

# The Problem of Squatters and Unmanaged Settlers in Nepal: More Effort, Fewer Solutions

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## Abstract

*The issue of squatters, landless individuals, and unmanaged settlements in Nepal is a long-standing and complex challenge that has persisted for decades. Despite numerous government initiatives and the establishment of various commissions, the problem remains unresolved, exacerbated by political instability, lack of implementation, and insufficient coordination among stakeholders. Squatters, defined as individuals without land or reliable income, have often resorted to occupying public or government land, leading to disputes, social instability, and hindered development. Past efforts to address this issue, including land distribution programs and legislative measures, have been largely ineffective due to weak enforcement and politicization.*

*This paper examines the historical background, socio-economic context, and evolving definitions of squatters and unmanaged settlers, along with the strategies employed to manage the problem. It highlights key challenges such as encroachment, social conflict, and inequitable land distribution, while analyzing the shortcomings of past commissions tasked with resolving these issues. Despite distributing limited land to squatters and freed laborers, these efforts have often failed to achieve sustainable economic or social outcomes, perpetuating the cycle of unmanaged settlements. The persistence of these problems underscores the need for better governance, long-term planning, and the establishment of transparent, accountable mechanisms. Without addressing the root causes, including equitable land reform and infrastructural development, the issue of squatters and unmanaged settlements will continue to undermine Nepal's socio-economic progress.*

**Keywords:** *Squatters, Unmanaged Settlers, Landless Dalit, Landless Farmer*

## Background

Landless Dalits, landless squatters, and unmanaged settlements have become a major, complex, and challenging issue in Nepal. Although various efforts have been made over the past six decades to resolve the problems related to landless squatters and unmanaged settlements, these efforts have yet to achieve complete success. The problem does not

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appear to be nearing a resolution. Even after so many years, an accurate record of landless squatters and unmanaged settlers has not been established.

The inability to resolve this issue is attributed to numerous political, social, cultural, and structural factors. Moreover, there has been a lack of thorough and systematic study on the matter. In this context, the problem of squatters and unmanaged settlers in Nepal has come to be recognized as an unresolved movement.

### **Origin and Development of the Term ‘Squatter’**

The term squatter (Sukumbasi) originated from Nepali refugees expelled from "Sukhim," a place in the Indian state of Sikkim, who later settled in eastern Nepal. These displaced individuals, initially referred to as Sukhimwasi (residents of Sukhim), saw the term evolve through linguistic corruption into the simplified word Sukumbasi. Over time, Sukumbasi came to define individuals who lacked ownership of land, lacked alternative means of livelihood, and had no dependable source of income for the future. This definition and terminology were established in a booklet published by the Squatter Problem Resolution Commission in 1995 (B.S. 2052).

### **Historical Background of Squatters’ Development**

Historically, the emergence of squatters can be traced to the societal development that led to the division of people into the haves and have-nots. The have-nots, in order to survive, were compelled to accept servitude under the haves. Consequently, a lineage of have-nots serving the haves developed over generations. Although slavery was abolished and land reforms were introduced to address inequality, these measures failed to establish true equity. Rapid population growth further increased the number of have-nots.

Advocates of social justice began raising their voices for the have-nots, compelling governments to address their concerns. Various initiatives were launched, but the outcomes fell short of expectations. The burden on the state increased, and the issue of management became increasingly complex. While numerous efforts were made, the results remained largely unsatisfactory (as stated in the 2006 report of the Squatter Problem Study and Recommendation Committee, pages 40).

### **Definition and Socio-Economic Context of Squatters**

Land is considered immovable property and is a primary indicator of an individual’s social, economic, and political status. Land ownership can be acquired through inheritance, familial rights, state decisions, donations or grants, and systems of exchange, lease, or purchase.

Squatters are defined as individuals without a house, shelter, or land to build one, and lacking a permanent or regular source of income. On the other hand, landless farmers are those who may have some form of shelter but lack arable land for farming. They sustain themselves by selling their labor, with no reliable source of income (as detailed in the 2006 report of the Squatter Problem Study and Recommendation Committee, pages 41-42).

