



**OPINION**  
Hemant Arjyal



**ARTICLE**  
Hemang Dixit

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# NEW SPOTLIGHT

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FORTNIGHTLY

NEPALESE ECONOMY

# Slow Growth

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**IME Pay** मा बिदेशबाट पठाएको  
पैसा प्राप्त गर्दा पाउनुहोस् **रु. ५०१-** बोनस ।





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Only a week after the coalition government led by Pushpa Kamal Dahal Prachanda claimed to have made significant progress, reports published by two leading financial institutions, the World Bank and the Asian Development Bank, indicate that Nepal's economy is in a difficult period. Both countries' economic outlooks have reduced Nepal's GDP growth to 4.4 percent for the fiscal year. With the return of tourism and the increased flow of remittances, some encouraging signs are emerging.

Given the current state of the world economy and Nepal's internal circumstances, the country's economy is still in a crisis. Dr. Prakash Sharan Mahat, the recently appointed finance minister, also stated that he is prepared to make any difficult decisions necessary to rebuild the national economy. Nepalese banks are experiencing a liquidity crisis as a result of the current circumstances and internal environment, which include inadequate capital investment spending. Overbudgeting for the following year is likely due to declining revenue collection. Despite the fact that there are many other pressing challenges, we have chosen to use the state of the Nepalese economy as our cover topic for this article. New Spotlight wishes Happy New Year 2080 to all of our well-wishers, customers, and readers.

**Keshab Poudel**

Editor

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## US Ambassador Thompson DPM Shrestha Discuss Matters Relating To Nepal-US Bilateral Relations

US Ambassador to Nepal Dean R. Thompson paid a courtesy call on Deputy Prime Minister and Minister for Home Affairs Narayan Kaji Shrestha.

In the meeting held at Ministry of Home Affairs today, the two discussed various matters relating to Nepal-US bilateral relations and the exchange of cooperation, according to Kamal Giri, press coordinator of DPM Shrestha.

On the occasion, the Minister said that incumbent government focused on completing the remaining task of the peace process as per the spirit of the Comprehensive



Peace Accord, and sought support from Nepal's friendly international donors towards this.

Shrestha informed the US envoy Thompson that the related Bill was already presented in the parliament to ensure transitional justice.

Ambassador Thompson said that the US wanted to see completion of remaining task of peace process in Nepal and pledged to take the lead to facilitate with diplomatic stakeholders for the same.

To the concern expressed by the American envoy on the prospects of political instability affecting the development works, DPM Shrestha assured that it would not affect the development endeavors, stating that Nepal was still in the process of institutionalizing federal democratic republic system.

Furthermore, Thompson said that the US government would provide full support in strengthening democracy in Nepal.

Since the Peace Corps' works were affected after COVID-19 pandemic, Ambassador Thompson requested with DPM Shrestha on easing off the issuance of visa for Peace Corp volunteers to which the latter committed to facilitate in the matter in coordinating with the Ministry of Foreign Affairs.

Thompson also expressed concerns surrounding American investment in Nepal and security of the American working in Nepal to which DPM Shrestha assured of full security for that.

## UN Resident Coordinator Hanaa Singer-Hamdy Presents Her Credentials To Prime Minister of Nepal Pushpa Kamal Dahal

The United Nations Resident Coordinator in Nepal Ms. Hanaa Singer-Hamdy presented her credentials to the Prime Minister of Nepal Pushpa Kamal Dahal on April 4, 2023.

United Nations Secretary-General Antonio Guterres appointed Hanaa Singer-Hamdy of Egypt as the United Nations Resident Coordinator in Nepal, with the approval from the Government of Nepal.

Following the UN Reform in 2019, the Resident Coordinator's function has been upgraded to be the representative of the UN Secretary General in member states. UN Resident Coordinator Hanaa is the highest-ranking official of the UN Development System in Nepal. She leads the UN Country Team and coordinates UN support to Nepal in implementing the 2030 Agenda.

Upon presenting her credentials Hanaa Singer-Hamdy appreciated Nepal's contribution to global peace through peacekeeping forces. She expressed the UN's commitment to accompany Nepal on the inclusive and sustainable graduation from the Least Developed Country (LDC) by investing in people, specially strengthening social protection, Disaster Risk Reduction and climate change mitigation systems by leaving no one behind. She also said the UN stands

ready to support the government to complete the peace process and victim-centric transitional justice reform.



Hanaa has worked for close to 30 years across development and humanitarian contexts at various senior management and strategic leadership roles and has most lately served as the UN Resident Coordinator in Sri Lanka.

### Background Of Hanaan Singger

Hanaa Singer-Hamdy has worked for close to 30 years across development and humanitarian contexts at various senior management and strategic leadership roles. She served as the United Nations Resident Coordinator in Sri Lanka from 2018 to 2022. Under her leadership, the UN in Sri Lanka continued its partnership with the Government in responding to complex economic and political challenges including the 2019 Easter Bombings, COVID-19 pandemic and subsequent deterioration in macroeconomic stability and debt sustainability. When Sri Lanka faced a

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significant rise in food insecurity and other humanitarian concerns, she led a response targeting 3.4 million people in need that raised over \$100 million for vital aid. To advance inclusive and rights-based development, she led the design of the United Nations Strategic Development Cooperation Framework 2023-2027 in consultation with Government and other stakeholders. Since 2019, she also mobilized over \$36 million for peacebuilding and resilience programming through the UN Sri Lanka SDG Multi-Partner Trust Fund.

Prior to this, she held several senior management positions in UNICEF offices across the world, including as the Associate Regional Director in Geneva and as Country Representative for Syria, Nepal, Kazakhstan and Azerbaijan.

In Syria, she provided strategic leadership to one of the largest protection crises on the global stage – successfully scaling up programmes through an integrated package of high impact interventions in health, nutrition, water and sanitation, education and child protection - increasing the reach of UNICEF’s work to the most vulnerable children including in besieged and hard-to-reach areas.

As UNICEF Chief in Nepal, she pioneered strategic programmes for scaling up sanitation, adolescents and multisectoral nutrition programmes, establishing strategic new alliances resulting in the government adopting national action plans. She has also led humanitarian programmes in Burundi and Haiti, and as a Regional Emergency Advisor for central and eastern Europe (CEE) and the Commonwealth of Independent States (CIS) coordinated setting up cross border humanitarian operations to Afghanistan, from central Asia, and Iraq, from south Turkey. She also provided technical support to emergency preparedness programmes in the North Caucasus, and Kyrgyzstan.

Singer-Hamdy holds a Master’s degree in Political Sociology and a Bachelor’s degree in Political Science from the American University in Cairo, Egypt. She obtained a diploma in “Planning and Management of Decentralized Development Projects” from Bradford University in the United Kingdom.

Singer-Hamdy has engaged in academia and research in political sociology and international relations at the American University of Cairo and at the Sadat’s Academy for Management Sciences, Faculty of Political Science of Cairo University. She is the author and co-author of two publications on social change in the Middle East.

### Secretary Marasini Officially Opens Resumption Of Nepal China Border In Kerung

After almost three years of closure, Nepal-China trade finally starts from Kerung border. Secretary of Industry, Commerce and Supply Madhu K. Marasini and vice chair of Tibetan Autonomous Region of China Sun Xianzhong jointly declared open the resumption of the passenger clearance of Kerung border.

The border was shut down following the eruption of

COVID-19 three years ago. Opening the border will likely to boost export

and import of goods from Nepal and China.

“Happily witnessed the resuming ceremony! We are equally hopeful that this reopening will reflect in improved bilateral trade, tourism, and passenger movement and help further deepen bilateral collaboration! Thank you! Tweets Madhu K. Marasini, secretary of Industry, Commerce and Supply.

“Congratulations! Passengers’ clearance at the Jilong(Rasuwa) Port has been resumed from today. Welcome the first batch of Nepali friends crossed the Rasuwa Bridge and entered China! I believe this will further deepen bilateral cooperation & people-to-people exchanges,” tweets Chen Song, Chinese ambassador to Nepal.

### Government And Central Bank Need To Revive Policies To Revive Economy: Dhakal

Senior Vice President of Federation of Nepalese Chambers of Commerce and Industry Chandra Prasad Dhakal has said that if the government and the central bank revise some policies, the economy will improve. He made this remark while addressing the post-handover ceremony of Madhes Province, FNCCI.

He said, “We are in a crisis at this time. The economic crisis has arisen due to some of our government policies, COVID-19 and international causes. But recently, the flow of remittances and tourists’ arrival has increased. At this time, if the government and the central bank modify some policies, the crisis will be eased.”

Dhakal said that this is not the time to accuse each

other but to work hand in hand to overcome the crisis. He said that it is necessary to change the way we look at the private sector





and encourage them to accelerate the country's economic activities.

"There have been some changes in policies in recent days. It is wrong to think of the private sector as a profit-seeker, one of the main forces that keep the economy running by creating jobs. FNCCI is ready to move forward in cooperation with the federal and provincial government," he said.

### Nepal Stock Exchange Ring The Bell For Gender Equality

United Nations, International Finance Corporation, Global Compact Nepal, And Nepal Stock Exchange Ring The Bell For Gender Equality

The United Nations, International Finance Corporation, Global Compact Nepal, and Nepal Stock Exchanges partnered to jointly organize the third "Ring the Bell for Gender Equality"—an annual global event that highlights how the private sector can spur women's participation in the global economy and promote sustainable development. The focus of the event this year is on promotion of gender equality in the technology and innovation sector.

By expediting gender equality, emerging and frontier markets stand to gain significant economic, environmental, social, and governance benefits. The Sustainable Stock Exchanges Initiative reports that if women were to fully engage in formal labor markets, the global gross domestic product (GDP) would surge by \$28 trillion.

The event kicked off with the UN Resident Coordinator designate of Nepal, Ms. Hanaa Singer-Hamdy, Chairperson of the Securities Board of Nepal Mr. Ramesh Kumar Hamal, Head of Office of the UN Women Nepal Ms. Navnita Sinha, Senior Asia ESG Advisory Lead of the IFC Nepal Ms. Kate Lazarus, Deputy Head of Cooperation, of the European Union in Nepal Ms. Eloisa Astudillo Fernandez, and Ms. Sulochana Shrestha Shah, Founding President, Global Compact Nepal jointly ringing the symbolic bell of the Nepal Stock Exchange.

Speaking at the event, the UN Resident Coordinator designate of Nepal Ms. Hanaa Singer Hamdy said "Gender equality is a central force for realising the transformative promise of Agenda 2030, and women's economic empowerment is both an enabler and prerequisite to make this promise a reality. As societies become increasingly dependent on digital technology, our sisters in Nepal face the risk of losing out on the promise of full participation in digital economies. We must bridge the digital divide, increase women's digital and financial literacy, increase their access to finance and promote safe digital spaces."

Under the UN Women's theme for International Women's Day this year: "DigitALL: Innovation and technology for gender equality," the event was organized to spotlight the need for and importance of women involvement in digital finance for advancement in gender equality and achieve the SDGs.

"Empowering women to participate fully in the economy is not only the right thing to do, it is also smart business. By accelerating gender equality, emerging markets can unlock tremendous economic, environmental, social, and governance gains. At IFC, we are committed to supporting initiatives that promote gender parity," said Kate Lazarus, Senior Asia ESG Advisory Lead of the IFC Nepal. "It's truly heartening to witness the dedication of private sector in Nepal, as shown by the 19 power companies that are working with IFC's Powered by Women initiative to create a level playing field."

