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The National Newsmagazine

# SPOTLIGHT

Aug 24-30, 2007

## Climate Change Affecting Livelihood

Politics : Emerging Pressure Groups  
CA Polls : EC Marches On

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All for one, Tuborg for all!



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GOLD

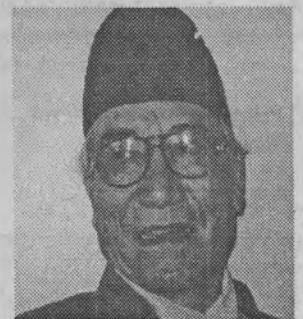
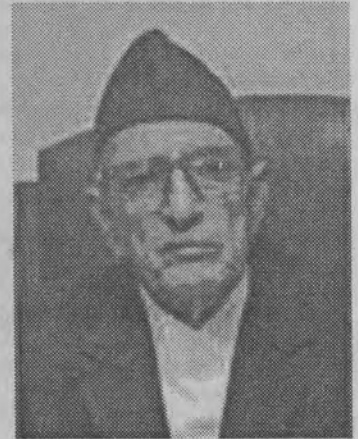
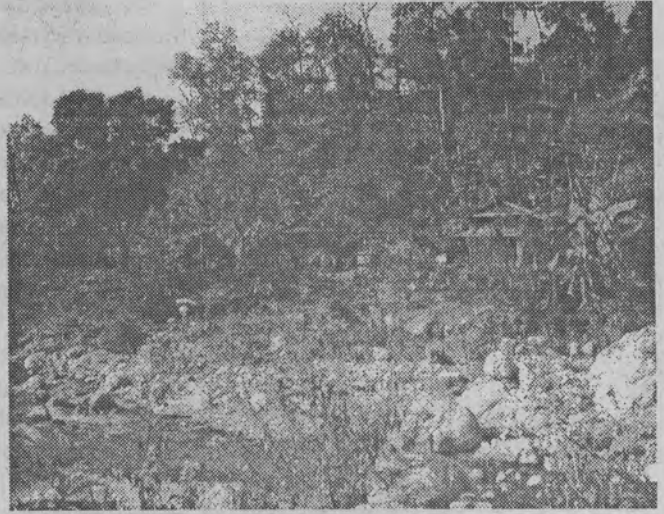
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**SPOTLIGHT**

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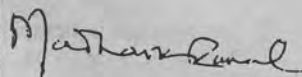
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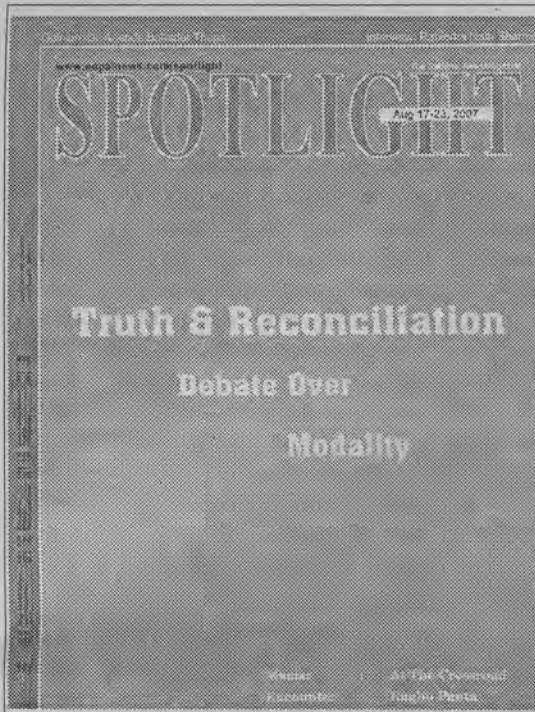
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**T**he enthusiasm of the Election Commission for holding the elections to the Constituent Assembly is, indeed, commendable, but, unfortunately, not infectious. The country's need for a people-made constitution is uniquely important and unavoidable. But the overwhelming uneducated populace is totally ignorant about its importance. And the political parties that are holding the reins of the government don't feel the necessity of educating them. Neither any of the eight parties in power, sincerely wants the elections to take place. Their vociferous outbursts are meant only to fool the world. Otherwise, they all would have worked to restore peace and normalcy and law and order without which elections are not possible. The Maoists, too, have gone back on their agreement and want the fulfillment of their demand for declaring Nepal a Republic before the elections. They know that this present interim parliament itself is unconstitutional and has no constitutional mandate even to pass laws. Any strong subsequent government can easily nullify all of its activities. And now the Maoists have even announced that they would start agitations from 1 Aswin. Because of Madhesi agitations to drive the non-Madhesis out of Terai, thousands have been forced to flee their homes. Unless these Madhesi groups change their behavior and restore trust and confidence in the terai, no elections are possible howsoever hard the EC may work and try. The armed Madhesi groups, the Jwala Singh and Goit, have even announced they will not only boycott the elections but obstruct it, if necessary, violently. It is needless to emphasize that unless the eight parties unite to restore total law and order in the country, the CA elections are not possible. And the eight parties can unite and Madhes can become peaceful if India so desires. It is no longer a secret that India wields a big influence on the bigger political parties and on the Madhesi groups as well. A strong, stable and affluent Nepal would not only be a good friend but also work as a bulwark for India. Why should she keep on destabilizing poor Nepal when it could boomerang against her is very enigmatic. A traditionally friendly country with intimate social, cultural and religious ties, with millions of Nepalis living in India for decades and hundreds of thousands of Nepali Gurkhas serving in the Indian army, it could never be in India's interest even to generate unfriendly feelings in poor Nepalis. The day she fails to keep the pliant politicians in power, she might have to face unnecessary botherations. Even though small, India must be happy to have Nepal, the only friendly country in her neighborhood. Consequently, India must play a very positive role in the ensuing elections to the CA in Nepal. Only a free and fair elections can guarantee an honest and patriotic government in Nepal. And India should never overlook the axiomatic truth that sincere friendship can be established only with men of integrity and character and not with politicians who are opportunists and sell their morals. We do trust India will not hesitate to realign her policies and behavior towards Nepal and sincerely try to cement the relationship by casting off their usual vacant rhetorics. We would like to make an earnest appeal to India to grab this opportunity and help Nepal produce a set of honest and patriotic leaders so that they will be able to build up a strong and respectable relationship with her big and mighty neighbor.



**Madhav K. Rimal**  
Chief Editor & Publisher



## On TRC Bill

The cover story pointed out the importance of reaching a true reconciliation to heal the wounds of the past ("TRC: Debate Over Modality" SPOTLIGHT August 17). It shows how South Africa could come out of apartheid regime and march towards democratic development. South African people are now reaping the benefits of their prudent decisions. Instead of engaging in vengeance and revenge, they reached true reconciliation.

*Srijana Basnet  
Ghattekula*

## Toothless TRC

The cover story on TRC was interesting ("TRC: Debate Over Modality" SPOTLIGHT August 17). But it appears to layman like me that the very purpose of creating a TRC will be defeated if everybody is given a general amnesty. Past perpetrators of rights violations must be brought to justice. Only justice can ensure peace in a deeply divided country like Nepal. Therefore, there is a need to add teeth in the draft TRC bill to make it stronger

*Pranay Gupta  
New Road*

## Don't Be One-Sided

When preparing the Truth and Reconciliation Commission, the government must take maximum care to avoid becoming one-sided ("TRC: Debate Over Modality" SPOTLIGHT August 17). It is learnt that in its current form, the draft bill on TRC has a provision whereby all those crimes committed can be given amnesty if the crimes are committed in the name of some political ideology. This is nothing but a naked and shameless attempt to protect the Maoists who have killed thousands of innocent people in course of their bloody insurgency. If the TRC has to be formed, let it be independent and unbiased so that even the Maoist leaders can be brought to justice for the past crimes. Otherwise, they will only try to take action against what they term as

elements of old regime. That will be nothing but naked vendetta. If that happens, the country will land in a disaster.

*Prabodh Singh  
Anamnagar*

## Arrogant Remarks

Indian ambassador Shiva Shanker Mukharjee's recent comment on holding constituent assembly elections showed that a small country does not have the right to decide its own fate. We know India is a big power but it cannot intervene Nepal's internal affair so nakedly. Of course, Nepalese want to see the elections for constituent assembly but it is not for the Indian ambassador to dictate as if he is a viceroy. This kind of statement will serve neither Nepal's interest nor India's interest as Indian policy makers must see how Nepal's northern neighbor responds in a situation when India expresses its dictation in Nepal. It is strange to see that no one has issued any reaction on it except Maoist leader Prachanda who at least termed Mukherjee's comment as an interference in Nepalese affairs, all our so called leaders listened it as a mantra.

*Sonam Lama, Boudha*

## Reality Check

"What I am earning now is beyond my imagination till five years ago." This sentence extracted from Spotlight (Urban Growth, August 17) shows the reality of today's national life. Yes, lots of people

have migrated from rural area to urban area and remaining also like the same. It has impacted on all aspects of national life and I have, personally too, observed the three basic impacts of such migration on Nepalese society: 1) Economic: people who have migrated to urban area have got relatively better job in general and their income level and living standard have grown up and expenditure level and structure have changed 2) Environmental : because of rabid and huge migration rate into urban area the pressure on infrastructures like water supply and sanitation, hospitals, school, colleges, road and transport, communication etc have increased intolerably people are facing the problems of drinking water, beds in the hospitals, heavy traffic jam and road accident, crimes and unavailability of sufficient telephones, mobile etc 3) Social: people in the urban area have been enjoying better life and having the taste of globalization ; they have been integrating into rest of the world and are facing cultural transition too. So not only they are interested to go out of Nepal to have higher living standard than available in Nepal but also the rural people are willing to migrate into urban area for better life. That is why every rural family who has knowledge about the facility and opportunity in urban area thinks of migrating to urban area or sends at least one members of the family there. And those who go to urban areas will never return to rural areas, in general. Psychologically, people in rural area now think of the "Bright Light" of the urban place. We can not change this mindset easily. Importantly, we can not compel them to stay in rural area in this demand driven era. So my suggestion is that the government, policy makers, researchers now should start to work for the development of industrial and systematic small and medium modern cities. Instead of giving heavy effort to rural development it is better to transfer the rural areas into small and medium towns. The development should be considering geographic and resource availability perspectives at first and then economic, cultural sociological and environmental perspectives should be considered. Since we are at the moment debating the restructuring of the country, I wish the commitment and visible roadmap of eight parties will come out before constitutional assembly.