### **Definitions**

As per the decision of the then His Majesty's Government (Cabinet) on 2052/4/19 (August 4, 1995), the definition of squatter (*Sukumbasi*) was established as follows:

"Squatter" refers to a landless and helpless individual (e.g., agricultural laborers, Kamaiyas, Halis, Haruwas, Charuwas, etc.) without any concrete alternative for livelihood. Such individuals do not own or occupy any house or land under their or their family members' names, nor do they have any means or resources to acquire land or property. It also includes persons and their dependent family members who have been rendered homeless due to natural disasters.

(Source: Progress Report of the Squatter Problem Resolution Commission, 2052, Page 3)

### **The term unmanaged settler is defined as:**

"Unmanaged settler" refers to a person who, whether having property or not in their or their family's name elsewhere, had their name included in the voter list of the concerned area during the mid-term elections of 2051 B.S. (1994) and who, by the time of the election, was residing on government, public, or unregistered land.

(Source: Compilation of Mandates of the Squatter Problem Resolution Commission, 2077, Page 43)

As per the order issued during the formation of the Commission in 2055 B.S. (1998): "Unmanaged settler" refers to a person who, whether having property in their or their family members' name elsewhere or not, had their name included in the voter list of the concerned area during the 2048 B.S. (1991) parliamentary elections and was residing on government, public, or unregistered land by the time of the election.

(Source: Compilation of Mandates of the Squatter Problem Resolution Commission, 2077, Page 72)

Definitions from Various Commission Formation Orders

### **Definition of Squatter (*Sukumbasi*)**

As per the 2056 B.S. (1999) Commission Formation Order: "Squatter" refers to

individuals within Nepal who do not own any house or land in their or their family members' names, lack the means or resources to acquire land or property, or have been rendered homeless due to natural disasters. This also includes their dependent family members. (Compilation of Mandates of the Squatter Problem Resolution Commission, 2077, Page 72).

As per the 2066 B.S. (2009) Commission Formation Order: "Squatter" refers to Nepali citizens who do not own any house or land under the ownership or tenancy rights of themselves, their family, or their dependents within Nepal. These individuals lack any business or trade for livelihood and rely on agricultural or other forms of labor for survival. It also includes their dependent family members. (Compilation of Mandates of the Squatter Problem Resolution Commission, 2077, Page 87)

As per the 2068 B.S. (2011) Commission Formation Order: "Squatter" refers to Nepali citizens or their dependent family members who lack ownership or tenancy rights to any house or land in Nepal, lack resources to acquire property, do not have any business or trade for livelihood, and survive by engaging in agricultural or other labor activities. (Compilation of Mandates of the Squatter Problem Resolution Commission, 2077, Page 97).

As per the 2071 B.S. (2014) Commission Formation Order: "Squatter" refers to Nepali citizens or their dependent family members who do not own any house or land in Nepal under ownership or tenancy rights, lack resources to acquire property, and do not engage in any business or trade for livelihood. It also includes those who have become homeless due to natural disasters. (Progress Report and Recommendations of the Squatter Problem Resolution Commission, 2077, Page 108).

### **Definition of Unmanaged Settler (*Avyawasthit Basobasi*)**

As per the 2056 B.S. (1999) Commission Formation Order: "Unmanaged settler" refers to Nepali citizens, whether owning property elsewhere or not, who live or utilize government, public, or unregistered land, and have limited resources for livelihood. (Progress Report and Recommendations of the Squatter Problem Resolution Commission, 2077, Page 78).

### **Definition of Landless (*Bhumiheen*)**

As per the 2066 B.S. (2009) Commission Formation Order: "Landless" refers to Nepali citizens or their dependent family members who own very little or no land in Nepal, lack resources to acquire property, and have minimal means for livelihood. (Progress Report and Recommendations of the Squatter Problem Resolution Commission, 2077, Page 2)

As per the 2071 B.S. (2014) Commission Formation Order: "Landless" refers to Nepali citizens or their dependent family members who do not own any house or land under

ownership or tenancy rights within Nepal, lack resources to acquire property, do not engage in any business or trade for livelihood, and survive by engaging in agricultural labor or other forms of labor. (Progress Report and Recommendations of the Squatter Problem Resolution Commission, 2077, Pages 108-109).

### **Definitions and Standards for Landless Dalits, Landless Squatters, and Unmanaged Settlers**

As per the Progress Report and Recommendations of the Squatter Problem Resolution Commission, 2077 (Page 109): "Unmanaged settler" refers to Nepali citizens and their dependent family members who have been residing on government land since before 2064 B.S. (2007).