The event was organized to highlight the pivotal role the private sector can play in gender equality and women's empowerment, to motivate women to engage in finance and to raise awareness among Nepali companies on the Women Empowerment Principles (WEPs).

"It is our great pleasure to be a part of gender equality initiation taken in the global level. NEPSE is aware and is actively participating with different awareness programs and models for women's participation in the capital markets. NEPSE is strongly determined to come forward with activities which assures the gender equality and fair participation of women in the capital market" said Krishna Bahadur Karki, Chief Executive Officer, NEPSE.

Speaking at the event, the Deputy Head of EU in Nepal shed light on the significance of digitation for financial inclusion in Nepal. Likewise speakers of the Panel Discussion

highlighted barriers that women face in investing in accessing finance such

as attitudinal constraints, family obligation, gender stereotypes, infrastructural problems, and the need to create digital technology that responds to the need of women.

"It is important that private sector companies learn about Women's Empowerment Principles (WEPs) as they provide a framework to implement policies and practices that support gender equality. Ring the Bell 2023 introduces WEPs to a lot of private sector companies in Nepal. As of March 2023, there are 23 WEPs signatories in Nepal; we aim to at least double WEPs signatories within the next



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12 months.” said Pradeep Man Vaidya, President, Global Compact Nepal

Ring the Bell is a collaboration of stock exchanges around the world ringing opening or closing bells to celebrate International Women’s Day and promote the Women’s Empowerment Principles (WEPs). In Nepal the initiative was a partnership between Global Compact Nepal (GCN), UN Women, International Finance Corporation (IFC), Nepal Stock Exchange (NEPSE) and UN Resident Coordinator Office to raise awareness about the opportunities for the private sector to advance gender equality and sustainable development. This year, a record 120 exchanges have participated in these events worldwide, from less than 10 exchanges in 2015.

### Arushree Sharma Names Summit Woman Of The Year 2023 Title

Arushree Sharma, Co-Founder Avani Nepal, a natural high-quality skincare, haircare and personal care brand based in Nepal, won the title of Summit Woman



Of the Year 2023 Title with one hundred thousand cash prize..

Similarly, Nikita Jalan Co-Founder of Petmama Nepal, the first professional pet grooming parlour in Nepal, was awarded with “Vaidya Organisation Innovation Prize 2023 with Cash prize of Fifty Thousand.

Summit Woman of the Year 2023 Open Space Network organized Apex College Presents Summit Woman of the Year 2023 to recognize and honor business women below the age of 30 with sound business plan following all legal implications and at the same time making a social impact with strong growth and sustainability plan.

Summit Woman was created to provide a platform outside of the workplace to educate, encourage and inspire women to achieve their career and personal goals. The energy at the Summit is magnetic!

According to a press release issued by the organizer, attendees seamlessly connect to each other and the information to help resolve their career and personal challenges. We hope to develop a strong community of female entrepreneurs by providing quality programming

and resources that inspire and elevate opportunities for equity.

Former prime minister and CPN-UML leader K.P Sharma Oli was the chief guest of the 3rd Annual Summit. It brought together leaders at the forefront of advancement who are breaking new ground and using their influence to build a more fair society. The event was committed to releasing fresh thinking and transforming ideas into effect.

“This year we received more than 80 applications from all over Nepal from 7 different provinces and we would be really pleased to have your presence that can motivate our Young Ladies. The screening of applications is made by our esteemed Jury composed of Ritu Singh Vaidya, Managing Director of United Traders Syndicate and VOITH Group, Nakim Uddin, CoFounder of QFX Cinemas and Labim Mall, Neeru Rayamajhi, President of FWEAN,. Manoj Gyawali, Deputy CEO of Nabil Bank and Sulochana Shrestha Shah, Chairwoman of Lotus Holdings Pvt. Ltd,” said Faija Parween, Event Director.

### Nepal, World Bank Discuss Strengthening Management Of Fiscal Risks in PPPs for infrastructure projects

The Government of Nepal aims to deliver NPR 0.8 trillion (US\$6 billion) infrastructure investments through public-private partnerships (PPPs) as part of its Fifteenth Plan (2019/20 – 2023/24). While PPPs are vehicles to mobilize private sector financing, governments often must provide fiscal support to mitigate risks.

The need for robust fiscal management to manage the government’s PPP-related fiscal risks, or Fiscal Commitments and Contingent Liabilities (FCCLs), was the subject of a workshop on strengthening PPP-related fiscal risks organized on March 27 by the World Bank. The workshop was attended by representatives from the Ministry of Finance, Public Debt Management Office, National Planning Commission, Office of Investment Board Nepal, and Office of the Prime Minister and Council of Ministers.

“Mobilizing private sector financing will continue to be a key priority for the Government of Nepal, making





it critical to account for and manage PPP-related fiscal risks,” said Harischandra Dhakal, Under Secretary, Ministry of Finance. “Such strategic workshops will be key to provide a platform to share knowledge and guide policy actions in the management of risks going forward.”

One of the main benefits of PPPs is that they can relieve some of the pressures on the government’s budget by providing an alternative source of financing for infrastructure. However, the nature and extent of government support needs to be carefully structured in terms of allocating risks to balance requirements from investors and lenders to ensure the commercial feasibility and bankability of the project, potential for efficiency gains, and affordability of the government support mechanisms required to implement the PPP project.

The workshop involved a presentation by Mark Giblett, Senior Infrastructure Finance Specialist at the World Bank on key elements of a robust FCCL framework. These include limiting the overall exposure from PPP-related FCCLs, specifying procedures for extension of fiscal support for PPPs, and clearly identifying the responsibilities of government authorities.

“The World Bank is committed to support the Government of Nepal in its endeavor to formulate a comprehensive framework to manage fiscal risks,” said Peter Mousley, Lead Private Sector Specialist at the World Bank. “At the heart of this are key reforms to help designate authority to quantify and manage FCCL related risks and having a ready pipeline of credible PPP projects to enable proactive management of FCCL exposures by the government.”

### ‘Study In Europe’2023 Successfully Concluded

The third ‘Study in Europe’ Fair, a one-day all-encompassing European higher education fair, held successfully in Kathmandu attracted a large number of students. .

Jointly organised by the Delegation of the European Union to Nepal and its EU Member States, it helped to learn the education and higher education opportunities available in Europe.

Previous editions of the Fair have been very successful, attracting over 1,200 students, parents and interested parties. The Delegation of the European Union to Nepal and the participating Member States were able to provide accurate information to students and their guardians face-to-face on why Europe is a great destination for international students.

“The EU in Nepal along with its Member States would like to welcome Nepali students to the ‘Study in Europe Fair’, which is an open platform for all to receive accurate information on the opportunities for higher education in Europe. With the number of Nepali students receiving the Erasmus Scholarship growing every year, I hope the fair will encourage more students to compete

for the scholarship in the year 2023,” EU Ambassador to Nepal Nona Deprez said.

Europe has more than 4,000 higher education institutions, from top-level research establishments to small, specialised colleges, hosting about one-fifth of the world’s students. Europe is also recognised as the leading higher educational destination for international students, offering both cutting edge education, value for money, and a rich cultural experience.

The European Union is also promoting European education through its most successful scholarship program named ERASMUS+. Nearly 800 Nepali students have benefited from this scholarship to date. In 2022 alone, 64 Nepali students received the Erasmus+ scholarship to attend two-year Master’s programmes in various European Member States.

Ten EU Member States will be participating in the fair, namely: Austria, Czech Republic, Finland, France, Germany, Italy, the Netherlands, Spain, Sweden, and Romania. Representatives from participating countries will be presenting all of the education programmes that they have on offer, along with funding opportunities. Each participating Member State will present a



short overview of education in their country during the day. Visitors will also be able to meet and interact with alumni from the Erasmus+ programme and gain first-hand knowledge on what participating in the programme actually entails.

The fair provides a common platform for aspiring students to interact face with representatives from their preferred European countries and explore the various educational, funding, and career opportunities that are available in the European Union.

## BUSINESS BRIEF

### Mohan Gautam has been appointed CEO of Upper Tamakoshi Hydropower Ltd.

Upper Tamakoshi Hydropower Limited (UTHL) has nominated Mohan Prasad Gautam to the position of Chief Executive Officer (CEO).

The company's board of directors voted to name Gautam, an 11th level (Director) of the Nepal Electricity Authority, as the CEO at its 272nd meeting on the 28th of March.

Upper Tamakoshi Hydropower Ltd was formed to build, operate, and manage the Upper Tamakoshi Hydropower Project, which has a 456 MW installed capacity and was built with indigenous investment.

The company plans to build a separate 21-megawatt project using the head obtained by diverting water from the Rolwaling River and mixing it with the reservoir of the Upper Tamakoshi Hydropower Project.

Contracts have been signed in the engineering, procurement, and construction framework for the project's construction. The project will generate an additional 105 million units of annual energy.

In addition, when the Rolwaling river is mixed with



the upper Tamakoshi, 216 million units of additional energy are obtained. In addition, 320 million units of energy will be added to

the system each year.

He joined the NEA in 2060 and served in various capacities at the Upper Tamakoshi Hydroelectric Project from 2064 to 2072. From 2072 to 2073, CEO Gautam worked as a project manager on the 635 MW Dudhkoshi reservoir project.

He was a managing director of the Trishuli Hydropower Company, the promoter of the Upper Trishuli 3B Hydropower Project with a capacity of 37 MW, from 2073 to 2079. He is currently representing the authority in Trishuli and Jagdulla Hydropower Company.

The NEA owns 41% of Upper Tamakoshi Hydropower Ltd., which has a paid-up capital of 10.59 billion rupees. Nepal Telecommunication Company owns 6%, while founder shares are owned by Citizen Investment Fund and National Insurance Institute to the tune of 2% and 2%, respectively.

The depositors of Employment Provident Fund owns 17.28%, 2.88% of share by those employees of the company who provide loans, 8.84% by NEA's employees, 15% general public share and 10% by Dolakhabasi.

### ADB And The World Bank Representatives Call On Finance Minister Dr. Mahat

Representatives of Nepal's two major development partners:

Asian Development Bank (ADB) and the World Bank (WB) have called on Finance Minister Dr. Prakash Sharan Mahat and discussed relevant affairs.



The WB delegation met with the Minister on Tuesday and the ADB team this morning. During the meetings, the development partners urged the Minister to take initiatives for the effective implementation of various projects and programmes funded in Nepal by them.

Following a discussion with ADB country director for Nepal Arnaud Cauchois' team this morning, the Minister said Nepal's development partners are excited to further invest in Nepal and their concern was that their funds could not be spent on time.

In addition to this, they are concerned about the delay in the implementation of the projects in absence of timely site clearance, in a bidding process and a lack of expected progress.

New development projects and programmes were also discussed. As the Minister said, the development partners expressed their interest to assist in Nepal's various sectors. The ADB has its concern over the Dudhkoshi Hydropower Project and the Arun Hydropower Project is the concern of the WB. More, they have expressed their interests in the budgetary assistance for road projects here.

