Rural Urban Linkage for Rural Growth
Case of Nepal

Ajay Chandra Lal PhD
Coordinator, M. Sc. In Urban Planning Programme
Department of Architecture, PC, IOE
Tribhuwan University
Introduction

Location: In between two giant neighbors China and India
Area: 147181 Sq Km
Land: 92.9%
Water: 7.1%
Population: 29 M
Urban Rural Ration: 20/80
Economy: Agriculture (76% LF)
GDP: $28.8 billion
Growth Rate: 6.5%

• Mostly Mountainous, Mount Everest 8848amsl
• Birth Place of Lord Budha, Goddess Sita
• Flat Terrain 17% inhibiting 50% population
• High North South and Rural Urban Migration
Urbanization in Nepal

- 20% population in Highly Urbanized
  - 43% Pop in Urbanizing Municipalities

- North South Migration
- Rural Urban Migration
- Dominant Push Factors (poverty, poor opportunity and services)
- Labor Migration to Middle East and Other Nations
Urbanization in Nepal

- Huge Urban Rural Disparity
- Unsustainable/unbalanced Development
- Increasing urban and rural poverty
- Environmental Degradation, Increasing Slum, congestion in Urban Area

Urban Rural Linkage/Partnership as a Strategy to Reduce Poverty and Enhance Governance
Rural Urban Linkage

- Rural Poverty Reduction
- Reducing rural urban migration
- Restricting Labor Migration for National Development

Place A: Rural Center of Production and Unskilled and Semi Skilled Labors Demand for Capital/Loan, Skill Development/Extension Services

Place B: Enterprise

Place C: Urban Center of Consumption, Innovation, Skilled labor and Services

- Theory of Interdependence
- Complementarity of Rural Urban Production and consumption system
- Restricting Labor Migration for National Development
4 Pillar Approach

Sustainable Rural Urban Development

Rural Urban Synergy

- Participatory Planning and Governance
- Infrastructure and Capacity Development
- Enterprise Development
- Innovations and Technology ICT

Social Mobilization/People
The traditional tribes, occupational groups and artisans are trained, organized into enterprises to use their skills to produce intermediary goods or directly provide services to existing retail and wholesale outlets.
Form of Urbanizing Municipalities

- Central Market (Urban)
- Peripheral Settlements (rural market)
- Rural Hinterland
Rural Urban Partnership for Butwal Sub Region

- Place A: Rural Settlements around Butwal Municipality
- Place B: RMCs (traditional weekly market centers)
- Place C: Butwal Municipality
## Enterprise Development

<table>
<thead>
<tr>
<th>Type of Enterprise</th>
<th>Butwal</th>
<th>Kothihawa</th>
<th>Murgiya</th>
<th>Khaireni</th>
<th>Pharsatiker</th>
<th>Saljhandi</th>
</tr>
</thead>
<tbody>
<tr>
<td>Goat (Live and Meat)</td>
<td>21</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Buffalo Trading</td>
<td>10</td>
<td>1</td>
<td>0</td>
<td>1</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Food Grains</td>
<td>36</td>
<td>1</td>
<td>1</td>
<td>9</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td>Milk</td>
<td>11</td>
<td>2</td>
<td>1</td>
<td>3</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Vegetable</td>
<td>40</td>
<td>4</td>
<td>11</td>
<td>8</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td>Chicken</td>
<td>10</td>
<td>0</td>
<td>2</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Others</td>
<td>76</td>
<td>6</td>
<td>9</td>
<td>8</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>204</strong></td>
<td><strong>16</strong></td>
<td><strong>25</strong></td>
<td><strong>30</strong></td>
<td><strong>11</strong></td>
<td><strong>4</strong></td>
</tr>
<tr>
<td><strong>No of Families Benefitted (Directly)</strong></td>
<td><strong>2565</strong></td>
<td><strong>896</strong></td>
<td><strong>1274</strong></td>
<td><strong>987</strong></td>
<td><strong>605</strong></td>
<td><strong>403</strong></td>
</tr>
</tbody>
</table>
Backward Forward Linkage in Milk Trading
Support Activities

RMC Murgiya

RMC Khaireni
Dhruva Gautam, a Hotelier, left his flourishing business, Ventured into linking Urban Market to Producers in the village

• Initial Investment 20M, After 3 yrs
• 18 Own Operating Shops/Marts
• 25000 Shops selling their products
• 300M turnover
• 60000 farmers directly benefitted

Received Young Entrepreneur Award 2018 from the President of Nepal,
Way Forward

• Enhancing Urban Rural Linkage through Partnership and Collaboration
• Conducive government policy for PPPP and Private Sector
• Focus on small infrastructure
• Application of Innovations in rural economy and technology
Thank You