



# Kirtipur Sambridha Awas

CASE STUDIES OF COLLECTIVE HOUSING IN ASIAN CITIES SERIES • JUNE 2021

**This housing project made history in many ways. It was Nepal's first-ever community-planned and community-managed resettlement project for squatters who were evicted to make way for a public infrastructure project. It was also the first time that substantial municipal funds were invested in a jointly-managed fund that would finance this first project, and then revolve to finance other initiatives by poor communities in Kathmandu. The project showed how collaboration, flexible finance and the development force of communities themselves can solve a city's housing problems in fast, simple and inexpensive ways.**

- Project Kirtipur Sambridha Awas
- Location Paliphal, Kirtipur Municipality, Kathmandu Valley, Nepal
- Size 44 households
- Finished 2005
- Type Relocation of poor riverside squatters to new land that was purchased by the Kathmandu municipal government, where the people designed and built a new community of snug brick rowhouses.

## CONTEXT, PROCESS AND PARTNERS

### The city:

Kathmandu is Nepal's administrative capital and its largest city. With a population of more than two million people, Kathmandu's urban growth has long outstretched its resources. An unbalanced development process that centers on Kathmandu has led to unprecedented urban growth, as poor migrants flow into the city looking for work, opportunities, security, education and a new life. This internal migration has imposed serious problems on how resources are distributed equitably. The most visible manifestation of those inequities is in the squalid and badly-serviced informal settlements that are scattered across the city, along riverbanks and on bits and pieces of leftover land. The number of informal settlements in the Kathmandu Valley has grown from 45 in 2008 to 65 by the end of 2020. Efforts to improve the housing in these poor and marginalized communities have been limited to a few scattered housing projects implemented by the Ministry of Urban Development and local NGOs.

After a decade of political turmoil and conflict, the country finally reached a kind of stability in 2006. With stability came investments in large-scale urban infrastructure projects like roads and water supply systems. Some government agencies also began developing a network of roads along the city's riverbanks, to tackle problems of monsoon-season flooding and ease traffic congestion. Those road projects, though, have not been people-friendly; by narrowing the riverbanks they have aggravated flooding problems in the informal communities that line many stretches of the rivers. And in some places, they have displaced informal communities and left many families homeless and poorer than ever.

### Eviction on the Vishnumati River:

The Vishnumati River is one of two rivers that flow through Kathmandu. The river is considered to be sacred, but it is badly polluted and dries up to a foul-smelling trickle in the dry season. The strips of land along some stretches of the river have for centuries been where some of the city's poorest and most marginalized families have traditionally lived. Many of them were banished to those places because their caste-based trades were considered unclean. Originally they were butchers or sweepers, but over the years, those riverside communities became home to carpenters, painters, laborers, domestic workers, market vendors and bicycle repairers. The crowding, poor quality housing, lack of basic services and insecure tenure in these settlements make for extremely poor living conditions, but their central location is crucial to people's survival, offering poor families many earning opportunities.

In the 1990s, after three decades of planning, the city announced plans to build a road along one stretch of the Vishnumati River. The road would link the north and south sections of the ring road that surrounds Kathmandu, improve access to the inner city and improve traffic flow. But to make way for the new road, 142 families living in five of those long-established riverside communities would have to be evicted. The city posted the first eviction notices in early 1999. Nobody knew what to do, because at that time, evictions were still very rare in Kathmandu. A year later, in January 2001, eviction orders were again posted in the community, and this time, the notices warned that houses would be demolished within a week's time. That's when the community people contacted Lumanti and the community federations for help.

A long and contentious negotiation with the Kathmandu municipal government then began. The people eventually agreed to voluntarily demolish their own houses after the mayor promised to build alternative housing for them. As part of the agreement, the evicted families got enough cash compensation to pay a few month's rent for housing elsewhere. Many took the rental support and left, but the poorest and landless families who had nowhere else to go remained on the site as long as they could.

The 142 families affected by the eviction were all considered to be squatters on public land. But when it came to discussing compensation and resettlement with the government, a new definition of squatters emerged. The government wanted to support only the *genuine squatters* - that is, those families who were living on the land without permission, had no land holdings elsewhere and were unable to afford housing elsewhere. Verifying people's compliance with this official definition of "squatter" required a lot of discussions and solidarity within the community. Finally, with help from Lumanti, the communities came up with a list of *genuine squatters*, which the ward authorities verified, to present to the city government.