During the meeting, the Minister is said to have apprised the delegations that grants and soft loans were the priorities of Nepal, and the responses were positive.

The major development partners have also their concerns over efforts planned by the government to improve nation's overall economic situation, it is said.

### ADB Estimates Nepal's Economy To Moderate In FY2023

Nepal's economic growth is estimated to moderate to 4.1% in fiscal year (FY) 2023, down from an estimated growth of 5.8% in FY2022, says the Asian Development Outlook (ADO) April 2023, the latest edition of the Asian Development Bank's (ADB) flagship economic publication.

Nepal's gross domestic product (GDP) growth is projected to slow largely due to tight monetary policy, slackened domestic demand, the unwinding of COVID-19 stimulus, and persistent global headwinds.

"There are downside risks to the outlook such as a global downturn hitting Nepal's tourism and remittance receipts," said ADB Country Director for Nepal Arnaud Cauchois. "Accelerating capital budget spending through focused investment planning, financial management, and project readiness will help spur Nepal's economic growth over the years."

Agriculture growth will likely moderate to 2.0% in



FY2023, down from 2.3% in FY2022. There has been an increase in paddy output, but winter rainfall has been scanty and will likely affect winter crop yield and overall agriculture output. Industry growth will likely decelerate as higher interest rates, import restriction measures, slowdown in domestic consumption, and a dampened external demand have affected manufacturing and construction subsectors. Services growth will also moderate to 4.4% from 5.9% in FY2022. Credit control measures and hike in interest rates have slowed down real estate, wholesale, and retail trade activities. While tourism growth has been strong, international tourist arrivals are still at half of the pre-pandemic level.

The country's inflation will edge up to 7.4% in FY2023 from 6.3% in FY2022, despite the tight monetary policy reigning in demand. The current account deficit is estimated to narrow to 4.0% of GDP in FY2023 on the back of declining trade deficit amidst buoyant remittance inflows.

Inflation is expected to decelerate to 6.2% in FY2024



assuming a normal harvest, subdued oil prices, and a decline in inflation in India. The current account deficit is ex-

pected to further moderate to 3.9% of GDP in FY2024 as global commodity prices normalize and fossil fuel imports are partially replaced with increased domestic hydroelectricity output.

### Nepal's Growth Faces Slowdown Amidst Domestic and External Challenges

Growth in Nepal this year will be slower than previously projected due to the impacts of import restrictions, monetary policy tightening, higher inflation, and shrinking government expenditure reflecting lower government revenue, according to the World Bank's twice-a-year country update.

Released today, the latest Nepal Development Update (April 2023): Fine-Tuning Policy in a Turbulent Environment, projects Nepal's economy to grow by 4.1 percent in FY23, a downward revision from the October 2022 forecast. Growth is expected to accelerate to 4.9 percent in FY24, supported by the resumption of tourism, growth in remittances, and the gradual easing of monetary policy. However, risks to the outlook are tilted downside and include higher-than-expected inflation, which will dampen consumption and growth, the possible impacts of likely rotations in government officials, and rising inequality from reduced investments in human capital, especially amongst those yet to recover from unemployment following the pandemic.

"Amid measures taken to address pressures on the external sector, the Nepali economy has faced the unintended conse-

quences of slowdown in economic growth and lower fiscal revenue," said Faris Hadad-Zervos, World Bank Country Director for Maldives, Nepal, and Sri Lanka. "This makes the Government's Green, Resilient, and Inclusive Development (GRID) agenda even more pressing. These reforms will yield optimal results as the Government communicates its intended policy changes with the public in advance, takes timely action, and fine-tunes policies during the course of implementation."

The report is a companion piece to the latest South Asia Economic Focus, Expanding Opportunities: Toward Inclusive Growth, which projects regional growth to average 5.6 percent in 2023, a slight downward revision from the October 2022 forecast. Regional growth is expected to remain moderate to 5.9 percent in 2024, following an initial post-pandemic recovery of 8.2 percent in 2021.

Inflation in South Asia is set to fall to 8.9 percent this year, and to below 7 percent in 2024. However, weaker currencies and delayed domestic price adjustments are contributing to a slower than anticipated decline in inflation. Elevated global and domestic food prices are contributing to greater food insecurity for South Asia's poor who spend a larger share of income on food.

To move from recovery to sustained growth, South Asia needs to ensure economic development is inclusive. The region has among the world's highest inequality of opportunity. Between 40 and 60 percent of total inequality in South Asia is driven by circumstances out of an individual's control such as place of birth, family background, caste, ethnicity, and gender. Intergenerational mobility is also among the world's lowest. Data highlighted in the report shows that less than 9 percent of individuals whose parents have low levels of education reach education

levels of the upper 25 percent. Such disparities lead to differences in access to jobs, earnings, consumption, and welfare and to calls for redistributive policies.

"South Asia's stark socioeconomic divides are both unfair and inefficient. They keep talented individuals from contributing to society, reduce incentives to invest in human capital, and derail long-term economic growth," said Hans Timmer, World Bank Chief Economist for South Asia. "Addressing these structural issues is vital to ensuring the region can achieve its full potential."



# Blown Out Of Proportion



BY: HEMANT ARJYAL

Nepali media has lately been speculating about the likely scenario of our side raising the nagging aviation related issues regarding airways and airports with the Indian side. The issue was in news eight years and Indian side, in keeping with their usual stance towards neighbours, have not bothered to address. This was despite the fact that solid assurance was given by the visiting Indian PM, and think it also figured in the joint communique issued then. And that India had agreed to open 21

Indian destinations for cross border air connectivity between two countries way back in 2006. As things seem to be not moving, we wonder whether it was “neighbours last”, not “first”, actually India pursues.

Airways are legitimate and recognized highways in the sky that passes through numerous countries binding them. And for conducting safe passage, it is critical to maintain a strict rule-based regime. The issue of vertical flight separation while cruising was cleverly solved by providing a designated flight level based on the flight course heading. As such, all high-level flights flying 0° to 179°, fly “odd” levels (FL290/310/330), and those in 180° to 359°, fly “even” levels (FL300/320/340). It is so simple that even two aircraft, say, flying identical courses of 179° and 180° will still not run into each

other, as they will be at different flight levels. At another extreme, if two are on a “head-on” course they will still be a thousand feet apart, vertically.

Managing air traffic, as they come to land, is complex and demanding because aircraft will be getting progressively closer, both vertically and laterally in a relatively narrow area. Here the ATC rules supreme and has the final word. Ground-based visual aids like VASI/PAPI are not that reliable and often useless during poor visibility. To

overcome this, there is a more reliable instrument landing system (ILS) that are much like other instrument screens in modern cockpit dashboard. ILS helps pilots to instantly know, and correct, if he has swung too far sideways or their profile is too high/low for landing. Put simply, ILS works on VHF frequencies that are beamed sideways, along the runway at 90 and 150 Hz, and another one that is angled up along the glide slope, but beamed at right angles to it. As we understand, India seems to have issues with ILS signals lobes transgressing into its territory from Bhairahawa/BWA ILS and the apparent main reason for not providing the expected “no objection” letter.

Assuming that the Indian side has a valid concern, even as a layman, I feel it is not normally possible





to stop such low strength signal crossing over the border. With India being so sensitive about transgression, it must have found a novel way to block such signals at the border. Maybe that is why they have managed to run ILS at Agartala Airport (IXA) which sits jutting along the Bangladesh border. Understandably, the British-built airport was in existence before WWII and they certainly did not install ILS then. It was put in, only a few years ago, or after Bangladesh came into existence. Forget about the signal, the fact is no aircraft can ever land or take from

get descent permission some 15-20 minutes before entering Nepal airspace. This is no less cumbersome for the Indian side to worry about descending Nepal-bound flights. They have tons of load to handle, due to ever-increasing domestic traffic, topped by regular transit and incoming/outgoing international movements. One way to get some relief will be increasing Nepal entry points by making all “exit only” airways to take both directions of traffic by making them two-way. This will allow all, if



Agartala without transgressing into Bangladesh territory. While Bhairahawa is much better placed and does not require flying over Indian territory while landing or after take-off, strangely Indian side still finds it unacceptable to let ILS run. For more on Agartala visit the following link: <https://aim-india.aai.aero/eaip-v2//25-05-2017/eAIP/EC-AD-2.1VEAT-en-GB.pdf>

Entry points:

The other issue of getting more airways entry points is even more critical for us. Presently we have two entry points from the Indian side. Of which, the one from Simara handles almost entire incoming flights to the extent it is choking. The other one is just a namesake via Bhadrapur that is only used by flights to/from Bhutan. But on the outbounds, there are five exit points with one in western Nepal near Mahendranagar and the remaining being via Bhairahawa, Simara, Janakpur and

Biratnagar. This chronic entry/exit imbalance has created an unfair situation for Nepal. It is made worse by CAAN’s inability to (1) fix taxiway-related issues at TIA and (2) make more flights/airlines comply with north-facing departures to make TIA a little more efficient.

As the distance between the Indian border and TIA is too short, it requires “every flight” heading to TIA from afar to coordinate with Indian controllers to

not most, Nepal-bound flights to descend or climb over Nepal comfortably, rather than congest the Indian sky.

The current entry system has become most unfair for Bhairahawa-bound flights. It is ludicrous to see traffic requiring to make a long detour to reach Simara before turning back west to land at BWA. This will also impact cross-border flights operating from Pokhara, will possibly not happen if the existing system remains stubbornly intact.

As we cannot choose our neighbours it is best to adjust with neighbours we have. There is no point in making a mountain out of a molehill, as they say in the west. But it is quite unbecoming to raise minor issues like signal transgression and put a foot down against entry point decongesting requests, even when there are far bigger issues needing attention. Besides, the above adage does not quite reflect the scale of distrust. The aviation-related issues have been so blown out of proportion that it is more like “making a mountain out of a sesame grain” (□□□□□ □□□□) as we say in Nepali. It will be better, for both sides, to have such nagging distractions resolved at the earliest.

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PM PRACHANDA

# Honeymoon Day

*The whole government of Prime Minister Pushpa Kamal Dahal Prachanda has not yet been established despite the country turning one hundred.*

By A CORRESPONDENT

A day after marking his 100th day in office, Prime Minister Prachanda declared that his cabinet would be fully formed in one week. Given the deep divisions among the Nepali Congress, PM Prachanda's wish remains unfulfilled.

All parties, including Nepali Congress, are working hard to sway voters in support of its two candidates in the three upcoming by-elections. In

Tanahu-2 and Chtwean-2, the Nepali Congress is a candidate.

PM's One Hundred Day PM has already replaced two coalition partners in the past 100 days. He abandoned his coalition with the UML, RPP, and Swatantra and reestablished his previous partnership with the NC and the Madhav Kumar Nepal-led CPN-Unified Socialist.

On the eve of the government's 100th day, Prime Minister Dahal, aka "Prachan-

da," announced its major accomplishments while other parties focused on their own issues.

On December 26, 2022, Prime Minister Prachanda took office after being appointed to the position the day before. Tomorrow, on April 4, 2023, the government enters the 100-day period dubbed the "honeymoon period."

