

Monthly Bulletin



RIGHTS Nepal

Digital Transformation | Human Security |
Good Governance | Strategic Engagements

Monthly Bulletin

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 of four major pillars: **Strategic Engagements, Good Governance, Digital Transformation and Human Security.**



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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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Digital Transformation

New E-commerce law to ensure consumer protection

Nepal is taking a firm stand against unethical practices in its rapidly growing e-commerce market through the introduction of new legislation. The proposed bill aims to address issues such as delayed returns and exchanges, breaches of guarantees and warranties, and lack of transparency in goods and services offered by online platforms. Offenders, including both platform operators and sellers, could face imprisonment for up to three years and fines ranging from Rs 3 lakh to Rs 5 lakh. However, consumer rights activists argue that the penalties are not strong enough to discourage fraudulent activities.

While the bill is seen as a positive step towards regulating the e-commerce sector, many believe that it falls short of addressing critical aspects. Some concerns include the absence of provisions for compensation during complaint proceedings. E-commerce entrepreneurs also highlight the need to regulate unhealthy price competition among retailers and enhance data privacy measures.

Nepal adopts a new landslide warning system

Nepal faces challenges due to its hilly and unstable terrains that often result in dangerous landslides causing damage and loss of life. To tackle this issue, a Nepali company called Ramakrishna Innovation developed the "Landslide Warning System." This device uses special sensors to detect possible landslides and sends early warnings to people living in high-risk areas. By alerting them in advance, the device helps minimize the risk of harm and property damage.

Nepalese Students Create Innovative Money Lending App at NCIT

A group of students from Nepal College of Information Technology (NCIT) has made an online system called the P2P Lending App. This app allows people and organizations to lend and borrow money for different purposes through the Internet.

With this P2P lending concept, users can ask for loans for their businesses and other needs. On the other hand, individuals can lend money to those who need it. The app lets lenders offer loans at specific interest rates that borrowers can trust. The system also lets borrowers repay the borrowed money in monthly instalments and provides features like quick loan processing and fixed loan amounts.

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Human Security

Enhancing Road Safety: The Implementation of ANPR Cameras in Kathmandu Valley

The Kathmandu Valley Traffic Police Office is taking steps to reduce road accidents caused by overspeeding. They plan to install Automatic Number Plate Recognition (ANPR) cameras at three locations in the valley. These cameras can capture images of vehicles' number plates and even recognize the driver's face.

Air quality in Nepal deteriorating beyond WHO standards

Air pollution in Nepal has led to a significant number of deaths, with 222 deaths per 100,000 people relating to air pollution. Despite the existence of supportive policies and plans, such as the Environment Protection Act and the Kathmandu Valley Air Quality Management Action Plan, there are gaps in policy implementation and inadequate measures to address air pollution.

The PM_{2.5} concentration in Nepal exceeds the WHO-recommended level by up to 15 times. If Nepal can meet the WHO set target of reducing PM_{2.5} levels to 35µg/m³ by 2030, it could prevent 67% of premature deaths caused by air pollution, which is higher than any other Southeast Asian country.

Bridge Collapse in Taplejung: Impacts on Gas and Petroleum Supplies Leading to Scarcity

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Good Governance

The cabinet chooses to endorse the 300 million USD concessional loan from ADB

To manage the Sub-regional Transport Enhancement Project, the government has agreed to take a 300 million US dollar concessional loan from the Asian Development Bank (ADB). Rekha Sharma, the minister for communications and information technology, said that a council of ministers meeting on Tuesday also opted to accept the 50 million USD financial assistance that will be received from the ADB for budget support under the Customs and Logistic Improvement Program.

Nepal and Bangladesh agreed to sign a 25-year power sale deal

A long-term agreement for the export of 40MW of power from Nepal to Bangladesh has been reached between officials from Kathmandu and Dhaka, according to a Nepal Power Authority office bearer. Even if the two parties have not yet agreed on the power rate, the length of the agreement has been decided. Bangladesh will now be a long-term market for Nepal's power. Kul Man Ghising, managing director of NEA, claims that Bangladesh did, however, ultimately agree to a 25-year agreement that has not yet been formalized. Except for the pricing, Ghising stated that all other concerns had been resolved. Once Nepal, India, and Bangladesh sign a tripartite agreement on electricity sales from Nepal to Bangladesh through the Indian Territory, the understanding will become official.

