

Tenure and Food Security of Smallholder Farmers in Selected Communities in Nepal

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Land is fundamental to the lives of poor rural people. Secure access to land reduces vulnerability and hunger. But for many of the world's rural poor people in developing countries, access is becoming more tenuous than ever (IFAD, 2015).

What is produced and who consumes it depends greatly on tenure security and control. Clear and secure property rights for owners and users reduce the potential for conflict and the threat of eviction. These also provide incentives to conserve and improve these assets, encourage land-related investments, and if coupled with cost-effective systems of land administration, reduce the cost of credit by leveraging these assets as collateral (World Bank, 2008 quoted in Roth and Fletschner, 2013).

However, a large portion of the poor lack access and have limited rights to quality land. Studies demonstrate the fact that securing land resource rights has a positive impact on food and broader development outcomes such as household investment, agricultural productivity, women's empowerment, nutrition, and more robust rental markets for farmlands (USAID, 2016).

Objectives

This study undertaken by the Community Self-Reliance Centre (CSRC) is part of a regional initiative of the Asian NGO Coalition for Agrarian Reform and Rural Development (ANGOC) to produce evidence-based documentation on access to land as a key intervention in addressing food insecurity.

This is an abridged version of the paper on "Study on Continuum of Land and Property Rights in Nepal."

This paper aims to describe the link between land tenure and food security in Nepal. Specifically, this exploratory research aims to: (i) contextualize the Global Land Tool Network (GLTN)'s "Continuum of Land Rights" and, (ii) describe the link between access to land and food security as experienced by smallholder farmers in selected communities in Nepal.

Focus of the Study

This study focused on eight categories of smallholder farmers within Nepal's land and tenure rights continuum: public land tillers, contract farmers, sharecroppers, *Guthi* land tillers, tenants (in private lands), farmers tilling land on mortgage, *Birta* land tillers, and smallholders.¹

Methodology

This study used secondary data from desk reviews and primary data gathered through participatory rapid appraisals, respondent interviews, ocular inspections, and key informant interviews. FGDs served as the primary method of collecting data from 20 communities of public land tillers, contract farmers, sharecroppers, *Guthi* land (trust land) tillers, tenants, farmers tilling on mortgage, *Birta* tillers, smallholders from three geophysical regions (*Tarai*, Hill and High Hill regions).

This study focuses on the existing legal framework, land tenure practices and property rights, and the relationship between land tenure, food security, and housing rights in rural Nepal. The research covers only *land-poor farmers* – those owning none or less than half a hectare of land. It attempts to identify major categories of tillers along the land rights continuum, with particular focus on their corresponding bundle of tenure rights (Stanfield, et. al., 2017).

Country Overview of Land Tenure, Hunger and Poverty

Policies and Provisions on Land

According to the 2011 Agriculture Census, 70.6 percent of the 5 million households in Nepal were peasant and farmer families. Moreover, 65.6 percent of the total population (26 million) were dependent on agriculture for their subsistence and livelihoods.

¹ Farmers belonging to this category own less than half a hectare of land.

In terms of land policies, the 2015 Constitution outlines the following policies on agriculture and land reform under Part 4: Directive Principles, Policies and Obligations of the State:

- (1) *to make scientific land reforms having regard to the interests of the farmers, while ending the dual ownership existing in the lands;*
- (2) *to enhance product and productivity by carrying out land pooling, while discouraging inactive land ownership;*
- (3) *to make land management and commercialization, industrialization, diversification and modernization of agriculture, by pursuing land-use policies to enhance agriculture product and productivity, while protecting and promoting the rights and interests of the farmers;*
- (4) *to make proper use of lands, while regulating and managing lands on the basis of, inter alia, productivity, nature of lands and ecological balance; and,*
- (5) *to provide for the farmers' access to agricultural inputs, agro products at fair price and market.*

In 2015, the Government of Nepal endorsed the first amendment to the Land Use Policy, which allocated public lands for the resettlement of communities affected by natural disasters. In the same year, the parliament also adopted the sixth amendment to the 1964 Land Reform Act, which extended the period for granting tenancy rights.

The Financial Bill 2015 was also introduced in pursuit of the promotion of women's equal rights and access to land. Under the Bill, the government would promote joint registration of land rights in the names of husband and wife. This co-ownership (joint) certificate can be obtained with a minimum registration fee of NPR 100 (less than USD 1). An individual ownership which was previously registered either in the name of wife or husband can also be transferred to joint ownership registration for a minimum fee. Additionally, depending on the geographic region, women may avail of 25-50 percent tax exemption in land registration.

The Government of Nepal has approved other crucial land-related policies such as the Agriculture Development Strategy (ADS) in 2015 and the Reconstruction Action Procedure in 2016. The Supreme Court of Nepal also directed the Ministry

of Land Reform and Management (MoLRM) to implement the Public Land Lease Procedure, which was formulated in 2014.

