Nepal’s EHRP is supporting the most severely affected districts to restore houses damaged during the April and May 2015 earthquakes. It aims to do so by using earthquake-safer building techniques and materials, through an owner-driven approach and improving long-term resilience and culture of safer and sustainable housing and settlements.

The program seeks to equip the people with skills to construct earthquake-safer core housing units supported by training, technical support and subsidy program, and allow people to continue incremental construction with improved practices.

Background

On April 25, 2015, a 7.8 magnitude earthquake struck central Nepal. That earthquake and subsequent aftershocks caused 8,700 deaths and some 25,000 injuries. A Post-Disaster Needs Assessment (PDNA), completed on June 15, 2015 estimated damages to be around $7 billion including reconstruction needs of about $6.7 billion.

Of the 490,000 houses destroyed, most were traditional brick or stone houses built with mud mortar, inhabited by the rural poor, whereas another 265,000 were rendered at least temporarily uninhabitable. Thus, the largest single need identified in the PDNA was housing and human settlements, accounting for $3.27 billion of needs (or almost half of the total needs).

Implementation modality is owner-driven reconstruction. Eligible beneficiaries, whose houses were severely damaged or destroyed during the earthquakes, will receive subsidies of approximately $2,000 each to be disbursed in three installments of approximately $500, $800 and $700, contingent upon completion of their houses, in compliance with approved construction standards.
Key Achievements:

- The Central Bureau of Statistics (CBS) completed a census of the rural areas affected by the earthquake (over 700,000 surveyed households) to collect housing damage and socio-economic information to determine eligibility. The survey is ongoing in the 3 districts of Kathmandu valley;
- The NRA has issued guidelines for distribution of housing subsidies;
- As of August 2016: out of 188,093 eligible beneficiaries, 142,987 have enrolled in the project area and 71,075 have received the first installment into their individual bank accounts in the districts covered by the World Bank.
- 316 engineers, 105 sub-engineers and 140 assistant engineers have been deployed in the Project area to support reconstruction.

Results overview:

Total surveyed: 932,968
Total eligible beneficiaries: 721,248
Total enrolled: 546,264
Total HHs that have received first tranche: 300,922

In districts covered by the World Bank’s International Development Agency (IDA) grant and the MDTF (Dolakha, Nuwakot, and Dhading)

Total eligible beneficiaries: 188,093
Total enrolled: 142,987
Total HHs that have received first tranche: 71,075

* Data as of Aug 31, 2016

The approximate enrolment rate is between 2,000 to 5,000 (every day) and the daily approximate payment rate has reached around 10,000.

Project Financing:

The Project aims to enable the reconstruction financed out of the World Bank Group’s International Development Agency (IDA) Crisis Response Window (CRW) and it will enable the reconstruction of about one-tenth of the housing destroyed in the earthquake sequence. An accompanying Multi-Donor Trust Fund (MDTF) was established to enable development partners who are interested in contributing to housing reconstruction to participate in this effort. So far the MDTF has contributions from USAID, Switzerland and Canada. JICA is providing parallel financing of $100 million for housing reconstruction. National Reconstruction Authority (NRA), enacted by the Parliament, is the apex reconstruction body.

Existing resources provided for housing:

Japan: $100 million
World Bank IDA grant: $200 million
Housing Reconstruction MDTF (donors include: Canada, Switzerland and the US): $20.5 million – part of this financing has, however, gone towards the survey and other technical assistance activities in support of the National Reconstruction Authority (NRA).