

COVID-19

Multidisciplinary Narratives

Contribution to
Nepal's Foreign Affairs

Executive Editors

Mr Rajesh Shrestha
Dr Rupak Sapkota
Mr Madhavji Shrestha



परराष्ट्र मामिला अध्ययन प्रतिष्ठान
Institute of Foreign Affairs (IFA)

2020

Advisory Board

Mr Shanker Das Bairagi, Chief Secretary, Office of the Prime Minister and Council of Ministers

Mr Bharat Raj Paudyal, Secretary, Ministry of Foreign Affairs

Mr Shankar Prasad Sharma, PhD, Member, IFA Board

Prof Khadga KC, PhD, Member, IFA Board

Prof Meena Vaidya Malla, PhD, Member, IFA Board

Mr Lalbabu Yadav, Member, IFA Board

Mr Himalaya Thapa, Member, IFA Board

Ms Bhawani Rana, Member, IFA Board

Editor

Dr Naresh Nath Rimal

Publisher

Institute of Foreign Affairs

Tripureshwor, Kathmandu, Nepal

Telephone : 00977-4266954, 4266955

Email : info@ifa.org.np

Website : www.ifa.org.np

© Copyright 2020 by Institute of Foreign Affairs

All rights reserved. No part of this book may be reproduced or utilized in any forms or by any means, electronic or mechanical, including photocopying, recording, or by any storage and retrieval system without permission in writing from the publisher. This publication will be available for access and download in the IFA website after one year of publication.

Disclaimer: Opinions expressed in the article are the authors' own and do not necessarily reflect the views of the executive editors and the publisher. IFA is not liable for any misconstrued ideas, misrepresentation, and misinterpretation that affect the public, individual and institution.

ISBN: 978-9937-9274-3-7

Publication Copies : 1000

Design and Layout : Mr Saurav Thapa Shrestha

Cover Photo: Credit Amogh N. Rimal

Table of Contents

Foreword	B
Editorial Note	D
Authors	F
Nepal's New Diplomatic Approaches on COVID-19	1
Chapter I: Revisiting Foreign Policy	12
Nepal's Foreign Policy After COVID-19	13
Chapter II: Macroeconomic Impacts on Nepal's Economy	45
Impacts of COVID-19 on Nepal's Economy	46
Chapter III: Institution and Governance	66
Review of Existing Institutional and Governance Set-up and its effectiveness	67
Chapter IV: Labor Issues	84
International Migration, Foreign Employment, Migration and Remittance	85
Chapter V: Emerging Sector	101
Agriculture, Eco-Tourism and possible paradigm shifts	102
Rethinking Public Health and Education	109
Sustainability, Urban Planning and Development	117
Green Governance for Sustainability in the Context of COVID-19 Pandemic	128
COVID-19 and Digital Change to Opportunitites and Challenges for Nepal	140
Chapter VI: Emerging Gender Issues and SDG	159
Gender Imbalance in Nepal	160

Foreword

COVID-19 resulted in global upheaval. Its impact affected big or small and powerful or weak countries of the world. Institute of Foreign Affairs has instituted a study program to understand disturbing impact of pandemic in Nepal. The consequences of pandemic affected the social cohesiveness and economic activities globally, resulting in a challenge to health services as well as growing disruption of economic life. As Nepal is relatively weaker social and economic services is not an exception to the widespread impact of the pandemic onset.

COVID-19 has perceptibly disrupted international relations both at official and diplomatic levels with several barriers standing in the way to foreign travel, tour, trade etc. Borders of countries are very strictly checked. The trend of nationalistic, protectionist and xenophobic attitudes has ruled the day across the globe. Also, the previously growing globalization process is now backtracking. The international scenario has grown gloomy, much to the discontent of weak countries with poor management capability and resource scarcity. Most developed countries could come back in the stage to take the pathway to the growth and development as they have necessary technological, economic and managerial capabilities at their disposal. However, challenges to weak countries look far more formidable, considering their weak maneuverability and capability in most areas of human concern and human development.

International media continues to flow news of effective vaccine inoculation to people across globe to combat COVID-19. It offers relief to the people haunted by the pandemic. The Government of Nepal has consistently engaged in vaccinating Nepali people starting the end of January, 2021--vaccines received from neighbouring India and China.