Land Tenure Systems

In practice, three main tenure systems prevail in Nepal: formal, customary (*Kipat*), and informal. Land under formal tenure types are legally documented and recognized. On the other hand, ownership of land under customary tenure was made possible through cultural, ritual and social processes. Despite the absence of legal documents and the legal abolition of *Kipat*, lands under this system are socially recognized. Finally, informal tenure types have social basis, but are neither formally registered nor legally recognized.

In this study, three types of land under the formal tenure system were considered: privatized *Raikar* lands, *Guthi*, and *Birta* lands.

Agricultural lands under the *Raikar* tenure was traditionally cultivated by private individuals and charitable institutions through a freehold system that is limited to “use rights²” (Regmi, 1977, 1999: p.16). At present, *Raikar* lands are individual-owned private lands which may be leased or mortgaged (FAO).

Guthi or trust lands, refer to lands allocated for the purpose of covering certain religious, charitable, cultural, or social functions.

Birta lands are tax-free lands awarded by the State to religious leaders, soldiers, and members of the noble and royal families. Hence, these lands serve as a symbol of high economic and social status. Although this system was abolished in 1959, recipients of these grants continue to exercise control over the land.

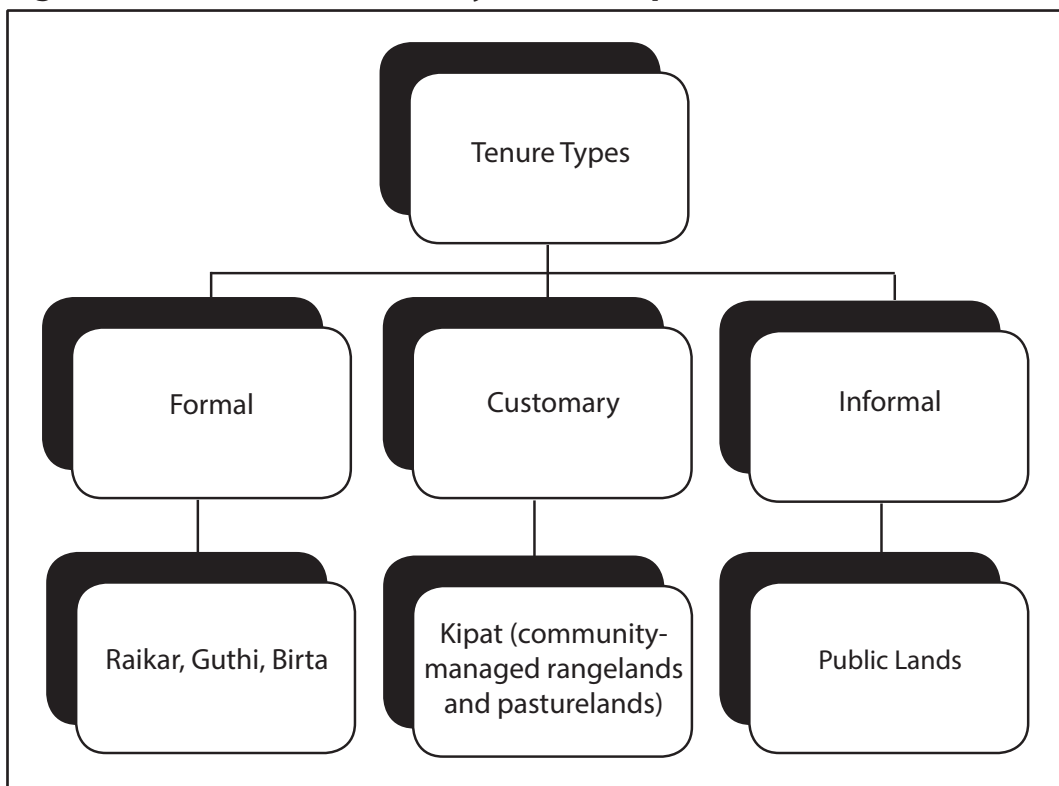
Under customary laws are *Kipat* lands. In a country where 37 percent of the population are from the indigenous ethnic groups, customary laws and practices also matter significantly in the context of the analysis of land tenure. *Kipat* tenure was a communal form of land ownership, under which, the communal authority superseded that of the State. Rights among the owners emerged as members of particular ethnic community because of their customary occupation of lands. As was legislated in 1968, *Kipat* lands have been abolished, but rights to the land are still socially recognized. The owners of *Kipat* land have only usufruct rights.

² “Use rights” refer to rights to access resources (Meinzen-Dick, et. al., 2004). The concept of “use rights” will be further discussed throughout the paper.

Although customary practices of land resource management have been eroded by statutory land laws, customary laws still prevail in some High Hill areas of the country. Indigenous communities mainly from the Hills and the High Hills still manage the rangeland or pastureland as per their traditions based on norms for equitable utilization and sustainable exploitation of natural resources.

Finally, informal tenure arrangements have also emerged due to the settlement of landless individuals and families on public lands. Public lands belong to the State and are under the control of the Ministry of Land Reform and Management (MoLRM). However, communities may exercise certain rights over these lands as permitted by the government.