As the coalition partners changed during this time, PM Prachanda twice needed votes

of confidence from the House of Representatives (HoR). On January 10, 2023, when the CPN (UML) was also a part of the administration, he won a vote of confidence and received more than 98% of the votes from the members of the HoR. On March 20, 2023, PM Prachanda had to ask for a vote of confidence once more because the UML had left the cabinet. The PM was successful in getting the vote as the Nepali Congress joined the government.

These political events, among others, make up the background of the difficult journey the government took and have also had an impact on its success.

The major works and achievements of the government in this period have been listed in 37-points in the statement issued by the PM's secretariat.

#### Works and Achievements

The statement released by the PM's secretariat lists the significant projects and accomplishments of the administration during this time in 37 points.

#### Work and Accomplishments

The statement claims that a coordinated work plan has been created for governance reform, economic development, infrastructure enhancement, social development, and efficient service delivery. And it has been put into practice, with some hopeful outcomes. The work plan covers matters like limiting income leakage, reducing current costs, fostering entrepreneurship, finding a solution

to landlessness concerns, Make in Nepal, the peace process and transitional justice, and mobilizing governmental resources for the benefit of the populace.

The right issues have been identified and put into action in order to quicken the pace of development in the nation and steer the economy through the turbulent times.

The microfinance industry has taken action to address the issues that have arisen, and they will refund its customers for the additional service charges they collected totaling Rs. 1 billion 600 million. A person

and successful implementation of the annual budget, as well as transparency in government spending.

According to the list of works, the establishment of a self-sufficient economy has been prioritized, and essential actions have been taken to effectively mobilize revenue and limit leakage, be economical in government expenditures, and address share market concerns.

Foreign travels by government ministers and officials have been restricted unless absolutely necessary.

Passports, national



may only borrow money from one microfinance, and the microfinance cannot levy a service fee greater than 1.5% annually.

Following the Prime Minister's reform initiatives, including a high-level joint meeting with the private sector, microfinance, bankers, and Nepal Rastra Bank, there has been progress in the balance of payments, current account, and remittance inflows.

Special measures have been made to ensure timely

identity cards, driving licenses, and no objection letters will be delivered quickly. The distribution of national identity cards began in 14 districts and 15 stations, and so far 11.5 million residents have received them, while the number of cards printed has been doubled. Individual incident registration has begun online in 6,665 local wards across the country.

Hello Sarkar has been made more effective.

The names of 8,471



## NATIONAL

martyrs declared by the Cabinet on various dates have been published in the national gazette, and measures have been taken to minimize public inconveniences during VVIP visits.

According to the statement that outlined the government's actions, initiatives have been done to tackle the problems of loan shark victims.

Field inspection and monitoring of infrastructure projects has been accelerated in order to eliminate difficulties

The minimum FDI amount ceiling has been revised and reduced to Rs. 20 million in an effort to further entice FDI. For the startups, facilitation measures are in the works.

Through communication between the government and development partners, problems that need to be fixed to improve the business environment have been found.

While efforts are made to make abroad employment dignified and safe through

were working abroad but had lost jobs or were in prisons for different reasons were rescued and brought home during the period.

To address the farmers' demands, milk price has been increased, and floor price of wheat and sugarcane has been fixed in time.

Arrangement has been made so that school students get

textbooks when the classes start or at the time of the beginning of the academic year.

Prime Minister Pushpa Kamal Dahal Prachanda said that government

will take its full shape within two days.

Addressing the Central Cooperative and Poverty Alleviation Department of CPN (Maoist Centre) on Wednesday, PM Prachanda said that the government will take its full shape in the next two days.

No matter what success PM Prachanda boasts, the administration remains unsteady and unsure of its direction. The upcoming by-elections are going to be crucial for it.



caused by project delays. Contractors who have failed to complete projects on schedule have been blacklisted.

Efforts have been made to promote Nepal's tourism in the international market, as well as infrastructure development for tourism, such as the opening of the Pokhara airport and the laying of the foundation stone for the terminal buildings of the Bharatpur, Biratnagar, and Nepalgunj airports.

Market surveillance has been increased to protect consumers' rights and ensure the smooth supply of goods and services.

agreements and conversations with the destination countries, arrangements have been created so that those seeking foreign employment can obtain labor permits quickly and conveniently.

Family members of 283 people who died in course of foreign employment have been provided with financial assistance amounting to Rs.19.8 million while scholarship has been provided to the children of those who lost lives during foreign employment. 98 people stranded abroad have been rescued in this period.

Over 100 citizens who

## NEPALESE ECONOMY

# | Slow Growth

*Two major multinational bodies' most recent growth estimates According to the World Bank and the Asian Development Bank, Nepal's GDP growth will most likely be about 4%. Although both organizations anticipated 4.4 percent GDP growth, Nepal's overhang is likely to worsen in the next months given the current health of the economy.*

By A CORRESPONDENT'S

With limits on the import of luxury items and goods and a decline in oil prices, Nepal's foreign currency reserves have increased, resulting in a favorable balance of payments.

Nepal's economy is entering a crisis as income collections and capital expenditure decline. The private sector has been suffering a serious economic crisis due to a lack of cash and rising interest rates.

Despite the fact that the recently issued report of Nepal's Central Bank showed some good

indications in the economic front, the Nepalese economy is still overcoming obstacles.

Only a week after the government led by Pushpa Kamal Dahal Prachanda celebrated the honeymoon phase, Nepal's two top multilateral agencies reduced their GDP projections for fiscal year 2023 to around 4.1 percent, showing that the Nepalese economy has yet to recover.

Although the flow of remittances to Nepal has expanded with the arrival of tourists, they have yet

to significantly contribute to the country's economic growth.

### **Nepal Foreign Exchange Reserved increased**

Nepal Forex Reserves Improves In First Seven Months A significant improvement has been noticed in the country's foreign currency reserves in the first seven months of the current fiscal year.

Till the end of last fiscal (2021-22), the total forex reserves was calculated at Rs 1215.80 billion and now it has touched Rs 1383.33



billion with a rise of 13.8 percent.

According to the Nepal Rastra Bank, gross foreign exchange reserves increased by 13.8 percent to touch Rs. 1383.33 billion in mid-February 2023 from Rs. 1215.80 billion in mid-July 2022.

In the US dollar terms, such reserves increased by 10.2 percent and reached 10.50 billion from 9.54 billion in the given time periods.

Of the total foreign exchange reserves, reserves held by NRB increased by 16.2 percent to Rs 1228.05 billion in mid-February 2023 from Rs.1056.39 billion in mid-July 2022. Likewise, reserves held by banks and financial institutions (except NRB) fell by 2.6 percent to sit at Rs.155.28 billion in mid-February 2023 from Rs.159.41 billion in mid-July 2022.

As the central bank says, the share of Indian currency in total reserves stood at 22.4 percent in mid-February this year.

Based on the imports of seven months of 2022/23, the foreign exchange reserves of the banking sector is sufficient to cover the prospective merchandise imports of 10.8 months, and merchandise and

services imports of 9.4 months. The ratio of reserves-to-GDP, reserves-to imports and reserves-to-M2 stood at 28.5 percent, 78.3 percent and 24.0 percent respectively in mid-February 2023. Such ratios were 25.1 percent, 57.8 percent and 22.1 percent respectively in mid-July 2022. (RSS)

#### **Export And Import Decline In the Last Seven Months**

Both export and import have decreased in the first seven months of the current fiscal year 2022/23. This is stated in the Cur-

rent Macroeconomic and Financial Situation, based on seven months' data ending mid-February, released by Nepal Rastra Bank (NRB) today.

In the External Sector, during the seven months of 2022/23, merchandise exports decreased 29.0 percent to Rs 93.43 billion against an increase of 88.3 percent in the same period of the previous year.

Destination-wise, exports to India and China decreased 37.7 percent and 13.4 percent respectively whereas exports to other countries increased 8.0 percent.





Exports of zinc sheet, cardamom, particle board, woolen carpets, polyester yarn & thread, among others, increased whereas exports of soyabean oil, palm oil, oil cakes, textiles, silverware and jewelries, among others, decreased in the review period.

During the seven months of 2022/23, merchandise imports decreased 19.9 percent to Rs.919.17 billion against an increase of 42.8 percent a year ago. Destination-wise, imports from India, China and other countries decreased 18.0 percent, 24.3 percent, and 22.0 percent respectively.

Imports of petroleum products, sponge iron, chemical fertilizer, gold, other stationeries, among others, increased whereas imports of transport equipment & parts, medicine, M.S. billet, telecommunication equipment and parts, silver, among others, decreased in the review period.

Based on customs points, exports from Bhairahawa, Dry Port, Jaleshwar, Kailali, Krishnagar, Mechi, Nepalgunj, Rasuwa and Tribhuvan Airport Customs Offices increased whereas exports from all the other major customs points decreased in the review period.

### Imports

On the import side, imports from all the major customs points decreased in the review period. Total trade deficit decreased 18.7 percent to Rs.825.73 billion during the seven months of 2022/23. Such a deficit had increased 38.4 percent in the corresponding period of the previous year.

The export-import ratio decreased to 10.2 percent in the review period from 11.5 percent in the corresponding period of the previous year.

During the seven months of 2022/23, merchandise imports from India by paying converti-

ble foreign currency amounted Rs 71.78 billion. Such amount was Rs 128.17 billion in the same period of the previous year.

### Composition of Foreign Trade

As per the Broad Economic Categories (BEC), the intermediate and final consumption goods accounted for 53.9 percent and 45.5 percent of the total exports respectively, whereas the ratio of capital goods in total exports remained negligible at 0.53 percent in the review period.

In the same period of the previous year, the ratio of intermediate, capital and final consumption goods remained 48.2 percent, 0.02 percent and 51.7 percent of total exports respectively.

On the imports side, the share of intermediate goods remained 53.1 percent, capital goods

in the seventh month of 2022/23. The terms of trade (ToT) index decreased 4.3 percent in the review month compared to a decrease of 0.2 percent a year ago.

### Services

Net services income remained at a deficit of Rs.38.45 billion in the review period compared to a deficit of Rs.55.09 billion in the same period of the previous year.

Under the service account, travel income increased 107.4 percent to Rs.32.24 billion in the review period which was Rs.15.54 billion in the same period of the previous year. Under the service account, travel payments increased 56.6 percent to Rs. 62.57 billion, including Rs.43.74 billion for education. Such payments were Rs.39.96 billion and Rs.22.60 billion respectively in the



8.6 percent and final consumption goods remained 38.3 percent in the review period. Such ratios were 53.7 percent, 10.9 percent and 35.4 percent respectively in the same period of the previous year.

### Export-Import Price Index

The y-o-y unit value export price index, based on customs data, increased 3.3 percent and the import price index increased 7.8 percent

same period of the previous year.

### ADB's Projection

Nepal's economic growth is estimated to moderate to 4.1% in fiscal year (FY) 2023, down from an estimated growth of 5.8% in FY2022, says the Asian Development Outlook (ADO) April 2023, the latest edition of the Asian Development Bank's (ADB) flagship economic publication.

Nepal's gross domestic



product (GDP) growth is projected to slow largely due to tight monetary policy, slackened domestic demand, the unwinding of COVID-19 stimulus, and persistent global headwinds.

“There are downside risks to the outlook such as a global downturn hitting Nepal’s tourism and remittance receipts,” said ADB Country Director for Nepal Arnaud Cauchois. “Accelerating capital budget spending through focused investment planning, financial management, and project readiness will help spur Nepal’s economic growth over the years.”