*Prakash Ghimire  
Kathmandu via-email*

## UN Official Optimistic About Peace Process

B Lynn Pascoe, UN Under-Secretary-General for Political Affairs, wrapped up his two-day visit to Nepal on Sunday (August 19) by addressing a brief press meet. "I should say that from the point of view of New York we feel very strongly that the process in Nepal is a very positive one, very optimistic that the process will move forward, and in talking with various groups I am even more optimistic than I was when I came. I should also say that this includes the holding of the election on the 22nd of November," said Pascoe. He said that the UN will do everything it can to help make it a huge success. "It is critically important to the people of Nepal that their vote be clearly counted, to be very effective, that the election be open and fair and totally transparent, and the United Nations wants to do everything we can to help that to be the case and make sure that is the case." Earlier, he met with Prime Minister Koirala, Maoist leader Prachanda, other major political party leaders, the Foreign Minister, other senior government officials, including the Chief Election Commissioner, civil society leaders, and as well as colleagues at UNMIN led by Ian Martin. *Compiled from reports*

## Jwala Singh Threatens To Derail CA Elections

The Janatantrik Terai Mukti Morcha (JTMM-Jwala Singh) has unveiled a month-long agitation program. Terming the dialogue offer by the government as a drama, the JTMM-J has said that Constituent Assembly election will not liberate Terai. Issuing a statement, Jwala Singh, chief of the armed outfit, has claimed that hill-regime does not have the authority to hold the election in Terai. *Leading dailies report*

## VDC Secretaries' Strike Affects People

The strike by VDC secretaries has affected the people. Due to the strike, service delivery activities like providing recommendations for birth, death, citizenship, land ownership, migration certificates and so on have been stalled. The VDC secretaries have launched strike refusing to carry out jobs assigned for people's representatives. According

to Bhawani Prasad Ghimire, president of the VDC secretaries' association, the government failed to live up to its agreement to have political mechanism in place. The government and the VDC secretaries had reached the agreement one and a half month ago when the government had agreed to set up political mechanism within 15 days to operate the local bodies. *Leading dailies report*

## Prachanda Refuses To Express 'Commitment' For Elections

The eight party meeting held on Saturday (August 18) ended inconclusively after Maoist chairman Prachanda rejected Prime Minister Girija Prasad Koirala's proposal to issue joint commitment for the Constituent Assembly (CA) elections and end the session of the parliament. Prachanda said such commitment should be expressed after doing homework. The next meeting will be held next week. "PM proposed to end the parliament session and demonstrate commitment to the election through joint public meetings. Prachanda replied they will do so after further homework," said Ram Chandra Poudel, Minister for Peace and Reconstruction. At the meeting, Maoists forwarded 18-point proposal to create atmosphere for the elections. "There were calls for expressing abstract commitment for the elections. Abstract commitments would only create confusion among the people so we said that we should create a new basis for republic first," said Dr. Baburam Bhattarai, senior Maoist leader. He said Maoists had reiterated their commitment for CA elections. "We have said that new unity can be formed after Congress takes action against the King and decides on establishing republic," Dr. Bhattarai added. The Maoists' 18-point proposal states that the parliament should immediately declare republic since the King and monarchists were conspiring to derail the elections. Their proposal also includes demands to start the process of nationalizing the properties of late King Birendra and also the properties of King Gyanendra which he acquired in his capacity as the monarch. Likewise, they have demanded total withdrawal of army from the palace and set in place an ordinary security

mechanism for the palace; take action against those found guilty by Rayamajhi commission, if necessary, by enacting laws with retrospective effect; immediate formation of security council and democratize Nepali Army; expediting the process of integration of NA and PLA through special committee. They have also called for adoption proportional representation election system, formation of inquiry commission on involuntary disappearances, roundtable conference of all sections of the society including Janajatis and Madhesis, release of political detainees, and compensation of at least Rs 100,000 to families of those killed during "people's war". *Kantipur daily reports*

## RPP Honest Towards CA: Rana

President of Rastriya Prajatantra Party (RPP) Pashupati SJB Rana has said that though his party is honestly committed towards CA elections, the parties responsible to conduct the polls, themselves, have not prepared for the polls. Speaking at a party program in Banepa on Saturday (August 18), Rana said RPP was preparing its election manifesto. "Eight parties are in the government but they are not ruling the country. There are over a dozen armed outfits in Terai but the government has not resolved the problem," Rana said. He added that the government had indefinitely suspended talks with Madhesi group. "Two CDOs and two police posts have already been attacked," he said. *Nepal Samacharpatra daily reports*

## Khimti Power Plant In Troubled Waters; Extra 5 Hr Power Cut Likely

The 60 MW Khimti Hydropower project could shut down any time due to a strike staged by the Maoist aligned workers, the plant management warned Saturday. The country will immediately face at least five hours of extra load-shedding a day if the plant closes down. The approximately USD 140 million plant meets 35 percent of energy need of the capital.

The "run of the river" plant with an annual production of 350 million kilowatt-hours (units) of electrical energy has increased Nepal's installed capacity

by approximately 25%. Daily wage workers employed by Khimti Services Private Company, have padlocked the powerhouse since last Sunday, which might result in closure of the plant, said an official with the Himtal Power Limited, which runs the project. Forty-three workers are demanding a permanent status. "From today, they are allowing only one operator to enter the powerhouse", the official said, adding "if they don't let six operators in then we will have no other choice than to shut down the plant." The workers are also threatening to padlock staff quarters and the mess. The management has also claimed that though the agitating workers were ready for talks to resolve the row, they are being instigated by the local Young Communist League (YCL) activists not to opt for a negotiated settlement. However, Maoist district secretary Kripashwor refuted the allegation. But, he admitted that local Maoist organizations have extended moral support to the agitating workers. The Maoist leader also informed that the party will form its stance on the Khimti project soon as they have invited the workers to discuss the problems. The leader of the agitating workers, Bhakta Bahadur Khatri said they were forced to resort to the agitation after the management turned a blind eye to their 13-point demand, including a permanent status. He said they were working in the project on a daily wage for more than six years. Commercial Operation of the first private sector power project in Nepal based on a Build-Own-Operate-Transfer (BOOT) structure had begun in July 2000. Himtal Power Limited was established in 1993 when Butwal Power Company (BPC) together with the Norwegian companies Statkraft SF, Alstom Power and GE Energy registered the company under Nepal's Company Act 2021 BS.

*Kantipur reports*

### **Govt Vows Action Against Those Who Attacked MP**

Speaking at the parliament, Thursday, Home Minister Krishna Prasad Sitaula has assured to take action against those who attacked MP Som Prasad Pandey. He promised an inquiry and action against those found guilty of attacking UML MP Pandey on Wednesday (August

15) in New Baneshwore. A group of people calling themselves as members of pro-Maoist Young Communist League (YCL) had vandalized Pandey's vehicle and set it to fire. Pandey narrowly escaped unhurt in the incident, which occurred in course of snap bandh called by YCL and pro-Maoist students in the capital on Wednesday. Enraged over the incident, various MPs demanded an immediate investigation and action against the culprits. *Leading dailies report*

### **No Excuse For Not Holding Election: Mukherjee**

Indian ambassador to Nepal, Shiv Shankar Mukherjee has stressed the imperative of holding the Constituent Assembly (CA) elections on time. "Vast majority of Nepali people are saying that no excuse can be given for not holding the elections, except perhaps by an act of God," Mukherjee told reporters after he addressed a program to mark the 60<sup>th</sup> anniversary of independence of India within the Indian embassy premises in Kathmandu, on Wednesday (August 15). The envoy indicated that further postponement of the elections could raise all sorts of questions regarding the legitimacy of the government. While underscoring the need to strengthen the situation of peace and security, Mukherjee promised India's help in holding the polls. He told reporters that the situation or Terai or law and order cannot be held as excuse for not holding the polls. *Compiled from reports*

### **Police Arrest 46 Armed Cadres Of YCL And ANNISU-R**

Police, on Tuesday (August 14), have arrested 46 cadres of Young Communist League (YCL) and All Nepal National Independent Students Union (ANNISU-Revolutionary) who had resorted to protests against Nepali Congress-affiliated Nepal Students Union (NSU). Police arrested them after they demonstrated wearing combat dress and carrying weapons in Bagbazaar area. Police have also confiscated two vehicles from YCL possession, 28 khukuris, and six iron rods from them, according to Superintendent of Police Sarbendra Khanal. He said the cadres were arrested from Sundhara, Ratnapark, Ghantaghar,

Shahidgate and Bagbazaar areas. Police said that some had covered their weapons with clothes or paper while some were openly demonstrating them. Clashes had occurred between pro-Maoist students/YCL and NSU students as well as pro-Maoists students/YCL and police. In Bagbazaar, NSU activists had gheraoed the office of the ANNISU-R, which enraged the latter. The ANNISU-R has decided to hold demonstrations in the capital on Wednesday. On Tuesday, all the educational institutions had remained closed at the call of NSU. Tuesday's clashes ensued as NSU protested against attack against its cadres in Thapathali campus on Monday. Meanwhile, the Home Ministry has raised strong objections on the use of combat dress by some cadres of Young Communist League (YCL) in rallies taken out by YCL and pro-Maoist students protesting against Nepal Students Union (NSU). Issuing a statement on Tuesday evening, the Ministry has said that wearing combat dresses and demonstrating them in public are a clear violation of peace agreement. The Ministry has asked the Maoists and its sister organizations to immediately stop demonstrating combat uniforms and creating terror in the public. *Compiled from reports*

### **Deuba Sees Little Possibility Of Congress Unification**

Unlike earlier pronouncements, Sher Bahadur Deuba, president of Nepali Congress (NC-Democratic), has said that the prospects of unification of Congress parties have diminished. Addressing his party cadres in Bhairahawa, Deuba urged them to concentrate on strengthening party organization and involve in election campaigns. Deuba said that Prime Minister and president of NC Girija Prasad Koirala was stalling the unity between the two parties. "I told him numerous times that I do not need any position for myself, just ensure respectful unity among leaders and cadres up to district level. He has just been procrastinating," he said, adding, "Now I do not see any prospect for unity. There is no alternative to announcing that there will not be any unity." *Leading dailies report.* ■



PM Koirala administers oath of office to State Minister for Health Shashi Shrestha *Gorkhapatra*

**THE PRO-MAOIST STUDENT UNION** has withdrawn its strike in education sector following a meeting of nine student organizations. The All Nepal National Free Students Union (ANNFSU-Revolutionary) president Lekhnath Neupane said that the strike has been withdrawn. They had launched the indefinite strike demanding release of their activists who have been arrested by police in course of their clashes with pro-Congress Nepal Student Union (NSU) activists last week. NSU president Pradeep Poudel said they have agreed to form a central-level mechanism to maintain understanding among the student organizations.

**THE GROSS LOSS OF NEPAL ELECTRICITY AUTHORITY (NEA)** this year has decreased by Rs 1 billion – primarily due to the depreciation of US dollar during the period along with decrease in the interest rate it pays to the government. This year, the NEA's loss stand at Rs 329.6 million – down from Rs 1.26 billion loss last year. Speaking at an annual program of NEA, executive director Arjun Kumar Karki said that decline in loss was caused by increase in income and control in operating expenditure. He also pointed out at the depreciation of US dollar and decrease in interest rate it paid to government from 10.25 percent to 8 percent as reasons for decline in the total loss. The NEA needs to pay in US dollars for the power it purchases from Bhotekosi and Khimti projects. While the value of one US dollar was Rs 54 during the agreement period, the value rose to Rs 78 last year. This year, it came down to Rs 65 providing a great relief to NEA. At the program, Karki said that the technical losses and leakages have also declined from 25.12 percent last year to 24.94 percent this year. He informed that to overcome load shedding NEA has started Chameliya (30MW) and Kulekhani III (14 MW) on its own resources. He said by this year's end, NEA will invite tender bids to construct Rahughat (27 MW), Upper Trishuli (60 MW) and Upper Tamakosi (309 MW).