Figure 1. Overview of Tenure System in Nepal



Source: Land Typology discussion, GLTN and CSRC in Kathmandu, Nepal

Poverty and Food Security in Relation to Land Tenure

In 2011, 25.2 percent of the population in Nepal were poor (15.3 percent in urban areas and 27.4 percent in rural areas). Geographically, the High Hill region has

the highest poverty rate at 42.3 percent, compared to 24.3 percent in the Hill and 23.4 percent in the *Tarai* regions (CBS, 2011).

Landlessness and limited access to land are major triggers of poverty in Nepal. In 2011, 21 percent of the population were landless, while 44 percent owned only 0.2-1 hectare of land (CBS, 2011). Poverty is positively correlated to the size of landholding.

Access to land is also a gendered issue. Only 19.7 percent of women in Nepal own real property (CBS, 2011). Despite the Constitution's promotion of property rights equality, women continue to have limited exercise of rights to own and control land (Landesa, 2015). Women's access to land has always been dependent on their relation as daughter, wife or mother of a male landowner. Moreover, women are mostly subjected to unpaid family labor (DFID and the WB, 2006). There is also a need to amend certain laws still reflective of inequality among men and women.

Other key poverty issues in Nepal include: low labor productivity, weakness of the industrial sector, inadequate inputs for the modernization of agriculture, limited employment opportunities outside the agriculture sector in rural areas, emigration of productive youth to India or the Gulf countries (approximately 4.5 million Nepali men and women are abroad in 2016), and traditional caste-based discrimination, among others.

“Despite the Constitution’s promotion of property rights equality, women continue to have limited exercise of rights to own and control land. Women’s access to land has always been dependent on their relation as daughter, wife or mother of a male landowner.”

With a Global Hunger Index (GHI) score of 21.9³ in 2016, people in Nepal have also been found to experience serious hunger. Nepal is 72nd out of 118 countries ranked from having the least to the most hunger (IFPRI, 2016).

Studies on land rights and tenure security in Nepal are a critical but often overlooked factor in household food security. A study published in March 2012 demonstrated that a mother's land ownership can halve the likelihood of a child to be severely undernourished.

³ Nepal's GHI scores are based on four indicators: proportion of undernourished in the population (7.8 percent); prevalence of wasting in children under five years (11.3 percent); prevalence of stunting in children under five years (37.4 percent); and under five mortality rate (3.6 percent).

The route to better child nutrition is through the greater income and resources produced by women's rights to land (Landesa, 2012).

A CSRC national study⁴ conducted in 2009 also showed that farmers who received their tenancy rights as a result of advocacy campaigns of CSRC/NLRF reported food sufficiency or food security from 29.1 percent to 42.6 percent. Similarly, households who have experienced food surplus have increased from nearly three percent to more than eight percent after claiming their tenancy rights. This can be explained vis-a-vis the crop production pattern before and after tenancy rights (Pathak, et. al., 2009).

An attempt had also been made to compare crop production before and after the formal recognition of tenancy rights. It was found that the average quantity of production of paddy, maize, vegetables, oil crops, wheat and pulses increased by seven percent to 95 percent after the formal recognition of tenancy rights. The proportion of production change in vegetables was found to be the highest followed by oil crops since the cultivation of these commodities allow for better cash earning opportunities in the local markets. As a whole, one reason for having the positive trend in the production of these crops was that they began to farm their plots of land more intensively than before. The freedom to grow crops after the formal recognition of tenancy rights had also led to the diversification of crops to earn higher income from their farms (Pathak, et. al., 2009).

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Continuum of Land and Tenure Rights

The security of the housing and homelot has been found to be positively correlated with the tenancy certificates, and other provisional documentary evidences of settlement and cultivation. Housing and homelot were also found

⁴ *Empowering the Disempowered Tenant Farmers: A Study of the Impact of People-Centred Advocacy for Land Tenancy People in Nepal* (2009).

to be secure in areas where community organization under the Village Land Rights Forums (VLRFs) and District Land Rights Forums (DLRFs) are strong.⁵

Similarly, enjoyment of all use and decision-making rights is positively correlated with more formal tenurial instruments or better documentary evidences of occupation and stronger organization of communities.

However, present tenure systems are complex and the acquisition of formal tenure instruments involves cumbersome bureaucratic procedures. In effect, various tenurial arrangements have emerged among smallholder farmers in Nepal, each associated with a bundle of rights to utilize, control, and/or transfer land. These arrangements are plotted along a continuum in Figure 2.

The bundle of rights associated with each category of smallholder farmers are presented in Table 1. Although the categories are visually organized along a linear continuum, the rights exercised by farmers over the land depend on actual situations on the ground and complex relations between various stakeholders. Farmers may also belong to more than one of the categories identified, if they till more than one plot of land. Thus, although this continuum attempts to describe the experiences of smallholder farmers, it does not claim to be definitive nor comprehensive.