As per the 2073 B.S. (2016) Commission Formation Order: "Landless" refers to Nepali citizens and their dependent family members who do not own any house or land within Nepal under ownership or tenancy rights, lack resources to acquire property, or have become homeless due to natural disasters. These individuals also rely on agricultural labor or other forms of labor for survival. (Progress Report and Recommendations of the Squatter Problem Resolution Commission, 2077, Page 131).

"Unmanaged settlement" refers to settlements where individuals, whether owning property elsewhere or not, reside on government or public land without authorization. (Progress Report and Recommendations of the Squatter Problem Resolution Commission, 2077, Page 131)

As per the Identification and Verification Standards for Landless Dalits, Landless Squatters, and Unmanaged Settlers, 2077: "Unmanaged settler" refers to individuals who have cultivated, inhabited, and built homes or shelters on government, public, or unregistered land for at least ten years, as classified under sub-section (3) of Section 52(g) of the Land Act, 2021. This term also includes their dependent family members.

"Landless squatter" refers to individuals within Nepal who do not own land or property and are unable to procure land through their income, resources, or efforts. This term also includes their dependent family members.

As per the Land Act, 2021: Section 52(k) (11) (a) defines "Landless squatter" as an individual within Nepal who does not own land under themselves or their family, and is incapable of managing land through income, resources, or efforts. The term also includes their dependent family members.

Section 52(g) (9)(a) defines "Unmanaged settler" as individuals who have long been inhabiting and cultivating government, public, or forest land, as categorized under sub-section (3). This term also includes their dependent family members.

## **Transition in Definitions**

Over time, various commissions and committees have provided definitions for squatter, landless squatter, and unmanaged settler. However, following the eighth amendment to the Land Act, 2071 in 2076 B.S. (2019), these terms have been formally defined within the Act itself, eliminating the need for separate definitions in commission formation orders. While minor differences exist among these definitions, they do not reflect substantive distinctions in their essence.

## **Past Efforts to Solve the Problems of Squatters and Landless Individuals**

### **Key Actions and Achievements by Commissions**

Providing livelihood and security to its people is the responsibility of the state. For individuals, access to arable land and housing is essential for their survival. The Constitution of Nepal recognizes the principle of providing basic needs such as housing, education, employment, and healthcare. However, due to a lack of targeted plans and political will to address the needs of marginalized individuals, communities, and groups, compounded by the politicization of these issues, the state has been unable to fulfill this responsibility effectively.

Until 2007 B.S., land revenue was a primary source of state income. At that time, the population was relatively low, and the government introduced special programs, such as providing *ailani* (unregistered land) and *party* (public land) for agriculture in exchange for land taxes. Civil servants were compensated with land as part of their salary. Exceptional work by individuals was often rewarded with land grants or gifts.

Despite later enacting laws to protect public land, these measures proved ineffective due to the growing population and the rising value of land. Increased deforestation, fragmentation of government-controlled land, and encroachments along riverbanks and forest areas highlighted the inadequacy of these laws.

Recognizing these challenges, the government launched various package programs to address these issues. However, the implementation of these programs consistently remained weak, failing to achieve significant progress in resolving the problems faced by squatters and the landless.

### **Past Efforts**

Initially, there was no approach to analyze the issues of squatters, landless farmers, and bonded laborers as separate problems. Consequently, commissions formed in the past often aimed to address these issues in an integrated manner. For better understanding, these efforts can be categorized by historical periods as follows:

## **Pre-Rana and Rana Era**

Before the Rana regime, land management was highly unstructured. During the reign of King Ram Shah, a system to define land measurement units was introduced. However, before the Rana period, the prevalence of the slavery system prevented issues such as squatting and landlessness from emerging as societal problems, and these were not considered matters of concern for the government.

During the Rana regime, with the abolition of the slavery system by Chandra Shumsher, the issue of landless squatters began to surface. As a solution, the government initiated a settlement program in Amlekhgunj to organize displaced individuals.

### **From 2007 B.S. to 2017 B.S.**

During this period, a few efforts were made to address the issue. In 2013 B.S., the Rapti Valley Development Plan was implemented. This initiative mainly focused on resettling victims of the 2011 B.S. floods along the banks of the Rapti River. The Provincial Plan (Rapti Dun Land Distribution Regulation) 2013 B.S. became the first legal attempt to solve the squatter problem. Under this regulation, a commission was formed to distribute lands cleared from forest areas to existing tenant farmers and new landless farmers by charging a minimal fee.