15 trillion in foreign exchange reserves and 2.5 trillion in the economy's savings

The balance sheet, which had a deficit of almost 3.5 trillion rupees as of last May, is now in surplus by 2.5 trillion rupees. Due to an increase in remittances and a decrease in imports, the index of foreign currency inflows and outflows has attained a surplus in recent months. Following Rastra Bank's monthly report, the current account balance is 2 trillion 28 billion 98 million rupees. This indicator lost 2 trillion 69 billion rupees throughout the past financial year's 11 months. Remittance inflows climbed by 22.7 per cent to reach Rs 1112.52 billion in the review period, according to the Central Bank, as opposed to a rise of 4.1 per cent in the same time the year prior. Remittance inflows climbed by 13.0 per cent to \$8.51 billion in US dollars during the review period, compared to an increase of 1.8 per cent during the same time the year before.

An additional 300 MW of power is to be sold to India via a new transmission line

To sell power to India internationally, Nepal will receive new transmission connections. The route for commercial power export was formerly only through India's central transmission lines; currently, it is also possible through state-level lines in India. On June 28, PTC India and the Nepal Power Authority agreed to trade power up to 300 MW from four Nepalese transmission lines connecting to Bihar. This deal would open up more transmission lines for the export of energy up to 300 megawatts, according to sources with the Nepal Energy Authority. According to this agreement, Nepal is equipped with the necessary infrastructure to add 300 MW of power to the Indian Energy Exchange Limited (IEX) market, which is part of India's national grid.

Train service between Jayanagar and Bhangaha will begin on Sunday

Beginning on July 16, Sunday, the railway from Jayanagar in India to Kurtha in Janakpur will run to Bhangah in Mahottari. The 17-kilometer Bijalpura railway segment will be officially opened at 10:30 am on July 16, 2023, according to General Manager of Nepal Railway Company Niranjan Kumar Jha, according to Federal

Good Governance

Government Minister of Physical Infrastructure and Transport Prakash Jwala. On May 18, the general manager of the Nepal Railway Company received the railway track constructed by the Indian Railway Company Ircon International.

491.28 MW of power were added to the national transmission line in a single year

During the fiscal year 079/80, 491.28 MW. The national transmission system has been expanded by 491.28 MW. This falls short of the government's aim of 225.72 MW. In FY 079/80, the government established a goal of connecting 717 megawatts to the power grid. Electricity from 21 hydroelectric and 6 solar power facilities was added to the transmission system in a year. In addition, Nepal's overall electrical capacity has reached 2,759 megawatts. In the next fiscal year 080/81, the government plans to add 900 megawatts of power to the national transmission system. Through the new fiscal year budget that was submitted to the Federal Parliament on June 15th, the administration made this goal public.

EU provides 16.7 million euros for the improvement of Nepal's schools and agriculture

Continuing its support for Nepal's growth, the European Union has provided 12 million euros for agriculture and rural development assistance and an additional 4.7 million euros for education sector development. According to the EU, it has been contributing 36 million euros since 2019 to the agriculture sector development program and 81 million euros since 2016 to the program for the improvement of schools. The EU Ambassador Nona Deprez said I would like to take this opportunity to thank the authorities for the successes and development made in the sectors since the introduction of the School Sector Development Programme in 2016 and the Agriculture Development Strategy (ADS) in 2015.

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Strategic Engagements

Tight rules for long-term electricity trade with India

A long-term electricity trading agreement between India and Nepal is about to be finalized. A clause in the agreement stipulates that India will only buy electricity from hydropower projects developed with Indian and Nepali funding. While some analysts contend that this requirement hinders international investment in Nepal's hydropower sector, it does guarantee a market for domestic electricity produced in the country. Nepal is concerned that India's stringent regulations may result in Indian dominance of the industry and discourage foreign investment. The Indian market is vital for Nepal due to India's need for clean energy and Nepal's excess power. The draft agreement has been sent to the Indian Council of Ministers for approval, and a signature is anticipated in June.

MCC's top executive coming to Nepal to launch the pact

Next month, the Millennium Challenge Corporation's chief executive, Alice P. Albright, will be travelling to Nepal to officially launch the execution of the MCC Compact, which entails building transmission lines and enhancing a portion of the roadway. Under the \$500 million in US help, a 315-km high-capacity transmission line will be erected and a part of the East-West Highway will be renovated. An MCA-Nepal official informed the Post that August 30 has been chosen as a prospective date for the MCC Compact's entrance into effect. "To commemorate the occasion, CEO Albright and a few MCC vice presidents plan to travel to Nepal. Her visit is essentially planned. The representative said that a modest celebration will be planned to kick off the MCC Compact's implementation.

Patricia Fernandez-Pacheco appointed as the new Country Representative for Nepal by UN Women

On Monday, July 10, Patricia Fernandez-Pacheco, the recently appointed UN Women Country Representative for Nepal, handed over her credentials to Narayan Prasad Saud, the minister of foreign affairs. Over the past 20 years, Patricia Fernandez-Pacheco has worked with the UN in national, regional, and headquarters offices where she worked as the deputy country representative for UN Women Colombia and the UN Resident Coordinator's Office in Vietnam before joining the UN Women Nepal Country Office.