Figure 2. Land Rights Continuum of Smallholder Farmers in Nepal



Public Land Tillers

Official data shows that 44.7 percent of the total land of Nepal are public forestlands. Under these lands are community forestlands governed by the MoFSC, to which certain communities have use rights. In practice, around 75 percent of community forestlands are under the control of user-communities, while 25 percent are under the control of the MoFSC.

⁵ Particularly in areas where these people's organizations are facilitated by the CSRC and NRLF

Table 1. Land Rights Continuum and Bundle of Rights of Smallholder Farmers in Nepal

Type of Smallholder Farmer	Tenure Arrangement	Bundle of Rights						Control Over Physical Access
		Use Rights			Control or Decision-making Rights		Transfer Rights	
		Access	Withdrawal/harvesting	Exploitation	Management	Exclusion		
Public land tillers	Self-titling	✓	✓ if member of CFUGs*	✓	✗	✗	✗	Community/State
Contract farmers	Contract	✓	✓	✓	✗	✗	✗	Landowner
Share-croppers	50/50 sharing	✓	✓	✓	✗	✗	✗	Landowner
Tenants in private lands	Tenancy	✓	✓	✓	✓	✗	✗	Both owner and tenant
Farmers tilling land on mortgage	Contract	✓	✓	✓	✓	✗	✗	Landowner
<i>Guthi</i> land tillers	Tenancy/Contract	✓	✓	✓	✓	✓ if registered tenant	✗	<i>Guthi</i> Corp./State
<i>Birta</i> land tillers	Tenancy	✓	✓	✓	✓	✓	✗	Landowner and tiller
Smallholders	Owner-cultivating	✓	✓	✓	✓	✓	✓	Owner-cultivator

* Local people under the community forest program in Nepal are organized into Community Forest User Groups (CFUGs), and have certain use and control rights over the forestland (FAO).

People have been able to utilize community forest resources despite frequent eviction threats from the government. Access to and withdrawal of resources from the forest are also legally allowed for members of community forest user groups (CFUGs). Communities may not always have control rights over the forestland. Community-users may define and implement the use, management, and distribution of resources in the forestland under a community constitution and by-laws, but only upon the approval of the District Forest Office (DFO).

Settlers in public lands that have been awarded with certificates of settlements and certificates of landlessness⁶ may eventually claim ownership of their land, while those with none may not.

⁶ Issued by the Landless Problem Solving Commissions

Other classifications of forestlands are identified in Table 2.

Table 2. Summary Table of Forestlands

Types of Forestlands	Ownership and Control	Remarks
Community forestlands	75 percent are under the control of communities; 25 percent controlled by the MoFSC	Though community forestlands may be handed over to communities, they are still monitored and regulated by the MoFSC
Government forestlands	Under the sole control of the Department of Forests of the MoFSC	
National parks	Under the sole control of the Department of Wildlife and Conservation of the MoFSC	
Religious forestland	Religious institutions and Forest Offices	50 percent controlled by religious institutions; and 50 percent control by the MoFSC

Contract Farmers

State private lands under the traditional *Raikar* tenure may come in the form of private agricultural lands or private industrial lands; this paper considers farmers tilling the former. Owners of private agricultural lands have use, ownership, control, and transfer rights over the land.

Farmers may enter into tilling contracts with owners of private agricultural lands. Tillers may access, withdraw/harvest, and exploit resources (use rights) from the land during the period specified in the contract.

The rental rate of these contracts is usually very high. As per the conditions of some contracts, landlords are to be provided with three-fourths of the total principal crop production per unit of land. Moreover, many of these arrangements have been known to rely on oral/unwritten contracts with flexible conditions. Landlords generally begin asking for only half of the production, later demanding higher fixed rents on a “competitive basis.” Landlords also refuse to provide documentary evidences of the farmers’ payment of agricultural rent, thus preventing the farmers from claiming tenancy rights. Contract farming, or *Honda*, exists in the *Rahauat* district of the *Tarai* region.

Sharecroppers

Farmers may also enter into *sharecropping arrangements* with owners of private agricultural lands. Under this arrangement, 50 percent of all crops grown (including the by-products in certain cases) are shared between the sharecropper and the landlord. Sharecroppers have only use rights over the land.

They may plant and harvest the crops as per their agreement with the landlords. Landowners also have the right to evict sharecroppers from their land.

Sharecroppers are also not provided with any tenurial instruments, and hence may not claim tenancy rights.

Tenants

Tenants of private agricultural lands may be registered or unregistered. Registered tenants have use and control rights to over 50 percent of the landlord's agricultural property, and may eventually own their share of land. Although devoid of transfer rights, registered tenants may sell back their share to the landlords. Eviction from the land is the direct result of non-registration.

Unregistered tenants may have tilled lands for generations, but may not be provided with a share of the landlord's property. In exceptional cases, kind landlords share not more than 25 percent of their property with unregistered tenants.

Farmers Tilling Land on Mortgage

Farmers may also pay to have certain rights over a landlord's property until the owner is able to return the farmer's initial payment.