### **From 2017 B.S. to 2046 B.S. (Panchayat Era)**

During this period, several steps were taken to manage land-related issues:

1. Birta Abolition Act, 2016 B.S.: This act sought to distinguish between "Ka" and "Kha" birta (land grants) and establish tenant farmers' rights over the land.
2. Resettlement through the Rehabilitation Company, 2018 B.S.: Land was allocated for settlement purposes.
3. Land (Survey and Measurement) Act, 2019 B.S.: Initiated land reforms, granting rights to tenants under the Land Reform Program of 2021 B.S. Excess land beyond the defined ceiling was redistributed to squatters if tenants were unavailable.
4. Agricultural Debt Investigation Plan, 2021 B.S.: This aimed to free agricultural bonded laborers and prevent exploitation by landowners.

Although these initiatives aimed to address the problem, their implementation was weak and lacked sincerity, leading to continued failure in resolving the squatter issue.

In 2024 B.S., an Act was passed to investigate the sale and distribution of land under the Rapti Dun Development Zone to ensure fair redistribution. However, the elimination of



malaria, increased accessibility, and rising land value in the Terai attracted influential individuals to encroach upon lands. As a result, land was often registered in the names of non-squatters instead of genuine squatters.

In 2026 B.S., the Department of Resettlement was established under the Ministry of Forestry to oversee land clearance and distribution. Similarly, the Jhoda Land Act, 2028 B.S. was enacted to address issues in Jhoda areas. Though these measures were positive, lack of proper implementation resulted in minimal progress.

During the Panchayat era, the establishment of the Rehabilitation Company marked another attempt to solve squatter problems. This involved clearing forests and setting up settlements. However, the majority of land was distributed to non-squatters, leaving squatters largely unaddressed.

Temporary bodies like the Regional Resettlement Committee, Zonal Resettlement Committee, and High-Level Forest Area Strengthening Commission were formed during this period. Despite some distribution of land to targeted communities, non-squatters benefitted the most, leaving the issue unresolved.

### **Post-2046 B.S. Democratic Movement Period**

After the 2046 B.S. People's Movement, the interim government of 2047 B.S. formed the Forest Conservation Taskforce led by Drona Prasad Acharya. This taskforce found that forest encroachment was a major cause of deforestation and recommended against distributing forest land for settlement.

Following this recommendation, a committee was formed under the coordination of the Secretary of the Ministry of Housing and Physical Planning to study and propose solutions. In B.S.2047 Chaitra, a Coordination Committee was established under the Housing and Physical Planning Minister, with members including ministers from Forest, Land Reform, Home, Labor, Industry, and Finance ministries, as well as the Secretary of the Housing Ministry. The committee was empowered to study and devise plans to solve squatter issues.

However, with elections approaching, the committee could not achieve significant results. Post-elections, district-level committees led by Chief District Officers were formed to identify squatters in the Terai. Though practical in policy, these plans failed in execution.

The use of squatter and landless farmers' issues for political purposes, coupled with temporary nature of commissions and lack of political will to reach marginalized groups, were major reasons the squatter problem remained unresolved.



The efforts made by commissions to solve the squatter problem have varied over time, reflecting differing levels of progress and challenges. In 2047–2049 B.S., a commission led by Bal Bahadur Rai, with 22 members, studied the squatter issue and formulated plans but did not proceed with investigating squatters or distributing land. In 2049–2051 B.S., Sailaja Acharya chaired a nine-member commission, during which 263,738 families applied for support. Out of these, 54,170 families were verified, and temporary land certificates were issued to 10,278 families. Only 1,278 families received 2,296-1-3 *bighas* of land. The commission also facilitated land for 1,800 houses built by the *Boudhist Chuchhe* Foundation for flood victims in Makwanpur, Rautahat, and Sarlahi.

The commission of 2051–2052 B.S., under Rishiraj Lumsali's leadership, distributed land to 24,470 squatters, 24,052 unorganized settlers, 195 freed bonded laborers (Kamaiyas), 3,302 flood and landslide victims, and 6,321 other applicants. Altogether, 21,974-15-1 *bighas* and 9,460-3-0-1 *ropanis* of land were distributed. However, the commission of 2052–2053 B.S., chaired by Buddhiman Tamang, could not make significant progress due to its short tenure. Similarly, the 2054 B.S. commission led by Chanda Shah distributed only 352-12-18 *bighas* of land to 886 families, without clearly identifying them as squatters or unorganized settlers.

