to how far New Nepal is committed to redistribution

If there is any danger in the vision of scientific reform laid out thus far by its lead exponents (and most notably in the Ministry of Finance's Budget Speech for 2008/09) it lies in the enthusiasm with which commercialisation of agriculture is being promoted without a clear plan yet developed to deliver land to tillers.

This has left redistribution vulnerable to tokenism, manifesting already in plans to provide the very poorest with tiny and marginal plots (including under electricity transmission lines) out of public land, this marginality to be offset by assisting beneficiaries to farm cooperatively. This falls into a *welfare approach* focused only upon the poorest of the poor, a tiny minority of those needing land.

No mention is made of ceilings or redistribution within the private land holding sector. Even those who have left their land idle will not see this confiscated but subject to heavy taxation – thus encouraging them to sell, but logically only to those with the means to purchase, thus keeping scarce and needed land beyond the reach of the poor. *An observer might conclude that redistribution has fallen off the agenda.*

While it is early days, this does raise query as to how committed New Nepal is to wholesale redistribution. And if not, how far the diminishment of public

commitment is political, to be revived in the event of a Maoist election victory? Or how far is it the result of yet-to-be-thought through strategies?

Clear constitutional commitment (2007) has nonetheless been made to abolishing feudal land ownership through scientific reform and within which *land to the tiller* remains in words at least a founding element. The Common Minimum Programme of main political parties endorses this (2008).

The demand for redistribution has not diminished

Popular demand for redistribution is high. As in past decades land poor (and allegedly, some not so land poor) are increasingly occupying public lands in organised camps. Local non-government organizations continue to press the Government for reforms. As the rising number of strikes and demonstrations suggest, demand for reform in relations and rights, including between people and government is high. The time for making good on old failures is necessarily now.

Reform needs reform

New times require new strategies to allow reform to be workable and it is far from clear that the current version of 'scientific land reform' answers the call.

Responsibility for thinking through implementation of land reform lies with an upcoming High Level Commission. This will be a cross-Party commission and as such may be constrained as to how radical its approach. Without assisting technical expertise, there is a risk that the Commission may find itself unable to do much more than echo the recommendations of its predecessor, the High Level Land Reform Commission of 1995, whose recommendations were largely ignored.

There is also a danger that the Commission may continue to focus upon the traditional elements of classical land reform, the landlord-tenant relationship, to the exclusion of other pressing issues.

These include how urban expansion and housing development is pursued in ways which put a halt to sharply rising speculative land acquisition and profiteering to the detriment and often dispossession of the peri-urban poor.

They also include re-evaluation of not just the systems for rights recordation but how rights are acknowledged (tenure reform). Properly constructed, this should enable an estimated two million households with stable occupation of houses

or lands to finally secure legal registration of that occupancy. Currently this is permissive occupancy on public land within villages or beyond. Loopholes need finally closing through which officials and middlemen are able to pervert the system of registration of ownership and transaction to their own benefit.

There is additionally need to revisit the utility and justice in retaining the classical distinction between private property and public property and the latter having fallen almost entirely to the de facto tenure of the state and overridden community as well as more particular indigenous collective rights. A more modern and democratic approach would see the state move almost entirely out of the public land holding sector and democratize not just its governance but its tenure.

It is not too fanciful to suggest that within a decade the entire land area of Nepal should and could exist as a mosaic of several thousand discrete community land areas, inclusive of valuable protected and managed forests, owned by those communities, but subject to national and federal protection regulation and oversight.

In the process of such reconstruction many lost customary rights, now chafing to be recognised after substantial suppression but not disappeared, may be finally accounted for and incorporated. This would occur through an area by area reconstruction of VDC areas.

In short, the challenge to the upcoming Land Reform Commission is to take a holistic and completely fresh approach to the troubled land relations of Nepal in ways which extend reformism beyond farmland distribution, and beyond agricultural commercialisation, the emerging touchstone of scientific reform.

Community Based Land Reform as the Way Forward

A thoroughly devolved approach may provide the path.

This would include three thrusts; the *first* amounting to community based redistributive reform, focusing on farmland rights and associated tenancy/worker relations; the *second*, amounting to the establishment of community based land administration, in which the community maintains its own land ownership and transaction records, and has control over related decision-making; and the *third*, relating to the reconstruction of the village area as a more inclusively based entity, by which many resources still outside its control are included (particularly in the Tarai).

As example, in regard to removing feudal norms a devolved approach would legally empower each rural community to take control over the removal of feudal norms. This includes the power to deal with abusive tenancy, ensure idle lands are farmed, and to supervise the redistribution of above-ceiling lands, the ceiling to be set by the community itself. Power to regulate the use of public lands including regularisation of longstanding occupancy by unregistered households would also be required.

In these and other aspects the community would be subject to overriding principles, limitations and guidance by national (or in due course, federal) regulation.

These would include the process through which decisions and actions of communities are exercised to ensure genuine majority will. Mechanisms would need to be laid out for ensuring that the poorest households are included, essential given that poor peasants have remained vulnerable to the power-holding of larger land owners and allied officialdom.

A community based approach also has a better chance than top-down strategies of ensuring the participation of a crucial constituency in Nepal's transformation, *its youth*. The community would also be subject to periodic inspection and oversight by autonomous district teams. The already existing powers of VDC to mediate disputes would be practically activated.

A devolved approach helps limit slippage into old ways after an initial flurry of activity, often the fate of bureaucratically-controlled reforms. It is doubly useful where consensus among political parties as to land rights is remote. While the national level bickers, local communities may get on with addressing their land constraints themselves and reach agreements which may be impossible on the national stage. A devolved approach also affords the popular ownership needed for changes to be rooted and sustainably enforced. It also affords flexibility at the level it matters. Nor need the failure of one community to act adversely impact upon its neighbours; conversely, the success of one community may trigger demand in the next.

While national administrations classically fear releasing real power to the periphery it is precisely this form of democratisation that is necessary to ensure mobilisation, real inclusion of the majority poor and to allow monitoring to be sustained.

The stage is well set in Nepal for a people rather than state-driven reform to occur. Institutionally Village Development Committees (VDCs) provide a vehicle and have been set upon a course of strengthened empowerment. Federalism opens the door to a fresh new approach to the socio-spatial structure of governance.

Whether New Nepal and most immediately, the planned Land Reform Commission are able to rise to the challenges remains to be seen. The chances are mixed. Old ways of examining problems die hard, including as to what land reform is and can be. International precedents for a community based approach to land reform, land administration and governance are also new, or without the redistributive element so crucial to Nepal. Just at the point when devolution is acknowledged in Nepal as essential, its eyes are focused around federal state levels rather than the grassroots. The competitive vibrancy of party politics and in which each party is so strongly built along vertical lines encourages centrifugal centralism, undermining opportunities for members of communities to reach and sustain consensual decisions. Many key actors within officialdom remain resistant to alteration to comfortable if not very productive ownership arrangements, and in which they are the dominant absent players at the local level.

Thus, much is stacked against a revolutionary or scientific land reform genuinely occurring. It is just as easy for New Nepal to tiredly reiterate the platitudes and plans of the past and to proceed in practice with business as usual, but this time on grounds that this is necessary for the urgent commercialisation of agriculture. Helping policy designers move beyond this is the real land reform challenge facing ordinary Nepalese. Bringing all these issues into public debate is the immediate way forward.