Tillers under this tenurial arrangement pay a principal amount of money to the landlord in exchange for full use and some control rights (i.e. management) over a specified period of time. However, they are denied exclusion and alienation rights over the land. During the period agreed upon, the landlord may utilize the farmer's payment to invest or engage in non-agricultural businesses. Lands are to be cultivated and controlled by the mortgagee farmers until the landlords recompense their principal payment.

***Guthi* Land Tillers**

Guthi lands are of two types: (1) lands fully owned and managed by the *Guthi* corporation; and (2) lands controlled by either the *Guthi* corporation or by religious institutions (refer to Table 3).

Registered *Guthi* land tillers have use rights and some decision-making rights (i.e., management and exclusion of other potential resource appropriators), but they may not transfer/alienate land under their tillage. As per the *Guthi* Act, some *Guthi* land tillers are recognized as tenants. They pay annual rent, but have prerogative over the crops they wish to plant. Their tenancy rights may not be transferred, but may be inherited by their kin.

Most *Guthi* land tillers are provided by the corporation or institution with tenurial instruments such as use rights certificates.

Table 3. Summary Table of *Guthi* Lands

	Ownership and Control	Tilling Arrangements
<i>Guthi</i> lands	<i>Guthi</i> corporation	Land may be cultivated under the tenancy arrangement.
	<i>Guthi</i> corporation, religious, or philanthropic institution	Both tenancy and lease-out arrangements exist for the cultivation of this type of <i>Guthi</i> land.

***Birta* Land Tillers**

Although the *Birta* system was officially abolished in 1969, awardees of *Birta* lands continue to exercise control over them. *Birta* landlords are often absentee owners who have left the cultivation and control of their land to the tillers. Tillers may exercise all use and control, but not transfer rights over the land. They also have prerogative over which crops to plant. They continue to pay agricultural rent to the landowner, but these payments have not been forwarded to the State for the last 20 years. At present, *Birta* tillers struggle to have formal ownership of lands under their cultivation.

Smallholders

Smallholders are owner-cultivators of agricultural lands not exceeding 0.5 of a hectare. Thus, they may exercise all use, control/decision-making, as well as transfer rights over the land they till.

Table 4. Summary Table of Private Agricultural Lands

Types of Private Agricultural Lands	Ownership and Control	Remarks
Lands cultivated by tillers under <i>lease/contracts</i> with landowners	Landowners	Landlords often evade written contracts, relying only on oral agreements. They also refuse to provide receipts/documentary evidences for the farmers' payment of agricultural rent as per the contracts.
Lands under the <i>sharecropping</i> arrangement	Landowners	50 percent of all crops are shared by the tillers to the landlords. Landowners pay yearly revenue to the State, reserve the right to sell the land, and to evict the tillers from the property.
Lands under <i>tenancy</i>	Landowners	Registered tenants are eligible for 50 percent of tilled land. Tenants have the right to sell their 50 percent share of the land to the landlords, provided they are registered. Eviction is the direct result of the non-registration.
Lands under the <i>mortgage system</i>	Landowners	Farmers who have paid a certain amount of cash to landowners per unit of land may till it for a specific period of time without interest. Rights to use and control the land are transferred back to the landowner upon recompensing the farmer's principal payment.
<i>Birta</i> lands	<i>Birta</i> landowners	<i>Birta</i> awardees (or their kin) maintain control over the land, despite the <i>Birta</i> system's abolition in 1969. These lands are presently being cultivated by tillers who exercise use and control (but not transfer) rights, since these are often owned by absentee-landlords.
Lands maintained by owner-cultivators	Owners	Owner-cultivators have all use, control, and transfer rights over their land.
Fallow agricultural lands	Owners	The government has recently placed higher taxes on fallow agricultural land to discourage owners from keeping unproductive/uncultivated lands.
Lands allocated for residential properties	Real estate companies	Agricultural land may be used for residential purposes, but not without the approval of the government.
Lands tilled exclusively by <i>Haurwas/Haliyas</i> (semi-bonded laborers) exclusively	Landowners as the <i>Masters</i> – controlling both land and the semi-bonded laborers	Despite the governmental initiative for the abolition of bonded labor, it is still existent in some parts of the <i>Tarai</i> and Western Hills.

Summary of Findings of the FGDs

Community Profile

A total of 190 individuals from various caste/ethnic groups participated in the 20 FGDs from the five sample districts. Each participant represented a household

in the community chosen as sample group. A little over half (51 percent) of the participants were *Pahadi Janajaatis* (Hill and High Hill indigenous groups), one-fourth were *Dalits* (untouchables), and 15 percent were *Pahadi Brahmins/Chhetris* from the Hill region. The proportions of other social or ethnic groups such as *Brahmins/Chhetris* and Muslims from the *Tarai* is insignificant. The overall average household size is seven.