In 2055 B.S., under Tarini Dutta Chataut, a commission processed 261,619 applications, distributing 7,036-19-1 *bighas* of land to 8,666 squatters, 19,613 unorganized settlers, and 3,716 unspecified beneficiaries. The commission of 2056–2057 B.S., chaired by three successive leaders—Gangadhar Lamsal, Siddharaj Ojha, and Mohammad Aftab Alam—reviewed 277,140 applications. It distributed 9,453-10-7 *bighas* of land to 6,202 squatters and 16,920 unorganized settlers. Despite these efforts, frequent changes in leadership, short tenures, and inadequate implementation limited the effectiveness of these commissions. Political interference and the misuse of provisions by non-squatters often undermined the intended outcomes, leaving the squatter issue unresolved for many genuine applicants.

Following the People's Movement of 2006 (B.S. 2062/63), the Unified Communist Party of Nepal (Maoist), led by Pushpa Kamal Dahal (Prachanda), became the largest party in the Constituent Assembly elections. Under his leadership, the government formed a commission to address the squatter issue, chaired by Kailash Mahato. However, this commission failed to complete its work and did not achieve any meaningful outcomes.

On December 24, 2009, a 15-member commission led by Gopal Mani Gautam was formed, along with district committees in 25 districts to address the squatter problem. The commission distributed 4,853-06-14 *bighas* of land to 39,236 squatter families and generated a revenue of 20 million 76 thousand 511 rupees. An analysis of the activities of various commissions formed after the 2046 political change shows that around

154,856 squatter families were provided with approximately 46,694 bighas of land.

In 2068 B.S., the government, under the leadership of Bhakti Prasad Lamichhane, formed a new commission to identify real squatters, assess available government land, and distribute land to squatter families. This commission began its work on October 17, 2068. It received 396,244 applications. However, by June 30, 2070, with an extension granted, the commission failed to complete its investigations and the government decided to dissolve it on March 9, 2070, citing unsatisfactory progress.

From December 27, 2009, to December 26, 2010, the commission under Gopal Mani Gautam distributed 4,853-06-14 bighas of land to 39,236 squatter and unorganized families. All the records related to this land distribution were updated. On March 2, 2014, a new commission was formed under the leadership of Sharada Prasad Subedi, and committees were established in 72 districts, excluding the Kathmandu Valley. This commission collected 86,100 applications from squatters. However, due to a petition filed by lawyer Chandramani Poudel in the Supreme Court, a directive was issued on October 8, 2014, to halt the implementation of the commission's orders until a final ruling was made, leaving the commission inactive.

On November 9, 2016, a government decision led to the establishment of a new commission under the Ministry of Land Reform and Management, with nine members under the leadership of the Minister or State Minister. This commission was formed on October 9, 2016, and by November 15, the decision was made to assign Khagendra Basnet, Jitendra Bahadur Bhandari, and Prem Singh Bohora to the commission. However, the commission was dissolved on January 11, 2018, by a government decision.

In accordance with the Constitution of Nepal 2072, which guarantees the right to housing and food security, and after the eighth amendment of the Lands Act of 2021, a new Land Problem Resolution Commission was established under the leadership of Devi Prasad Gyawali. The commission, consisting of 42 staff members, began its work on April 4, 2020, after the publication of a notification in the Nepal Gazette. However, before the commission could complete its work, the government changed, and the commission was dissolved.

Although previous commissions and committees have distributed around 46,000 bighas and more than 9,000 ropanis of land to squatters and freed bonded laborers, the problem still persists. The demand for land remains extremely high, but the availability of land is limited, and it is challenging to allocate government land to meet the needs of the squatters. This has become a significant challenge for the country.

Under the landless squatter and unorganized settler data collection and verification program, by the end of the 2077/78 fiscal year, a total of 951,436 applications were

collected, including 22,031 landless Dalits, 175,202 landless squatters, and 743,524 unorganized settlers. On May 25, 2021, the government formed a National Land Commission under the leadership of Keshav Niroula to address the issues of land distribution for landless Dalits and squatters and the management of unorganized settlements. However, due to another government change, the commission was dissolved before completing its term.