### The community process:

Since the second eviction notices were posted in 2001, the community members, the Lumanti team and the federations held constant meetings to discuss options and share information. One of their big tasks was to document the long history of those five affected communities and get the city government to recognize their existence. This involved mapping the settlements, numbering all the houses, surveying all the residents, issuing family ID cards and digitally superimposing the community onto the road project's route map.

Their next task was to delay the demolition as long as possible, to give them more time to negotiate for a fair and reasonable compensation for the families being displaced by the road project. A formal appeal to stop the demolition without offering any alternatives was sent to the Ministry of Physical Works, the Department of Urban Development and Building Construction and the Kathmandu mayor. A media campaign was launched to advocate for resettlement with financial compensation, and articles began appearing in the local press describing the people's plight. This was Kathmandu's first experience with a forced eviction, and there was a lot of public sympathy for the families being made homeless by the link road project. In a situation where there were no clear rules or policies to protect the people from such an eviction, Kathmandu's progressive mayor made a bold and humane decision that the city would find a way to provide permanent housing to the evicted families.

#### **New urban community support fund:**

That decision by the mayor led to the setting up of Nepal's first Urban Community Support Fund, which would play an important part of the story of this housing project. The fund was launched in Kathmandu in May 2004 as a joint effort of the Kathmandu municipal government, Lumanti, ACHR and SDI. And the fund's first project would be the resettlement of those *genuine squatters* from the five riverside settlements. The idea was to create a new financial tool for poor and marginalized communities in the Kathmandu Valley, which would channel soft loans and grants directly to affected families for housing, land, infrastructure, upgrading, welfare and livelihood. But besides providing finance, the fund was seen as a permanent, locally-based institution that could bring a variety of development actors together to tackle the city's serious problems of poverty and housing, in ways that strengthened the role of poor communities and their federations as the main actors.

The new fund made history in several ways. The Kathmandu municipal government, under its enthusiastic mayor at that time, Keshav Sthapit, contributed the first US\$ 70,000 to the fund. That sum was matched by contributions from ACHR (US\$ 37,000), SDI (US\$ 27,000) and smaller amounts from Action Aid and Water Aid. This was the first time in Nepal that a local government had invested such a large amount to support community-led initiatives to address their problems of poverty and housing. It was also the first time that poor community people sat as equals with NGO representatives, professionals and government officials on a governing board which administers such a fund.

The fund was a new, independent mechanism in the city that could respond flexibly to diverse needs as they arose within communities. Although it is linked with the municipality, the fund is managed jointly by a governing board that includes community leaders, Lumanti, the municipality and other stakeholders, so it has a kind of institutional independence that was also new in Nepal: a system which channels financial support directly to communities, so they are the ones who do things, who control the game, who drive the development of their own lives and communities.

#### **Initiating the project:**

With the new fund as their tool, the community people could now begin planning their resettlement project and realizing their dream of having permanent homes. Throughout the process of planning and building that housing, which took about two years, the community women took a leading role. They began by coming together to re-start their savings groups again, which had been curtailed during the eviction crisis. Their saving process not only helped them later to repay their housing loans, but it worked as a kind of training course for all the collective financial management skills they would need in the housing project.

The first step was to find an inexpensive piece of land for their new housing project. This was the biggest challenge. The people visited many sites, but none of them met the criteria of being large enough, affordable and accessible to the displaced community members. After a long search, they found a 0.3 hectare (6 *ropanis*) piece of good agricultural land in the adjacent municipality of Kirtipur, five kilometers away (a 20-minute bus ride) from the old Vishnumati riverside settlements. The land was being advertised for auction by one of the leading banks. Lumanti submitted a bid for the land and got it. The land was purchased for 3 million rupees (US\$ 25,000), using a grant from the new Urban Community Support Fund.