FGD participants were from various socio-economic and tenurial statuses. FGDs included participants that were squatters, agricultural laborers, non-agricultural laborers, landless contract farmers (called *Honda* in the *Tarai* and *Tekkha* in the Hills and High Hills), tenants, and small landowners. In general, the participants engaged in more than one economic activity to sustain the household. Some farm laborers were engaged in both agricultural and non-agricultural work, and some small landowners were also tenants. The tenurial and livelihood profiles of the 190 FGD participants are summarized in Table 5.

Table 5. Profile of FGD Participants

Profile of Participants (N=190)	Percentage
With informal tenure (<i>squatting</i>)	17
Agricultural wage laborers	13
Non-agricultural wage laborers	2
Both agricultural and non-agricultural wage laborers	11
Landless contract-farmers	16
Tenants	9
Small landowners	18
Both small landowners and tenants	14
Total	100

Women were found to possess one in every four land ownership certificates (53 percent had single ownership, 47 percent had joint ownership certificates). However, women’s ownership was reported in the Hills and High Hills only, which may be attributable to the effectiveness of the CSRC/NLRF-led campaigns for joint land titles after 2011, and the relatively egalitarian social structure of the indigenous *Tamangs/Sherpas* from the Hill and High Hill regions. Culturally speaking, women’s degree of discrimination is deeply rooted in the *Tarai* social structure because of the preponderance of a caste-based patriarchal system which safeguards and perpetuates the *Purdah*.⁷

⁷ A practice of keeping women guarded from the sight of men and strangers through physical seclusion and/or through clothing almost the entire body

Housing and Homelot

In all the regions, indigenous peoples have been staying in their place of residence for more than 30 years. Many migrants have also been found to have settled in public land in the *Tarai* region, because of poverty, natural disasters, and lack of economic opportunities in their communities of origin, among others.

The average size of the homelots is 346 square meters. Most dwellings are temporary to semi-temporary structures made of light materials and wood.

It was found that farmers dwelling on their owned plots or on public lands officially recognized as settlement areas, and farmers with certificates of tenancy or certificates of landlessness feel that they have security of tenure over their homelots. Conversely, those with no documentary evidences of settlement, tenancy, or landlessness did not report feeling security of tenure over their homelots.

Sources of Income and Livelihood

The primary occupation of the FGD participants is farming. A significant proportion is found to be involved in contract farming, some of which are also involved in other agricultural arrangements such as short-term sharecropping. One in every three of the participants is an unregistered tenant and nearly one-fifth are sharecroppers. Twelve percent of the participants reported to be *Guthi* tillers. Tillers' average size of operational farmland is 0.432 of a hectare only.

The participants' secondary sources of income are agricultural and non-agricultural wage labor. In many of the sample areas, male agricultural laborers are being paid higher wages compared to females.

Migration

Out-migration is pronounced in all of the sample sites. Participants of the FGDs revealed that remittances constitute an important part of the household economy.

Migrants are mostly young males aged 20-40 with high educational attainments (up to MA level). Young women have also begun migrating overseas for

employment, more so among the indigenous ethnic groups of the Hills and the High Hills, where there is greater gender equality.

The pervasiveness of poverty triggered by limited operational landholdings and lack of local employment opportunities are the “push factors” of migration. It has been learnt that the Nepali young men and women migrate to Malaysia, and Gulf countries (Saudi, Qatar, Kuwait, etc.).

Credit/Loan and Sources

Around 80 percent of the households had taken loans or credit in the past year. Of those who took out loans, the majority (56 percent) reported borrowing from banks, while the rest were still dependent on informal credit. In particular, landless farmers and marginalized *Tarai* indigenous groups are still heavily reliant on informal moneylenders. Indigenous communities in the Hill region have also been borrowing credit from their family members, relatives, or friends. Informal lenders charge the highest interest rates in the range of 36 to 60 percent per annum, while banks charge around from 14 percent to 18 percent per annum.

Participants’ other sources of credit include savings and credit groups, cooperatives, and the Movement Fund of the VLRFs.

“The pervasiveness of poverty triggered by limited operational landholdings and lack of local employment opportunities are the ‘push factors’ of migration.”

Generally, loans are used for medical expenses, purchasing agricultural inputs (such as seeds, fertilizers, and pesticides), household construction, mortuary rites, and marriage ceremonies, etc. Credits taken from the banks/cooperatives have been reported to be used for the initiation of income generating activities to augment the household income.

Tenurial and Food Security

Owner-cultivators and farmers with certificates of tenancy or other (provisional) documentary evidences of tenancy at the Land Reform and Land Revenue Offices feel a great sense of security of tenure. Tillers who do not possess formal tenurial instruments but are organized under strong VLRFs and DLRFs also feel security over their farmland.

The participatory rapid assessment in the sample sites showed that most of these land-poor farmers have food insecurity.

Participants in 14 of the 20 FGD sites shared that 100 percent of the production of their primary crops went to household consumption. Farmers of six other sites shared that their primary produce went to both household consumption and sales through the local markets. The percentage of production that was sold was very marginal, except for potatoes in the *Ramche* of *Rasuwa* district in the High Hill region, where the figure went up to as high as 75 percent.