**FOOD SHORTAGES LOOM IN NEPAL** and other South Asian nations hit by torrential rains, floods and landslides affecting more than 28 million people, the United Nations said on Saturday. The food situation gives "serious cause for concern" due to loss of animals and unfavorable crop prospects following damage to recently planted crops, the UN Food and Agriculture Organization (FAO) said on its website. "Opportunities for replanting once the water has fully receded are limited as the sowing period of the main cereal season normally ends by mid-August in Nepal," it said. Nepal's Tarai region which serve as the country's grain basket — accounting for over 70 percent of rice production — have been hard hit. Although water levels have receded from the second week of

August, thousands of hectares of agricultural land have been destroyed at the peak of the planting season and the outlook for production has worsened, the FAO said. Food shortages in the Tarai, which was also affected by drought and floods in 2006, are likely to worsen, the food agency added.

**THE WORLD BANK HAS APPROVED** the selection of Butwal Power Company (BPC) to build the 30 MW strong Kabeli hydropower project. The government had selected BPC for the project and recommended that to the World Bank. After canceling the 402 MW Arun project more than a decade ago, Kabeli is going to be the first hydropower project to be financed by the World Bank. Sources have said that following the bank's approval, preparations are afoot in the Department of Electricity Development to sign agreement on the construction of the project. The department has also formed a committee headed by deputy director general Shriranjan Lacoul to hold negotiations for the agreement. The committee has representatives from Finance, Water Resource, Power Development Fund and Nepal Electricity Authority. The committee will soon hold talks with BPC to finalize the agreement, source said.

**AFTER FIVE DAYS OF STRIKE**, the export-import trade from Tatopani point – the only overland trade route between Nepal and China – has resumed from Wednesday (August 15). Traders and workers had launched the strike demanding security in Araniko highway. The meeting among representatives of workers, traders and administration held in Dhulikhel has decided to resume the trade activities. The understanding was reached after the administration assured to enhance security mechanisms in the highway. Traders and workers had become enraged after normal trade and transport were frequently disturbed by various gangs in highways who stopped them in the name of YCL or other groups and extorted them.

**THE POLITICS ON PETRO PRICES ARE CARRIED** out in the name of poor people but have actually benefited other classes, reports Kantipur daily. At present, the Nepal Oil Corporation (NOC) incurs least loss in kerosene while it bears greater losses on fuels like petrol, diesel and LPG, which are used by people who can afford. The NOC loses Rs 3.84 per liter of kerosene while its loss on petrol has reached Rs 5 per liter – this subsidy has to be shouldered even by poor people living in remote areas who never use petrol. The LPG or cooking gas, which is consumed most by people living in the capital and in urban centers, causes huge loss to the NOC, around Rs 277 per cylinder. Forty percent of these LPGs are used by commercial enterprises like vehicles, hotels and factories. In diesel, the loss stands at Rs 6.26 per liter. According to NOC spokesperson Ichha Bikram Thapa on the month of August, the loss of NOC reached to Rs 348.3 million – of which the share of kerosene (considered as poor man's fuel) is only Rs 61.4 million. Biggest loss is incurred due to low price in cooking gas (Rs 170 million) followed by diesel (Rs 137.7 million) and petrol (Rs 42.5 million). "If we can adjust the price of petrol and cooking gas alone with their current cost price (in international market), the total loss of NOC can come down to Rs 120 million a month. Then we can gradually increase the price of diesel," said Thapa. As its price in international market has increased, the NOC's loss in August increased by 25 percent. It had committed to pay Rs 2.30 billion to Indian Oil Corporation on August but could pay only Rs 2 billion due to which it is facing some cuts in supply. The outstanding dues of NOC for IOC still remain at Rs 3.2 billion. Its outstanding dues for internal loan stand at Rs 6.5 billion. ■



“We also talked about adopting the SSR (Security Sector Reforms) and not the DDR (Disarm, Demobilization and Reintegration) model to our PLA.”

*Prachanda, Maoist chairman, after his talks with visiting UN Under Secretary General B Lynn Pascoe.*

“There were calls for expressing abstract commitment for the elections. Abstract commitments would only create confusion among the people so we said that we should create a new basis for republic first.”

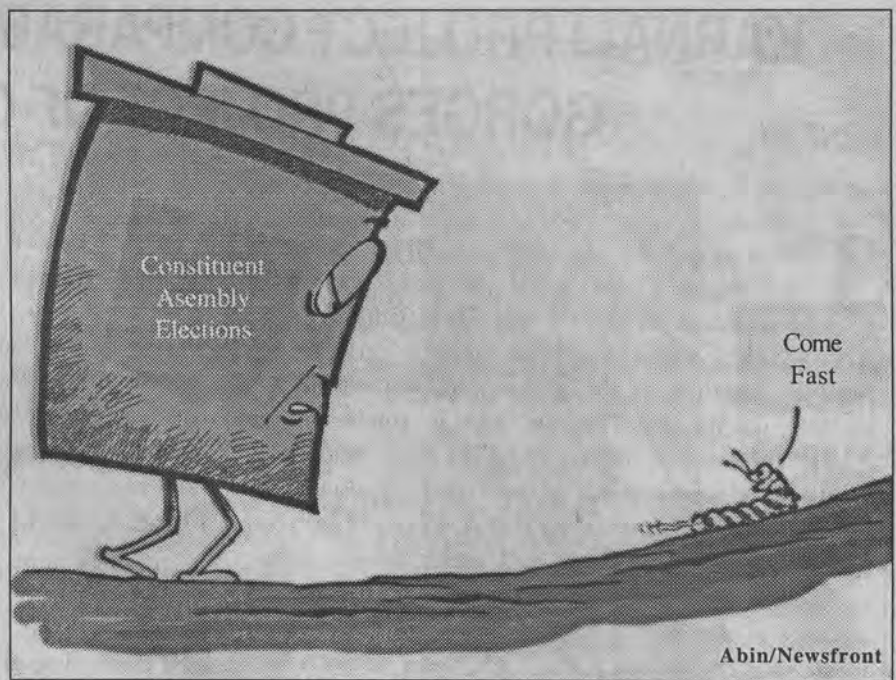
*Dr. Baburam Bhattarai, senior Maoist leader, on why the eight party meeting of Saturday (August 18) ended inconclusively, in Kantipur.*

“I am even more optimistic than I was when I came.”

*B Lynn Pascoe, UN Under-Secretary-General for Political Affairs, at a press meet.*

“Vast majority of Nepali people are saying that no excuse can be given for not holding the elections, except perhaps by an act of God.”

*Shiv Shankar Mukherjee, Indian ambassador, talking to reporters after he addressed a program to mark the 60<sup>th</sup> anniversary of independence of India in the Indian embassy, Kathmandu.*



“Now I do not see any prospect for unity. There is no alternative to announcing that there will not be any unity.”

*Sher Bahadur Deuba, president of Nepali Congress (Democratic).*

“Even though I told them I was just going to park my jeep, some of them poured petrol onto me and my vehicle and set it to fire. Even my clothes caught fire.”

*Som Prasad Pandey, UML MP, describing the attack by cadres of*

*YCL in course of their snap chakkajam on August 15 in New Baneshwore.*

“Only those whose mind works in reverse manner could have launched strike in education sector by making demands that Home Ministry release their activists.”

*Pradeep Nepal, Minister for Education and Sports, reacting to the strike in education sector launched by pro-Maoist students, in Nepal Samacharpatra.*

## TRANSITION

**RETURNED:** B Lynn Pascoe, UN Under-Secretary-General for Political Affairs, after completing a two-day visit to Nepal.

**LEFT:** Madhav Kumar Nepal, general secretary of UML, for ten-day-long visit to European countries.

**REFUSED:** Chandra Prakash Gajurel aka Gaurav, the chief of

international relations bureau of the Maoists, with travel visa, by the Japanese Embassy.

**RESUMED:** The printing and distribution of The Himalayan Times and Annapurna Post dailies after a week-long disruption by pro-Maoist union workers.

**APPOINTED:** Shashi Shrestha, leader of Jana Morcha Nepal, as

the Minister of State for Health and Population, by the Prime Minister.

**PASSED AWAY:** RB Basnet, the president of Bhutan National Democratic Party, who has been fighting for democracy in Bhutan and the rights of refugees, at the age of 59, at Bir Hospital.

# KARNALI PROJECT COMPARABLE TO THREE GORGES PROJECT OF CHINA

By Dr. AB Thapa

**T**he proposed Karnali Chisapani Project is one of the largest in the world. In many ways it is comparable to the China's Three Gorges Project (TGP) which has been drawing since a long time the attention of the whole world because of the enormity of its size. The total storage volume of the Karnali Project reservoir is 39 billion cubic meters and similarly the total volume of the TGP is also about 39 billion cubic meters. After the full development the total installed capacity of the Karnali Project power station is expected to be about 16 million KW. The installed capacity of the TGP would be only slightly greater. It would be 18 million KW. Both these projects can provide enormously large irrigation, flood control and navigation benefits.

## Karnali Project Potential (Chisapani)

The Karnali Project (Chisapani) has the potential to provide irrigation benefits to India that could be as much as two times greater than the power benefit if it is presumed that the hydropower station capacity would be limited to only about 3000 MW to generate electricity primarily to meet the demand for base load and the dry season flow of the Karnali river would be completely used in Nepal whereas the irrigation in India would be entirely dependent on the regulated flow. If Nepal and India agree to follow the principle of sharing of downstream benefits as laid down in the Columbia River Treaty between the USA and Canada, Nepal could have virtually free of cost the Karnali Power Project (scaled down). **The economic potential of the Karnali Project would be lost forever if arrangements are not made with Indian Government to recover the irrigation and other downstream benefits well in advance before taking the decision to implement the project.** A shortsighted decision would not only lead to the giving away of the Karnali water resources but it would also lead to losing the future market for irrigation in India adjacent to Western Nepal that would be saturated with freely available regulated Karnali water flowing into India from Nepal.

## A Unified Strategy

The Karnali, West Seti and Pancheshwor projects are in the same Karnali basin. There is already a network of unified irrigation canal system in Indian territory

to draw regulated flow from these projects. The electricity generated by future power stations belonging to these projects would also have to be supplied more or less to the same region. Nepal should, therefore, conduct a unified study of all these three projects taking into account the demand for power and irrigation in India to determine the best sequencing of these projects from our perspective.

## Flood Control

A document published by the United States Department of Energy under the heading HYDROPOWER FACTS, 1998 indicates that out of the total dams built in the USA the primary benefit of 15% is flood control. The primary benefit of only 2% and 11% are hydropower and irrigation respectively. The Karnali storage reservoir will have enormously large flood storage capacity estimated to be about 11 billion cubic meters. There is a need to carry out the study

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*A shortsighted decision would not only lead to the giving away of the Karnali water resources but it would also lead to losing the future market for irrigation in India adjacent to Western Nepal that would be saturated with freely available regulated Karnali water flowing into India from Nepal.*

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to determine the downstream flood control benefits to be accrued from the storage of flood water. The Karnali feasibility report could not cover the flood control benefit study due to lack of data. A short excerpt from the Karnali project feasibility study on flood control is presented hereinafter.

