

# Monthly Bulletin



**RIGHTS Nepal**

Good Governance

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RIGHTS Nepal is a think tank founded in 2020, based in Kathmandu with the mission of focusing on nationwide policies, decisions, plans, actions and their justified need, development and outcome.

This publication has been specifically designed to assess the important events of the past month on the basis on a major pillar: **Good Governance**



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The content of this report is validated as accurate news extracted and summarized at the time of publishing. The report in itself is to be viewed and treated as an unbiased and impartial source of information.

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## Rise of Online Gambling and its effect on Nepalese economy

Under Section 125 of the Criminal Code of 2074, betting and all other forms of gaming are prohibited. Anyone found guilty for the first time is subject to a fine of up to Rs 30,000 or a jail sentence of up to three months. An individual will also risk a year in jail and a fine of up to Rs 50,000 if they are detained repeatedly for the same offence.

One of the most common platforms for online gambling is 1xBet, an online gambling company registered in Cyprus. This platform has been commonly used by Nepalese youths due to the ongoing ICC Men's T20 cricket World Cup and the upcoming FIFA World Cup 2022 events.

Various Nepali agents are working as middlemen for transactions between Nepali players and 1xBet operators abroad. With around 300 agents operating in Nepal in addition to more than 1100 sub-agents, the transactions through 1xBet are increasing day by day in millions. Due to complications in placing bets directly on the platform, bogus documents are used to create fake accounts in wallets such as eSewa, Khalti and connectIPS to deposit money in the 1xBet website's profile to place bets and receive the winning amount.

According to Uttam Raj Subedi, Additional Inspector General of Police (AIGP) and chief of the Central Investigation Bureau (CIB), online gambling has negatively affected the economic sector of the country. Since the platform is operated in USD, a large sum of Nepalese currencies are transferred to the platform through illegal mediums such as hundi and online cryptocurrency exchange platforms. With the outflow of billions of Nepalese rupees yearly, the impact on the foreign currency reserve of Nepal is high.

According to AIGP Subedi, because of fake details and a lack of resources to tackle digital crimes effectively, the government and police officials are finding difficulties in tracking and arresting the involved individuals and agents. Even upon the direction of Nepal Rastra Bank (NRB) on Nepal Telecommunication Authority (NTA) and various internet service providers to disable websites involved in betting, virtual currency and network marketing, many YouTubers and social media influencers have been promoting gambling sites freely while the authorities continue to look away. The use of Virtual Private Networks (VPN) or changing the server to a public Domain Name System (DNS) has enabled agents to operate on 1xBet even though the site of 1xBet has been blocked

## Nepal's Multidimensional Poverty Index Report

A report, Global Multidimensional Poverty Index 2022, was prepared by the UNDP in coordination with the Oxford Poverty and Human Development Initiative and was released on October 17, 2022. According to the report, Nepal had made progress in reducing multidimensional poverty before the COVID-19 pandemic hit the world.

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Year	Multidimensional Poverty (%)
2011	39
2016	25.7
2019	17.5

According to Dharma Swarnakar, policy advisor at the United Nations Development Fund (UNDP), the survey of 2021 had shown a total population of 29,192,480, which means 5.13 million Nepalese are multidimensionally poor.

According to the report, Improvements in sanitation, which experienced the highest drop in the percentage of people deprived in this indicator, from 60.6 per cent in 2011 to 35.9 per cent in 2016 and 21.4 per cent in 2019, have followed this development.

In South Asia, war-torn Afghanistan has the worst multidimensional poverty at 55.9 per cent followed by Pakistan at 38.3 per cent and Bangladesh at 24.6 per cent.

## National Defence University plans delayed by lack of funds

Only after the then-KP Oli government included the idea in its policies and programs in 2019 did the defence university concept, the first of its kind in Nepal, begin to take shape. Sanga, in the Kavrepalanchok area, is the intended location for the institution. However, construction has not yet begun due to a number of obstacles. the plan to be set up and operated by the Nepal army was initiated 8 years ago but the project is still in limbo due to a lack of infrastructure and governing laws. According to Balananda Sharma, former Nepal Army Lieutenant General who is leading a 12-member task force for the establishment of the defence university, construction could not be started as the government has yet to approve a budget.

The university has a website, where it has outlined its objectives and rationale. “With China’s rise as an economic powerhouse, the United States of America and its allies and partners are also determined to secure their own positions through the Indo-Pacific Strategy (IPS). Thus, if transatlantic relations were the key pivot of international relations (IR) in the 19th and 20th centuries, the Indo-Pacific region including the Bay of Bengal and the Trans-Himalayas has emerged as the epicentre of global political, economic, and strategic importance,” said the website.

Officials say once the university is set up, Nepal will have its own facility to offer Masters, MPhil and PhD degrees. The Army has proposed the prime minister as chancellor, the defence minister as joint chancellor and the Army chief as deputy joint-chancellor of the university.

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