For owner-cultivators and public land tillers who have access to more than one hectare of land in the *Tarai*, income from sales of potato and corn are used to buy rice from other areas of Nepal and India.

An estimated 90 percent of farmers in the villages who rely solely on their agricultural and non-agricultural household income experience food deficiency for nearly five months in a year. Hence, they resort to overseas migration and take out loans to provide food for their family.

Food sufficiency exists only among a handful of smallholders and a few public land tillers in the *Tarai*. Smallholders belonging to smaller households are food-sufficient because product yield is high in their areas due to irrigation. In the *Tarai*, smallholders have food security in the *Sagarnat's* forest area in *Sarlahi* district, where the average reported size of the operational land is 0.67 of a hectare – the highest in the 12 sample sites of the *Tarai*. Public land tillers from the *Bhotetole* of *Rautahat* district of the *Tarai* also reported food sufficiency because of the availability of perennial government irrigation facility, which increased the yield of paddy, wheat, and seasonal vegetables.

In the case of households where a member is employed elsewhere, remittance has played an important role in ensuring food security.

Most FGD participant informants explained that land tenure is important for food security. Food security was attained in the communities assisted by various CSOs and government offices through the VLRFs, by securing tenure and providing support and social services to farmers. Particularly, this was accomplished through:

- a. ensuring the security of the tenure of the land through legal tenurial instruments;
- b. providing agricultural land for landless farmers;
- c. establishing perennial State irrigation facilities for increasing agricultural productivity; and,
- d. creating local employment opportunities in agro-based and cottage industries

Once there is security of tenure, there is incentive for intensive land cultivation and greater investments in agricultural inputs, which lead to higher farm yields. The availability of irrigation also helps increase the quantity of crops grown. Moreover, farmers are willing to invest in irrigation inputs if their land tenure is legally ensured.

Analysis of Results

Perceived tenure security of housing, homelot, and farmlands, is positively correlated with documentary evidences of settlement/cultivation, and the organizational strength of the VLRFs and DLRFs. Advocacy campaigns by these peasants' grassroots organizations are also positively correlated with the initiation of the local culture of paying equal wages to laborers of both sexes.

Economically productive youth and adults find work abroad due to grinding poverty (triggered by landlessness, limited landholdings, indebtedness, lack of local employment opportunities, etc.) exacerbated by political instability. The role of remittance has been paramount in ensuring food security among these land-poor and small farmer households.

The economic vulnerability of the land-poor has to do with their reliance on the exploitative practice of moneylenders. Local moneylenders (local landlords) are the most accessible persons during times of need since they do not demand a panoply of formalities like banks do, but they are notorious for charging usurious interest rates. The initiation of the savings and credit groups and cooperatives at the community level is the contributory factor for the reduction of land-poor and small farmers' dependence on traditional moneylenders. This has also led to income-generating activities which have begun to contribute to food security and overall household economic improvement. The role of "movement fund" (set

by VLRFs/DLRFs) has also played an emancipatory role in the regime of credit for the poor.

The stronger and more adequate the quality of the tenurial instruments (including all the documentary evidences) is, the higher the chance of the enjoyment of all use and control or decision-making rights by the tenants/tillers/settlers in the continuum of land rights. However, obtaining tenurial instruments from the administrative apparatus is not that easy given the fact that it is largely represented by the educated offspring of the landed aristocracy imbued with patriarchal ideology. The higher the chance of the enjoyment of all use and control or decision-making rights by the tenants/tillers in the continuum of land rights, the higher the feeling of security of tenure is over their farmlands.

Although security over land tenure is the key factor for ensuring food security in rural Nepal, food security as evidenced from the sample sites is the function of other factors such as the availability of both agricultural and non-agricultural employment opportunities, the presence of irrigation facilities and other agricultural inputs for augmenting crop yield, payment of reasonable prices for agricultural products, the need to control the crop depredation by the wild animals, the initiation of income generating activities at the household level, flow of remittances, etc.

Although the role of government agencies has been considered critical in addressing key community problems ranging from land tenure security to overall community development for ensuring food security, the crucial role of CSOs and land-poor organizations from grassroots to the national level in influencing the formulation of appropriate policies or laws and their effective implementation at the grassroots level cannot be underestimated.

The key challenges for ensuring land tenure and food security are: (i) bureaucratic red tape within the agencies of MoLRM and their sluggishness in addressing grievances of land-poor farmers; (ii) relative political instability in the country; (iii) pervasiveness of *afnomanche* in Nepali society (bureaucrats, politicians and local leaders listen to the grievances of their people only and hence, groups who have no connections whatsoever are generally ignored); and, (iv) need for massive financial and organizational resources for CSOs in strengthening the poor peasants' existing organizations created by CSRC both institutionally and ideologically for transformation of inequitable agrarian relations.