*"The Chisapani project has a substantial storage volume above the normal full supply level (FSL) for the purpose of storing and reducing incoming flood peaks. These will be discharged over the ungated spillway, which has a crest elevation at the normal FSL of 415 m. The resulting routing of floods will reduce the peak outflow of large flood peaks on the Karnali at Chisapani to about 20-25% of the peak flow. This will eliminate virtually all flood damages on the Karnali below the project site in Nepal, and flood damages will also be reduced further downstream*

*in India, and even in Bangladesh. Benefits further downstream in India and in Bangladesh are very uncertain due to lack of data."*

**Inland Navigation**

In the past the Karnali River was considered to be attractive for the development of navigation right from the Indo-Nepal border till the confluence of this river and the Ganges. The lower reach of this river was used in the past for navigation by steamers. The possibilities for further extension of the steamer services to the north had also been explored in the past. The Central Water and Power Commission of the Govt. of India had carried out hydrographical survey of the Karnali River from the Bahramghat to the confluence of this river and the Ganges a distance of 446 km. This survey was done in the years 1943-53 to explore the possibility of improvement and extension of navigation on this river by powered crafts. These surveys revealed that there were only 5 shoals under 90 cm at low water between Burhaj and Bahramghat a distance of about 300 km. The minimum depth was 75 cm. These depths were available without any river conservancy works. All other conditions of navigable channel such as the width and current of flow etc. were also found to be very favourable. The low water stage in this river is only for a short duration. There is a great urgency to carry out detailed study of the Karnali river to develop modern inland waterway by applying various channel improvement technologies. Needless to say that the consent of India is necessary to develop the Karnali waterway linking Nepal with the Ganges. Thus any difference in opinion should be settled with India before we take the decision to implement the Karnali Dam Project at Chisapani.

The Government of India has recently completed the construction of the Sarda-Sahayak scheme to use the water of the Mahakali as well as the Karnali River purely for the purpose of irrigation. Under this project a big canal has been provided that starts right from the Indo-Nepal border and ends at a point very close to the Ganges. This canal is 288 km long. This canal could be made navigable. It appears that this decision to build a canal solely for irrigation without a navigation component seemed to have been disapproved even by the Govt. of India experts looking after the inland navigation.

Mr. Verghese B.G a well known Indian journalist writes "The Planning Commission's IWT consultants lament the fact that the parallel Ganges Canal now under construction in UP, like the long Sarada Sahayak Canal, is being constructed without a navigation component. Most often the sponsoring department - Irrigation in this case - is not concerned with navigation and is reluctant to think of larger dimensions while struggling to get approvals for its own

project in the face of resource constraints. If planning were better integrated and had a longer perspective, some of these problems might be avoided".

In Europe there are innumerable cases when the existing small canals had be upgraded to raise the capacity to 1,350 ton standard. It could be of great interest to take up the study to convert the Sarda-Sahayak canal into irrigation cum navigation canal. .

**In Conclusion**

The Karnali Dam project at Chisapani has been a dream of the Nepalese people for last 50 years. Our government should not compromise national interest for the sake of a quick deal. The advice of Mr. Paul D. Terrell Jr. of Bechtel Company of the USA, who worked as Chief Advisor Consultant of the Karnali Project, is very close to the heart of every Nepali. Mr. Terrell had advised us "**The present institutions should beware of giving away Nepali Children's rightful inheritance**"

*(Dr. Thapa writes on water resources)*

**NA Chief Visits UK And Australia**

At the invitation of the government of the United Kingdom, General Rookmangud Katawal visited the UK for one week. Besides meeting his counterpart and other dignitaries, he also spoke at the International Institute of Strategic Studies (IISS). He also visited Australia to participate in the conference of the Pacific Army Chiefs, co-sponsored by the American and Australian Armies. General Katawal briefed the dignitaries and participants on both occasions making it clear that



the Nepal Army was fully committed to root out terrorism from Nepal and would never permit extremism to succeed. When asked what was the state of communism in Nepal, Katawal is reported to have told them that communism had failed all over the world and outlived its utility. It is also reported that the Army Chief might also be invited by other friendly countries like the USA, China and India. ■

# Emerging Pressure Groups

Generally people talk of lack of leadership, but it is not only the leadership but emerging pressures groups – some parasitic and some popular – that are changing the course

By KESHAB POUDEL

If recent trends are any indication, emerging pressure groups are showing their detrimental role in the party politics. From largest Nepali Congress to CPN-UML and even CPN-Maoists, there are emerging pressures groups who are putting a lot of pressures on party leadership making a difference in the decision making.

Among two pressure groups, parasitic –with no popular grass root support but its sources of finance and its source of inspiration through dynastical or familiar relationship – is now in driving seat. As they thrive even on the linkage with the external power groups, prolonging instability will favor them..

On the other hand, there is another kind of pressure group with a strong grass root support and base. Popular pressure group is not merely silent followers but are in a decisive position. Whenever the time comes for the party to test its real strength through the elections, political parties require their support.

“Our aim is to uphold the principle of the party but we are ignored by party leaders in the political process,” said K.B. Gurung, general secretary of Nepali Congress. Gurung was elected from Ilam in 1999 elections.

Similarly, Maoist leader Prachanda, in his recent interview to Nepal magazine, revealed that his party is not in a position to ignore the voices of popular pressure groups at grass root.

“We have to follow the pressure of popular leaders of grass root,” said Pushpa Kamal Dahal.

In politics, parties have a greater role to play about the forms of government and its policies. Similarly, in each party, there are persons and groups who are counted as more than silent followers.

## Parasite and Popular Pressure Groups

The strength of any political party lies in getting the widest support from its base as far as possible. In each party, the persons and groups who carry powerful and effective pressure are counted much during the popularity test. Such pressures groups have upward as well as downward contacts and roots.

“One type of pressure groups consists of persons with popular grass root and closer with the common people’s feeling and aspirations. This can be understood as a pressure group having base at the grass root. But political party may have also its sources of finance and its source of inspiration through dynastical or familiar relationship. Some may have linkage with the external power groups and covert agencies. All these categories of politicians can be bluntly put into the category of parasite politicians,” said a political analyst.

According to the analyst, parasite politicians themselves don’t have any essential and entrancing quality to emerge as a leader. Due to the dormant



**Koirala:** Who is decisive?

nature and passive attitude of the people at the grass root, the leaders, who represent grass root, are easily sidelined by dominant class of parasite leaders.

Many leaders in Nepali Congress, CPN-UML and CPN-Maoist with strong grass root base are sidelined by such category of leaders. In Nepali Congress, all the leaders like K. B. Gurung, Govinda Raj Joshi, Binaya Dhoj Chand, Sunil Bhandari, Laxman Ghimire, Khum Bahadur Khadka and Mahesh Ahcarya are sidelined whereas many untested faces are dominant in prime minister’s decision making. This is similar in all the political parties.

“More the democracy is there, more the grass root leadership comes out in its real leadership role. For that a stable process of democracy is needed with associable law of governance and justice, periodical elections to elect or unseat representatives in the legislature. All these essentials require exercises of fundamental freedom,” said the political analyst. “In such a democratic society, the parasitic leadership is pushed behind and put into oblivion,” said the analyst.

The political sky of Nepal at present is of unusual nature. Nepalese people

have not been able to cast their valuable votes to elect their representatives, to make the law and run the government.

"We must give due respect to the grass root leaders. They are the leaders who counted much in unification process," said former prime minister Sher Bahadur Deuba.

"In this unusual situation, no political party needs the leaders with popular vibrations in the grass root but what one can see is the dominant and determining role of parasitic class of politicians," said the analyst.

### Political Alliance and Reliance

Nepal has gone through several momentous ups and downs after the last general elections of 1999. All political parties have changed their roles within this period. Governments led by G.P. Koirala, SB Deuba and others termed Maoist as No 1 enemy when they were in government. Getting out of the power, all sided in the alliance of Maoist insurrection. Nepal set unique record where previous no 1 enemy now shares all the powers of the state.

"As it is said there is no permanent enemy and friend in politics, Nepal has glaring examples of that. In such a confusing political mess one has to walk wisely and carefully. It is not only the wisdom of Nepalese which determines the course of its history but its typical geo-political adventure which has assured one thing, there is no other way to Nepal and its neighbors except to live and let live as independent nations," said the analyst.

Whatever one can say in the process of making alliance, none of these political parties can hold recognition as a force by ignoring their mass base which gives them much needed legitimacy inside the country and abroad.

Some European countries recently invited Pushpa Kamal Dahal for political contact not because he has

arms with him. In similar way, another communist leader Madhav K. Nepal enjoyed the same kind of treatment recently in several European countries. But all those political parties have a mixed set of characters in their organizations. Both these communist leaders have time and again admitted that persons of right or left leaning are working together with them.

Similarly, parties like Rastriya Prajatantra Party (RPP) and Rastriya Jansakti Party (RJP) too have divergent groups in their fold- some are confirmed monarchists whereas some are leaning towards republican model. But, the leadership is not in a position to ignore them. Nepali Congress too has the same position with various pressure groups working for various alliances.

### Liberal and Illiberal Trends

Though there are several parties in the country but some basic trends remains. Generally, there are two major political trends in the country. One is of liberal and another is illiberal.

Liberals of all political parties have a broad based consensus. Illiberal of all political parties bring out the same consequences, disruption, violence and devastations. In effect, it is immaterial whether the person is in extreme right or the extreme left, they bring out the same negative kinds of results as both of them are illiberal.

All these political parties are competing for leadership. If the people at the grass root are allowed to assume their political freedoms, opportunities and exercise their franchise, a realignment of forces will emerge on the basis of their attitudes.

"Let the liberal trends at the grass root emerge as a consensus task for all the political parties who have a strong mass base or who hope to regain it. Let all political parties look to the people and reach into consensus to fulfill not their personal or petty interest but needs and desires of the common people at large who are their real hope for success," said the analyst. "The



Prachanda: All round pressure

emerging liberal trends is the positive trend of the people and it has the potential of delivering useful services to the people whereas the illiberal have tendency to promote more and more illiberal trends in politics which may ultimately bring out all kinds of negative results."

In the process of adjustments and readjustments with various pressure groups, leaders of different political parties are switching their stand. Some prominent political leaders like prime minister Girija Prasad Koirala, CPN-UML general secretary Madhav Kumar Nepal, Maoist leader Puspa Kamal Dahal have become favorite for cartoons as a clown because of their unstable and vacillating posture.

"They are not such light vain character. What makes them appear so unstable is due to their role representing extreme opinions in their party. All these persons have conflicting lobbies with contrasting views and programs while they have to maintain the unity and command trust and respect of all. In the process, they have lost their personal stands and emerged as compromised personality of conflicting trends," said the analyst.

