Urban Development in Nepal

Kishore Thapa
Secretary, Ministry of Urban Development, Nepal
There are 58 municipalities and 265 small towns. Out of 58 municipalities, one metro, 4 sub-metro and 53 municipality.

The current urban population is 17 percent of the total with an annual growth rate of 5 percent per annum.

Urban areas contribute to 65 percent in national GDP.
Despite low-level urbanization, fast pace of growth and migration are matter of concern.

Note: Urbanization level accounts the municipal population only.
Settlements of Nepal consists of municipalities, small town and numerous market centers.
Hierarchy of settlements
Growth rate and in-migration
Financial accumulation
Relations between cities/regions: flow of goods through surface transportation
Goods movement from different places

Good Movement (Tons)
- 198 - 10000
- 10001 - 40000
- 40001 - 80000
- 80001 - 180000
- 180001 - 312131
- 312132 - 1153387
## Backlog of services: Urban households without basic facilities

<table>
<thead>
<tr>
<th>Services</th>
<th>% households without access</th>
</tr>
</thead>
<tbody>
<tr>
<td>Piped drinking water</td>
<td>46.3 %</td>
</tr>
<tr>
<td>Sanitary system</td>
<td>45.6 %</td>
</tr>
<tr>
<td>Garbage disposal</td>
<td>55.0 %</td>
</tr>
<tr>
<td>Electricity</td>
<td>12.6 %</td>
</tr>
<tr>
<td>Telephone</td>
<td>68.1 %</td>
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</tbody>
</table>

Legislative Framework

- Land Acquisition Act, 1976.
Objectives of National Urban Policy 2006

- Achieve *a balanced national urban structure* through appropriate distribution of investment and urban–rural linkage

- Promote *safe and economically vibrant urban environment*

- Promote *effective urban management* through improved institutional and legal provisions
Urban Growth Scenario based on municipal population projection until 2021

Population in 2001

Projected Population until 2021

Existing Road
Under Construction Road
Proposed Road
Critical issues in Urban Development

- Kathmandu centred politics and development efforts
- No local elections in municipalities since 1997.
- Inadequate physical infrastructure particularly water supply and sanitation, electricity and road network, landfill sites, sewage treatment facilities.
- Low funding compared to rural areas.
- Poor resource base of municipalities
- Poor cost recovery of municipal loans.
- Weak industrial base of cities and towns (less productivity)
Thank you for your kind attention