Next the community members formed a housing management committee to oversee the project, manage the finances, monitor the construction and ensure that the housing loans were repaid regularly. On behalf of the Urban Community Support Fund, Lumanti signed an agreement with Astra Development Network, a local contractor, to construct the new housing. Later, the housing management committee also organized the allotment of houses in the completed project, using a lottery system, to make the process transparent.

## DESIGN AND CONSTRUCTION

### House design and layout plans:

Now that they had land, the next step was to plan their new community, and their first goal was to squeeze in as many of the poorest and most needy evicted families as possible. The community people worked with Lumanti and a team of architects and engineers from Astra Development Network to plan the layout and develop house designs that met family needs and could be built with the modest housing loans they would be getting from the new fund. The members of the new community were very active in both the design process and the working out of all the costs. The designs went through many changes and refinements, and finally, two slightly different house types (a narrow one and a wide one) were settled on. Both types were brick rowhouses of two-stories, with two rooms on each floor, a toilet and little courtyards at the back to bring air and light into the house.

Finally, they were able to fit 44 small rowhouses on the new site, and the plots were arranged in a compact layout around stone-paved lanes, a playground and a big open courtyard which is used for festivals, weddings and community celebrations. An additional rowhouse was added to the plan to be used as a community center and children's library. During the course of planning their new community, they decided to call it *Kirtipur Sambridha Awas*, which means "Kirtipur prosperous community" in Nepali. Once they had a layout plan and house models that everyone was happy with, the people organized a public model house exhibition on the new site to showcase their housing ideas to the city. A full-scale model of one of the house designs was built, using wood and bamboo, with brightly-colored fabric for walls. The mayor of Kathmandu came to join the party and presided over the ceremony to lay the project's foundation stone.

### Housing construction:

The new houses were built by a local contractor, which the housing management committee selected and supervised throughout the construction. The housing management committee made frequent visits to the site, with the Lumanti team, to monitor the work, ensure the quality of construction materials and make sure the construction was done according to plan. It took about a year and a half to construct the new community.

The project was inaugurated in a gala ceremony on December 24, 2005, with some 500 well-wishers attending, including women's savings members and national squatter federation leaders from 22 districts around Nepal and all the key project stakeholders, including the Kathmandu mayor. Groups of community leaders and their NGO and government supporters from India and Thailand also traveled to Nepal to join the event and share ideas about community upgrading and people-driven housing.

Nepal may experience shortfalls in affordable housing, but never has there been a country so rich in ceremonies. That richness was on full display at the Kirtipur inauguration. The new brick houses were festooned with marigold garlands, and Brahmin priests in white broke coconuts and performed blessing ceremonies. Clay bowls of auspicious curds were passed out to guests and oil lamps were lit at the community entrance. As the chief guests arrived, the community children draped white scarves around their shoulders in welcome, and families threw paper confetti and flower-petals from second-floor windows as the crowds made their way along the central lane. Keys to the first group of residents were ceremonially handed out by Lumanti's director Lajana Manandar, while a troupe of Newari musicians in black topees wandered through the crowds playing on flutes, pipes and drums. And of course, all the dignitaries were given a chance to speak some sweet words about the project.

### Project timeline:

- 1999: First eviction notice of riverside squatters to make way for construction of Vishnumati Link Road
- 2004: UCSF launched in Kathmandu as a joint effort of the local government, Lumanti, ACHR and SDI. Model house exhibition and ground-breaking ceremony held at the Kirtipur site. Construction of new houses starts.
- 2005: New housing at Kirtipur is completed; gala inauguration in December in with 500 people.

### Support groups and partners in the project:

The project at Kirtipur was an important breakthrough for many reasons - one of which was for all the partners that helped make the project happen:

- **The Nepal Basobas Basti Samaj** (*National Federation of Squatter Communities*) played a key role in the negotiation process and sits on the Urban Community Support Fund's governing board.
- **The Nepal Mahila Ekta Samaj** (*National Federation of Women's Savings Collectives*) helped to revive the the saving process in the five evicted communities and supported the project throughout.