Agriculture growth will likely moderate to 2.0% in FY2023, down from 2.3% in FY2022. There has been an increase in paddy output, but winter rainfall has been scanty and will likely affect winter crop yield and overall agriculture output. Industry growth will likely decelerate as higher interest rates, import restriction measures, slowdown in domestic consumption, and a dampened external demand have affected manufacturing and construction subsectors. Services growth will also moderate to 4.4% from 5.9% in FY2022. Credit control measures and hike in interest rates have slowed down real estate,

wholesale, and retail trade activities. While tourism growth has been strong, international tourist arrivals are still at half of the pre-pandemic level.

The country’s inflation will edge up to 7.4% in FY2023 from 6.3% in FY2022, despite the tight monetary policy reigning in demand. The current account deficit is estimated to narrow to 4.0% of GDP in FY2023 on the back of declining trade deficit amidst buoyant remittance inflows.

Inflation is expected to decelerate to 6.2% in FY2024 assuming a normal harvest, subdued oil

expected to further moderate to 3.9% of GDP in FY2024 as global commodity prices normalize and fossil fuel imports are partially replaced with increased domestic hydroelectricity output.

ADB says Nepal’s Growth Faces Slowdown Amidst Domestic and External Challenges.

### The World Bank Projections

Similarly, the World Bank predicts similar projection for Nepal’s growth. Released today, the latest Nepal Development Update (April 2023): Fine-Tuning Policy in a Turbulent Environment, projects Nepal’s economy to grow by 4.1 percent in FY23, a downward revision from the October 2022 forecast.

Growth in Nepal this year will be slower than previously projected due to the impacts of import restrictions, monetary policy tightening, higher inflation, and shrinking government expenditure reflecting lower government revenue, according to the World Bank’s



prices, and a decline in inflation in India. The current account deficit is

twice-a-year country update.

Growth is expected to ac-

celerate to 4.9 percent in FY24, supported by the resumption of tourism, growth in remittances, and the gradual easing of monetary policy. However, risks to the outlook are tilted downside and include higher-than-expected inflation, which will dampen consumption and growth, the possible impacts of likely rotations in government officials, and rising inequality from reduced investments in human capital, especially amongst those yet to recover from unemployment following the pandemic.

“Amid measures taken to address pressures on the external sector, the Nepali economy has faced the unintended consequences of slowdown in economic growth and lower fiscal revenue,” said Faris Hadad-Zervos, World Bank Country Director for Maldives, Nepal, and Sri Lanka. “This makes the Government’s Green, Resilient, and Inclusive Development (GRID) agenda even more pressing. These reforms will yield optimal results as the Government communicates its intended policy changes with the public in advance, takes timely action, and fine-tunes policies during the course of implementation.”

The report is a companion piece to the latest South Asia Economic Focus, Expanding Opportunities: Toward Inclusive Growth, which projects regional growth to average 5.6 percent in 2023, a slight downward revision from the October 2022 forecast. Regional growth is expected to remain moderate to 5.9 percent in 2024, following an initial post-pandemic recovery of 8.2 percent in 2021.

Inflation in South Asia is set to fall to 8.9 percent this year, and to below 7 percent in 2024. However, weaker currencies and

delayed domestic price adjustments are contributing to a slower than anticipated decline in inflation. Elevated global and domestic food prices are contributing to greater food insecurity for South Asia’s poor who spend a larger share of income on food.

To move from recovery to sustained growth, South Asia needs to ensure economic development is inclusive. The region has among the world’s highest inequality of opportunity. Between 40 and 60 percent of total inequality in South Asia is driven by circumstances out of an individual’s control such as place of birth, family background, caste, ethnicity, and gender. Intergener-



ational mobility is also among the world’s lowest. Data highlighted in the report shows that less than 9 percent of individuals whose parents have low levels of education reach education levels of the upper 25 percent. Such disparities lead to differences in access to jobs, earnings, consumption, and welfare and to calls for redistributive policies.

“South Asia’s stark socioeconomic divides are both unfair and inefficient. They keep talented individuals from contributing to society, reduce incentives to invest in human capital, and derail long-term economic growth,” said Hans Timmer, World Bank Chief Economist

for South Asia. “Addressing these structural issues is vital to ensuring the region can achieve its full potential.”

The report recommends continuing to improve the quality of primary education and expanding access to secondary and higher education, evaluate and strengthen affirmative action policies targeted to “low opportunity” groups, and policies to improve the business climate for small and medium enterprises, who account for the bulk of job op-

portunities for the less well-off. In addition, reducing barriers to labor mobility can have a powerful equalizing impact as urban areas tend to offer more opportunities for social mobility.

Nepal’s economy has failed to recover from the crisis, despite claims of progress. According to GDP predictions from Nepal’s two main development partners, there is still a long way to go before the economy is fully recovered.



# Golden Jubilee

*The Federation of Business and Professional Women in Nepal (FBPW-N) celebrated its Golden Jubilee under the leadership of renowned Nepali women entrepreneurs Ambica Shrestha (Fifty years)*

By A CORRESPONDENT

Fifty years is not a long time in any organization's life, and BPSW is no exception. However, FBPW-Nepal has experienced exceptional growth.

FBPW-Nepal has grown up in Nepal under the strong and dynamic leadership of Ambica Shrestha, Nepal's highly respected and energetic leader.

Shrestha has been a strong supporter of the BPSW throughout its five decades of growth in Nepal, promoting and protecting women entrepreneurs and workers in industrial sectors.

FBPW-N, an organization of women professionals and entrepreneurs led by Shrestha, a well-known Nepali woman entrepreneur and Chair of Dwarika's Group of Hotels, has made significant contributions to the establishment of women workers' rights.

Shrestha has been actively participating in BPSW-Nepal activities since he was around 90 years old.

On March 31, the organi-

zation celebrated the 50th Anniversary of BPW-Nepal and Women's History March, chaired by Ambica Devi Shrestha.

Dr. Catherine Bosshart, President of the International Federation of Business & Professional Women (FBPW), was the program's chief guest, with special guests Indira Rana, Vice Chairperson of the House of Representatives of Nepal, and Chularet Twanting, First Vice Chairperson of the Federation.

Dr. Narudee Kinsiri, Asia Pacific Regional Coordinator Thailand of the International Federation of Business & Professional Women, addressed the program, which was attended by high government officials from various ministries and departments, business

elected representatives from local government, diplomats, and representatives from various non-governmental organizations. She emphasized the significance of the organization's role.

Ambica Shrestha's significant ideas, which have guided and supported the organization, have made today's FBPW-N possible. Her role is critical to the organization's active existence in Nepal.

Shrestha, President of Dwarika's Hotels and Resorts, has worked in the tourism sector for decades and has established herself as a pioneer in the women's entrepreneurship and hotel industry in Nepal.

Since its inception in 1972, FBPW-Nepal has been actively involved in a variety of activities. This is Nepal's first women volunteer organization, founded in 1975 in the District Administration Office.



The organization's goal is to bring women into the industrial workforce; the organization operated the first day care center and preschool, as well as a family health clinic and a health cooperation. By providing such centers, the organization ensured women's partition in the industrial sector.

Business and Professional Women's Empowerment Through Professionalism Nepal (then known as the Business and Professional Women's Club, founded in 1972) is an independent, pioneering, non-profit voluntary social professional NGO organization of working women from various professions and businesses at all levels.

The organization serves as a common forum for women's and youth's interests and issues, particularly those concerning working women. It also works to establish institutional ties between organizations concerned with women's and youth development.

The organization has adopted a strategy of empowering women/youth by launching various socioeconomic activities, acting as an advocacy group on gender equality and equity, good governance, health, hygiene, water and sanitation awareness, and women's human rights (socio-economic and cultural rights).

It provides women and youths with opportunities to develop their professional, social, and

intel-  
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tual

skills, as well as to increase their values in the workplace, through its Polytechnic job-oriented trainings.

FBPW Nepal's main goal is women's socioeconomic empowerment and inclusion. It ensures that its members excel and shine in their professions and businesses.

FBPW Nepal works to reach out to grassroots youth and women communities through its Executive Committee in the center and Chapters and Units at the district and local levels.

FBPWN has a history dating back to the early 1970s. It was founded in 1972 as the Business and Professional Women's Club (BPWC) by Shrestha, Ms. Lucille Dunham of IFBPW, and a few other women from various businesses and professions.

It was first registered with the government as BPWC in 1975. In 1991, it was re-registered as the Federation of Business and Professional Women Nepal (BPW Nepal) with the establishment of Chapters. Since 1985, it has been a member of the



International Federation of Business and Professional Women (IFBPW). It is also a member of the Nepal Social Welfare Council.

She was born in Darjeeling, India, into a well-educated family and is the eldest daughter of eight children. She attended Loreto School for her primary education and Patna University for her Senior Cambridge Exam (Bachelors of Arts). Ambica Shrestha, endowed with a confident and stalwart personality, made history in her twenties.

In the 1950s, she was one of only a few women with advanced degrees and fluent English skills. For two years, she taught English subjects at Kanti Ishwori School while also running English language classes and training at the British Council.

As FBPW Nepal celebrated its 50th anniversary, Shrestha played an exemplary role in supporting the organization that represents women's voices. Shrestha has played an important role in the empowerment of Nepali women through this organization.

From higher officials to ordinary women and other entrepreneurs, the testimonials presented during FBPW-50th Nepal's anniversary show Shrestha's contribution to Nepal's women empowerment moment.



# Agros Woes



BY: HEMANG DIXIT

It was after reading about the woes of apple growers in Mustang and orange growers of West Rukum that made me write my thoughts about fruit and vegetable agro growers in Nepal. Fruit growing has not been an industry for long. In the pre-1950 days the Nepali citizen ate fruit at Tihar and meat at Dasain! Fruits of the mousam family were seasonal and chaksis, whether from chaksibari, or like our politics from elsewhere I cannot really say! One heard mostly then of oranges from Pokhara, till suddenly the news came that almost all fruit trees there were wiped out by some sort of blight. As one thinks of one's childhood in Nepal one remembers eating the round and hardy naspatis, playing football with a good sized bhogate or pomello and being told off for eating barely ripe alobakhadas or plums, which in excess caused belly ache and sometimes loose motions with blood.

The story of the human race as per the Christian faith starts with the decree by God to Adam to not eat the apple in the Garden of Eden. If Adam had not disobeyed, all of his descendents, the human race might still have been in heaven! Presently on earth however, things are quite different. Many insist, 'An apple a day keeps the doctor away.' Yes the apple is an amrit or its juice can be made into a form of somras. No wonder then

that when King Mahendra met Pasangji during his visit to the UK in the 1950s he invited him to come to Nepal to grow apples at Marpha and make Marpha brandy. However, because of the lack of roads the apples grown on our high mountains could not be brought down easily to those of us living in the lowlands that many had to be fed to cattle. What haisancho for the animals. Apple cider as an item could be extensively made within Nepal. Modes of living have changed enormously in Nepal over the last seventy years. Now roads have been built and planes shuttle to and from one destination to another.