Until the mid-March in the current fiscal year, the identification and list collection of landless Dalits, landless squatter, and displaced residents have been carried out in 150 local units. Additionally, mapping has been completed for 80 local units during this period. Under the initiative to distribute land ownership certificates to landless Dalits, landless squatter, and unmanaged settlers, the National Land Commission has distributed ownership certificates for 1,684 plots. Technical assistance has been provided to 117 local levels for the implementation of land-use planning (Economic Survey 2079/80).

According to the government's decision on the formation of the Land Problem Resolution Commission, dated 13th of Ashwin 2081, a new eight-member commission has been formed under the leadership of Hari Prasad Rizal.

It is notable that all the commissions and committees mentioned above have been dissolved following a change in government, with new commissions being established in their place. In every case, the leadership of these commissions or committees has consistently been taken by individuals affiliated with the political parties in power at the time of the formation.

### **Nature and Behavior of Unorganized Settlers**

As mentioned in the 2062 report of the Squatter Problem Study and Suggestion Committee, most of the unorganized settlers moved to places offering opportunities and started living temporarily in search of better prospects. Over time, their numbers grew, and they became an organized group. They initially settled on vacant lands near roadsides, industrial areas, and markets, occupying these places without proper supervision, care, or control. As their numbers increased in accordance with the capacity of the land, this became a significant issue for the government.

The settlers, both those with and without land elsewhere, began to live similarly. After residing for a long time, pressure grew on the government to recognize their ownership. Eventually, the government was compelled to address this issue through its policy programs. However, the process of organizing these settlements was limited to registering their names and issuing land ownership certificates, without addressing the infrastructure needs of the settlements.

As time passed, the importance of the land and the location grew, leading to a trend where settlers either refused to leave or engaged in illegal buying and selling, transferring the land to others at their preferred price. The state did not keep proper records of these settlements. Internal records were kept for personal interest, and the official documentation, such as the settlers' origins, reasons for settling, and their financial condition, was not maintained.

Various commissions established over time were given the responsibility to organize the unorganized settlers, but none succeeded in developing effective and planned settlements. These commissions were often politically appointed, and their members were driven by family ties, party affiliation, or economic incentives, at times accepting bribes, which led to a focus on legitimizing the status quo rather than solving the real problems.

In many cases, these commissions failed to address the issue by not implementing infrastructure development in suitable locations and charging appropriate fees for organized settlements. While they were supposed to examine and provide solutions, some commissions became more focused on gaining popularity or offering economic incentives rather than addressing the core issues. The mentality among the settlers of not wanting to leave their current settlements further exacerbated the problem, contributing to its persistence.

As the state began to implement decisions to provide land to settlers through legal processes, the number of unorganized settlers continued to grow, following the pattern set by previous government actions. This cycle has led to a continuous rise in the number of unorganized settlements. (Squatter Problem Study and Suggestion Committee Report 2062, Pages 54-55).

#### Problems Created by Unorganized Settlements:

Unorganized settlements are inherently complex and have led to a range of issues spread across various sectors. These problems, as outlined in the Squatter Problem Study and Suggestion Committee's 2062 report, include several critical challenges.

One of the primary issues is land-related problems. The unauthorized occupation of land, where settlers leave their legal land holdings to settle elsewhere, has led to a decrease in the productivity of the original land. Additionally, the settlements on these lands have created ownership disputes. The land development plans have been hindered due to both the displacement of land users and the creation of settlements in areas that were once productive and had clear ownership.

Another major issue is the challenge of organizing the unorganized settlers. A

systematic settlement development program is needed to address the issue, but such programs require specific standards to be set. If the process only legalizes the current informal settlements without addressing the broader needs for proper planning and infrastructure, it might undermine citizens' rights and the responsibilities of the state. Thus, the process of organizing these settlers has proven difficult.

Social instability is another outcome of these unorganized settlements. The social fabric of such communities lacks homogeneity, leading to differences in living conditions, cultural practices, and behaviors. These disparities can lead to disturbances and increased social unrest, further compounding the problem.

Unorganized settlements also obstruct development efforts. The government must bear the costs of basic services like poverty alleviation, employment, education, health, and water supply for these settlers. However, due to limited inclusion in development programs, these groups face difficulty accessing opportunities and services, hindering broader development initiatives.