The spreading of pandemic and the government's endeavor to address the pandemic impact, the present study primarily contributes multidisciplinary understanding social, economic and other important areas along with the emerging problem of migrant returnees. The study covers the diplomatic areas of concern as the virus affected diplomatic activity in-person as well as onsite, ceding space to what is known as virtual or online diplomacy around the world. In fact, the virtualization of diplomacy remains at the moment and much likely to gain traction in the diplomatic conduct at least in the routine works and non-complex dealings. The increasing practice of virtual diplomacy pushed aside traditional diplomacy with the rapid rise of information technology. In fact, information technology gave enormous push as it is not affected by the dreary virus. Strategically, Covid-19 also affected a shift in global geopolitics. It is evident that the policy initiatives and actions of major powers will largely herald

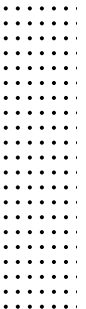
the geopolitical transformation in the foreseeable future.

Considering the inherent need for the study, the Institute of Foreign Affairs requested experts, academics and authors for their contributions with their expertise and knowledge on the concerns of Covid-19. Suggestions, ideas and advice are enriching that help decision -makers in Nepal to embrace policies and programs to cope with impact of the virus.

The contributors deserve appreciation and gratitude for the selfless contributions made the study worthy of publication. Heartily thank goes to Dr Shankar Prasad Sharma, Late Dr Rabindra Kumar Shakya, Mr Arjun Bahadur Thapa, Dr Bishnu Raj Upreti, Dr Dinesh Bhattarai, Dr Min Bahadur Shrestha, Dr Nischal Nath Pandey, Dr Pramod Jaiswal and Dr Resham Thapa Parajuli for their inputs and support that has made the publication of the book, "COVID-19: Multidisciplinary Narratives: Contribution to Nepal's Foreign Affairs" possible.

Rajesh Shrestha

Executive Director
Institute of Foreign Affairs
Tripureswor
Kathmandu, Nepal



Editorial Note

COVID-19 imposes a global challenge for humanity in its efforts to achieve Sustainable Development Goals (SDGs) affecting the developing and developed countries with its huge public health crisis and consequential economic downslide. The global efforts on the pandemic are enormous to contain socio-economic risks from the present pandemic and require a deeper analysis of the impact for informed policy choices. The policy interventions at the national, sub-national, and local levels are critical to maintaining resilience at this moment. The COVID-19 stress and anxiety increase not only uncertainty but also reduce productivity. The loss of employment and engagement in formal and informal sectors damaged multiple social and economic sectors including Nepal's key remittance earning source.

Some positive lessons for Nepal over the period have been the rising demand and supply of enhanced digitalization. Such potential opens up the landlocked countries as Nepal via green economy (e.g. e-commerce, e-learning, e-governance, e-banking) and b-business (e.g. billing-based business and formalization via internet: ride shares linked to supermarkets, modular banking, payment services, edX, push formalization via PAN with a bank account and cash transfer). The awareness of climate emergency and environmental damage also pushes societies toward leveraging the green economy via behavioral alterations. The economic hardships and policy uncertainties imposed by COVID-19 resulted in externalities. Effective evidence-based policy suggestions could help inefficient reallocation of the scarce resources for the local, provincial, and federal governments. The universities and academia complement the National Planning Commission's 15th Plan to achieve the key national goal.

The changing mindset at the global leadership, the behavior of regional and global power relations, evolving diplomacy underscored by climate change and poverty are gaining trajectory in foreign policy. Hence, Nepal's COVID-19 led scenarios and global realities can be complimented for better policy choices. The present compendium marks a successful collaborative outcome between the Nepali academia at home and overseas.

The uncertainty and unpredictability at home and abroad impact the international system. As unforgotten disasters of World War II, the Cold War period, and the ongoing war against terrorism bear the characteristics of global relations alignment. Unlike a fragmented policy approach, authorities and experts on domestic and foreign policies need to analyze, explain, and formulate policies contextually and systemically. The areas encompass triple bottom lines, humanitarian, and diplomacy at the local, regional, and international levels. The decision-makers and resource managers,

therefore, voice people's aspirations without compromising intergenerational equity.

The foreign policies based on existing data, evidence, rational analysis and use of information technology help problematize the situation and seek solutions. Digitalized recommendations should be embraced to meet challenges exemplified by COVID-19 that underscored the multiple roles information technology have played. Good governance prioritizes recommendations in domestic and foreign policy matters synergistically as Nepal's needs and wants are also addressed by bilateral and multilateral relationships for development. These prospects are abetted by Gender Equality and Social Inclusion is an inevitable aspect to help good growth. Equally important is infrastructure based on information technology is another crucial need of the hour.

