

CASE STUDY: Dhankuta, Nepal

A community-led approach to reintegration

From the Global Programme on Making Migration Work for Sustainable Development (M4SD)

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Kamala and Mohan are neighbours living in Dhankuta, a vibrant, lush hill municipality. Local business and job openings are limited because of its remote location and following decades of significant emigration, prompting others to leave in search of better opportunities. Children walk long distances to school and families have few transportation options to visit or sell goods to other towns. Many people are returning from abroad every year, especially after COVID-19.

Kamala's husband is in Qatar, and she is managing her family's small farm. She provides for her elderly in-laws, her ten-year-old son and her 3-year-old daughter, who was born with physical disabilities and requires costly daily medical care. Her husband migrated to support these medical bills, and Kamala wants to combine his remittances with an increased income from a larger, more productive farm to provide more stable income and plan for her husband's return.

Mohan worked abroad for over 16 years in one of the Gulf States and returned to Dhankuta just two years ago. His time away from his family was challenging: the work was hard and he felt isolated from his community and his wife and children. After saving enough, he finally returned home as COVID-19 made it more difficult to remain abroad. Since he returned, his son decided to migrate to Romania to further increase the family's income. Mohan hopes to build a thriving small business to provide for his family as he heads into retirement.



THE SOLUTION?

Recognizing that local communities and municipalities were coming together already to support returning migrants, Nepal has applied a community-led approach that includes everyone and a myriad of services for the overall well-being of returnees. A community-led reintegration approach in turn supports the wider municipality's growth. Nepal is a decentralized country that allows each municipality and provincial government to define, build their capabilities and implement local programmes around reintegration. Policy and practice go hand-in-hand, facilitating a feedback loop between municipal, provincial and national levels of government while empowering those closest to the people to make change. Communities help each other regardless of caste, gender, religion, ethnicity or migrant background.



“We have established different procedures and guidelines based on our reintegration policy to implement programmes for returning migrants. As we surveyed last year, 65% of the returnees have said they won't remigrate for foreign jobs, but they would opt for agriculture and animal husbandry back home. Some returnees have expressed their interest in small and micro-enterprises including pickle or knife making.”

Chintan Tamang, Mayor, Dhankuta municipality

HOW IS IT DONE?¹

11 SUSTAINABLE CITIES AND COMMUNITIES

TARGET 11-8



STRONG NATIONAL AND REGIONAL DEVELOPMENT PLANNING

Local authorities develop government guidelines and have implemented

three workshops in Province 1 and 2 to build the capacities of 14 local governments, the Rural Enterprise Remittances Project (RERP) and service providers to **use the same coordinated approach to sustainable reintegration.**⁴

10 REDUCED INEQUALITIES

TARGET 10-7



RESPONSIBLE AND WELL-MANAGED MIGRATION POLICIES

Municipal and provincial authorities developed Local Reintegration Strategies or Policies, such as the Dhankuta [Foreign Employment and Reintegration Policy](#) and a second policy under development in Arjundhara. These **policies provide a pathway forward for local governments to provide services** and capitalize on returning migrants' skills for local development, and led to the mapping of existing services in order to understand gaps and people's needs. One study, the [Mapping of Reintegration Services in Nepal](#)³, identified successes and improvements to reintegration services in all 753 Nepalese municipalities, provincial and federal levels.

17 PARTNERSHIPS FOR THE GOALS

TARGET 17-16



ENHANCE THE GLOBAL PARTNERSHIP FOR SUSTAINABLE DEVELOPMENT

This is a whole-of-community approach, with partnerships between the **local governments** (Dhankuta municipal and Province 1 provincial governments), the **national government** (Ministries of Labour; Employment and Social Security; Foreign Affairs; Industry, Commerce & Supplies and related programmes) and **local community organizations and service providers** (Nepal Institute of Development Studies (NIDS)), with the support of the **UN** (UN Migration Agency (IOM) and UN Development Agency (UNDP)).

TARGET 17-17



ENCOURAGE EFFECTIVE PARTNERSHIPS

Awareness-raising was conducted with private sector actors for inclusive hiring, addressing UNDP research in Province 1 where businesses were keen to employ returnees but required support.



8 DECENT WORK AND ECONOMIC GROWTH

TARGET 8-2



DIVERSIFY, INNOVATE AND UPGRADE FOR ECONOMIC PRODUCTIVITY

208 people (113 men, 95 women; 128 returnees, 55 people in vulnerable situations, and 25 families of migrants abroad)

started or expanded their small businesses in Dhankuta and Arjundhara after receiving reintegration assistance from M4SD and the Nepal Institute of Development Studies (NIDS), including seed funding, entrepreneurship and financial literacy training and psychosocial support. Businesses range from agricultural and animal husbandry (dragon fruit and avocado² fetch a good price) to a tea shop, iron mongering and tool making. Business plans are based on labour demand and advice from local business experts.