For Nepal, it is the election where a genuine grass root based pressure group can be decisive. ■

## CLIMATE CHANGE

# Consequences On Agriculture

As weather pattern changes, the lives of farmers, which depends on traditional subsistence-based agriculture, have become more vulnerable and difficult. At a time when climate change has triggered erratic drought and heavy rains, more population living below the poverty line are exposed to adverse conditions. Thanks to the intervention programs implemented by UK based INGO, Practical Action-Nepal, farmers living in Chitwan have shown that people need to start alternative agriculture arrangement to minimize the effects of climate change

By KESHAB POUDEL

Top Narayan Shrestha, 31, a resident of Kabilash village of Chitwan district, 140 kilometers south west of capital, has seen many ups and downs in recent years in annual food productions particularly in traditional crops like rice, maize and wheat. As there is less rainfall and warmer temperature, the production has become unpredictable.

Having migrated from the hills due to the Maoist insurgency, Shrestha, who lives with 11 family members, bought a barren land with no irrigation

facilities. The change in rain pattern increased Shrestha's worries as his annual production of rice and maize declined and he could hardly produce enough rice and maize from 0.77 hectors of land.

As villagers of Kabilash were in desperate need for alternative to traditional crops, Practical Action Nepal has come as a rescuer.

With an aim to help people increase their resilience towards and enable them to cope with such adversities, Practical Action-Nepal in 2004, with

the financial support from Allachy Trust UK, has been implementing a three year pilot project increasing resilience of poor communities to cope with the impacts of climate change in Kabilash since October 2004.

Under the program of Climate Change Adaptation in the village, the project has already repaired a small existing irrigation canal and conducted training in vegetable farming, domestic animal health care and goat raising. People like Top Narayan have seen a new change in their lives by

growing vegetables and fruits instead of traditional crop.

“Due to irrigation facilities, I can now grow four crops (maize, paddy, cauliflower and radish) in a year on the same plot. The technical support provided by Practical Action-Nepal became instrumental to me as well as the rest of the villagers,” said Shrestha. “I am also collecting milk from other farmers who started animal farming after the training, I believe that the training and the awareness campaigns made us capable in dealing with situations like droughts and floods through the alternative livelihood options,” said Shrestha with confidence.

People like Shrestha contribute very little to the climate change but they end up facing its worst consequences. According to experiences of Practical Action- Nepal, more people living under the poverty line are less equipped to deal with the changing scenario and, therefore, are exposed to more adverse conditions. “The lack of information and awareness tends to make the whole scenario even worse,” said Upendra Shrestha, fundraising and communication manager, Practical Action-Nepal.

Covering 1,100 populations of six settlements, Practical Action Nepal has been helping people to cope with the impacts of climate changes.

Along with local community, Practical Action-Nepal has already implemented a number of strategies to cope with the climate change. They include natural resource management for reducing climate change effects, adaptation to changing farming systems and practices, strengthening coping strategies for the communities and enhancing complementary

livelihood options and establishing the monitoring systems of climate change at the community/micro level considering the social, economic and natural resource parameters.

### Climate Change: A Reality

Although its effect is seen very slowly, climate change is no more an issue of academic debate but a reality now. The research conducted by

Outburst Flood to melting snow and decrease in monsoon rain, increased frequencies of water induced disasters; studies have indicated a number of things.

“Though Nepal is one of the least contributors of Greenhouse Gases (GHG) in the atmosphere, it is one of the most vulnerable countries of the world (to the effects of GHG-triggered



**Damages by flash flood:** Increasing phenomena

*Photo: Practical Action*

experts and records accumulated by the organization like Department of Hydrology and Meteorology have already shown that rain precipitation pattern is changing as the number of warmer days is increasing.

Supported by Asian Pacific Network for Global Change and Department of Hydrology and Meteorology, and in collaboration with Bangladesh and Pakistan, research conducted by young Nepalese scientists has revealed that various implications of climate change are occurring in Nepal. From Glacier Lake

climate change). The observed rate of increase in annual mean temperature from 1975 to 1995 is 0.04 degree Celsius a year. Although warming is evident in all seasons, warming in winter season is higher than other seasons. Similarly, both the days and nights are becoming warmer with lesser frequencies of cool days and nights,” said Dr. Madan Lal Shrestha, director general of Department of Hydrology and Meteorology. “Although statistically insignificant, the trend related with the number of rainy days shows they are decreasing.

But heavy rainfall events are on the rise, thereby, increasing floods and landslides.”

The first impact of the climate change will be seen in agriculture sector. “Impacts of climate changes on actual and potential yields on three major crops: rice, maize and wheat across different agro-ecological belts (mountain, hill and Teri) showed that doubling of CO2 and temperature rise will have positive impacts on major crops in all eco-zones, however, negative effects were realized on maize with rise of temperature exceeding 2 degree Celsius in plain areas. Mountain environment will be more favorable than the tropical flat lands for major crops. Tropical crops are likely to move upwards with increasing global temperature. Present level of marginal surplus will continue



**Building retaining wall:** Safety from flash flood  
 Photo: Practical Action

to decline and the country may face difficulties to attain agriculture sufficiency,” said Alok Sharma presenting his paper on Impacts on Agriculture presented at the interaction program on role of climate change in the development process. “We need to introduce the crops

adaptive to the change.”

Although only a few researches have been done to predict the implications of climate change, it is now a reality in our society. From flood to droughts and unusual rains and warming temperature, all kinds of changes are occurring threatening the life of rural people.

“Farmers living in fragile environments will be the first victims of its adverse impacts such as floods, droughts and diseases. Provided



**A woman raises goats:** Alternative livelihood

alternatives and other mitigation programs, we can reduce the threat. This is what four year long experiences have shown in K a b i l a s h villages,” said G e h e n d r a Bahadur Gurung, team leader

**R e d u c i n g**

Vulnerability. “Because of low rain pattern, farmers were unable to plant rice in the villages. Thus, we decided to introduce alternative crops like vegetables and others. In the substitution of rice, we are introducing vegetables and horticulture. Along with providing the alternative crops,

we have launched number of awareness campaign about the need to follow the diversification of crops to cope with new situation.”

Despite visible changes occurring in the climate, the government is yet to introduce the policies to fight with the effects of climate change.

“We have been launching other programs to generate awareness about climate change but this is the first one focusing on the adaptation,” said Upendra M. Shrestha. “We are planning to extend these kinds of program in various regions.”

“Temperature change analysis shows the warming by 1.5 degree Celsius to 3 degree Celsius over different season in the mid-21st century. Warming is likely to be higher in the northern part over the Himalayas than in the southern part. Moreover, warming will be the highest in winter season and the minimum in pre-monsoon season. Precipitation change analysis has already shown decrease in



precipitation in the eastern Nepal in all the season with decrease up to 40 percent during monsoon," said Saraju Baidya in his research *Climate Trends in Nepal*. "This change in precipitation is going to affect cultivation of land."

### Mitigation Measures

Climate change is now going to be a part of day to day life. What the country now requires is mitigation and adaptation programs for the farmers as implemented by Practical Action-Nepal in Chitwan.

"Climate change is going to have major impact on agriculture sector which will ultimately affect our poverty reduction strategy. We have incorporated some programs in interim plan to mitigate the impacts," said Dr. Jagdish Chandra Pokharel, vice chairman of National Planning Commission.

Despite the change is statistically insignificant, there is already change in the pattern of monsoon rainfall which is detrimental to agriculture.

Water conservation, efficiency of water use, exploitation of renewable energy and development of forecasting and warning are some of the ways for the adaptation. Construction of reservoir reducing the discharge during severe flood and development of forecasting and warning system are some of the key factors for mitigation.

"Water resources are sensitive to climate changes as a hydrological cycle is considered as a fundamental component of climate system. Depletion of water resources and increased frequency of water induced disasters are some of the challenges



**Hilly Communities:** Threat of landslides

Nepal is going to have to face as a result of climate change," said Dr. Keshav P. Sharma in his paper *Impacts on Water Resources*. "The study indicated that higher sensitivities of high flow to precipitation changes and high sensitivity of low flows to temperature changes. The higher sensitivity of hydrology during low-flow season is of particular concern for the efficiency hydropower and irrigation systems. Similarly, climate as well as water resources play important roles in agriculture."

Experts point out that improved and efficient technologies are the best approaches for any adaptive measures in water resources and agriculture. Water conservation technologies, integrated water resources management, use of adaptive crop varieties, improved seeds including hybrids, efficient use of fertilizer, irrigation and crop diversification may reduce the likely impacts of climate

changes. In addition, there is an urgent need to accelerate the climate change studies in greater depths for innovative technologies, reducing uncertainties related to data gaps and for developing appropriate models to address regional heterogeneities.

For the farmers living in Nepal, the pattern of temperature and rain has already disturbed the regular life cycle affecting the traditional crops. Though the climate change is the reality in the life of many, only a few farmer know about how warming earth is bringing the change and making their life vulnerable.

Shrestha like other villagers of Kabilash village in Chitwan has shown that there is a way out to mitigate the effects of climate change. Although it is just a pilot project, the Practical Action-Nepal's efforts have shown that there is a way out to adapt with this new reality. ■

# "Nobody Can Override Sovereign Rights Of Citizens"

-KB Gurung

*Nepali Congress general secretary KB GURUNG has had a long innings in politics. A member of Legislative Parliament, Gurung, who was elected from Ilam district in 1999 elections, spoke to KESHAB POUDEL and SANJAYA DHAKAL at Nepali Congress Central Office. Excerpts of half an hour interview:*

**What is your stand on various issues including the political disputes on monarchy, republican, federalism and proportional representation?**

*We don't know who prevailed in decision making and how decisions were taken. When we asked prime minister Girijadaju, he expressed regrets and unhappiness over some of the decisions.*

First of all, the priority of Nepali Congress (NC) is to protect sovereignty and independence of Nepal by championing liberal democracy. Nothing is greater than nation. So far as other political issues are concerned, NC has already said that it will accept the verdict of the sovereign people expressed through the free and fair elections of constituent assembly. So far as the election modes are concerned, all eight parties have already agreed that the elections should be based on mixed pattern. Nepali Congress follows the supremacy of the people.

**Maoists have recently said that they want to declare republic from the interim parliament arguing that monarchy is a stumbling block against holding the elections? How do you look at it?**

As I have already said it is for the sovereign people of Nepal to decide what kind of political system they want and what they prefer. No party has the right to override the sovereign rights of citizens. Nepali Congress respects the decisions of the people. Since all eight parties have already signed a document that the fate of the monarchy will be decided by the first meeting of Constituent Assembly, all of us must abide by that document.

**Don't you think the present interim legislature has the right to declare Nepal as a republic as said by Maoists?**

This interim parliament does not reflect the real opinion of the people. Thus, it does not have right to take such a major decision. Again, Nepali Congress will respect the sovereign rights of the people and we are bound by the constitution.

**What exactly is the stand of Nepali Congress on all these issues?**

Since we are holding the elections for CA, we have to wait for the mandate of the people. Nepali Congress has already said that people are supreme and they should be given right to choose the political system they want. One thing is certain that Nepali Congress is a liberal democratic party and it will oppose any kind of authoritarian system.

**Despite your position as a general secretary of Nepali Congress, you do not seem to have been involved in any major decision making process. Since you are not involved in the process, who is responsible for working out all these agreements?**

It is clear now where the 12 point agreement was worked out and where and when it was signed. Later on, several other agreements were also signed with the Maoists but there are only certain persons from Nepali Congress involved in that. Since home minister Krishna Prasad Sitaula and Dr. Shekhar Koirala were involved in this process along with other members, they have to take responsibility.