The issue of encroachment in public spaces has also become more pronounced with unorganized settlements. These settlers have occupied areas meant for public use, such as riverbanks, roadways, forest areas, and grazing land, as well as private property. This encroachment in public interest areas is a serious issue created by unorganized settlements.

In addition to these core problems, practical challenges have arisen from past commission decisions. For instance, in the 2021 settlement swap program in Parsa's Suvarnapur village, around 700 families had not received the land promised by the government despite partial payments being made. This led to unresolved issues with the remaining payments. Similarly, the land swapped for settlement purposes was not properly allocated due to negligence by the authorities, resulting in families not receiving the land they were promised. Moreover, there were

cases where people had occupied the land designated for the settlers, leading to further confusion and the need to include those individuals within the problem of unorganized settlements.

Another issue emerged where some individuals claimed land they were not entitled to by taking advantage of the settlement exchange process. There were also cases where the designated plots were occupied by others, leaving the settlers in limbo, unable to settle on their land. Lastly, the inability of authorities to control and regulate the land beyond its boundaries or accurately maintain the original land records exacerbated the situation, leaving many government efforts incomplete and ineffective.

These issues reflect the complexity and challenges of managing unorganized settlements, showing the need for better planning, accountability, and legal frameworks to address the growing problem of squatter settlements in Nepal. (Squatter Problem Study and Suggestion Committee Report 2062, Pages 57-58).

### **Existing Problems Related to Landless Farmers and Squatters:**

There are several significant challenges when it comes to addressing the issues faced by landless farmers and squatters. One of the key problems is the inability to accurately identify the true squatters and landless individuals. Past commissions have failed to complete their work, which has further delayed any meaningful progress. There is also a lack of clear laws and regulations concerning squatters and landless people, and even the existing laws have not been effectively implemented. Committees and commissions that were formed periodically lacked adequate authority, timeframes, and clear procedures, which meant they could not achieve their intended objectives. Moreover, there has been unequal distribution of land, with some individuals receiving more than their fair share, while others have been left without land. Coordination between the relevant government bodies, such as the forest department, land registry, commissions, and administration, has also been inadequate. Furthermore, landowners have sometimes encroached on government/public lands, exploiting them for personal use. There has been a lack of clear demarcation and protection of forest areas and public lands, leading to ongoing disputes. Additionally, land from boundary settlements has not been distributed yet, leaving many people still without proper land rights.

### **Challenges**

The challenges facing landless farmers and squatters are multifaceted. There is widespread encroachment on forest areas, as people illegally occupy land meant to be preserved. The increase in uncontrolled and unorganized settlements has worsened the situation, contributing to social intolerance and even social conflicts. Furthermore, the commercialization of land has reached excessive levels, making it more difficult for the landless to access land for agricultural purposes. The commissions and committees that were supposed to handle these issues have often been characterized by a lack of transparency and have been overly politicized, hindering their effectiveness and further complicating the resolution of these long-standing issues.

### **Conclusion**

After the establishment of various commissions by the government since the year 2013 B.S., land distribution has taken place in the name of squatters. However, the problem persists even today. The distribution of land has not resulted in significant economic prosperity. The identification of the affluent and the poor, along with efforts to organize the disorganized settlements and prevent further encroachment, remains a challenge due



to the unequal land distribution system. The issues related to squatters, landless farmers, freed Kamaiyas, and disorganized settlements continue to exist in the country, and all parties must responsibly address them with sincerity. In the process of solving these problems, the land distributed so far has not been used productively in a proper manner.

The squatter problem is one of Nepal's most sensitive and complex issues (Progress Report of the Commission formed in 2048 and its 2052 pamphlet). Since the initiation of the multi-party system in Nepal, more than a dozen commissions have been formed by various governments, distributing some land while preparing to distribute more. The land reform mindset that focuses on land distribution advocates that land rights should be with everyone. This seems to aim at providing housing opportunities for the poor in urban areas. However, the squatter problem in Nepal was not connected to seeking urban housing; rather, it emerged from the search for agricultural land. Without resolving the fundamental issue of land reform in Nepal, the squatter commissions' approach to solving the landless problem appears to be ineffective, akin to a thirsty person finding water that is not enough. The land distributed under the commissions' authority and jurisdiction has been minimal, providing some relief to the squatters, but many have sold the land to meet other expenses. Rather than increasing agricultural productivity or making them self-reliant, it has become a limited relief program. (Shahi, 2075BS p. 87)

In Nepal, the formation of commissions aimed at addressing the issues of squatters and unorganized settlements has become a predictable response following political transitions or changes in government. Historically, one of the immediate actions of any new government has been the establishment of such commissions, often accompanied by the creation of employment opportunities for select political affiliates. Owing to Nepal's political instability, numerous commissions have been constituted over the years. However, these efforts have yielded limited results, and the persistence of these problems suggests that they are likely to continue for years to come.