- **Lumanti Support Group for Shelter** is a Kathmandu-based NGO which has been supporting a variety of community-led development processes across Nepal since it was established in 1993. Lumanti worked with the evicted communities to advocate for resettlement, and supported the project at all stages. Lumanti is the member secretary of the Urban Community Support Fund in Kathmandu.
- **The Kathmandu Municipal Government** took a bold step in providing an alternative housing solution for the evicted families, which had never happened before in Nepal. That set a precedent for other municipalities in Nepal.
- **Mr. Keshav Sthapit**, who was Kathmandu's mayor at that time, was one of the key supporters of the new Urban Community Support Fund and a champion of the community federation's work. At the Kirtipur inauguration in 2005, he suggested, *"Forget about only upgrading five squatter settlements – let's upgrade all of them within two years!"*
- **The Urban Community Support Fund** provided grant funding to purchase the land for resettlement at Kirtipur and provided low-interest housing loans to the 43 families in the project.
- **The Asian Coalition for Housing Rights (ACHR)** is a regional network of grassroots community organizations, NGOs and professionals actively involved with urban poor development processes in Asian cities. ACHR provided financial and knowledge assistance for establishing the first ever Urban Community Support Fund in Nepal.
- **Slum Dwellers International (SDI)** is a network of urban poor community organizations with affiliates in cities across Africa, Asia and Latin America. SDI also provided financial and knowledge assistance for setting up the Urban Community Support Fund.
- **WaterAid Nepal** helped design and build eco-friendly waste-water treatment and sanitation facilities in the new community.
- **UN-Habitat** helped to install a rainwater harvesting system on the roofs of the new houses.
- **The Department of Urban Development and Building Construction** provided brick paving and storm drainage in the new community's lanes and open spaces.
- **The Kirtipur Municipality** helped link the new housing project with the electricity grid and provided piped municipal drinking water and other facilities in the new community.
- **Reall** is a UK-based development organization which helped repair the new community's waste water treatment plant in 2017.

## LEGAL FRAMEWORK OF THE PROJECT

### Land tenure:

Before the resettlement housing project, all 43 of the families were considered to be squatters on public land along the Vishnumati River, with no legal protections or housing rights. In the resettlement housing project in Kirtipur, the new land was purchased by the Kathmandu Urban Community Support Fund and given to the people as a grant. The agreement was that the Fund would retain ownership of the land and houses until the people repaid their housing loans, when they would all become individual owners of their houses and small plots. Since by June 2021, some families were still repaying their housing loans, the title to the land was still being held by the Fund. In the mean time, the community and their supporters have been exploring ways by which the house ownership could be transferred to the people individually, but the land could be owned cooperatively. There is still no clear legal mechanism for cooperative ownership of land yet in Nepal, but the community members and board members of the Fund continue to discuss and explore possibilities.

## PROJECT FINANCING

### Project costs and who paid for what:

#### Land:

The 0.3 hectare (6 *ropanis*) of formerly agricultural land was purchased from a farmer for 3 million rupees (US\$ 25,000). The land was purchased by the new Urban Community Support Fund and given to the people, as a grant.

#### Houses:

The 2-storey brick rowhouses in Kirtipur cost 350,000 rupees (US\$ 3,000) each to construct. This amount was fully financed by individual loans of 350,000 rupees (US\$ 3,000) to each family, from the new Urban Community Support Fund. The loans were given at 5% annual interest and repayable in 15 years, with monthly repayments working out to about 2,000 rupees (US\$ 16) per family. All 43 families in the new

community are part of the savings group, which manages the loan repayments. By June 2021, 80% of the families had completely repaid their loans and the rest were actively repaying.

#### **Infrastructure:**

The infrastructure facilities in the new community at Kirtipur were developed and paid for by several supporting organizations:

- The paved lanes, paved central square and storm drainage system were built and paid for by the central government's housing department.
- Electricity and water supply were provided by the Kirtipur Municipality.
- The plant for treating grey water from the bathrooms was financed by a grant from Water Aid.
- A rainwater harvesting system was developed with support from UN-Habitat.
- Repairs to the waste water treatment plant in 2017 were financed by Reall in UK.