**As a general secretary, don't you think your representation in the eight parties meeting is necessary?**

It is for the party president to decide. I cannot force my leader to include me in the process.

**Some of you are raising concerns over the negotiation process. Have you ever discussed these things with prime minister Girija Prasad Koirala?**

We have raised these issues several times at the central committee meeting of Nepali Congress and parliamentary party meeting also. Personally, we also air our grievances to party president and prime minister Girijadaju. Unfortunately, our suggestions are ignored.

**If you say your suggestions were ignored, who prevailed over the decision then?**

We don't know who prevailed in decision making and how decisions were taken. When we asked prime minister Girijadaju, he expressed regrets and unhappiness over some of the decisions. We often make efforts to convince prime minister and we often raise the questions but in vain. We also read in newspapers that there is a coterie around the prime minister.

**Don't you think those who involved in decision making do not care about your party and/or the country?**

Those who are involved in the decision making are also Nepali Congress leaders who know what are the interests of the country and ideals of our party. People around Girijadaju are educated but I don't understand why the results are not coming in line with their commitments. Since I am not a part of the process, I can just wish that they uphold the party's ideals and identity while signing any agreement.

**It is reported that prime minister Girija Prasad Koirala was directed wrongly by a small group. How do you look at it?**

You cannot blame anybody for wrong doing. Person of a stature like Girijadaju does not need any adviser to judge what is right and what is wrong. He must recognize who is misleading him and who is trying to rescue him.

**How much debates and discussions are permitted in your party?**

We discuss all those issues including violation

of the agreement by Maoists and weaknesses of our ministers. Following intense debate, our party has already endorsed the suggestion urging concerned people to correct mistakes. But, the group which is responsible to implement them has undermined it.

**What usually is the response of the prime minister?**

Girijadaju accepts the mistakes and expresses commitment to correct them. So far as the correction is concerned, we have not seen any correction. It is very sad to see even prime minister's commitment not being fulfilled. Since Girijadaju is our respected leader who is now running in 84 years of age, we don't want to hurt him by arguing much.

**Have you met prime minister recently?**

Girijadaju's health is not good in recent days. Whenever we go to Baluwatar, Girijadaju is in the rest room and we are not allowed to meet him. My recent meeting with him was two weeks ago. There are some party leaders who have direct access to Girijadaju and they don't need any permission.

**Some influential Nepali Congress members including former co-general secretary Govinda Raj Joshi, central committee members Laxman Prasad Ghimire, Binayadhoj Chand and Sunil Kumar Bhandari are raising fundamental questions regarding your party under your leadership, what is your ideological stand?**

Yes, we all are concerned about the future of country and future of liberal democracy. This is a gathering of likeminded people of Nepali Congress whose only interest is to protect the ideology and identity of country. We never raise any personal matter. We are working to uphold the party's spirit - nationalism, democracy and socialism is the basic ideals of our party.

**Don't you see yourselves as a pressure group?**

Once you get the membership of particular political organization, you have to give up your personal interest and work to uphold party's ideology. We must abide by party's discipline and it is applicable to all. Nobody can go against the party's ideology. Whenever our nation's identity and democracy is under threat, we cannot remain silent.

**You are organizing in a group but you said this is not a pressure group. What do you mean?**

One must be clear that ours is not a formal group. Some persons of Nepali Congress sit together and discuss the lapses and lacunae of the party. When we feel necessary, we also convey these things to prime minister and party president. We don't want to create any faction in the party. Our aim is to advise party leader whenever the party goes out of track. Many decisions taken by our party is against the norms and ideals of democratic party.

**How does your party president take your comments?**

Girijadaju has not said anything about us. If concerns raised by us are wrong and personally motivated, Girijadaju must advise us whether it is right or wrong since Girijadaju is our leader. We respect him.



**Some of your colleagues argue that your dissension is individually directed against the persons like minister Ram Chandra Poudel, home minister Krishna Prasad Sitaula and prime minister's nephew Dr. Shekhar Koirala, who are now regarded as members of an inner coterie of prime minister. How do you look at it?**

We don't have anything against any individual. Our aim is to raise concerns about the mistakes committed by those close to the leadership.

**Do you see there is utility of B.P. Koirala?**

As B.P. Koirala said, our stand is nationalism and democracy. If we fail to make balance between them, our party will lose identity. B.P. Koirala's views and ideas are always relevant to our party and country. As he said, there is a need for reconciliation among all the political forces to uphold Nepal's sovereignty and independence. We cannot bring long lasting peace in Nepal without that. His recently published book, Raja, Rajniti and Rastriyata gives clear picture regarding our country, democracy, monarchy and our party. At a time when the country has been passing through a very critical phase, Nepali Congress workers needs to follow B.P. Koirala's national reconciliation.

**How do you see the peace process?**

The peace process is not on the right track. Maoists are violating all the agreements signed between seven party and them. They are yet to return confiscated properties. The properties of Nepali Congress leaders including myself have not been returned.

**Do you see any possibility of holding the elections of CA when Maoists have announced the month-long program?**

Less than three months remain to hold the elections. Month long protest program announced by Maoists will block the election process. At a time when many leaders of the party are yet to go their villages because of Maoist threat, Maoist decision to take physical action will create another panic.

**Maoists and other parties are saying that it is Nepali Congress which does not want to hold the elections. They argue that Congress is unclear about its stand on republic and it is yet to prepare party's manifesto? How do you look at it?**

Nepali Congress has made it clear that it stands for nationalism, liberal and pluralistic democracy and is opposed to any kind of tyranny. It is none of the business of other parties to dictate us what kind of manifesto Nepali Congress needs. We don't need their guidance. I don't understand why they worry for us. If we take any wrong stand, it will benefit them.

**What is the state of unity process?**

I am not involved in the process of unification. Sooner or later Nepali Congress will unite. Girijadaju has also assured us that the party will unite very soon.

*B.P. Koirala's views and ideas are always relevant to our party and country. As he said, there is a need for reconciliation among all the political forces to uphold Nepal's sovereignty and independence. We cannot bring long lasting peace in Nepal without that*

## CA ELECTIONS

# Troubled Waters

Soon after the EC unveiled election schedule, Maoists have released their routine of agitation

By SANJAYA DHAKAL

As only three months remain for the November 22 Constituent Assembly (CA) elections, the major parties have failed to generate confidence among the general population.

Instead of preparing manifestoes and organizing electoral rallies, the major parties are either locked in paralyzed state of indifference or, in the case of Maoists, have gone ahead and announced separate schedule of street agitations.

By unveiling the 22-point demands/preconditions for the elections and warning street agitations ostensibly to create 'framework' for the election, the Maoists have disappointed even those who had earnestly believed that they would come to the mainstream of plural democracy in the country.

In the wake of the fifth plenum where majority of party leaders and workers took the top leadership to task for 'abandoning the revolution,' the Maoist leaders were under pressure to do something. And they seem to have relented with the declaration of the agitation.

"The Maoist leadership seems to be in a dilemma. Although they want to stick with the peace process, the pressure has been so great that they could not convince their workers and now they have to show that they are doing something. Unfortunately, this will further weaken their positions since it will only trigger distrusts and mistrusts among the ruling alliance as well as international community," said a political commentator.

The Maoist leaders have defended their decision by saying that their

agitation will actually create favorable atmosphere for polls.

"It is strange to find some people accusing us of trying to disrupt the polls. The Constituent Assembly has been our agenda so how can anyone else support it more than we do," claimed senior Maoist leader Dr. Baburam Bhattarai.

On Monday (August 20), Prachanda and Dr. Bhattarai, in his capacity as coordinator of United Revolutionary Front, issued separate statements putting forth 22-point preconditions.

They have declared a series of agitation programs in the next two months. Their major demands include announcement of republic from the parliament before CA polls and proportional electoral system. Otherwise, they have warned, they will launch agitation from the streets, from the parliament and from the government. Till mid-September, they have said they will engage in publicity campaigns and mobilize workers. From mid-September, they will launch demonstrations, political strikes and take "people's action" against regressive elements.

The Maoist decision has perturbed other leaders of the seven parties who say that the agitation at this juncture could only end up disrupting the polls.

The Maoist plan of agitation came a day after the Election Commission (EC) approved the election schedule as well as code of conduct for the Constituent Assembly (CA) elections.

The EC has stated in its statement that the filing of nominations for the candidates of direct election will open on October 5 and the final list of candidates will be published on October 10.

Likewise, for proportional representation based election, the parties will have to submit their closed list of candidates on September 30 while the final list of candidatures will be out on November 2.

The EC has approved the Constituent Assembly Election Code of Conduct 2064 for the political parties, their candidates, electoral officials and the media. As stated in the Code of Conduct, each candidate of the direct voting can spend a maximum of Rs 459,500 on election campaign whereas the candidates of proportional electoral system can spend up to Rs 50,000. All kinds of opinion polls since the opening of registration of candidature till the end of voting will be banned.

The Code of Conduct strictly discourages use of provocative expression against particular community, ethnic group, religion, linguistic group or region. It also bans use of publicity materials made of plastic and has restricted mass meetings and rallies within 7:00 am to 7:00 pm. It prohibits writing slogans and sticking pamphlets in walls/houses of private citizens. It also prohibits the parties from staging rallies by disturbing public movement. The code of conduct also alerts media to be accurate, balanced and unbiased in their reporting. Those found violating the code of conduct could face various punishments. The EC can even cancel the candidature if one is found to have seriously violated the code.

Furthermore, even Jwala Singh faction of the Janatantrik Terai Morcha has unveiled its set of programs warning to derail the elections. Terming the dialogue offer by the government as a drama, the JTMM-J has said that Constituent Assembly election will not liberate Terai. Issuing a statement, Jwala Singh, chief of the armed outfit, has claimed that hill-regime does not have the authority to hold the election in Terai.

Amid these developments, the government is in a race against time to create a favorable atmosphere to hold the election on schedule. But the alternative is even more incomprehensible. ■

## MAOISTS DECIDE TO DIVIDE COUNTRY INTO 11 STATE COMMITTEES

The central committee meeting of the Maoists, which was held in order to implement the decision of fifth plenum, has decided to divide the country in ethnic and regional lines into 11 state committees.

As per its decision the eleven state committees include Seti-Mahakali; Tharuwan; Bheri-Karnali; Magarat; Tamuwan; Tamba Saling; Newa; Madhes; Limbuwan; Kirat and Kochila. The Madhes state committee is further divided into Mithila, Bhojpora, and Abadh sub-state committees, according to a statement issued by Prachanda on Thursday (August 16).

According to the statement, the Seti Mahakali state committee headed by Kul Prasad KC will include Darchula, Baitadi, Dadeldhura, Bajhang, Bajura, Achham and Doti districts. The Tharuwan state committee headed by Shakti Basnet will include Dang, Banke, Kailali, Kanchanpur and Bardiya districts.

The Bheri Karnali state committee headed by Khadga Bahadur Biswakarma will include Humla, Jumla, Mugu, Kalikot, Dolpa, Jajarkot, Dailekh and Surkhet districts. Likewise, the Magarat

state committee headed by Hemanta Prakash Oli will include Rukum, Rolpa, Salyan, Pyuthan, Arghakhanchi, Gulmi, Palpa, Baglung, Myagdi and Mustang districts.