Republic of Korea to invest USD 9.5 million in Madhyapur Thimi to build a 150-bed hospital

The Ministry of Finance and the Embassy of the Republic of Korea signed a Memorandum of Understanding (MoU) for the "Capacity Building of Medical Service To Achieve Universal Health Coverage For The Poor In Vulnerable Areas In Bhaktapur, Nepal." The Korean government will invest \$9.5 million over 5 years in the initiative through the Korea International Cooperation Agency (KOICA). The project aims to strengthen medical infrastructure and personnel for quality hospital administration, infection control, and better public health insurance coverage. The project will be carried out in close cooperation with the Ministry of Federal Affairs and General Administration, Madhyapur Thimi Municipality, KOICA, and Nepal Korea Friendship Municipality Hospital (NKFMH).

Strategic Engagements

The US Embassy officially announces US Assistant Secretary of State Lu's travelling to Nepal

According to the US Embassy, US Assistant Secretary of State for South and Central Asian Affairs Donald Lu will travel to Kathmandu on July 14 for a day-long visit. The embassy announced Lu's arrival on July 13, through a Facebook post. Lu is travelling through several countries in South Asia, including Bangladesh, India, and Sri Lanka. Lu will meet with key government officials including NP Saud, the foreign minister, and prime minister Pushpa Kamal Dahal, according to the foreign ministry officials. Likewise, Lu is making his third trip to Nepal, but this is his first since Pushpa Kamal Dahal's election as prime minister in December of last year.

India places a fresh barrier in the way of Nepali power imports

According to Prabal Adhikari, power trade director of the Nepal Electricity Authority (NEA), India has now also requested information about financial closure—how the projects were financed, including the banking institutions and other agencies engaged in the projects. "We have sent the information requested by the southern neighbour. According to the new Indian requirement, when we apply for a renewal of export clearance for the projects, we could also need to include information about the financial closure of the 10 projects whose power we have already been selling in India, said Adhikari. India has made it necessary to renew the export authorization every year. According to Nepali officials, the requirement for yearly renewal has raised doubts about Nepal's hydropower's ability to continue accessing the Indian market. Nepal is presently compelled to obey India's orders or let the excess electricity leak since it lacks any other market to sell its surplus energy outside India.

China began 'Silk Roadster' initiatives as part of the BRI in Nepal

The "Silk Roadster" platform for the Belt and Road Initiative (BRI) was introduced by the Communist Party of China (CPC) last week in Bhaktapur, Nepal, in the presence of a few political parties and social organizations. Chinese officials said the platform was a novel idea introduced to Nepal to commemorate the tenth anniversary of Chinese President Xi Jinping's proposal of the BRI. According to the concept paper for the initiative, which was released at the launch, Silk Roadster is a new platform for effective collaboration and people-to-people contact between China and nations in Southeast and South Asia. Similarly, there are five projects included in the platform: the Silk Road Embarkment, the Silk Road Empowerment, the Silk Road Enjoyment, the Silk Road Enlightenment, and the Silk Road Enhancement. These projects will be carried out by various Nepali political parties and social organizations. The Chinese side distributed 330 solar lights, 20,000 biological sticky traps for insects, some food and oil packs, 1,500 pairs of presbyopia glasses, and 500 sets of magnifying glasses to local participants at the event, which was also attended by representatives from eight Nepali political parties.

Strategic Engagements

Dr. Mahat meets with the Finance Ministers of China and India

On the fringes of the G-20 Finance Minister level conference in Gandhinagar, Gujarat, India, Finance Minister Dr Prakash Sharan Mahat met separately with his Chinese and Indian counterparts. On July 17, Dr Mahat met with Liu Kun, the finance minister of China, and on July 18, Nirmala Sitharaman, and the finance minister of India. Dr Mahat and his Indian counterpart Sitharaman stressed at the meeting the need to finish on schedule the development projects being carried out with bilateral cooperation between Nepal and India by resolving the issues encountered during their execution. Similarly, Dr Mahat also asked Sitharaman to enhance investment in Nepal's information technology sector during the discussion, noting that Nepal is a suitable alternative for Indian investment because of its commercial potential and plenty of people resources.

In the same program, the Chinese Finance Minister Liu and Finance Minister Dr. Mahat both acknowledged the two nations' long-standing friendship and cooperation during their meeting on 17th July 2023. The news release stated that both ministers had the same opinion that both sides are sensitive to each other's interests and concerns. On the occasion of the meeting, Minister Mahat expressed his hope that the road projects connecting the two nations through the crucial border crossings between China and Nepal could be a significant area of cooperation and that the pertinent bodies of both nations would complete their work and move forward quickly. He highlighted the desire for the Tokha-Chhahare tunnel to be built quickly.

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