3. SUMMARIES OF MAIN FINDINGS FROM EACH CHAPTER

Chapter One: Land Reform in the Global Context

1. Nepal has been one of 55+ countries to embark upon redistributive farmland reform over the last century. Review of global experience is useful for identifying constraints and comparing success. This is especially so as most reforms adopt more or less the same strategies. Overall Nepal has been one of the less successful performers.
2. The objectives of redistribution are usually the same: social justice (feudalism cannot be removed without engineered change); civil peace (gross inequities predispose agrarian societies to instability or revolution); cost (sustaining dependent and landless majorities becomes expensive); anti-poverty (landlessness is both a cause and clearer correlate with poverty and oppression than literacy, gender or caste); and most of all, to hasten capitalist growth by transforming tillers into owners and landlords into capitalists by being forced to take themselves and their capital into new off-farm enterprise.
3. Successful redistributive reforms shared common characteristics. These include comprehensive coverage, speed, with prompt and rigorous enforcement allowing no wriggle room for landlords; ample back-up to enable beneficiaries to be genuinely autonomous and competitive producers; sufficient credit to avoid fall-back into involuntary sales; complementing redistribution with massive investment in agricultural inputs, credit, infrastructure, technology and marketing services; and linking the reform with off-farm industrialisation especially by forcing landlords to invest in off-farm enterprises. Successful reforms eliminate absentee landlordism, further encouraging removal of capital and make owner-operated farming the foundation of agricultural development (land to the tiller). Devolved operations and involving beneficiaries directly in the implementation and monitoring of reforms are also quite common factors in success.
4. Poor and failed reforms share shortfalls in which most or all of the above are absent. Redistributive reform is difficult to see through in even the

most encouraging of circumstances given the level of social transformation involved. Therefore it is not surprising that a founding cause for shortfalls is *ambivalent political will* to succeed. This is mostly the case where ruling governments are unwilling or unable to dissociate themselves from the landlord class. Therefore they limit implementation to sectors where their shared interests are not affected (by area or target groups) or succeed only in those tasks which serve to consolidate the security of existing holdings.

5. Capitalist transformation increasing the nature of holdings as fully fungible private property often undermines the objectives of equitable distribution. Registration and titling reforms have also often abetted the status quo, turning those who control and do not control farming more definitively into distinct classes of owners and non-owners, and which partial redistribution fails to remedy.
6. A tendency to discretely abandon redistribution within the private sector and to redistribute marginal public land instead, is a common symptom of failing reforms. This has mixed results, encouraging periodic waves of squatters and land grabbing. This is often by those already with land and means, leaving inequities in the private sector intact. This sustains grievance and the conditions which continue to impede productivity, and produce more landlessness.
7. The *economic* justifications for redistributive reform have proved most challenging to governments and the most-used excuse for failure to carry through on reform. A common justification has been to fall back on the idea that commercialisation requires large farms.
8. *Over time* the complex function of redistribution in transformation has become better understood. Experience suggests that redistribution cannot be expected to raise farm productivity or trigger transformation *on its own*. Correctly structured, it may contribute dramatically to this. At the minimum, a fairly successful reform establishes a more just and therefore more lasting framework through which modernization of agriculture may *more equitably proceed*. Social revolution and civil war rarely occur where asset distribution is seen to be fair.
9. A major beneficiary of redistributive reform has been the state itself. Governments routinely take over the powers previously enjoyed by landlords and agents and only unevenly restore these to local landholder control via collectives or eventually instituted local governments. Governments have

also routinely appropriated non-farmland property in the name of reform, turning the state into the largest land owner. Aside from jeopardising the needed impartiality of the state in land relations this has frequently interfered with community based collective rights. It has also served to bring millions of hectares of forests, pastures and plains into disastrous open access through the act of conversion into public lands (or de facto Government Land).

10. Both trends are currently under widespread challenge on all continents under the name of land tenure and land administration reform. Drivers to changes include –
 - a. democratising governance trends, with more devolution to the grassroots and refinement of the role of the State towards a regulatory rather than property-owning role, with a steady demise in the scale of public lands;
 - b. widening in the focus of redistribution beyond landlords-tenants into inter-ethnic relations, especially where indigenous property systems persist and embrace significant areas beyond the farm;
 - c. rising acknowledgement that pre-State customary land interests amount to property rights;
 - d. new pro-poor global reformism, and which recognises that real property (houses, buildings, land) remains a key platform for moving out of poverty; and
 - e. emergence of secure shelter and productive land (in rural economies) as a human right, and irrespective of whether or not its absence is generated by feudal, colonial or capitalist conditions.
11. Successful redistributive reforms during the 20th century relied heavily upon autocracy (in both communist and capitalist systems) to see reform through. This condition exists less and less today. In response, from the 1980s redistribution moved from state-led to market-assisted forms, but with limited success.
12. Emergent trends are towards people-led and demand-led reform, to secure stable reform in the face of a constant threat of changing governments. Beneficiaries are themselves becoming a key group of actors. Accordingly, land reform in the 21st century has less gone off the agrarian agenda than begun to alter its shape, foci and routes. In short, it has begun to be democratised.

Chapter Two: Rural Landholding in Nepal

1. As preface, exact numbers of rural landless and a true picture of farm distribution are not reliably known. Surveys are out-of-date, samples with one exception tiny, and results contradictory, particularly between information compiled from land registers and data from agricultural censuses. Concealment of real holding size compounds unreliability. Added to this are rapidly changing circumstances during and after conflict, including high levels of migration and urbanisation.
2. Given that the legal limit of landholding has been set at 7.3 ha (Tarai) the range of rural holdings is not extreme, officially. Reform gives the appearance of evening up holdings with a decline in concentration from 0.64 to 0.49 between 1961 and 2001. Holdings have nearly doubled in number over the same period (1.5 to 2.8 million). Average holding size has fallen from 1.09 ha to 0.8 ha. One third the number of holdings are larger than 3 ha today compared to 1961. The proportion of marginal holdings has declined by 9%. The proportion of households now in the small farms class has risen by 12%. These data suggest reform has had a strongly positive effect. However, without comparative data on the proportion of absolute rural landless (around 24% today) and who new farmers are, it is not known how far these changes reflect intergenerational subdivision which would have occurred without reform, are negative responses to reform in the sense of subdivision for the purpose of concealment, and/or reflect a genuine and inclusive redistribution.
3. In any event distribution remains highly skewed, with 7.5% of farmers still owning nearly a third of the farming area and nearly half of all holdings (47.7%) too small to enable the family to meet subsistence requirements (less than 0.5 ha). At least another 10% of rural households have absolutely no home or land at all (half a million rural households). Together, nearly 60% of rural households are *functionally landless*. Marginality in farming is a major and majority issue in Nepal, sustaining high out-migration and emphasising the need for re-examination of strategies around distribution and intensification of production.
4. Although unevenly addressed as cause by government and assisting donors, land poverty and socio-economic poverty positively correlate as expected. Caste and ethnicity, and particularly in the Tarai strongly correlate with levels of landholding and landlessness; high castes own more and rent in less. By agro-ecological zone, inequity in ownership is greatest in the Tarai where most large holdings are found and most outright landlessness exists.

This suggests that should redistributive reform be again advanced, the Tarai must be the focal area.

5. While women traditionally own little or no land and especially as legally recorded, this is suddenly changing with introduced waiver of registration fees when land is recorded in the name of a woman. The proportion of such transactions doubled in the last fiscal year. Uptake may reflect a genuine change in attitudes, common after conflicts, but may also reflect use of a fortuitous new mechanism for families to contribute to concealment of total size of properties.
6. The proportion of tenants to landlords has declined sharply over the last half-century. This could reflect a real decline in the proportion of landless (historical data are not available) but more likely reflects the reform-induced change in status of tenants as now workers on annual contracts. These tenants/workers farm others' land under decreasingly stable conditions due to landlord avoidance of grounds through which tenants were enabled to claim a share of the land through new legal provisions in 1997, an opportunity now closed. Most concealed tenancy is in the mid-western and far western regions. In any event absolute numbers of tenants have as sharply risen. Registered rural tenants number around half a million but there are reasonable grounds for accepting there are three times this number of farmers operating as tenants, 1.5 million households or nearly 30% of all rural farming households.
7. Bonded labour, the most exploited form of tenancy, is the condition of an estimated 80,000 – 100,000 households, although such arrangements have been legally outlawed a number of times since the 1950s and most explicitly and recently in 2002. Around 12,000 former *kamaiya* in western Tarai have received marginal plots of their own under the reforms.
8. Private land is expanding in Nepal and currently comprises 41% of the total land area according to surveyed private land holding, not the 20% conventionally quoted. This raises query again as to how genuinely ceilings have been enforced. Over 2.6 million ha is uncultivated. While a substantial part is left fallow due to the terrain and soils, it is widely acknowledged that a large part of cultivable land is left idle rather than rented out to farmers who might then claim partition rights.
9. Only 48% of all households have a registered house or farm entitlement. It is concluded that around one million of the remainder are without any

property of their own and two million other households have unregistered but long-term occupancy on land defined as public land or registered under the name of landlords. These are poor and very poor, often finding themselves excluded during survey and registration exercises of the last 30 or so years.