The Tamuwan state committee headed by Hitraj Pandey will include Parbat district of Dhaulagiri zone and all districts of Gandaki zone. The Tamba Saling state committee headed by Kanchan Sapkota will include Chitwan, Makwanpur, Sindhuli, Ramechhap, Dolakha, Sindhupalchowk, Kavre, Rasuwa, Nuwakot and Dhading districts. The Newa state committee headed by Hitman Shakya will include Kathmandu, Lalitpur and Bhaktapur districts.

The Madhes state committee is headed by Post Bahadur Bogati. It is divided into three sub committees. The Mithila subcommittee headed by Matrika Yadav will include Siraha, Saptari, Dhanusha, Mahottari and Sarlahi districts. The Bhojpora sub committee headed by Hari Bhakta Kandel will include Rautahat, Bara and Parsa districts. The Abadh sub committee headed by Devendra Poudel will include Nawalparasi, Kapilbastu and Rupandehi districts.

The Kirat state committee headed by Gopal Kirati will include Solukhumbu, Okhaldhunga, Udayapur, Khotang, Bhojpur and Sankhuwasabha districts. The Limbuwan state committee headed by Ram Karki will include Taplejung, Panchthar, Ilam, Tehrathum and Dhankuta districts. The Kochila state committee headed by Haribol Gajurel will include Sunsari, Morang and Jhapa districts.

The Maoists have also decided to form a commission led by Dev Gurung to finalize the scientific geographic demarcation of these units. The commission would submit its report to the Maoist central office within three months.

The statement also adds that the Young Communist League (YCL) has been brought under the party's central military bureau, which is headed by Prachanda. The central committee meeting had dissolved the existing commands and replaced them with various central bureaus.

The central organization bureau will be headed by Ram Bahadur Thapa; the central front bureau will be headed by Dr. Baburam Bhattarai; international bureau will be headed by CP Gajurel; and communication, publication and training bureau will be headed by Mohan Baidya. ■

## ANTUF NOT TO SHUT DOWN MEDIA

The pro-Maoist All Nepal Trade Union Federation (ANTUF) has stated that it will no more shut down the media houses.

"Given the sensitivities of the media sector, we want to inform that in the coming days while raising the issues of workers we will opt for methods of agitations other than shutting down or disrupting the distribution of newspapers," says a statement issued by Shalik Ram Jamarkattel, president of ANTUF who is also a Maoist MP.

In a statement issued late Wednesday (August 16) night, Jamarkattel has urged the union workers of The Himalayan Times and Annapurna Post to refrain from disrupting their printing and distribution.

He has also appealed to the management of publication, distribution and media houses not to deprive their workers of professional and organizational rights. The printing and distribution of THT and AP dailies

had been disrupted for five days while the broadcast of Radio HBC FM has remained stalled since ten days.

Earlier, on Wednesday, Information and Communication Minister Krishna Bahadur Mahara had issued a statement seeking Federation of Nepalese Journalist (FNJ)'s help in resolving media dispute.

Likewise, the Patan Appellate Court, on Wednesday, also issued a stay order directing the All Nepal Communication, Press and Publication Workers' Union not to disrupt the distribution of THT and AP dailies. ■

# NEPAL'S FDI POLICY – A NEED FOR REVISION

- *Bikendra Shamsher Thapa*

With the collapse of the Panchayat Regime in 1990, the Government of Nepal adopted the liberal market led economic policy. Major reforms initiated in the 1990-96 period are as follows:

- (a) Except on gold and silver, full convertibility of the Nepali Rupee on current accounts was introduced
- (b) All quantitative restrictions and import licenses were removed
- (c) Tariff structure was rationalized
- (d) Investment incentives were extended
- (e) A new Foreign Investment and Technology Act was promulgated, in 1991, that sought to provide national treatment to foreign investors
- (f) The process of liberalization of the financial sector— that had actually begun in 1985— was further liberalized with new foreign joint venture banks, national and regional commercial and development banks entering the market coupled with a liberal policy towards entry of financial intermediaries, cooperative banks and insurance companies
- (g) Nepal Rastra Bank removed provision for banks to have to invest in treasury bills thus freeing banks' deposits for investments by the private sector
- (h) Actions were being taken in earnest to simplify the tax administration by moving to a VAT regime

As a result of these actions, GDP grew from 4.8% per year on average during 1985-1991 to 5.2% during 1992-96. Private sector investment accelerated remarkably from 4.7% annual average growth during 1985-1991 to 13.2% during 1992-96.

A highly favorable treaty of trade was signed with India in 1996 that provided free access of Nepalese Manufactured

products. All these measures made positive impact in the Nepalese economy. Hence, many joint venture and/or Foreign Direct Investment (FDI), especially Indian Investment, were attracted into Nepal in manufacturing sector whose main market was targeted to India. But the revision of treaty in 2002 put several restrictions as follows:

- (i) Articles to be exported to India from Nepal should be wholly manufactured from Nepalese materials or Indian materials or Nepalese & Indian materials.
- (ii) If the article is produced from third country materials, then the total value of materials, parts or produce originating in third country should not exceed 70 % of the ex-factory price of the article to be exported to India.
- (iii) India also has fixed the quota to some of the items which has restricted in the volume of export. Quota fixed to some of the items was very low compared to the capacity installed by the industries.

These changes in the Nepal-India Trade treaty caused sudden set back in the volume of export to India causing closure of many industries whose market was targeted mainly to India.

At present, FDI is lowest in Nepal even among other landlocked countries. Although the rules governing foreign investment are liberal in principle, they are ambiguous and less friendly in practice. There is duplication of institutions responsible for investment approval, investment incentives, trade facilitation, export promotion, investment promotion etc. The number of such institutions should be reduced to one or two only. The slow pace of FDI

in Nepal is attributed mainly due to the following;

- (i) The labor law is excessively pro-labor.
- (ii) The tax administration is complex and the implementation is slow and negative.
- (iii) Exchanging system and fund remitting is not so encouraging.
- (iv) The Government listens but no actions are taken.
- (v) Infrastructure facility is poor.

The institutional setting for economic growth needs to be improved aggressively to disinvest government investments in profit-oriented business activities; guarantee property rights; undo government regulations; implementing a dynamic marketing and mobilization strategy for FDI through actively pursuing economic diplomacy in a coordinated, sustained inter-ministerial manner, and formalizing the informal sector's role in the market economy at the national and local levels to deepen and broaden the entrepreneurial spirit and enterprise growth.

Existing foreign investors find the investment climate extremely unfriendly. They feel they are unwanted and uncared for, especially during insurgency and violence. Some feel highly insulted by the utter neglect on part of the Government. Although they pay taxes in Nepal, they are treated unequally and placed in the same category as tourists. The critical bottleneck faced by foreign investors is the attitudinal problem amongst bureaucrats who are not genuinely open to foreign investment. They believe wrongly that Nepal will lose its independence or the bureaucrats lose status and power in society. Nepal,

lying between India and China, is highly attractive place for foreign investors. Thus, number of licenses issued for foreign investment is rising steadily during last one and half decade. However, due to many of the above reasons, most of the approved FDI projects were either delayed, or some still did not implement the project or some licenses were even cancelled.

Foreign Investment and Technology Transfer Act (FITTA) – 1992 & Industrial Enterprises Act (IEA) - 1992 are the two most important acts for the promotion of industries in Nepal. They are highly encouraging acts for attracting FDI or joint venture investments in Nepal. Foreign investors are equally treated as local investors and the same act prevail regarding incentives and facilities to foreign investors.

- Any foreign national is granted 6 months non-tourist visa if he or she wants to conduct some survey, study or research with the objective of making investment in Nepal. After that if he or she invests or establishes an industry, then the investor along with his dependant family is granted with business visa until their investments are retained.
- Similarly if a foreign investor at a time makes an investment of US \$ 100,000, a residential visa is given to him and his dependant family.

All these are highly encouraging statements. However in actual practice, the investors have to face various problems from time to time.

Transaction costs can and should be reduced as a matter of priority to uplift the competitiveness of the Nepalese economy and to improve the investment climate. There is lack of complete communication to foreign investors. That is why Nepal Rastra Bank is not getting the necessary information regarding amount of foreign investment brought into the country by FDIs and this has

created the problem when they want to repatriate the profit/dividend. Thus it is quite important that all the foreign investors are adequately briefed on this aspect of FDI.

The prevailing legal provision fully guarantees that foreign investors will be provided necessary foreign exchange for repatriating profit as well as any disinvestment proceeds out of the country. In this connection one issue which has been found to be raised is: Can Nepal afford to provide such guarantee in case of large power sector projects? Some mega size projects could easily and significantly erode the total foreign exchange holding of the country. Another issue which deserves attention is: Can foreign investors undertake external commercial borrowings or not? As all FDIs come under the Nepal's rules and regulations, they are not automatically permitted to undertake such borrowings. They have to seek the permission of the Central Bank, which expects these undertakings to borrow from local banks. But if the amount is too big, local banks do not have that capacity.

Foreign invested projects will demand a lot of skilled manpower. Nepali labours are highly laborious and honest, but they are mostly unskilled. Thus, the Government should actively involve in human resources development by providing them vocational, technical, scientific and entrepreneurial education through formal and informal modalities.

The remittance from manpower has kept the economy afloat even at this time of instability, insurgency and terrorism. Thus, foreign employment remittance needs to be further promoted and supplemented by providing credit in rural areas to manpower at low interest rate. Currently they are charged with high interest rate by the rural landlords. Once they start earning, their savings can be attracted in various sectors.

The Government has accorded

priority to bring foreign investment into the country in its Budget for the current fiscal year as well. The Budget has mentioned that Nepalese embassies will be mobilized for economic co-operation, tourism promotion, trade expansion and diversification, promotion of foreign employment and promotion of foreign investment and a legal provision will be made stipulating certain conditions to make the foreign investment open for those industries which transfer technology from Nepal, establish an auxiliary subsidiary company abroad by the Nepalese holding company under operation as a public limited company in Nepal, and the mutual fund investing in portfolios instruments of foreign capital market. Furthermore, it has said that a provision will be made to attract foreign investors to build hospitals, universities, infrastructure for new international airport, large scale hydro-powers like West Seti, Arun III, Upper Karnali, etc. However, the Government should bring favorable FDI policy and create an environment to attract maximum number of FDIs. It should also fulfill both voluntary and mandatory commitments made during accession to WTO. FDI should be opened for Service, Infrastructure, Manufacturing (including mining based industries), Agriculture and Construction sector. Dividend tax and taxes on export should be waived and custom duty and income tax should be reduced further. A high level Board of Investment along with its own secretariat should be created which should act as One Stop Office for FDI. Lastly, an effective bureaucratic system should be established so that one window system becomes highly effective. ■

*(References: Implementation Evaluation of FDI Policy in Nepal by Madhukar Rana & Stalin Pradhan and Investment Guide to Nepal by UNCTAD & ICC)*

# Local Bodies: Interim Management

-By Krishna Man Pradhan

There is no alternative to the local bodies (VDCs/municipalities/DDCs) in delivering necessary services to the people and carry out development works by identifying the local needs. With the aim of serving 25 million population in the country, there are 3913 VDCs (Village Development Committees), 58 municipalities and 75 DDCs (District Development Committees). The elected representatives were actively working in the local bodies after the local elections of 1997 but since fresh election could not be held in 2002 due to political conflict, the local bodies are being run in various ways.