Tastes for some elite Nepalis changed with the matrimonial practice and alliances of Rana rulers in the form of buharis or jwais from India. Matrimonial satkars were the practices of the day with alphonso mangoes, leeches, grapes and many other fruit varieties. Air contact with Thailand in later years introduced durian and kiwi to the elite Nepali palate. Now Nepali fruit importers have gone further afield with import of dragon fruit from far off Vietnam. Sadly hefty imports of apples from Wuhan and various varieties of fruits from India is the norm.

After our government encouraged fruit growing in orchards many Nepalis imported apple saplings from far off Serbia and replanted them in Mustang. It is even

said that with the environmental changes and global warming many fruit trees are being planted at higher altitudes. All this makes sense but the hard fact is that it makes our products costlier than those imported from Wuhan, China or Himachal Pradesh, India. Because of kamissiontantra and unrestricted importation from these two countries local growers face difficulties in selling and apples have to be fed to cows and goats! Unrestricted importation from the North or South makes life hard for Nepali fruit growers. Many face bankruptcy. Katu satya however is that for import substitution to become reality, the local products must taste equally good, if not better than those from outside. Good news is that orange growers in Baglung and Syanja have grown oranges worth millions this year. Will all this be consumed as fruit or other by products?

Within the last few days there has been news about the uncertainty that fruit growers of West Rukum are facing for getting their oranges to the Nepali market. Our reigning Maoist politicians, who during the course of the ten years conflict made the inhabitants of this regions suffer much must take it as their responsibility to ensure that home grown fruits and vegetables find a constant market in Nepal and have not to compete with cheaper products imported by con-



tractors from outside. Many Nepali returnees from the Gulf or South-East Asia have taken up fruit growing and animal husbandry. It is the duty of the government to support them ardently so that they and many of our young adults are not forced to go abroad for work. Other Nepalis doing fruit farming e.g. junars, kiwis and strawberries are having some success. However I also read recently that a kiwi grower with a large output got some relief when he sold his produce to make wine. Local entrepreneurship must be encouraged so that we don't have to import wines from far-away places such as Australia and Chile as is being done now! Support 'Home Industry' should be the theme of the new government.

Some innovative Nepalis have been successful in growing mushrooms, both the ordinary and the special black variety known as shitake. The regular and buttons variety must be mass produced to be very cheap so that people no longer eat wild ones and die as a result.

It is not only fruits but large amounts of vegetables that are being brought daily from India

by Nepali importers into the country. Exports of Nepali ginger and cardamom are periodically held up. While agro produce come in trucks unchecked into Nepali, our products are not permitted into India due to stringent orders. Our government too must do checks on products from the South if justice is to be done to our Nepali agro-producers.

Local authorities must build structures, both ordinary and for cold storage. There should be



provision and encouragement of Haat Bazaars. Buying, storage and selling must be done by Food Management & Trading Company (FMTC) set up on a country-wide by Pradesh administrations. Sugar-cane growers must not be cheated by factory owners who don't buy till weight of the cane decreases and withhold payment for months. Sugar imports must be restricted.

Foreign manpower is used for both in USA & UK to till the

fields. Nepalis too are going to Japan, South Korea and even Europe as farming manpower. Manpower shortage exists in Nepal. To ensure that fields do not lie fallow in mountainous areas too, mechanisation to till the fields, plant and harvest crops or collect fruits has to be done with appropriate machines in Nepal too. In flatlands of US extensive use of machinery is with minimal manpower.

For Nepal Terai we need such type machinery but for tilling terraced fields mini type is required. There must also be canals of our river water or help with cheap electricity

ty for deep well boring. Fertiliser plant/s must be set up immediately to rid forever the dependency because of kamisontantra importers. Parliamentarians we have recently elected, please note.

The author is a retired medical doctor and writes fiction under the pen name of Mani Dixit also. Website: [www.hdixit.org.np](http://www.hdixit.org.np). Twitter: @manidixithd

## CHAKRABYUHAMA NEPAL KO JALASROT (WATER RESOURCES OF NEPAL IN A LABYRINTH)



BY: DR. KISHOR UPRETY

Regarding relations on trans boundary waters, particularly those shared by India and Nepal, researchers and scholars have generally been facing serious challenges due to the dearth of data on the subject, causing blurred analyses and conclusions and making it difficult to appreciate the real issues at hand. The foregoing remark may not be true anymore. Indeed, I recently completed reading ‘Chakrabyūhama Nepal Ko Jalsrot’(Water Resources of Nepal In A Labyrinth) by Dr. Dhungel, a veteran senior official in the government of Nepal; a highly revealing and spellbinding book of unique quality dealing, inter alia, with the challenges of preparing, negotiating, finalizing, and implementing Indo-Nepal treaties concerning water resources.

### The Title

Although in frequent use in the sub-continent, the term ‘Chakrabyūha’ in the title of the book, due to its intrinsic meaningfulness, deserves some explaining. Simply put, ‘Chakrabyūha’ means a ‘Labyrinth’. However, ‘Chakrabyūha’, as depicted in the Mahabharata, also represents a multi-tiered combat formation that looks like a blooming disc of multiple defensive human walls. The formation begins with two soldiers standing back-to-back, with other such set of soldiers standing at a certain distance, drawing up circles and culminating in the end at a spot where the enemy is captured. Once drawn, the foremost soldiers come on either side of the enemy, engage briefly and

move forward. Their place is taken up by the next soldiers on either side, who again engage the enemy briefly or move forward. In this fashion, soldiers pass the enemy and proceed in a circular pattern. By the time the rear of the formation arrives, the oblivious enemy is surrounded, at which point, the enemy realizes his captivity.

This unique term of choice in the title of the book conveys a thousand messages about winning. Hidden in the message are the confusing nature, the unclear pattern, the failed expectations, the biased team formation, the weak tactics, and the disappointing outcomes of the negotiations of Indo-Nepal water resources and energy treaties. With one term, it foretells a complicated and politically charged game of negotiations dominated by ill-faith, ill-will, and ill-intent, which one side always wins.

### The Coverage

Divided into seven parts, the book, through its 49 chapters, analyses with amazing detail Nepal’s complex legal, constitutional, and administrative issues pertaining to energy and water resources development, including the trans-boundary rivers flowing from Nepal into India. In that vein, it also touches upon the diplomatic and international law intricacies involved in the finalization of agreements on trans-boundary waters confronting the issues of hydro-geopolitical complexities.

Part 1 of the book (pp11-306), a por-

tion of which only will be the focus of this review (below), discusses the Indo-Nepal Mahakali Treaty as well as the Power Trade Agreement. Part 2 tells the story of two hydro-power projects, namely the ‘Karnali-Chisapani’ and the ‘West Seti Hydro-Power’; projects certainly concerning trans-boundary rivers but not governed by any international treaty. The discussions of these two projects highlight the strategic and commercial interests of US and Australian companies (pp309-446). Similarly, Part 3 of the book (pp449-508) discusses the electricity-related legislation and relevant institutions, and Part 4 provides detail about a national institution established as a think tank on water policy matters- the Water and Energy Commission (pp511-528).

As important, the book also discusses, in Part 5, the role, interest and politics of international funding, and more importantly the role of the World Bank in the development of the water sector in Nepal (pp531-570). Finally, Part 6 focuses on the administration and functioning of Nepal’s Water Resources Ministry (pp573-646), and Part 7 on miscellaneous topics relevant to water resources development (pp649-670).

#### The scope of the Review

Constrained by space limitation and given the significance for international lawyers and researchers of the unique approach taken by the book in connection with the chapter on Mahakali Treaty negotiations, the scope of this

review is limited to the Mahakali negotiations only. Indeed, the chapter has successfully dealt with all the interconnected phases of negotiations, with the example of the good, the bad and the ugly sides of the Mahakali Treaty negotiations between Nepal (the upper riparian) and India (lower riparian).

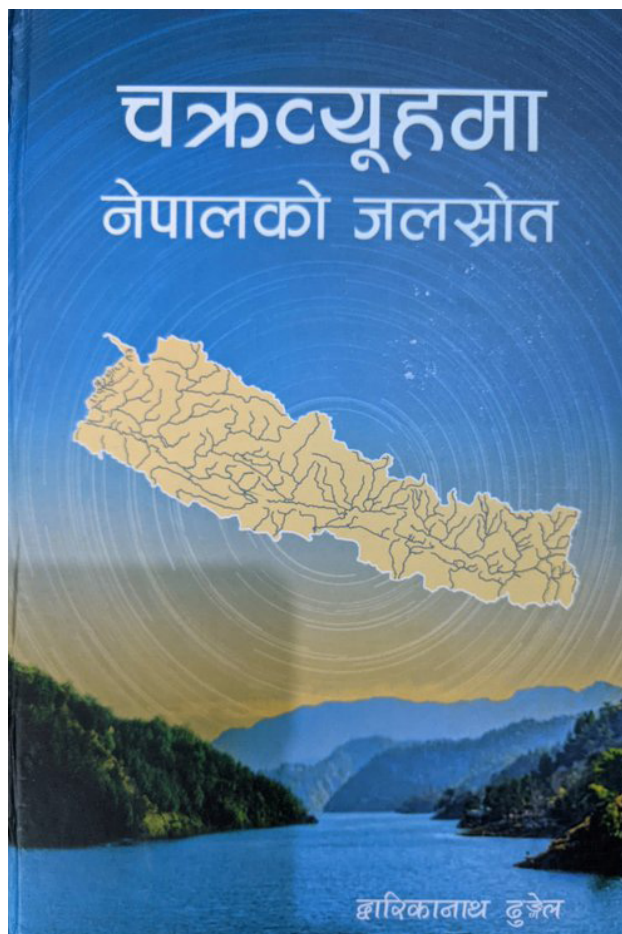
#### Indo-Nepal Mahakali Treaty

Before discussing the Mahakali treaty saga covered in the book (pp11-290), it would seem useful to set the stage of the Indo-Nepal hydro-geopolitical reality.

Nepal’s water resources comprise mainly of four main snow-fed tributaries of the Ganges - the Mahakali (called Sarada in India), the Karnali (called Ghagra in India), the Sapta Gandaki, and the Sapta Kosi - all originating in the Nepal Himalayas and joining the Ganges in the subtropical plains of India. As per estimates, these rivers con-

tribute 45% of the annual flow of the Ganges and 70% of its dry-season flow, making Nepali tributaries the lifeblood of the fertile Indian lowlands. As important, Nepal, because of its terrain, provides the best, if not the only, option for downstream flood control and dry season augmentation.

Mainly interested in allocating unlimited volume of water to itself, India, whose ever-increasing energy requirements speak to its potential interest in Nepal, is also a consumer of energy (hydropower). But the interests of India and Nepal clash over water sharing, dam-building and exploitation, and environ-



CHAKRABYUHAMA NEPAL KO JALASROT  
(WATER RESOURCES OF NEPAL IN A LABYRINTH)  
Author: Dr. Dwarika Nath Dhungel  
(Shimal Books Publication, Nepal, October 2022) (pp 978)



## BOOK REVIEW

mental and social considerations. As a result, treaty-making and negotiations between India and Nepal have always been difficult. Nonetheless, the two countries have signed bilateral treaties to utilize shared rivers (regarding the Kosi, Gandaki and Mahakali rivers), although the geo-politics in the region has obstructed their smooth functioning.