10. The land administration system is technically devolved to the 75 districts but policy decisions remain centralized. The Ministry of Land Reform and Management is in practice a ministry of land administration, preoccupied with survey and recordation. Extraordinarily, no records are compiled as to the exact status of outputs from reforms, or parallel historical allocation of plots to squatters, a common feature of opening up the Tarai during the 1960s to 1980s. This is ironical for it could be the case that more poor and landless than officially known have in fact been granted lands over the last half century. Both courts and land offices blind with fees and paper, efficiently excluding the poor.

Chapter Three: Land Reform in Nepal

1. Feudal land relations in Nepal have characteristic origins in the organization of extraction (food, goods, labour) in service of a centralising hierarchy. Caste and then ethnicity would provide the shape along which extraction (in due course ‘taxation’) flowed, and eventually entrenched as distinctions between land owners, tenants and tillers.
2. The main instrument was assignment of King/State land to nobility with powers to extract rent and forward part of this to the central authority. Its power to cancel grant of these assignments (*Birta*) kept nobles loyal. Other mechanisms evolved to extract tax from tillers on lands not assigned to nobles, including the *Jimidari/Tulukdar* system of intermediaries, using local notables, and the *Jagir* system using elites, civil servants or military officers for newly colonised lands, especially the Tarai. Provision of compulsory labour (*Rakam*) added to subordination of rights.
3. By 1900 intermediaries were broadly synonymous with overlord landlords and the *Birta* assignments in practice entrenched as private rights to land. Penetration of capital hastened the process further. Registration of land interests and duties (begun in the 1850s) for the purpose of regulating taxation was a critical instrument towards this. By 1950 classes of land owners, tenants and tillers were pretty well fixed.

4. Land reform began immediately on the fall of the Rana regime in 1951, with a first attack upon the *Jagirdar* who were mainly members of the Rana family, and plans to improve the conditions of their tenants in the Tarai. The conversion of all *Birta* grants into formal private property was also an early objective, achieved in the 1950s.
5. From 1961 reforms entered more classical agrarian reform, delivered in land laws between 1962-64 which sought to (i) do away with the last land tax-collecting intermediaries; (ii) fully privatise land rights as private property; (iii) unify and modernise land ownership and taxation in a system of survey-based registration managed by de-concentrated government offices in each district; (iii) improve tenancy conditions; (iv) achieve more equity in land ownership by imposing ceilings on farm size and redistributing the surplus to needy farmers; (v) enforce saving by farmers and create a credit source for them at the same time; and (vi) impose measures to improve farming practices.
6. A distinct programme of settlement schemes in the Tarai paralleled the land reform. Its objectives were not reformist although in practice these increasingly included provision of plots to some landless and land poor. This was mainly through the necessity to regularise squatter settlements stimulated by planned forest clearance and settlement schemes, these geared to wealthier farmers.
7. Little was achieved from the 1960's reforms. Following restitution of democracy in 1990s a more exacting land to the tiller reform was recommended (Badal Commission, 1994/95). This was to be delivered principally in a programme to abolish tenancy altogether, by enforcing partition of tenanted lands to registered tenants, given legal force in 1996/97. Ceilings were further lowered but not enforced. Sister plans to modernise agriculture and support services also failed (Agricultural Perspective Plan, 1995). A non-government driven initiative to provide land to bonded labour finally unfolded after 2002.
8. Broadly, after 55 years of reformism (1951-2006) main results have been –
 - a. removal of intermediary and local overlord powers over land relations into the hands of the central state, with subsequent de-concentration of administrative powers to district offices;
 - b. reshaping but limited demise in the classical alliance of landlordism and bureaucracy;

- c. conversion of feudal forms of land assignment and allocations of Kings/ State land into fungible private property rights;
- d. repossession of uncultivated *Birta* and *Jagir* land into the hands of the state as public land;
- e. nationalisation of other pastoral and forest land held collectively by indigenous communities as de facto state property (public land);
- f. slight limitation on the use of endowment of land for religious purposes (*Guthi*) as a tax haven and repository for above-ceiling land holding;
- g. formal abolition of already sidelined and largely individualised customary landholding systems;
- h. final entrenchment of the well-advanced distinction between those who own and those who till through new survey and registration which turned poorest households on marginal lands into permissive squatters of large holdings or public land;
- i. some real and some spurious reduction in concentration of land ownership through mainly advance disposal of above-ceiling property by transfers into names of other family members, friends or caste-mates;
- j. an early successful land-taking from elites through nationalising their forest and wasteland areas, but reneged on in part through subsequent survey and registration processes favouring large owners at the cost of the poor;
- k. limited state-engineered redistribution including (i) official retention of above-ceiling land of only 29,124 ha (0.85% of cultivated land), around half of which was actually redistributed, the remainder still in the custody of owners; and (ii) commitment to redistribute 180,600 ha of tenanted land to 541,802 registered tenants, but delivery upon which is uncertain and bogged down by disputes;
- l. addition of a welfare provision of 1,602 ha of public land to up to 14,000 former bonded labourers in one part of the country;
- m. contribution to real rising agricultural daily worker wages;
- n. abolition of compulsory labour for the state or royals;
- o. liberation of landlord responsibilities to tenants and workers and de-securing tenant occupancy and conditions, as result of partial registration of tenants, limited delivery of a share of tenanted land and

- failure to enforce legal tenancy conditions against wrongful eviction, labour conditions and share returns;
- p. a continuing absence of accessible and affordable credit for landless and land poor farmers;
 - q. sustaining indebtedness and polarisation with an equal or greater proportion of landless households than in 1951;
 - r. almost total absence of supporting agricultural reforms particularly as reaching small and marginal farmers, who remain the vast majority; and
 - s. a dramatically raised level of politicisation around land rights, with hardening of polarisation of interests along political party lines.
8. While there were successes, land to the tiller did not occur, with even pledges re partition of tenanted land affecting only 3.4% of the private land area. At least 50% of rural households still have insufficient farmland to even subsist from, and the proportion of truly landless in their ranks may be rising. Meanwhile 3% of owners still hold 17.3% of the private farm area.
 9. Immediate causes of shortfalls were (i) lack of sufficient planning, (ii) investment, (iii) purposeful implementation and especially enforcement of measures. These in turn stemmed from *weak will to will to succeed*. This is most clearly seen in setting ceilings at a high level which would not have delivered the needed land even if they had not been easy to evade. Driving this was reluctance to fragment the landlord-state alliance and its reconstruction as a modern and ‘inevitable’ alliance of capitalist development.
 10. These conditions caused even basic well-intentioned measures to backfire, most notably as affecting tenant conditions and rights.
 11. Compounding these failures was the lack of a well-thought through approach to the linkages of redistribution to agricultural sector development and useful forward links into off-farm developments. The need for these was better formulated in the 1990s, but lack of political will continued to impede adoption.
 12. In the event, the reform initiative would be seized by non-state rebel actors, making it inevitable that land reform would return forcefully to the post-conflict agenda. The signing of the Peace Agreement in 2006 indeed saw

a new phase of land reform announced, termed ‘scientific land reform’, reviewed in Chapter Four.