## **IMPACTS OF THE PROJECT**

This was Nepal's first-ever community-planned and community-managed housing relocation project for squatters evicted to make way for a public infrastructure project. Even though it was small, the project represents a great milestone for the housing rights of the country's landless squatters. It has set a precedent which has inspired community-led housing projects in many other cities in Nepal. Mayors in many cities who want to help rehabilitate informal settlements in their cities visit Kirtipur to understand the process, talk with community members and gather lessons to initiate similar projects back home. In the cities of Ratnanagar, Kalaiya and Birgunj, the local governments have worked with the local communities and Lumanti to set up their own Urban Community Support Funds, with some adaptations, to address the particular housing needs in their own context.

The problems of landlessness and inadequate housing in Kathmandu are not huge, compared to other cities in South Asia. In almost every five-year Development Plan for the Kathmandu Valley, admirable targets are set to upgrade a certain number of the city's informal settlements. Normally those targets are just words on paper and nothing ever happens, but the housing project at Kirtipur gave a big push to realizing even those modest goals by showing how collaboration, flexible finance and the development force of communities themselves can solve those problems in fast, simple, practical and inexpensive ways.

As ACHR's director, Somsook Boonyabancha put it, during the inauguration in 2005, "The relocation housing project at Kirtipur may look small, but it shows a new direction in which people start by themselves. They don't wait for solutions from the government. This is a new way of initiating development for the city's poor, in which flexible finance, people's savings and the community development fund - which links the community savings groups and creates a communal resource - are important parts. People are coming into Kathmandu every day, but there is no proper housing supply. While the state systems take their time to settle down, people can go ahead - saving and building houses."

More remarks on the project from Somsook, speaking at the inauguration in December 2005: "This project is a form of training for everyone in Nepal. Now we can make many more projects like this one. There is so much force in this people-driven process. This force can make many different new kinds of communities. This is not just a normal housing project. This is a new kind of community housing initiative where people aren't passive beneficiaries, but the main doers. And this is a new kind of housing project where the work is not only physical. The most important thing is doing things collectively, and creating a communal society in which people link together, support each other and develop things together - not individually. Now is the time to be starting 20 or even 100 similar projects here in Nepal."

*Mr. Pariyar, community leader (speaking at the inauguration in December 2005)* "After our old houses were destroyed, we were so unhappy. We couldn't sleep at night. It was as if we had no future any more. We came to Lumanti, and with their help, we started the negotiation process with the city of Kathmandu. We searched for land that we could afford to buy all over the place, but most of it was too expensive for us. Most of us in the community earn a small monthly income as masons, laborers, hotel staff, small vendors, tea-shop operators, green vegetable sellers. Finally we found this plot of agricultural land in Kirtipur and made our new houses here."

#### **Problems:**

The ideal solution would have been to find a way that people could stay in their original place beside the river and redevelop their housing there, since that is where their earning opportunities and support systems were. On-site upgrading is always so much cheaper and less disruptive of people's lives and livelihoods

than relocation. But in this case, the people had already been evicted and were dispersed all over the place. The construction of the new road had already begun, so it wasn't possible to negotiate to stay there. At the new site in Kirtipur, the housing and tenure security were indeed much better than before, but many families did experience serious economic problems with being so far away from their jobs and sources of income. These problems diminished with time, and with the rapid development of the area around the housing project, though, which brought many new job and economic opportunities nearby.

There were also some problems with housing loan repayments - many of them related to disruptions in earning that came with the move to Kirtipur. Some found it difficult to find work in the new place, which is far from the city center, and were not able to make their loan repayments for quite some time. Part of the problem was also with the first housing committee, which by 2009 was no longer working properly. With some delicate support from Lumanti, a new housing committee was set up, and this one has been much stronger and more committed. With consistent follow-up and support in the community, 80% of the families had completely repaid their loans by June 2021, and the others were actively repaying.