The Play: The Periods of Negotiations

Tran boundary rivers play a significant role in determining relations between states. They not only trigger mutual interdependence, thus giving rise to confrontation on various competing issues, but also encourage riparian to develop an integrated strategy on shared resources.

With this background, the Nepalese history of bilateral relations with India on trans-boundary water matters should be assessed through the periodic phases of negotiations.

The first period of negotiations on the water issue occurred

between 1910 and 1920 when British India needed to harness the Sarda River (Mahakali system), which formed the western boundary between Nepal and British India, to develop irrigation in the State of Uttar Pradesh. Nepal agreed to the 1920 Sarda treaty, under which about 4,000 acres of the left bank were given to British India in exchange for an equivalent forest area (pp12-14). This agreement allowed British India to build Sarda Barrage and the right bank Sarda Canal to irrigate northern areas of India, and allocated Nepal between 3% and 4% of the dry season flow and no more than 9% of what India withdrew during wet season.

The second period of negotiations be-

gan after the independence of India from Great Britain, and the regime change within Nepal in 1951. Although not the focus of the book under review (excepting for some references), in that decade, the goals of modernization and development adopted by both nations imparted a new impetus to harnessing the tributaries of the Ganges (flowing from Nepal to India). As a result, India and Nepal signed the Kosi and the Gandak treaties which gave India a right to control the headwork on Nepali territory and, at the operational level, to agree with the water releases to Nepal. The Indian insistence on management control and refusal to allow independent assessment of downstream benefits for

equitable allocation in connection with both the treaties generated much dissatisfaction in Nepal. Because of this, the relationship between the two countries



on water resources has always been unsettled and tense. Also, the effects of these two treaties having been mostly negative, an inherent distrust continued to couch all future water negotiations.

The third period, which revolved around the preparation and the negotiations of the treaty on the Mahakali River (the main chapter in Part 1 of the book under review), needs to be discussed in two sub-sections: The Tanakpur Memorandum of Understanding (Tanakpur MOU or Agreement) and the Integrated Mahakali Treaty.

To further cooperation regarding the Mahakali River, the governments of India and Nepal entered the Tanakpur MOU, on Decem-

ber 6, 1991 (pp 15-18). It provided for the construction of an afflux bund on Nepalese territory (left afflux bund) for which the Nepalese provided 2.9 hectares of land. Unlike the Sarada Treaty, the Tanakpur MOU did not provide for an even exchange of land from India. Instead, it provided for the installation of a head regulator (main part of the reservoir regulating the water flow) at the Tanakpur Barrage with a capacity of 1,000 cusecs and required India to construct a canal to deliver 150 cusecs of water to Nepal. India was further required to provide Nepal with 10 megawatts of electricity. The Tanakpur MOU also stated that when there was an increase in the water supply at a reservoir (the Panchesh-



war reservoir), the supply of water to Nepal would also be increased. The provision of water and electricity by India to Nepal was seen as a quid pro quo for providing India with its land needed to construct the afflux bund.

The Nepalese government wanted the MOU to be implemented immediately, but the deal was immediately criticized by most of Nepal's opposing political parties. The issues raised in the objections dealt primarily with a concern for Nepalese territorial sovereignty and a belief that Nepal had not benefited from the Project as much as India had. Moreover, those opposing the MOU argued that because the agreement dealt with natural resources, it fell under the articles of the Constitution and required ratification by a two-thirds majority of

Parliament. A writ petition was filed at the Supreme Court, with the Prime Minister as one of the respondents, challenging the validity of the Tanakpur MOU. The petitioner maintained that the MOU should be presented to Parliament for ratification prior to its enforcement in accordance with the provisions of the Constitution. The Prime Minister, playing with semantics, argued that the instrument to give 2.9 hectares of land to India was merely an MOU, signed by the Nepalese Minister of Law and Justice and the Indian Foreign Minister, and thus was not a 'Treaty' subject to the Constitutional provisions on ratification. The Supreme Court issued its verdict in December 1992, and concluded

that the Tanakpur Agreement was, indeed, a 'Treaty' that required ratification by the Parliament. It was not merely an MOU.

In hindsight, entering the Tanakpur MOU seemed like a hasty decision. The Nepalese Government either did not appreciate the legal, socioeconomic, and political ramifications involved in the issue, or decided to overlook them to appease India. The Tanakpur MOU has never formally been ratified but ironically, by the time the Supreme Court verdict was rendered, the physical work at the Tanakpur site, particularly on the Nepalese side, was already complete, thus leaving the concerned Nepalese public with disappointment.

In an attempt to placate the public with their negative experience on Tanakpur and di-

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luting the potential complexities for future water deals on the Mahakali, the Nepalese Foreign Minister then proposed an integrated Mahakali package (pp 22). India, originally, supported it only in a lukewarm fashion, but after understanding the implicit political and technical benefits it could reap out from the materialization of an integrated deal along with an opportunity to tactically control the entire Mahakali watershed, it agreed to negotiate.

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as narrated  
in the book,  
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matters. But  
in the end,  
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ary 29th,  
1996, India  
and Nepal  
signed the

'Mahakali Treaty concerning the Integrated development of the Mahakali River including Sarada Barrage, Tanakpur Barrage and Pancheshwar Project'.

The Mahakali Treaty, it may be recalled, among other, specifies that both India and Nepal have equal entitlement to utilize the waters of the Mahakali River without prejudice to their respective existing consumptive uses. Under the Treaty both countries agree to implement a multipurpose Project—the Pancheshwar Multipurpose Project (PMP)—in accordance with a Detailed Project Report to be jointly prepared by the two countries. The Mahakali Treaty also included provisions that India would supply 350 cusecs of water for the irrigation of an area in Nepal (Dodhara-Chandani) and that a joint Indo-Nepalese commis-

sion, called the Mahakali River Commission, would be established, guided by the principles of equality, mutual benefit, and no harm to either of the countries.

Maintaining the flow and the level of water in the Mahakali River was also one of the important principles established by the Treaty. India and Nepal each agreed not to use, obstruct, or divert the waters of the Mahakali River, so as to adversely affect the natural flow

and level of  
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does not  
exceed five  
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the average



annual flow at Pancheshwar.

### The Saga of Negotiations

Regardless of themes or sectors, international negotiation involves three main interconnected phases. The book under review has, indeed, judiciously depicted the internal as well as external challenges, including the lack of trust, lack of communication or deliberate miscommunication, tussle between the technical staff, bureaucrats, and political leaders, in all three stages, at times in snippet form, all quite helpful to understand the dynamics of the Mahakali negotiations.

**Pre-Negotiation Phase:** In general information gathering, analysis, and planning (strategic and tactical) are part of the pre-negotiation phase, during which parties set clear goals that reflect national interests, as well



as realistic strategies to reach those goals. This depends, to a considerable extent, on the quality of preparations, the amount of information, and available research and analyses. This seems to have been well understood by the Nepalese side. Also, clear was their understanding of Nepal's interests.

Much importance, according to the book, appears to have been given to deal with the process of decision making prior to negotiation. Among others, they were: (i) selection criteria for the members constituting the negotiating team, such as experience, status, and personal attributes (including technical knowledge); (ii) the focus on formal and informal relationships; and (iii) the government's efforts to create consensus amongst the major political parties; which, actually, suffered enormously from constant double-speak of some major political parties.

**Actual Negotiation Phase:** The actual negotiation phase, which generally involves physical interaction and attempts to persuade, can be effective when highly specialized skills and capacities of negotiators and their command of the rules, facts, and arguments in specific negotiating areas are of high standard. These criteria, as the book reveals, were valued, but the team of negotiators suffered constantly from the different external dimensions of the environmental context of negotiations, which influenced the

outcome.

The noteworthy elements, according to the book, which appear to have influenced the process of negotiation, were: (i) the protocol; (ii) the procedures and behaviors; (iii) the complexity of language, which affected the extent of reliance placed on verbal and non-verbal cues used to interpret data; (iv) the nature of persuasive arguments shown by the parties attempting to influence each other; (v) the feeling of distrust and its basis in past experience, intuition, or rules and continuance throughout the process of negotiation; (vi) the dilemma of the teams to take risk, bluff or compromise; and (vii) the attitude of each negotiating party towards the



time taken for completing the process of negotiation and, most importantly, the refusal of India to record in the minutes of negotiations,

numerous observations and reservations of Nepal.

**Post-Negotiations and Implementation Phase:** In the post-negotiations phase, generally, parties comply with their remaining commitments, and implementation starts followed by constant monitoring and supervision. But the Mahakali implementation has not been smooth.

The first major obstacle came during the process of ratification. Although the Nepalese government in power, which coordinated the negotiations, work, had consulted, and obtained support and concurrence of the political

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parties prior to the negotiations, after the signing of the Treaty, one major political party flip-flopped and refused to support its ratification. In addition, it imposed several conditions on the government negatively affecting the treaty already negotiated. Obviously, the conditions imposed by a political party in Nepal on its government were not acceptable to India. Hence, after several exchanges of clarifications between the government and the political party and a few direct meetings between the party and Indian government officials, the political party agreed to support its ratification. But in this futile exercise, intended to gain political mileage, a long time had passed.

The second major obstacle is the detailed project report (DPR) for the Pancheshwar itself. It was supposed to be completed within six months but has not yet been finalized. A draft DPR, prepared in accordance with the understanding

reached by the Treaty was, actually, sent by Nepal, but India proposed 54 points implying changes that contradicted the understanding reached by the Treaty, and introduced several new issues, which obviously had the effect of delaying its finalization. This, certainly, conveys a message about India's lack of interest in developing the Pancheshwar project. Its interests, it seems, were in legitimizing the Tanakpur deal and renewing the Sarda Treaty, with Pancheshwar Project as a hoax of incentive, if not simply a bait of trap.

### Originality and Uniqueness

Because it is a work of a scholar with theoretical as well as hands-on experience on the matter, and who was involved in the process of treaty-drafting from the initial stage, the book is a treasure for researchers, academics, and negotiators concerned with Mahakali issues. The author tells the story not only with verve but also in convincing and illuminating detail.

The details in the book, in many instances, help researchers and academics to confirm, something that needed an authoritative confirmation: those negotiations between India and Nepal on water issues are one of the best examples of asymmetric

power negotiations where the downstream country constantly influences the upstream country. Indeed, in every stage of negotiations and on all aspects, only one side's perspective prevailed.

Several critical pieces

of information, until now unknown to researchers, included in the book are no less shocking. For instance, after the ratification of the Treaty by both houses of the parliament, the text was published in the Gazette, but without the Royal Seal of Approval, something that, in Nepal's constitutional monarchical model, was imperative for any instrument to obtain the status of the law of the land. Apparently, excluding the king, this was deliberate on the part of the government and the political parties that doubted that the king would block it.



Whatever the perspectives and the political merits of the approach, this was no doubt a constitutional heresy, and a perennially questionable matter for international lawyers.

The Mahakali Treaty was already initialed by the foreign ministers of India and Nepal. But, upon India's insistence, during a state visit by the Prime Minister of Nepal to India, an event was organized for the Treaty to be re-signed by the prime ministers of the two countries. Apparently, with these high-profile signatories, India wanted to convey a message to the world that the Tanakpur issue (that had received much negative publicity) had been resolved satisfactorily. Also interesting is the brief account that, at the signing event, a mistake was found in the treaty (that changed the meaning of the understanding reached), which was later corrected through an exchange of letters. Thus, although organized to score a political point, the event turned out to be a boon in disguise.