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

TARGET 9-3



INCREASE ACCESS TO FINANCIAL SERVICES AND MARKETS

All entrepreneurs open their own bank accounts into which they receive their seed funding. An agreement with the Global IME Bank ensures **loans for returnees at low interest rates**. Several entrepreneurs intend to access loans and plans are ongoing with the intent to link businesses to local supply chains.

¹ Because activities between projects have sought good synergies to maximize the use of funding and to create whole-of-community engagement, not all the activities here were exclusively funded by the M4SD Programme.

² Dhankuta is the principle area for avocado farming in Nepal.

³ Funded by the IOM Development Fund (IDF).

⁴ Ibid.

SUCCESS FACTORS

TIP 1: Articulate clear selection criteria inclusive of returnees, migrants' family members and the community.

Through clearly explaining who can access which services and a transparent and trust-building process, the entire community can thrive while avoiding conflict about who receives support. In M4SD, a portion of participants were young, women or vulnerable, and anyone could apply: people of all castes, migrants, returnees and other community members. In the youth category, a 23-year-old Dalit man expanded his handicraft business.

TIP 3: Work together!

Map, meet and then coordinate all relevant actors working on reintegration at the local level. Combine funding or types of services where possible. Creating relationships between reintegration activities by international, national, provincial and local actors maximizes efforts. For example, the M4SD Programme collaborates with [RERP](#), a national government initiative with similar activities⁵ which also works in the same province. By combining efforts, communities are able to reduce poverty and address inequality on a larger scale. Leveraging different funding streams and activities is a good way to plan sustainably.

TIP 5: Work with and through the community.

Local Migration Resource Centers (MRC) are led by neighbours for neighbours. The Dhankuta MRC supports migrants before they leave, upon return and families who stay. It is managed by two local women. Empowering community efforts leads to deeper local leadership, relationship-building and sustainability. The information that MRCs collect informs government services, and the MRC is funded by both the municipal and national governments – clear national-local collaboration for impact.

TIP 2: Include migration in different municipal, provincial and national policies. Establishing specific Local Reintegration Policies is important, as is integrating migration into other policies such as the National Employment Policy to ensure that all people, including migrants and returnees, have access to all kinds of support. Concrete plans to apply the diverse talent of different people can foster prosperity. Coordination between provincial, municipal and national policies is effective and efficient. Local policies like those in Dhankuta are fed into national decision making, including the newly released [Reintegration Programme \(Operations and Management\) Directives for Returnee Migrants Workers](#).

TIP 4: Plan for sustainability, both environmentally and economically.

Connecting small businesses to the wider supply chain and providing pathways to get produce into trucks, to towns and shops and then to people's tables is crucial. Enabling business owners to access pesticides, veterinarians, farmers' groups, equipment, raw materials and construction are all part of the puzzle. Small businesses are incorporating environmentally sustainable principles, such as using by-products from farming to feed livestock, diversifying crops and using only what they need. Kamala saves on feed costs by farming vegetables which she feeds to her animals, and then she sells the meat for income (circular economy).

⁵ The Rural Enterprises and Remittances Project (RERP) "SAMRIDDHI" is a seven-year project jointly initiated by Government of Nepal Ministry of Industry, Commerce and Supplies and the International Fund for Agricultural Development (IFAD). The Government of Nepal is the lead agency. The project aims at reducing poverty by providing sustainable sources of income to poor households, migrant families and returnees.

These activities have made life better for Kamala, Mohan and their neighbours in Dhankuta

Kamala has expanded her small farm with more pigs, vegetables and over a dozen goats. She sells the animals to her neighbours as meat and has increased her income (SDG 1, no poverty).



She is able to pay for her daughter's medical bills. She is also saving some money to help pay for her husband's medical bills when he returns, since the long labour in the sun has rendered him partially blind (SDG 3, good health and well-being).



Kamala uses her income to send her oldest son to school and provide for her husband's elderly parents (SDG 4, quality education).



She combines the farm's income with the remittances her husband sends home. She hopes to continue expanding her farm. The approach from M4SD is inclusive, including returnee and migrant families, which is a significant added advantage for people like Kamala (SDG 10, reduced inequalities).



Her neighbour Mohan has expanded his goat farm from 3 to several dozen goats and hopes eventually to have 70 goats. After participating in the business start-up training, he also registered his goat farm with the municipality and is paying taxes which give back to the community. He is regularly in touch with his son in Romania and his other children are helping to run his business in Dhankuta (SDG 9, industry, innovation and infrastructure).



As for future plans, Mohan is thinking about expanding his farm to other areas, potential vegetables and dragon fruit, as these are in high demand in the market in Dhankuta (SDG 8, decent work and economic growth).

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