## FOR MORE INFORMATION ABOUT THE PROJECT

*This case study was written by Lumanti Joshi, at the Kathmandu-based NGO Lumanti, in June 2021.*

*For more information about the housing project at Kirtipur and about other community-driven housing projects around Nepal, please contact Lumanti:*

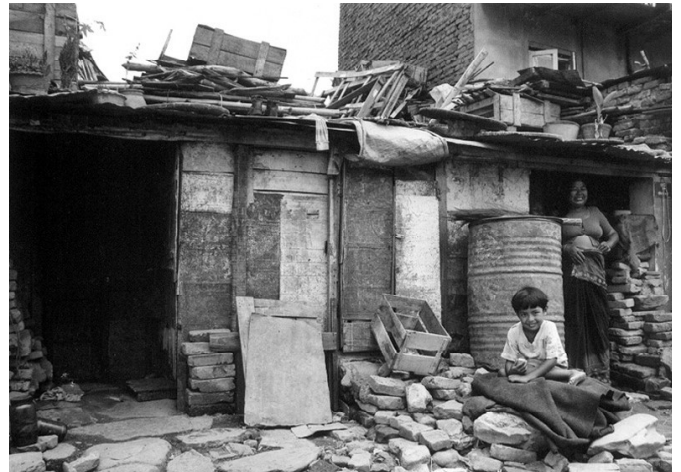
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## PHOTOS



The Vishnumati River is considered to be sacred, but it's badly polluted and lined in many places with long-established informal settlements.



Lower caste communities like this one were once banished to the riverside because their traditional trades, like sweeping and butchering animals, were considered to be unclean.



Here the families in Dumakhel, one of the five informal settlements affected by the Link Road project, are voluntarily dismantling their own houses, as part of the agreement they made with the local government, in exchange for compensation and resettlement.



These two photos are from the public event organized for the launch of the Kathmandu Urban Community Support Fund, at the municipality, in May 2004. All the key stakeholders are signing their support for the new fund, including the mayor (in grey jacket), and representatives from SDI (Jockin in white), Lumanti (Lajana in blue) and the two community federations (in topee and pink shawl).





▲ Photos from the model house exhibition that was held on the site of the new housing project, in May 2004, after the launch of the new fund.



▲ Here the mayor of Kathmandu, the chairwoman of the new community's savings group, Lajana Manandar from Lumanti and Jockin Arputham from SDI help lay the first foundation stone.





# निर्माणाधिन समृद्ध आवास परियोजना



## सहयोगी संस्थाहरू

- स्लमन्ति आवासको लागि सहयोग समूह
- काठमाडौं महानगरपालिका
- एक्शनएड नेपाल
- वाटरएड नेपाल
- नेपाल बसोबास वस्ति संरक्षण समाज
- नेपाल महिला एकता समाज
- Asian Coalition for Housing Rights (ACHR)
- Slum Dwellers International (SDI)

Technical Assistance  
Astra Development Network (Pvt.) Ltd.

Here is the sign-painter's handsome version of the new community layout plan, with 44 rowhouses compactly arranged on the oddly-shaped site, around a playground and an open courtyard which the community uses for festivals, weddings and celebrations.



Front Elevation



Section



Ground Floor Plan  
(24.5 m<sup>2</sup>)



Upper Floor Plan  
(25.5 m<sup>2</sup>)

HOUSE MODEL 1



The construction was done by a contractor that was chosen and overseen by the new community's housing management committee. Here the committee is making a site inspection.



The grey water from bathrooms at the back of the houses goes into a central waste water treatment tank that is under the playground.



Here is a view of the project, from up the hill, when the construction of the new houses was well along. It took a year and a half to build.





▲ The finished project was inaugurated in a gala celebration on December 24, 2005. The 500 visitors arrived in a parade that was led by Newari musicians playing flutes and drums.



▲ That's the entrance to the new community, where things are being put in place to receive the crowds of well-wishers from all over Nepal and from India and Thailand.



▲ Women from the savings group, in their best saris, welcome guests to the inauguration with flowers and a smile and a blessing with "kumkum" on the forehead.



▲ Another auspicious ceremony at the entrance to the new community was the lighting of oil lamps, by the distinguished visitors, to bring good luck to the new community.



▲ Women from community savings groups all over Nepal came to see the country's first ever community-led housing project.



▲ The musicians warmed up the crowd on the dais before the honored guests and speakers came up to offer their sweet words about the project.





These are photos of the community taken five years later, during a visit to Kirtipur in November 2010. By then, the community was very well lived-in, and the area around it was starting to develop.



A meeting with the women leaders of the savings group, in the little community center, to hear about how the loan repayments are going.



No more squalor and insecurity: this new generation of children are growing up and playing in a beautiful, clean, healthy community.