Chapter Four: Looking Ahead

1. In words, land reform is high on the post-conflict agenda. Most binding is the constitutional commitment to implement scientific land reform by doing away with feudal ownership and to provide land to the landless and members of disadvantaged groups.
2. Scientific land reform is emerging as no more and no less than agrarian land reform combining land to the tiller with massive investment in the agricultural sector itself. This is most cogently articulated in presentation of the Fiscal Budget for 2008/09. Although better articulated this does not depart significantly from earlier commitments, even from 1960.
3. Action plans do not (yet) match the rhetoric. The Ministry of Land Reform and Management’s Three Year Plan is strongly biased to record systems modernisation (survey, registration and transaction management) offset by plans to make land available to 200,000 land poor (less than one percent of the rural population) with concentration upon 13,244 already-identified freed bonded labourers. The Budget Speech reiterates this but adds that the poor will be assisted through cooperative farming on local marginal *public lands*, including under electricity transmission lines and community forest areas, lands upon which they already greatly depend.
4. This ‘little lands for little people’ approach hints at abandonment of redistribution within the skewed private land sector, with no disturbance to large landholding implied. The strategy also has ominous echoes of past mechanisms to avoid tackling the structural and neo-feudal relations still pertaining in the private sector. No mention is made of new ceilings, enforcement of existing ceilings or extension of registration to an estimated one million unregistered tenants. Idle land is to be subject to a special tax; this may well encourage owners to sell land which might be better partitioned to (still unregistered) tenants. The enthusiasm with which the Budget Speech advocates modernisation of agriculture overall but without a clear distributive strategy around the resource itself suggests that redistribution may be off the agenda.
5. Alternatively, the financial year is too short and the budget plan handicapped by the pallid commitments of the Interim Plan. Moreover both ministries are

committed to see another High Level Land Commission formed, presumably to flesh out a comprehensive strategy and programme.

6. That Commission faces a host of challenges. The greatest challenge will be to pay close attention to the reality that legally-instructed redistribution has failed not once but twice in Nepal and in the process undermined the rule of law. Reform itself needs reform. Process itself needs close review, taking into account that enforcement will be just as difficult as in the past in an environment which is more politically divided as to objectives and means than even before.
7. The risks are many, including both failing to act swiftly enough to curtail loss of public confidence and stem reactive land invasions, and acting too hastily, failing to structure change in ways which protect it from old failures to deliver.
8. There is also a risk in failing to expand the vision of reform sufficiently to encompass new concerns such as arising around ethnically-defined customary land rights, the status of public lands and the strategic shifts needed to successfully bring equity-based reform into the growing urban sectors. There is also a danger of confusing record systems reform for governance reform and entrenching rather than reforming the way in which land relations are governed and by whom.
9. Opportunities to get it right are not lacking. The post-conflict population is much more aware of the issues and better represented within civil society, political and governance realms. It is more empowered and expects and demands real change. Trends towards devolved governance, as being expressed in federalism or local government reform, empowering village communities in particular, offer a particular opportunity for shifting classical land reform onto safer and sustainable grounds.
10. This may be delivered in a *community based approach to land reform*. This looks to ordinary communities as planners, implementers and enforcers of their own land distribution processes, operating within the bounds of nationally prescribed principles and procedures. Inter alia these would specify the way in which decisions are to be made accountable to all members of the community and governed by majority consensus. District land office functions would accordingly be significantly trimmed and refined to roles as technical advisers and monitoring watchdogs of fair practice.

11. Such an approach has a host of advantages, from helping sidestep political impasses, helping to overcome financial and manpower constraints at implementation, overcoming lack of enforcement of new rules, allowing flexibility at the level it is most needed, and enabling those most affected by the reforms to directly have their say, and be party to decision-making. Youth, a critical sector in New Nepal and the future right-holders will also more easily be involved. Majority local ownership of changes engendered by a community-based approach will also help protect reforms from changes through changing political leadership.
12. A community based approach to reforms has the added advantage of providing a foundation upon which sustainable community based land administration over the medium term may be built; each community maintaining its own community land register and recordation of transactions and governing property relations in accordance with its own laid down by-laws.
13. Perhaps the most valuable immediate assistance which donors can give New Nepal is to assist the Commission and associated actors to explore the workability of this vision. Learning by doing experiences in all regions and zones could be promptly fielded, providing hands-on exercises to arrive at workable procedures, and in the process filling many of the knowledge gaps as to actual trends in landholding and labour relations on the ground.
14. Other helpful exploratory exercises which can provide invaluable information to decision-making include the need to assist indigenous nationalities concretise where and how collective customary property rights need now to be recognised in a fair and workable manner; examination in the sub-continent as to routes through which even small holdings can become platforms for commercial production without resort to large scale farming; and review as to how far homestead provision in peri-urban zones can satisfactorily meet the demands of burgeoning landless rural/urban poor.

4. SUMMARY OF FACTS RELEVANT TO LAND HOLDING IN NEPAL

Country area:	147,181 sq km (roughly the size of Bangladesh, twice the size of Sri Lanka, one quarter the size of France, Kenya or Texas in USA) Water accounts for 21%
Agro-Ecological Zones:	Mountains 22.7%; Hills 50% (High Hills 20% & Middle Hills 30%); Tarai 27% (Inner Tarai (Siwalik) 12.78% & Plains Tarai 14.3%)
Population:	23.2 million (2001), doubled in 30 years (1971), est. 29.5 million in 2008
Households (hh):	4.2 million (2001) Estimated as 6.02 million hh in 2008; average hh size 4.9 persons. 76.6% = male headed
Population density:	157 per sq km (2001), est. 200 per sq km in 2008
In-country distribution:	Half the population in 2001 (48%) lived in the southern low-lying plains (Tarai)
Social identity:	103 social groups: <i>Caste Groups</i> = 58.77% (53 hierarchical Hindu caste groups with Caucasoid origins including 18 groups of former untouchables (Dalits); <i>Ethnic Groups</i> (Janajatis) = 36.38% (comprising 45 groups of non-Hindu non-hierarchic Mongoloid origins); and others/undefined = 5.37% (5 groups). No one group dominates numerically; 11 major ethnic/caste groups of which the high caste Chhetri is the largest (28%)
Social Distribution:	By <i>zone</i> : mountain groups comprise only 1% pop, the 36 hill groups = 65%, 52 Tarai groups = 32%, and unidentified = 2%

	By district: 55 of 75 districts contain one ethnicity or caste which numerically dominates (17 by Chhetri and 6 by Brahmans (upper Hindu castes) and 32 by indigenous groups (Janajati)
GDP:	Per capita ranks 156 among 177 poorest nations. Low for South Asia but at 2.7% in 2005 rose faster than South Asia average of 1.9% from 1986-2005
Rural/urban population:	Urban = 13.9%, tripled since 1971 (4%). Other figures give urban pop as 15% (2001). Rural = 88% or 3.67 million hh in 2001 down to estimates of 83% to 80% in 2008: Estimates of nearly five million rural households (4.819 million)
Conflict & displacement:	1996-2006: 12,407 conflict-related deaths including 2,000 non-combatants (common farmers) (INSEC 2005). Up to 200,000 people displaced but difficult to separate from widespread migration to Tarai from hills and to India and beyond. Most estimates of conflict-displaced in 50,000-70,000 range. By mid-2008, 35,000 displaced registered
Administration:	75 districts in 14 zones and five development regions (Far Western, Mid Western, Western, Central, Eastern) with 58 Municipalities, 75 District Development Committees/Areas divided into 3,914 Village Development Committees/Areas, comprising 36,032 Wards (settlements/hamlets), average 1,042 hh per VDC and 116 hh per Ward in 2001
Pop dependent agriculture:	76% households; economically active population engaged in agriculture = 66% in 2001 down from 91% in 1981
Agricultural employment:	81% of rural population with 63% self-employed in agriculture (1+ million mainly males work abroad)
Agricultural contribution:	Growth in sector: 1997-2002: 3.3% 2002-2007 2.67%. Contribution to GDP is 33% down from 40.5% in 1996 and 60% in 1985. Remains the main contributor to

exports: 82.5% (vegetable oil, after garments & carpets). Decline in agric share of economy is not the result of industrialization: remittances from out-migration now exceed export earnings, and comprise over half the national economy of Rs. 720 billion in 2008. Also decline in real value of land and labour productivity as input costs have risen

Poverty incidence: Nepal ranks 138 among 177 nations in Human Development Index. Households below poverty line fell from 42% to 31% (1995-2004)

Poverty distribution: By *urban/rural*: most wealth in urban areas: 71.5% urban hh in highest quintile cf. 10.8% rural hh; 35% rural hh cf 10% urban hh in lowest quintile.