Assessment and Recommendations

Ensuring sustainable food security among the land-poor and small farmers is contingent upon a multi-pronged strategy to address the multitude of economic issues associated with the production of food grains and other farm commodities.

The formulation of a national policy that validates whether public land tillers and settlers are truly homeless is needed. The policy should clearly articulate how public land which has been tilled or used as settlement by the poor for decades, can be handed over to them. Supporting landless producers with access to productive resources can help achieve the “zero hunger” objectives of the government. This would also provide public land tillers with a sense of security of tenure over their homelots and farmlands and ensure their food security in the long run.

The national government, while addressing the land tenurial issues, must also craft a national policy to create employment opportunities in collaboration with the CSOs and private sector to employ the rural youth joining the job market every year, and to stem the tide of Nepalese seeking overseas jobs. These occupations must espouse dignity of labor and the provision of reasonable wages. Equally important in this policy advocacy is the promotion of gender equity.

The issues associated with land tenure and food security can be addressed within the existing political economic framework. But this is also contingent on the active participation of primary stakeholders through the civil society organizations (CSOs) in influencing policymakers to craft appropriate policies.

Incessant pressure created through the CSOs’ effective mobilization of tenants/smallholders is critical to obtaining a solution to the pending filed cases at the Land Revenue and Land Reform Offices.

CSOs play a facilitative role in the process of obtaining tenurial instruments for the land-poor and small farmers from land-related administrative apparatuses, local government units, and the Landless Problem Solving Commission. The leadership of the CSOs such as that of the CSRC and peasant organizations such as the NLRF must intensify efforts at the national, district and local levels to mobilize land-poor farmers to pressurize government officials concerned and landlords into expediting the process of issuing the *Nissas*. In addition, civil society

also needs to make optimal efforts in the *Tarai* region to influence the district agencies of the MoLRM to lower the agricultural fixed rent of the main crop to 50 percent from the current 75 percent, and to help them in regularly monitoring the field situation. Interventions are also needed to organize the marginalized communities in the hinterlands of the *Tarai* to help them emancipate themselves from the predominance of informal credit.

CSOs and peasant organizations must also strive at the national, district and local levels to influence government line agencies concerned to develop irrigation facilities in agricultural areas, and make potable water and electricity available for public land settlers/tillers.

Finally, the leadership of the CSOs and peasant organizations in collaboration with government agencies concerned have to facilitate the establishment of marketing mechanisms through farmers' cooperatives for them to earn reasonable incomes from the sale of their agricultural produce. Guaranteeing reasonable prices of such primary agricultural commodities would definitely contribute to food security of small farmers especially in the High Hill region. ■

Acronyms

CBS	Central Bureau of Statistics
CSO	civil society organization
CSRC	Community Self-Reliance Centre
DFID	Department for International Development
DLRF	District Land Rights Forum
FGD	focus group discussion
FAO	Food and Agriculture Organization of the United Nations
GLTN	Global Land Tool Network
GHI	Global Hunger Index
IFAD	International Fund for Agriculture Development
KII	key informant interview
MoAD	Ministry of Agricultural Development
MoLRM	Ministry of Land Reform and Management
MoFSC	Ministry of Forests and Soil Conservation
NLRF	National Land Rights Forum
OPHI	Oxford Poverty and Human Development Initiative

USAID US Agency for International Development
VLRV Village Land Rights Forum

Definition of Terms

<i>Afnomanche</i>	Patronage politics/close relatives
<i>Brahmins</i>	Higher caste in Hindu caste hierarchy
<i>Birta</i>	Land grants awarded by the State to individuals of high socio-economic status
<i>Chhetris</i>	Middle caste in Hindu caste hierarchy
<i>Dalit</i>	A discriminated caste group referred to as <i>impure</i> or <i>untouchables</i>
<i>Guthi</i>	Trust lands, or lands allocated for religious, philanthropic, or cultural purposes
<i>Haruwa/ Haliya</i>	Tiller under a kind of bonded system practiced mostly in the <i>Tarai</i> region
<i>Honda</i>	Contract-farming in the <i>Tarai</i> region
<i>Kipat</i>	Customary form of communal land ownership headed by a village chief; practiced in some areas in the Hill and High Hill regions
<i>Nissas</i>	Documentary evidences of settlement or cultivation
<i>Pahadi Brahmins</i>	Higher caste from the Hill region
<i>Pahadi Chhetris</i>	Middle caste from the Hill region

<i>Pahadi Janajaatis</i>	Indigenous groups from the Hill and High Hill regions
<i>Purdah</i>	A practice of keeping women away from the sight of men and strangers through physical seclusion and/or through clothing almost the entire body; prevalent in some Hindu and Muslim societies
<i>Raikar</i>	Lands belonging to private individuals; traditionally State-owned
<i>Sherpas</i>	Indigenous peoples from the High Hill region
<i>Tamangs</i>	Indigenous peoples from the Hill region
<i>Tarai</i>	Plain land in the southern part of Nepal
<i>Tekkha</i>	Contract-farming in the Hill and High Hill regions

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