While the frequency of commissions has increased, so too has the proliferation of squatters and unorganized settlers, exacerbating existing challenges. In the name of addressing unorganized settlements, the actual issue of providing land to genuine squatters has often been sidelined. Mechanisms intended to control unorganized settlements have proven largely ineffective. Given the current state of affairs, it is difficult to hold out hope that commissions formed now or in the future will be able to resolve these problems within the coming decades. The ongoing trend of unchecked settlement remains unabated, and concerned authorities appear to lack sufficient focus on the issue. Consequently, the current attempts to resolve Nepal's squatter and unorganized settlement problem resemble pouring water on sand—an effort in futility.

There remains a widespread mentality among influential groups that government or



public land can be encroached upon with impunity for personal benefit, especially since past precedents have shown that such encroachments are likely to be legitimized eventually. This mentality is further bolstered by the political dynamics during election periods, where promises to legalize such settlements are made to secure votes. While those advocating solutions may justify their actions as “one-time measures,” the reality is far more complex. Settlers who have resided on encroached land for nine years today will reach the ten-year threshold tomorrow, at which point they may demand formal recognition.

This dynamic perpetuates a cycle where, on one hand, some settlements are legitimized, while on the other hand, new instances of unorganized settlement are effectively seeded. If left unaddressed, this cycle ensures that the problem will persist indefinitely. Current commissions tasked with organizing settlements lack the authority to evict or relocate recent settlers or those who have yet to meet tenure thresholds. Without the capacity to address these groups, efforts to resolve the issue remain incomplete and counterproductive. Moreover, legitimizing settlements based solely on tenure while neglecting to address ongoing encroachments creates a system that not only fails to solve the problem but actively propagates it.

If this trend of prioritizing short-term political popularity continues, the finite natural resource of government and public land will be exhausted. While legalizing encroachments may provide temporary popularity or electoral gains, the long-term consequences are severe. Once public land is depleted, future generations may face significant challenges, leading to widespread regret and condemnation. This depletion could also create additional problems requiring the state to invest substantial resources and efforts to address the fallout. The perception of a powerless state mechanism, unable to enforce its own rules or protect public resources, would erode trust in governance, an outcome detrimental to both the state and its citizens.

The responsibility to ensure equitable utilization of natural resources, while safeguarding public and state land, lies squarely with the government. This is crucial not only for maintaining public trust but also for the sustainable development and prosperity of the country. Any failure in this regard is neither beneficial to the government nor to the citizens it serves.

The government must adopt a cautious and deliberate approach to the protection of public and state land. Addressing current challenges requires not only short-term interventions but also a comprehensive, long-term strategy. Any plans to legalize existing settlements should be accompanied by robust mechanisms to prevent future encroachments. Moreover, commissions tasked with organizing settlements should be empowered not only to formalize existing settlements but also to evict or relocate recent

and unauthorized settlers. This dual mandate is essential for achieving a sustainable resolution to the problem.

The selection of personnel for these commissions should be based on merit, expertise, and the courage to implement bold decisions. Such individuals should be chosen through a competitive and transparent process to ensure accountability and effectiveness. Additionally, the government must develop a forward-looking policy to conserve limited land resources, recognizing their critical importance for future generations. Popularity-driven policies, which may provide immediate gains but jeopardize long-term stability, should be avoided at all costs.

The persistent challenges posed by squatter and unorganized settlements in Nepal are emblematic of deeper structural issues within the country's political and administrative systems. The cycle of encroachment, legalization, and further encroachment must be broken if meaningful progress is to be made. Failure to address these issues with a comprehensive and strategic approach risks exacerbating the problem, depleting finite public resources, and undermining public trust in governance. The government must act with foresight, balancing immediate needs with long-term sustainability, to ensure that Nepal's land resources are protected and utilized equitably for the benefit of all citizens.

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