By *region*: most wealth in Central Region, least in Mid-Western and Far-Western; highest incidents poverty, infant mortality, infrastructure, education and other indicators.

By *class & caste*: agric wage labourers the poorest (55%) but self-employed farmers became less poor since 1995 (mainly from out-migration & remittances). Poverty highest among Dalits (former untouchables) (46%) and ethnic groups (Janajatis) living in the Hills (44%) and Muslim minority in the Tarai (41%) cf. upper castes and Newars 28%.

Inequality is rising by urban/rural, by region, and by caste. Decline in income distribution from 0.24 in 1984/85 to 0.41 in 2003/04 (NLSS 2003/04). By family: the larger the family the poorer. By landholding: the smaller the plot or landless, the greater the poverty, 40% of those with no land or land under 1 ha are below poverty line, a more distinctive correlate that literacy or caste (except for Dalits)

Rural/urban lands: Urban est. 3% Rural including rivers, forests etc: 97%

Resources:	Dept of Survey, 2008: Forests = 42.7%; Grazing = 11.9%; Agricultural land: 26.8% (3,954,800 ha); Water = 18.5%
Forests:	5.8 million ha. 21% of forest (1.2 million ha) is managed by communities in 14,500 Community Forest User Groups involving 39% households (1.64 million hh)
Cultivated land:	3,408,373 ha = 23% national land area
Ownership:	State = 73% of total area (forests, pasture, rivers & banks 10.5 million ha) Private = 26.9% (cultivated and uncultivated land 4.1 million ha) but contradictions with Ministry of Land data which suggests 41% of land area under private holdings Religious = 0.38% (56,083 ha) up from 40,000 ha in 1952
Tenure forms:	Taxable private rights (<i>Raikar</i>), religious rights (<i>Guthi</i> entitlements, not taxable) and public rights held by Government, with some residual registered tenancy. Provision for leases from government land (public land) and between persons (rental agreements/leases)
Feudal tenures:	As defined by denial of tenure of cultivators and systemic exploitation of their labour. (i) <i>Raikar</i> in its original form as State/Rana land over which allocatees had taxable inheritable use (as ‘tenants’) = 50% of land area in 1952; (ii) <i>Birta</i> inheritable grants of lands not subject to government tax = 36.3% area in 1952, abolished 1959. (iii) <i>Guthi</i> land = 2% in 1952; (iv) <i>Jagir, Rakam</i> etc = 7.7% area in 1952; <i>Jagir</i> was land assigned to officials in lieu of salary in Tarai and including duty to collect tax from occupants & users; abolished 1951; <i>Rakam</i> similar in Kathmandu Valley, abolished 1963 Within <i>Raikar, Birta</i> and <i>Guthi</i> compulsory/semi-compulsory labour control & exploitation systems ranging from bondage (e.g. <i>Kamaiya, Hailya, Huruwa</i>) to provision of forced labour on government lands,

alongside widespread excessive crop share-taking from tillers. Unpaid labour systems abolished 1963, bonded labour in 2000. Although illegal, these exploitative relations widely occur, including on *Guthi* land

Customary tenures:	<i>Kipat</i> , the communal land tenure of most Mongoloid indigenous groups, refashioned during 18 th & 19 th centuries and abolished as backward during 1963-1969. Acknowledged <i>kipat</i> covered only 4% of total land by 1952 with larger communal tenures unacknowledged or suppressed under <i>Raikar</i> and <i>Birta</i> grants including grazing and forest areas
Registered owners:	2,886,457 with 18,646,003 parcels (MLRM 2008); 47.6% all households
Registered tenants:	541,802 registered tenants (MLRM) = 11.24% rural households in 2008
Unregistered occupants:	hh with no registered land or registered tenancy = 2,296,050 hh (43% all hh in 2008)
Rural tenure:	Population Census 2001: 70.4% own only; 23.4% own + rent in; 6.3% rent only (c. 30% (absolute landless or with homestead only)
By zone:	Most of those renting land only or renting with own land are in Tarai
Rental systems:	Within 8.7% of land which is rented: 6% by crop-sharing (<i>adhiya</i>); 1.3% by fixed quantity of produce (<i>thekka</i>); 0.7% by mortgage; 0.5% by fixed amt money; 0.1% by exchange of services; and 0.1% by other arrangement
Agricultural holdings:	Total = 3,364,139 (NSCA 2001/02) of which 2,868,484 registered (MLR&M) = 85.25%
Average size holdings:	NSCA 2001/02: all Nepal = 0.8 ha; Tarai = 0.94 ha; Mountain = 0.73; Hills = 0.66 ha. MLR&M 2008: average farm size = 1.18 ha and for all holdings = 2.1 ha (i.e. contradictory data)

Owners:	97.5% holders are household heads & synonymous with owners but swiftly changing with sharply rising female land registration (one third transactions in 2007/08 in names of women due to waiver of registration fees for women)
Cropping intensity:	highest on holdings of 0.5 ha or less, almost double that of >5 ha holdings (NSCA 1991/92 & 2001/02)
Fragmentation:	Declining; average per holding = 3.3 parcels, down from 4.0 per holding in NSCA 1991/92. Number parcels rises by holding size except those >10 ha; from av. 1.3 parcels per holding for class with less than 0.1 ha to av.7.5 parcel for parcels 5-10 ha. By zone, most fragmentation is in the mountains (4.0). Over 26% holdings in Tarai are 1 parcel only. National average for no fragmentation = 21.3% all holdings
Distribution:	NSCA 2001/02: (excluding landless) Marginal up to 0.5 ha = 47.7% Small farmers 0.5 - < 3 ha = 49.4% Middle farmers 3 ha - <5 ha = 2.1% Large farmers 5 ha + = 0.8%
Equity:	Land inequality Gini Coefficient based on 2001 Census Data: All Nepal = 0.544; By Urban = 0.642; Rural = 0.536. By zone - Mountain = 0.484; Hills = 0.489; Tarai = 0.569. NSCA 2001: 75% holders operate < 40% land; 25% operate >60% land; 1% operate 7.3% of land (large holders), or 5% hold 35% of the land while 47% hold 15% land. Most common size of holding: 0.2 – 0.5 ha = 29% of all holdings
Viable farm size:	Minimum for subsistence = 0.5 ha (15 <i>kattha</i> or 0.75 <i>bigha</i>). For subsistence plus surplus; varies by zone but average = 1 ha (30 <i>kattha</i> or 1.5 <i>bigha</i>)
Holdings <1 ha:	2,521,293 or 75% all holdings/farming households in 2001

Holdings <0.5 ha:	1,605,619 or 47.7% agricultural holdings = ‘marginal’ or functionally landless Increase holdings <0.5 ha from 40.1% (1996) to 44.8% (2004)
Rural landless:	Absolute landless = no land at all or house/homestead of own = est. 10% hh (min. 481,938 hh)
Arable landless:	Arable landless at 24.4% includes some hh with homestead or urban house (NPC 2001). By region - agricultural hh without cultivation land = 1.176 million hh. Mountains = 7.5%; Tarai = 30.8%; Hills = 20.6%
3 Districts most landless:	Sunsari = 51.5%; Morang = 48%; Jhapa = 38.9% (all Tarai) (NPC 2001)
3 Districts least landless:	Jajarkot = 2.2%; Rukum = 3.2% (Hills) Jumla = 2.6% (Mountains) (NPC 2001)
Landless by regions:	Central = 32.5%; Eastern = 28.8%; Western = 17.7%; Mid-Western = 13.8% Far-Western = 9.9% (NPC 2001)
Landless by zones:	Eastern Tarai = 33%; Western Tarai = 13% (NPC 2001)
Landless by social group:	High castes (Brahman/Chhetri) = 6% Middle class/castes in Tarai = 11% Newars = 11% Hill Janajatis = 8% Tarai Janajatis = 20% Tarai Dalits = 43.98% (Dalits as a whole own 1% of arable land) Hill Dalits = 15.32% Muslims = 37%. Other minorities = 34%
Landless by gender:	Around 10% households have some land in women’s name and 6% houses but rising as data of MLR&M transactions in 2007/08 in 11 Kathmandu Valley Districts show 33.5% registered women as owners