Another interesting snippet in the book is that during the whole process of preparing and negotiating the Mahakali Treaty, Nepal never proposed to specify the source-location of the Mahakali river. This detail was critical as the East of that point would be the territory of Nepal. The Treaty negotiators opted to remain opaque and referred to the Mahakali as a border river. There were many high-level visits by Nepalese leaders and officials, but none seem to have thought to try to specify the source, a deliberate omission intended to avoid fueling the already existing border problem with India. The imperative of pragmatism of concluding the Mahakali Treaty may have dominated this approach, but the confusion created by the lack of specification remains costly and thorny matter for Nepal, particularly because a large area on its Western border has been practically occupied by India.

In addition to useful citations and footnotes, the book includes an extensive list of bibliographical information and an annex with the policies, legal instruments, and administrative decisions of the governments of Nepal and India, all relevant to Nepal's wa-

ter resources development (pp671-927). The primary and secondary sources (documents and instruments) included in the book are extremely useful for researchers dealing with water resources management-related legal, administrative and policy issues. More importantly, the book has a seminal value for



international lawyers involved in the study of negotiations of water-related treaties.

### Conclusion

Dr. Dhungel's book is of highly insightful and path breaking nature. It is the story of Nepal's water and energy related treaty-making along with an account of people, the beliefs they had, the postures they adopted, the influence they made and the intellectual tools and resources they mobilized. The author should be commended for his painstaking survey and analysis of the subject matter, and for including all the primary and secondary sources therein, which not only significantly enriches the understanding of the Indo-Nepal trans-boundary water relations, but also undoubtedly constitutes a valuable contribution to the literature on the law of international watercourse, in addition to furthering multi-dimensional research works on the topic.



# Gender Violence: A Problem In Nepal



BY: MALENA VILLA

Gender violence is one of the most serious issues facing modern Nepal, a nation that is still firmly patriarchal. The nation's women experience societal discrimination, and they frequently lack access to fundamental education, quality healthcare, and financial stability. At least one in five women in the nation had been victims of either domestic or sexual abuse.

Cultural discrimination against women is pervasive in Nepal; in fact, the country ranks 96th out of 136 nations for gender disparity in the 2022 Global Gender Gap Report.

There is a distinction between rural communities, where there is a lot of discrimination against women, and metropolitan areas, where women have better access to healthcare and education.

Nonetheless, gender-based violence is still a problem in both zones.

The interviews performed by the non-profit VIN, which seeks to “empower vulnerable communities via equitable, inclusive and comprehensive development projects,” which includes empowering women in Nepal, in Basantapur, a central part of Kathmandu, serve as evidence of this.

Nearly all of the women interviewed, who ranged in age and social class, had a tale of experiencing violence. Only a few stories were included in the piece, and anonymity was maintained by not mentioning any names.

A twenty-year-old unnamed female from eastern

Nepal claims to have experienced sexual harassment since a very young age. She was sexually assaulted by her cousin, who resided in the same home, when she was six years old. She describes how she was confused about what was happening and had no idea how to get assistance. She was beaten daily by her cousin, who committed domestic violence against her, and it wasn't until years later that she realized she had been sexually assaulted.

Her family eventually relocated to Kathmandu. When her brother-in-law first began molesting her, the girl was nine years old. She approached her mother for

assistance after learning from her experience and then separated from her. They have been living together since 2022 while she attends university. She claims that these events, which appear to have followed her throughout her whole life, have left her traumatized.

Numerous young girls describe hearing similar

tales. Both within and outside of the house, strangers might engage in sexual harassment. The country has a long history of sexualizing and objectifying women and girls. Sadly, victims frequently find it challenging to disclose the abuse to the police, particularly if their conservative families do not support them.

The story of a woman in her forties who is selling sacrifices for the gods adjacent to the temples in Durbar





Square is told by the woman as she describes her experience of domestic violence.

She claims that soon after their marriage, her husband began beating her every day. He frequently beat her up after drinking. Her husband is also jobless after losing his job as well. He consumes alcohol considerably more frequently, and the woman's husband steals money from her to pay for the booze. She has never asked for assistance and has accepted her lot in life. She has endured everyday domestic abuse for more than 20 years; for her, it is a routine daily occurrence.

This is a highly typical occurrence; in fact, a UNFPA Nepal study found that the phenomena of domestic violence seemed to be seen as a “normal” component of marriage, which was supported by the interviews that were performed.

The topic of female independence and polygamy was raised in a third interview. The story centers on a 29-year-old woman who sells handicrafts made in her community and describes how she married a violent and possessive man when she was only 15 years old. He left his first wife in dire financial problems and abandoned their first kid a few years later after being married to another lady. She was still able to launch a small business and achieve independence.

Yet, she claims that occasionally, her spouse comes back to her, aggressively harasses her, and embezzles her earnings. She is a victim of polygamy, which, despite being prohibited by law, is one of the main reasons for violence and prejudice against women since remarried husbands often treat their first wives harshly. As a woman who lives alone and aspires to independence, she nevertheless endures significant social prejudice.

The final tale is presented by a woman in her thirties. She is from Bandipur and had two previous husbands. Her first marriage was quite violent, and because of her in-

adequate dowry, both her husband and family persecuted her.

She reported the abuse to her family, who encouraged her and provided travel assistance so she could move to Kathmandu, where she is now employed as a domestic helper and has at last met a guy who values and respects her.

She was a victim of the dowry system, which is one of the reasons why her husband and the rest of the in-law family frequently commit domestic abuse.

The brutal reality that many women are victims of is described in these interviews. Domestic and sexual violence are the most prevalent types of violence (rape, sexual harassment and polygamy).

Sensitizing the populace to the issue of gender-based violence, which can take both physical and psychological forms and is not only physical but also must be prevented, is vital. There are still many measures to be taken before Nepalese women may actually have the same advantages as men and lead respectable lives free from stigma. In order to prevent gender-based violence, it is imperative to raise women's awareness of their worth and to continue both male and female education.

In Nepal, there are a number of anti-violence organizations that can support women in challenging circumstances, including WOREC. Yet, preventing gender-based violence still requires raising public awareness and educating the public.

*Malena Villa is an intern from Switzerland*



# Honoring Contribution

*123 Memorial Day of Rudra Raj Pandey was observed to remember his contributions.*

By A CORRESPONDENT

People's past karmas will be recalled, as the Bhagbat Gita states. Perform your task with your body and keep your mind focused on Me, God commands in the Bhagwat Gita. Sardar late Rudra Raj Pandey, an author, scholar, educationist, and spiritual, dedicated his entire life to democratizing education and carrying out his karma in service of the god.

Late Sardar Rudra Pandey left behind dedicated and determined sons and grandsons who plan an event to remember his accomplishments at a time when no one is present to remember many notable Nepalese scholars and personalities after death.

Sardar late Pandey was still remembered each year on his Memorial Day, despite the



fact that many eminent Nepalese academics have since passed away and are no longer alive. His grandson Dr. Neil Pandey, a

prominent dentist, and his son Dr. Badri Raj Pandey, a well-known public health expert, have been holding programs each year honoring individuals and organizations involved in literature, history, education, and spirituality.

Rudra Raj Sahitya Sewa Samiti (Rudraraj Pandey Literary Service Committee), under the leadership of Dr. Badri Raj Pandey, Dr. Niel Pandey, and Dr. Radhesh Panta, a renowned economist and the recipient's grandson of his mother's side, has been recognizing individuals for their work on an annual basis.

The committee chooses winners every year and is made up of members who are all well-known figures in society, including Professor Amber Prasad Panta, who serves as vice chair, Dr. Gauri Shanker Lal Das and Dr.





Govinda Tandon.

This year's award in the spiritual category went to Ram Kuti Ashram of Bhedaghat, Madhya Pradesh, India, chosen by a commission led by Dr. Gauri Shanker Lal Das.

Dr. Mirgendra Raj Pandey, a renowned cardiologist, and the chief guest presented the award online to the institution's representative. Also, he revealed the Bal Ramayan, penned by the late Pandey.

Despite the fact that he passed away in the past, Sardar late Pandey was a devoted karma yogi. He was an author, scholar, educationist, and spiritualist. Sardar late Pandey held several significant positions in the field of education, including the vice chancellor of Tribhuvan University, the principal of Tri Chandra College, and the first principal of Durbar High School for people of Nepali descent.

Dr. Mohan Prasad Lohani, the committee's advisor, emphasized the spiritual aspects of the late Pandey and his commitment to Hinduism and philos-



ophy in his eulogy. Conducted by Shubha Pande Pant, General secretary Dr. Niel Pandey recalled his grandfather's word to work from shadow rather than coming to the frontline.

Dr. Badri Raj Pande, the late Sardar Pandey's son, recounted from his seat his father's accomplishments and contributions to the world's educational system. Late Pandey took the initiative to promote higher education as the principal of Tri Chandra College and as the founder of the School Leaving Certificate Examination at Darbar High School. He established postgraduate science education in Nepal when he was the vice chancellor of Tribhuvan University.

He was successful to shift the venue of SLC examination from Patna in British India to Kathmandu so that the examinees would not need to travel to India. Further he also made it

possible for examinees to appear in Nepali medium.

Sardar Late Pandey was a devoted adherent of the Gita and the Bed and a very spiritual man. Dr. Lohani highlighted the spiritual life of Sardar Pandey.

Even 123 years later, people and well-wishers continue to remember the efforts and contributions of the late Rudra Raj Pandey, who is one of the few to have such a devoted family.

Sardar late Pandey was a self-made commoner from a far-off hamlet who was born in Kathmandu. Dr. Pandey, who holds an MA from Allahabad University, and has dedicated his life to advancing Nepali literature and education.

According to what is said, people pay for what they do and much more so for what they have enabled to happen via their simple choice of lifestyle. People receive lives based on their Karmas from previous lifetimes, claims the Bhagavad Gita. So what did I do in the past to make my life so wretched and pointless? Why didn't I have a wealthy family that would have supported me or lived in a better nation?



## सचेत रही ग्याँसको प्रयोग गरौं, दुर्घटनाबाट बचौं।

- ग्याँसको चुल्हो बालेर भान्सा छाडी टाढा नजाऔं।
- प्रयोग गरिसकेपछि ग्याँसको चुल्हो र रेगुलेटर बन्द गरौं।
- यथासम्भव ग्याँस सिलिण्डरलाई भान्सा कोठाभन्दा बाहिर राखौं।
- ग्याँस सिलिण्डर, रेगुलेटर र पाइप समय-समयमा जाँच गरौं, कुनै खराबी वा टुटफुट भए तुरुन्त फेरौं।
- ग्याँस सिलिण्डर लिँदा सिल भए/नभएको तथा सिलिण्डरको समायवधि अनिवार्यरूपमा हेर्ने गरौं।
- तौल कम भएको, धेरै गन्हाउने (लिक भएको शंकास्पद) सिलिण्डर घरमा नल्याऔं।
- ग्याँस गन्हाएको बेला बिजुलीको स्वीच, सलाई, लाईटरको प्रयोग नगरौं।



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