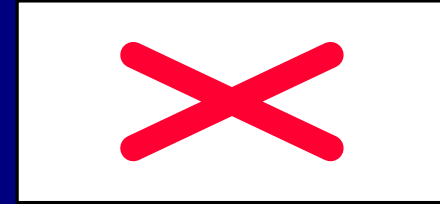


URBANIZATION AND ITS EFFECT ON HOUSING AND CONSTRUCTION IN NEPAL

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Nepal



- Location : Between India and China
- Population : 23.2 million
- Total Area : 147181 sq.km
- Administrative Division : 5 Development Regions
14 zones
75 Districts
- Topography : 8,848 m. from the sea level
(World's highest peak the Mount Everest) to 300m above from sea level.

- Nepal is one of the least developed countries of the world.
- 86% of its population is living in the rural areas.
- There are 3914 Village Development Committees and 58 municipalities. Population living in the urban areas are increasing very high.
- The process of Urbanization in Nepal is very rapid. Govt. is going to introduce other dozens of small cities as municipality.
- During the period of 1991 and 2001 rural households increased by 24.5 percent whereas Urban Households increased by 64.4 percent which clearly indicates that the urban management & planning is inevitable part of our national life.

- Pressure for housing, drinking water supply, solid waste management and transportation are rising day-by-day.
- Government's expenditure in the development activities is also increasing but it is not sufficient as per the needs.
- Private sector is also coming up to provide better living opportunity to the urban people specially after adoption of the open market policy by the government before few years.
- Government is enforcing new Acts, by –Laws and regulations.
- Large construction projects are being implemented in urban areas both from the government and the private sector in the country.

- Increase in urban population has become a challenge for the country to provide basic urban services and facilities.
- Land pooling projects, Land plotting & real-estates are the examples of the land development programs.
- "Grammin Awas" (Rural Housing) Company has been established to fulfill national housing requirements .
- To assist urban development process, Town Development Fund is providing financial and technical assistance to municipalities.

- Recently "**Samyukta Awasko Swamitwa Sambandhi Ain 2054**" (Joint Housing Ownership Act 1997) has been formulated.
- The main aim of the Act is to develop joint housing units and distribute them in a reasonable price and to promote planned and systematic settlement in urban areas of the country.
- This Act has encouraged the private investors to invest in colony type and apartment type housings. Private entrepreneurs are making investments in this area.
- To mitigate the environmental impact of the development works, the government has also formulated related Acts and regulations. Nepal Govt. has already signed in the clauses formulated by the Rio The Generio Environment Convention. Urban development Standard Law is also implemented.

- The entrepreneurs of the country, in a JV with the competent and capable local and/or foreign parties, can respond to this demand of the country. Foreign investors have the opportunity to make investment in this area .
- Besides, the investors have also the opportunity for investment in the infrastructure development area following BOT & BOOT approach, Government is serious in promoting investment adopting BOT approach.
- More or less our urban development approach is still conventional. In this regard, investments from the developed countries, like Japan is very essential to transfer our technology in the planned and modern urban settlement.

- Despite the efforts made by the government and the investment made by the entrepreneurs, cities are becoming:
 - a. Congested requiring planned and system housing.
 - b. Inadequate road network, lack of overhead crossings for traffic and metro for public transportation have created transportation problem requiring improvement in road networks, improved traffic control system, overhead crossings and metro for smooth and reliable traffic.
 - c. Inadequate drinking water supply requiring quality and sufficient water supply.
 - d. Managing solid waste are the urban challenges of the country, which we, the contractors, should take as the wide opportunities available in the country.

Last but not least, I would like to thank Japanese Govt. & people for their kind cooperation in infrastructure development sector in Nepal.

Thank you.