Bonded labour:	Includes <i>Kamaiya</i> (in Tarai), <i>Haliya</i> (indebted ploughmen in mainly Far Western Region) and others. <i>Kamaiya</i> est. 37,000 hh of which 12,019 already resettled, 5,000 in process of resettlement in 2008 and 19,980 remain in need of settlement. <i>Haliya</i> estimated as >20,000 hh in west only, could be up to 100,000 hh overall
Land cases in all courts:	45,178 in 2003/04 = 30.7% of all cases. Transaction cases at 13.6% cases may include additional land-related transaction litigation (Supreme Court 2008) 103,000 old cases pending land reform decisions
Land dispute regime:	District Court, Appeal Court (regional) and Supreme Court Legal provision for VDCs to have quasi-judicial powers, not implemented
Land administration:	Decentralized to district land revenue offices, with land tax only collected by VDCs & municipalities. Ministry of Land Reform & Management as policy-maker, fund dispenser & regulator
Level of documentation:	Unknown but may assume 48% of pop has registered entitlement leaving 3+ million hh without property or lands/homesteads which are not recognised even those most several generations or more occupancy

Sources:

National Agricultural Sample Census (NSCA) 1961/62, 71/72, 81/82, 91/92, 2001/02, National Population Census (NPC) 2001, Nepal Human Development Report 2004, National Living Standards Survey II 2004 (based on NPC data 2001), CSRC 2003, 2007, INSEC 2007, ILO, 2003, P. Sharma 2007, Sharma & Sharma 2005, DFID & The World Bank 2006, The Asian Foundation 2008, Supreme Court 2008, NRC 2008, Ministry of Land Reform & Management (MLR&M) 2008, Ministry of Health (Nepal Demographic and Health Survey) 2006, Agriculture Perspective Plan Support Programme, 2007, ADB, DFID & World Bank, 2006 (An Assessment of Poverty in Nepal 1995-96 and 2003-04), Scoping Study field records.

5. AN OVERVIEW OF THE LEGAL PATH OF LAND REFORM IN NEPAL

PHASE I	1951-1960 MAKING A SLOW START	IMPLEMENTATION
1951	New Constitution bans discrimination on basis of gender, caste or religion for first time	Ineffective
1952	Official acknowledgement that rising social unrest due to tenure system in the Tarai (Nepal Gazette vol. 122 1952)	Led to commissions
1953	Jagir abolished with provision for government employees to be paid cash salaries only. Jagir had awarded army officers and officials rent-seeking control over lands in lieu of salaries	Many gained ownership of these lands
1952-53	Two Commissions on Land Tenure Conditions sent to Tarai to investigate landlord-tenant relations. Recommended (i) abolition of Jimidari system with tax collection taken over by Government; (ii) tenants should get receipts for share/rent paid and conditions of tenancy to be laid down	Put recommendations into law (1957) but only (i) implemented
1954	Interim Constitution abolished Rakam – compulsory and/or unpaid labour mainly to royals and Rana land grantees	Successful but many other serf-like labour relations continued like kamaiya, haliya, haruwa
1954-56	First phase of US funded Chitwan Rapti Valley Development Project, intended to settle hill people of all classes but in practice served mainly middle and wealthier groups in search of new land. Project to last until 1961.	Early successes not continued with increasing corruption in the project and sister projects
1956	Preparation of Land and Cultivators Records Act 1956: made provision to organise village committees to prepare records on prescribed formats and submit these to Land Revenue offices	Initiated in two districts (Butwal and Saptari) but discontinued. Landlords used the forms to relocate lands under different names
1957	Lands Act: the first land reform (i) limited rent to maximum 50% of crops, prohibited extraction of tenant's labour above agreed rental share, gave legal security of tenure for tenants who had farmed more than one year, interest rates limited to 10% (ii) Also terminated fiction that Raikar landholder was a mere tenant of state, raising statutory Mohi to 'landowner' and equivalent to a Birta grantee except had to pay tax	(i) not applied (ii) applied
1957	Private Forest Nationalization Act: Transferred ownership of all forest to government, without compensation. Targeted Birta owners who had forests within their grants in especially the Tarai. In the process also dispossessed forest rights of indigenous communities	Implemented

1959	<p>Birta (Estates) Abolition Act:</p> <p>(i) cancelled all Birta rights (tax-free grants of land to favoured individuals) making these subject to normal taxation</p> <p>(ii) All Birta forest and non cultivated land reverted to the State</p> <p>(iii) Law additionally prohibited unpaid labour and payments in other than agricultural rents in cash or kind.</p>	<p>(i) Implemented, benefitting holders who gained even more confirmation of their rights but now taxable, and further sent tillers into the non-right category. Formal conversion of birta land to raikar took time, continued until late 1990s</p> <p>(ii) Implemented</p> <p>(iii) Not fully applied</p>
PHASE II	1961-1989 LAUNCHING MODERATE LAND REFORM	IMPLEMENTATION
1961-63	King adopts a moderate version of land reform, buying into donor-promoted vision of redistribution as necessary to promote growth in agriculture and stimulate industrialisation. Action to provide credit to peasants, fertilizer, irrigation & cooperatives laid out in Third Plan 1965-70. Also sought to advance cadastral survey and new registration of holdings	<p>Institutional change implemented but with little impact on land relations and limited agricultural support activities.</p> <p>Cadastral titling was advanced.</p>
1961	Rajya abolished through taxation reforms; Rajya was a longstanding system through which some fiefs had retained the right to collect land revenue in return for pledging their sovereignty and loyalty to the state of Nepal, forwarding portion to state	Applied
1962	Agriculture (New Provisions) Act 1962; stipulated tenancy rights, rent regulation and fixing of ceilings, refining the provisions of the Land Act 1957	Implemented on pilot basis only in one VDC in Jhapa, Chitwan & Palpa districts, precursor to Lands Act 1964
1962	Land (Measurement and Inspection) Act; this would be amended eight times, latterly 1999. Provides for survey and registration, notably for government lands to be first adjudicated and registered, then private lands. Refined the land classification system with grades within paddy, non-paddy and other lands. Law drew crucial distinction between public and private lands and between Government and Public Land, the latter being national land under either control of central state or local district and VDC governments	Applied. Provided the procedures for survey and registration but limited often to better-off; poor found their plots not registered
1963	New Civil Code replaced codes begun in 1854. Abolished untouchability. Also again abolished Rakam (1954) a practice in the Hills and Kathmandu Valley which compelled tenants to perform services for land owners as form of tax. Would be further entrenched by Lands Act 1964 which prohibited tenants to perform personal tasks for land owners	Reiteration of rights without real enforcement
1963	Agriculture (New Arrangements) Act: to ensure implementation of previous laws abolishing Jagir, Rajya and Rakam	Implemented but did not remove exploitative relations on farm
1964	Ukhada Act (and amended in 1965): transferred ownership of land in Western Tarai Districts of Kapilbastu, Rupandehi, Nawalparasi to tenants who had been paying cash rents to intermediaries. Tenants to pay Ukhada owners at 10 x the land tax (i.e. Rs. 510 per bigha)	Implemented but with disputes between owners and tenants continuing for years until today