The Interim Constitution of Nepal 2007 has provisions for the institutional development of democracy by ensuring maximum participation of people in the state system and ensuring the exercise of popular sovereignty from the local level.

Currently, the local bodies are being run by government employees with the political understanding.

However, due to the political dispute, the constitutional provision on local bodies have not been implemented while the employees at the local bodies are engaged in agitation as they became unable to work in their respective villages. Consequently, the people are deprived of essential services. This means that the budget passed by the parliament, too, won't get implemented. The first quarterly budget is definite to be less utilized as first two months (Shrawan and Bhadra) are going to be spent on agitation.

On the other hand, the local bodies are going to have to play a major role in the forthcoming Constituent Assembly elections scheduled for November 22. Around 22,000 booths will be need for the election to be participated by 15 million voters. Each VDC will have at least two polling booths. The employees of VDCs and municipalities will have

to be mobilized for the purpose of election. The Election Commission will need to work alongside the employees of the local bodies to prepare the framework for the elections.

Even though employees are active in local bodies at village and city level, they take cover of 'legal complications' to deprive the people of essential services (citizenship certificate, land revenue payment etc). Such problems would not have arisen had there been elected officials in place.

The past experience shows that in terms of development works, some resources are spent during the first quarter but in the subsequent quarters, budget are not released on time and even if they are released, they are not spent. Although VDCs and municipalities show great progress on paper, the same is not the case in reality. Even though the Local Self Governance Act 1999 and its rules have provisions on plan formulation, implementation and evaluation, the local bodies are not found abiding by the rules. The major reasons for that are – the employees are not accountable to the local bodies, rather they are accountable to the government; failure of political parties to involve in the every step of the process due to their preoccupation with conflict; concentration of most VDCs into a room in the district headquarters etc.

The hope, at this moment, is that the constitution written by the CA will ensure the operation of local bodies as per the public desire. However, before the election it is necessary to ensure essential service delivery to the people by forming the local bodies as per the Article 139 (2) of the interim constitution.

It will be effective if the eight parties form local bodies by taking into consideration the influence of other parties, as well, wherever necessary and by including them when nominating representatives for the VDCs, DDCs and municipalities.

As the elected CA will be working for

a long time (around two years), the government will need to form the local bodies for appropriate period (around five years) to manage the local bodies during the transitional phase before a fresh local election is held.



It is absolutely vital to ensure the secure atmosphere for the local bodies' employees to work. According to the Ministry of Local Development, there are 1500 VDC secretaries' positions lying vacant. It is, therefore, necessary to change the LSGA and rules to create a situation whereby other legal provisions that contradict with LSGA are automatically nullified. Then, the ministry should be authorized to appoint the VDC secretaries for five-year period.

In order to effectively spend the budget, there should be provision authorizing that at least 25 percent of the budget will be spent through local bodies in cooperation with civil society and communities. Besides, since the main role of the members of legislative parliament is to give a new direction to the country through CA, the provision allowing them to spend Rs one million in their constituency should be revoked. This amount should rather be channeled through Association of DDCs of Nepal (ADDCN), Municipal Association of Nepal (MuAN), National Federation of VDCs in Nepal (NAVIN) and NGOs active in this sector.

The Article 138 of the interim constitution should be immediately implemented by forming a high level commission to implement the concept of ending the unitary nature of the state and ushering in the democratic and federal system. If the commission is allowed to independently submit a draft framework on the state structure to the elected CA, the citizens of Nepal might not have to go through similar problems in the days to come.

*(Pradhan is the president of Rural Development Foundation)*



## WFP DISTRIBUTES FOOD; ICRC CALL FOR UNHINDERED ACCESS

Floods and landslides across the country have continued to ravage the country. Meanwhile, the World Food Programme (WFP) started distribution of food items to victims of flooding in the mid-western districts of Banke and Bardia from Thursday (August 16).

"Thanks to the quick response from the donor community, and WFP's excellent working relationship with the Nepal Red Cross Society (NRCS), in two weeks, we have been able to start delivering food to the most flood-affected victims in the Western Terai," said Richard Ragan, WFP Country Representative in Nepal. So far, the NRCS and a number of other non-governmental organizations have been working to provide "ready to eat" meals and WFP would now begin providing more complete food baskets, Ragan further said.

WFP said its initial response to provide 10,000 families (around 60,000 people) with three months of food rations was based upon the initial needs identified by the NRCS and requested by Nepal government. Since the GoN's initial request, the number of people impacted by the floods across the country has increased to over 400,000 people and we are already in the process of appealing to donors for additional funds to cover the increased food needs of the flood victims," stated Ragan.

On the other hand, International Committee of the Red Cross (ICRC) in Nepal has appealed agitating groups not to obstruct the delivery of relief teams to the flood victims. A statement issued by them said, "The ICRC calls for humanitarian assistance to be delivered without obstruction. This assistance should be distributed solely on the basis of need, independently of all political, communal and other considerations. Humanitarian actors need unrestricted access to the people in need." It said that humanitarian action is being hampered by high water levels, damaged infrastructure, the calling of bandhs, strikes and other interferences at the local level. ■

## Book List

- 1 Bonded Labour (Kamaiya) in Nepal/2005  
Dr. Padma Raj Lamichhane Rs. 350/
- 2 Economic Survey Fiscal Year 2006/07  
Govt. of Nepal/Ministry of Finance Rs.100/-
- 3 Electrification Coverage in Nepal/2007  
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21. Tilled Earth/2007  
Manjushree Thapa Rs 312
22. Wrong We Do, Right We Don't/2005  
Aditya Man Shrestha Rs 350

Source: Himalayan Books, Bagbazaar, 4242085

## MUSICAL SHOW

**Bond of Friendship**

**Musician Pundit Ronu Majumdar shows that the music has no boundary**

By A CORRESPONDENT

Every one understands the language of music as it has a universal appeal. This is the reason every musical display catches the concentration of people. For Nepalese audiences, who share so many commonalities with India, Pundit Ronu Majumdar's flute recital was spiritual and inspirational.

It is not difficult for Nepalese audience to grasp the language and rhythm of the music as it is similar and familiar. Whatever the kinds of political relations exist between Nepal and India, this kind of cultural ties always bring them together. People of both the countries have high regards and faith in sharing their similar values and culture.

As soon as Pundit Ronu Majumdar's flute recital began, the crowd gathered inside Birendra International Convention Center suddenly were caught spellbound.

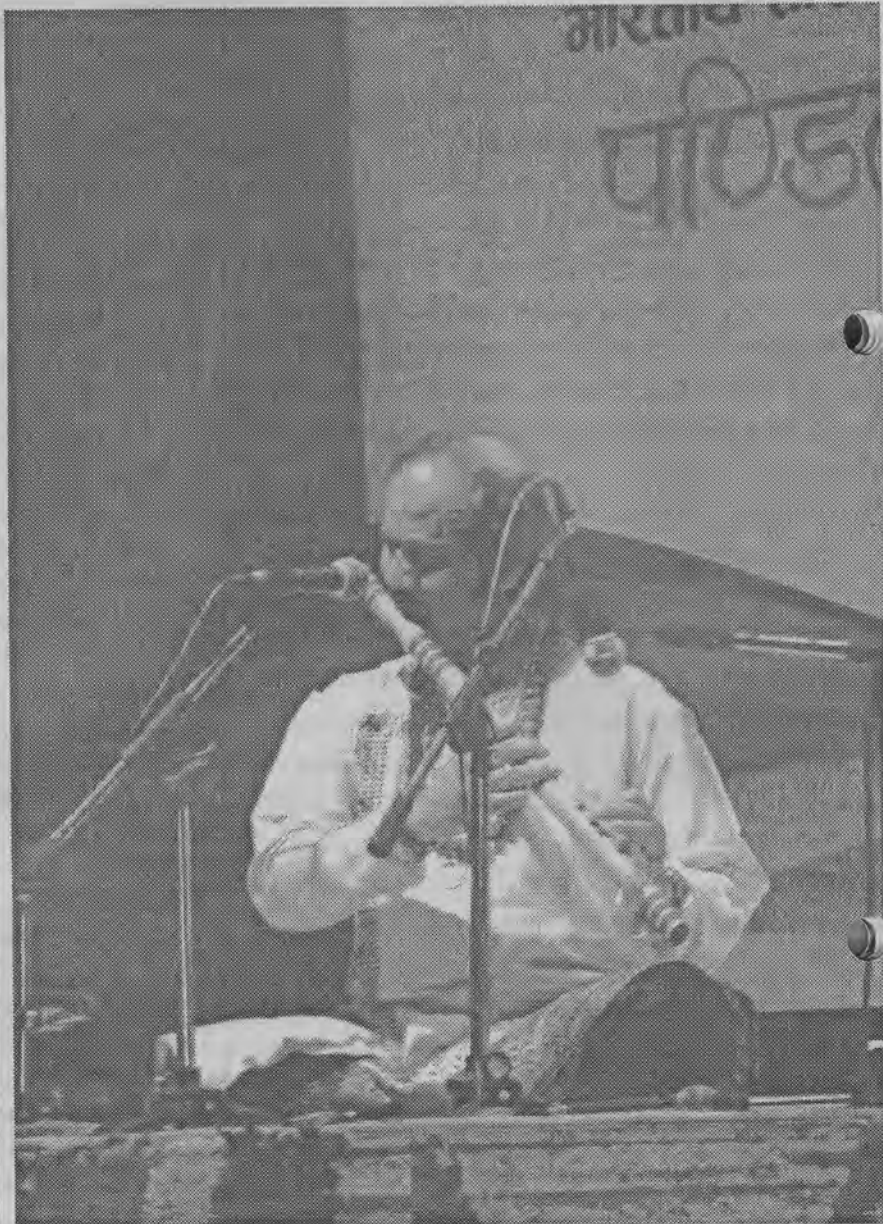
Organized by the Indian Council for Cultural Relations, Indian Embassy and B.P. Koirala India-Nepal Foundation to mark Indian independence day, the music program moved audience.

With the establishment of Indian Council for Cultural Relations, one can see more and more of these kinds of programs, which will contribute to know the historic linkages and cultural ties between the two countries.

He began his recital with Kalyankari raag, which according to the artiste, is considered very

When he started to play Raghupati ragav, the crowd felt religious thrill in their minds. He also played a Nepali composition which he learnt from veteran Nepali musician Ranjeet Gajmer.

In his number of displays, Pt. Majumdar, who has visited Nepal many times in the past, showed that



auspicious. Accompanied by Shri Ram Das Palluel (Tabla), Pandit Durga Prasad Majumdar (Pakhawaj) and Shri Kaples Sanchala (flute support), Pundit Majumdar displayed various kinds of music.

the culture and music are two important factors which bind Nepal and India together and this relation is unbreakable which has time tested record. ■

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