1964	On Registration entered into Civil Code (Muluki Ain): Made provision for issuance of registration certificates for adopted sons and daughters, division of immovable property among separated family members, sale or relinquishing of one's claim, pledge against collateral, granting claim right after death, and exchange transactions.	Applied unevenly
1964	Lands Act, to be amended eight times: five times directly (1965, 1966, 1986, 1996, 2001) and through Judicial Administration Reform in 1986, the Judicial Administration Act in 1996 and an Act to Amend Some Nepal Laws, 1998. Often repeated provisions which were already provided under new laws but unenforced. Provided for the following -	Largely ineffective including its amendments. Has failed to significantly distribute land and has made many tenants less secure. Failed to address landless or bonded labourers; geared only to tenants
	(a) Abolition of intermediaries collecting taxes (the Jimidari system) through transfer of control over tax and administration from landowners and Jimidars to government District Land Revenue Offices, and later to VDCs and municipalities, and overseeing new Ministry of Land Reform and Management. In 1964 abolition of Jimidari confined to Raikar lands, leaving Raj Guthi lands autonomous. Jimidars permitted to retain their personal lands (Jiriyat) core parts of which had been assigned to them originally as part of their emolument	Implemented but subject to corruption with some Jimidari retaining much more personal lands than due (Jiriyat)
	(b) Removal of landlordism on private lands by State: transfer of all land except Guthi religious land into Raikar, definitively termed private land and holders as land owners, not the State but subject to taxation	Implemented
	(c) Redistribution through imposition of ceilings, by houses and farmland and by zone (Tarai, Hills, Mountains) with compensation to owners to be in cash (10%) and interest-bearing Treasury Bills with interest at 3-5% and able to be used as collateral (90%).	Largely failed. Staggered implementation and prior announcement of districts to be covered gave time to owners to manipulate their holding sizes. Bonds were never issued. Tenants and owners were not put on equal footing; the former had lower ceilings and also did not get the same compensation for loss of land access above ceiling.
	Lowered ceilings further in 2001 (see below).	
	(d) Tenancy Reform including (i) Rent regulation with prohibition of rent above 50% of product of main crop and (ii) Certification of tenants (Registered Tenants).	Failed. Ineffective for majority and de-secured their land access and occupancy. Rent regulation applied only in cases of registered tenants. As many landlords refused to issue certificates; most tenants unregistered.
	New tenancy reforms in 1997 and 2001 (see below)	
	(e) Credit support including - (i) Compulsory Savings Scheme for grains: 5% to be deposited by both owner and tenant with VDC to be returned with interest in 5 years (ii) Regulation of interest on private loans to 10% with interception of credit indebtedness to private money lenders	Failed. (i) Rs. 120 million collected by 1969 but abandoned by early 1970s in face of corruption and lack of interest to return. (ii) Not applied or monitored.

	(f) To improve farming practices by (i) Commission for Land Use Regulation to be established to implement programmes against fragmentation & for consolidation and (ii) Incentives for farm cooperatives by 10+ land owners	Failed. Never implemented
1964	Nepal Resettlement Company established to resettle by now thousands of migrating hill people into the Tarai, forming spontaneous settlements (squatter camps) and carrying out a great deal of forest clearance. First scheme was the Nawalparasi Resettlement Project, mainly to resettle Nepalese evicted from Burma. Settled 1,504 households on 3,200 ha. Although on paper the landless to be settled in these schemes few were able to pay for the costs of regularisation legally and in practice required.	Implemented to benefit of middle and rich farmers
1964	Guthi lands to be placed under a corporate entity and all rights and liabilities of government delegated to the Corporation; corporation formally instituted only in 1972	Not implemented until 1972
1968	Lands Act (second amendment): (i) Abolished holding of land on communal basis (Kipat), affecting property systems of indigenous communities and mainly Limbu, by converting all holdings into raikar. Some areas granted right to continue collective holdings of especially grazing or forest land in order to secure their support for the Panchayat system, but these exceptions revoked by 1974 by nationalization of pastures law (ii) Act also promised confiscation of land wrongfully acquired, targeted sales of land to avoid ceilings	(i) Unjust: converted customary lands into private lands with loss of collective system of land ownership, transfer and management (ii) not implemented
1968	Department of Resettlement set up to replace the Company, mandated to regularise the tens of squatter settlements in the Tarai by issuing entitlements. Geared to landless and land poor but in practice again only those already with land and resources could successfully secure rights, due to costs and frequent rent-seeking by officials. Some 37,000 migrants settled by Eight Zonal Resettlement Offices.	Successful – for the better-off
1971	Commission investigated corruption and abuse of the ceiling rules including avoidance with collusion of officials	Ineffective, no clear action resulting
1971	Jhora Area Land Act: transferred ownership in three Eastern Tarai Districts to the settlers & cultivators of forest land lawfully cleared by land owners but absent. Owners compensated with 5 x land tax rates and cultivators required to pay government.	Effective – but to benefit of owners as tenants could not pay government
1972	Guthi Sansthan (Trust Corporation) Act, amended in 1976, 1984, 1986 and 1992. Established to manage all state trust lands. Responsibility to conduct all religious and philanthropic activities transferred to Guthi Sansthan.	Unsatisfactory Created a situation wherein land administration was fragmented between 2 authorities. Guthi Sansthan has been unable to take full stock of land under Guthi of various types. As a result, misappropriation and corruption
1972	Scheme started to help tenants buy out landlord but without fixed prices landlords continued to sell to other landlords	Ineffective

1973	Under new Land Rules under Lands Act 1964 the order of beneficiaries changed to enable institutions to gain share of redistributed land	This deprived genuinely deserving land poor
1973	National Parks and Wildlife Conservation Act Provides inter alia for exclusionary control of designated parks by State, particularly dispossessing and/or affecting indigenous groups in the 19% of the country under Parks	Implemented, dispossessing numbers of indigenous groups together with infringement on rights to use these areas
1974	Nationalization of Grazing Lands Act Irrespective if registered or not, all pastures transferred to Government, except where they are less than the ceiling for that area (hills, mountains, Tarai). Compensation to be paid. Management to be handed over to VDCs and which may levy fees for grazing use	Implemented VDCs now collect grazing fees. Undermined indigenous systems for pasture management, creating open access problems
1976	Amendment to Guthi Act (i) limiting powers of Guthi Corporation in management of Guthi lands, including transfer of administration of Chhut Guthi (Guthi where rights held by individuals) to District Land Revenue Office (ii) Also abolished Jimidari system on Raj Guthi lands in the Tarai and imposed limitation of extraction of rent to 50% of principal crop. The tenancy right able to be sold to others. Ceilings to apply to Guthi land	Implemented
1977	A new attempt at organized settlement of the Tarai, in the Dhanewa Project which settled 4,026 migrant families on 4,045 ha by 1988. Did not include significant numbers of true landless	Implemented – in favour of better off
1977	Land Acquisition Act Upheld Raikar (private property) right to claim compensation in event of compulsory acquisition by state for public purposes and special purposes, opening way for redistribution purchases. Tenant to receive 25% of compensation to be paid to owner	Not well applied; no uniform system for compensation and limits compensation to poor on marginal lands or those who are unregistered occupants.
1978	Land Revenue Act; provided for District Land Revenue Offices replacing Land Tax and Land Administration Offices, responsible for complete registration records, and receives taxes and fees on transactions. Lays down rate for land taxes in accordance with strata. Law also prohibits cultivation of government or public land and in effect declares all unregistered land to be public land.	Empowered district level significantly, but vulnerable to corruption
1979	Revitalization of the landless peoples' movement triggered by student protests. Minister of Lands pledges to give titles to all who till in the Tarai and establishes Sukumbasi Resettlement Selection Committee. Settled some 400 landless out of 32,000 families in three western Tarai districts.	More rhetoric than delivery, most of the landless never gaining title
1986	Amendment to Guthi Corporation Act Allowed conversion of Guthi land into Raikar (private) by paying specified amount to Guthi Sansthan	Biased to better-off Problematic as tenants have to pay value of land whereas tenants on non-Guthi land acquire land virtually free
PHASE III 1990 – 2005 A NEW ATTEMPT AT LAND TO THE TILLER REFORM IMPLEMENTATION		
1991	Cooperatives Act Did not provide specifically for farmer cooperatives, mainly geared to marketing cooperatives	Effective for marketing

1992	Water Resources Act Provided ownership rights of water to the State but grants use rights to individuals and groups and enables the latter to form legal entities.	Drinking water and household use put on top of priority on water use, followed by irrigation.
1992	Supreme Court ruling of 1992 Rules that bonded labour is illegal following case submitted by a civil society organization (INSEC) requested Supreme Court to abolish bonded labour.	Delayed application; only in 2000 did the government announce through executive order abolition of the Kamaiya system
1993	The Forest Act Provides for management of national forests as Community Forests, Government Managed Forests, Leasehold Forests and Religious Forests, without surrendering ownership. Only Private Forests are not State-owned and the law provides for these to be compulsorily acquired. Critical Forest Regulations 1995, as relating to community forests.	Proscribed opportunity for communities to re-secure forests as collective property and created a user-centric regime which does not necessarily elide with community composition
1994-95	High Level Land Reform Commission (Badal) Key recommendations - <ul style="list-style-type: none"> - All Guthi land should be converted into raikar and subject to taxes - All tenants should be identified and registered, and given 50% of the land cultivated by them - Significant lowering of ceilings Tarai 3 ha, hills 2 ha, mountain 4 ha, Kathmandu Valley 1 ha, urban areas: Kathmandu Valley 0.5 ha, all other urban areas 1 ha - Compensation for land owners whose land is acquired above the ceilings; One time cash for up to 1 ha, development bonds for more than 1 ha - Establishment of a Land Bank to do financial operations on land in implementing the recommendations - Establishment of floors to limit fragmentation - Land use regulation measures - Reiterated the priority of the Agriculture Perspective Plan activities to support farmers in these areas: irrigation, subsidised fertilizer, technology developments, roads, rural electrification, livestock marketing, agribusiness development, introduction of high value crops, forest product development, credit provision - That minimum wages be fixed - Abolition of all forms of bonded labour including kamaiya - A standing High Level Land Reform and Agricultural Development Commission be established - Community and district level implementation bodies to be established 	Partial implementation only Guthi conversion, Land Bank Commission and other institutional developments not implemented Implemented in law: 50% land entitlement implemented for registered tenants only. Kamaiya system abolished 2002 and Haliya regime in 2008 Minimum agricultural wages fixed (2003).
1997	Amendment to Lands Act 1964 Decision to partition tenanted land and to abolish traditional tenancy altogether - <ul style="list-style-type: none"> (i) Transfer of 50% owners' land to Registered Tenants only and (ii) Abolition of traditional tenancy in favour of contract tenancy (formal agreements) with no limitation on conditions 	Implemented partially Many registered tenants still without their share in 2008. Generally further de-secured tenancy occupancy, with landlords refusing tenants to stay longer than one year. Many evictions. Sent tenancy underground with little change in conditions.

1999	Contracts Act: Leases are not subject to ceiling	Barely applied: land leasing under contract rarely practised
1999	Local Self-Governance Act (i) Provided for VDC and municipalities to levy house and land tax and forward 25% to District Development Committee (ii) Responsible for hearing land disputes including relating to reform objectives	Implemented Has provided VDCs with register information and begin land administration. Also empowered them in principle but not financially as taxes so low Not clear that VDCs taking land dispute resolution powers
1999	Under challenge, a Supreme Court ruling upheld the right of the State to direct subdivision of land owner's land to registered tenant as constitutionally sound	Helped the case for redistribution
2000	Policy statement issued by Cabinet on the need to provide land for landless	Focused on the bonded labour issue again
2001	Amendment to Lands Act 1964 (i) Ceilings reduced but not as low as levels recommended by Badal Commission in 1995 (ii) 50% land or equivalent value to the registered tenants, regulated rent to not exceed 50% of the main crop until dual ownership cases settled	Lowered ceilings not applied up until present
2002	Kamaiya Labour (Prohibition) Act Abolished all bonded labour arrangements, freed all Kamaiya, cancelled all their debts outstanding and ordered return of all property of Kamaiya taken as collateral for debts, and required each District affected to establish a Monitoring Committee	Effective for those identified and registered as landless, but did not assist Kamaiya with house-plots but no land
2003	Minimum Agricultural Wage established in law for the first time in Nepal; set at Rs. 60	No enforcement mechanisms but in practice farm wages now e.g. Rs. 110 for women and Rs. 120 for men in mid-west Tarai
2004	Finance Act: waived 20% registration fees when land registered in name of women, Dalit, Janjati and members of martyr families	Effective for women
PHASE IV 2006-2008: RETHINKING THE WAY FORWARD		IMPLEMENTATION
2006	Comprehensive Peace Accord signed by 25 political parties recognises the importance of land reform towards peace implying sustained commitment to redistribution	Ensured that land reform not off the agenda in New Nepal
2006	Act to Amend Some Nepal Laws to Maintain Gender Equality. Amended Civil Code and 17 other laws including Lands Act 1964 mainly on terminology. Provides for equitable gender inheritance of land	Ineffective as lasting only till a woman is 35 years of age and/or unmarried
2007	Interim Constitution pledges compensation for land losses due to enforcement of a scientific land reform 'by doing away with the feudal land ownership', special socio-economic security programmes including positive discrimination for landless squatters, bonded labour & tillers, women and disadvantaged groups. Notably also ruled that no case could be brought as to whether these actions implemented or not (Art. 36).	Entrenches rights including the right to demand reforms

2007	<p>Three Year Interim Plan defines scientific land reform, lists 20 broad targets (e.g. including irrigation) including -</p> <ul style="list-style-type: none"> - establishment of a High Level Land Commission - 50% discount on transaction fees when land purchased by woman or member of a deprived class - land to 200,000 landless - rehabilitation support for 13,244 freed Khamaiyas - plan to relocate Guthi land administration to districts - fully digitize 3.8 million parcels, and - review of land ceilings 	Noticeably not all provided for in 3-Party commitment in 2008 but some in Budget 2008/09
2008	<p>Common Minimum Programme (signed by three parties of coalition in August 2008) commits to only –</p> <ul style="list-style-type: none"> - Loss of property due to conflict will be compensated - Increase access to land through scientific land reforms and use policy - Develop cooperatives - Special programmes for labourers, freed Kamaiyas and landless squatters 	Limits political commitment
2008	<p>Government announcement restating illegality to keep a bonded ploughman (Haliya), cancellation of all debts</p>	Followed through with finance in Budget 2008/09 including for resettlement if evicted
2008	<p>Budget 2008/09, commits to funding –</p> <ul style="list-style-type: none"> (i) Establishing cooperatives for small farmers in every village (ii) Waiving all debts of small farmers living below the poverty line and debts on Bank loans to small farmers up to Rs. 30,000 Imposing a tax to discourage keeping arable land unploughed (iii) Establishing a High Level Scientific Land Reform Commission 'for the abolition of feudal land ownership and production relations' (iv) Computerising land records with issue of single land ownership certificates (including all lands owned by that one person) in 25 districts in 2008/09 (v) Compilation of a nationwide record of public and government land to protect from increased encroachment (vi) Freedom and rehabilitation of Haliya (ploughmen) and rehabilitation of freed bonded labourers (Mukta Kamaiya) including 'land exchange and adjustment programmes' Providing housing arrangements for the real landless/homeless along the banks of the rivers of Kathmandu Valley (vii) Establishing a new voluntary submission tax scheme affecting property and income at fixed rate of 10% after payment of which 'the property shall be deemed legal and no source of such property shall be investigated' and 'property of those failing to comply will be subject to confiscation' 	Articulates what is meant by scientific land reform as to be implemented immediately with noticeable absence of ceiling-related provisions or redistribution. Potentially dangerous effect of tax payment confirming ownership of fraudulently or unfairly registered properties but this quickly modified to remove that protection Compilation of public and government land almost complete even before Budget Speech Computerisation well underway also