The dynamic and evolving diplomacy enriches and equips professional skills. COVID-19 compelled every nation to manage rescue operations and extend help to migrant workers overseas and stranded travelers. The managerial skills and ability in such a context needs to be substantially enhanced via diplomatic appraisals. Nepal's diplomacy in that regard needs to rev up coordinated approaches for external rescue operations abroad through humanitarian diplomacy underscored by principles of International Humanitarian Law.

The diplomatic effort via a trans-disciplinary approach for complex world problems is a must. The diplomacy, therefore, remains a key concern for connecting dots between and amongst the compartmentalized understanding of development endeavors. It requires moving away from business as usual.

Authors

- ✎ **Adhikari, Ambika P.:** Ambika P. Adhikari, PhD is a Principal Planner at the City of Tempe and a Faculty Associate at Arizona State University in the US. He was engaged in consulting services to various international projects funded by the World Bank, the North American Development Bank, and the Canadian International Development Agency (CIDA). He held an Associate Professor position at the Institute of Engineering of Tribhuvan University, Nepal, and Arizona State University in the US. He was also Nepal Country Representative of the International Union of Conservation of Nature. He received a Doctor of Design degree from Harvard University and was a Fellow at Urban and Regional Studies at MIT. Dr. Adhikari authored and co-edited five books on planning, environment, and development. He can be reached at Ambika.adhikari@gmail.com.
- ✎ **Thapa, Binay J.:** Binay J. Thapa, MA is a recipient of the Gold Medal Award (Nepal Bidhya Bhushan Padak) from the Rt Hon'ble President of Nepal for outstanding performance in Master's degree in Human and Natural Studies at Kathmandu University, Nepal. He recently completed the Gender-Based Violence Study and Impacts of COVID-19 on Migrant Workers of Nepal funded by ILO and UNFPA respectively. Mr. Thapa conducted comprehensive research on the economic, social, and environmental dimensions of private forestry in Jhapa, Rautahat, Gorkha, and Chitwan districts of Nepal. He has undertaken research funded by several development partners of the Government of Nepal and Non-governmental Organization. He can be reached at thapabinayj@gmail.com.
- ✎ **Pandey, Chandra L.:** Chandra L. Pandey, PhD is Associate Professor of Community Development Program, School of Arts of Kathmandu University. Dr. Pandey received an advanced degree from the University of Waikato, New Zealand. Last 15 years Dr. Pandey has dedicated his research to public policy, governance, environmental affairs, disaster risk reduction, political economy, and sustainable development. He co-edited the book *Environmental Security in the Asia-Pacific* by Palgrave Macmillan and *Why REDD Will Fail* published in 2016 by Routledge. He also supervises Masters, MPhil, and PhD students in the areas of his expertise. Dr. Pandey is a widely known expert and also a recipient of several research grants. Dr. Pandey can be reached at atchandra.pandey@ku.edu.np.
- ✎ **Bhattarai, Gaurav:** Gaurav Bhattarai is an Assistant Professor at the Department of International Relations and Diplomacy (DIRD), Tribhuvan University. At present, he is also pursuing PhD from the same department. His academic and research articles on the issues of foreign policy and diplomacy are published in SCIMAGO and SCO-

PUS indexed journals including 'The International Politics,' 'Millennial Asia,' 'Cambridge Journal of China Studies' among others. He has also contributed to the Journal of International Affairs, Unity Journal, Journal of University Grants Commission, Journal of Foreign Affairs, among others. He also teaches Strategic Studies to the Officer Cadets at Kharipati Military Academy. He has presented his research works in different international conferences in Australia, China, Bhutan and India. He chaired technical sessions in the international conferences in the Nottingham University at Ningbo of China and Royal University of Bhutan.

✎ **Adhikari, Gita:** Gita Adhikari, MA received an advanced degree in sociology from Tribhuvan University, Nepal. Ms. Adhikari has a long-standing experience in consulting work on small, medium, and large scale development projects as a social safeguard, GESI, resettlement, and gender-based violence expert. She has worked in most unprivileged and difficult project sites in Nepal. She has worked on numerous projects supported by multilateral and bilateral development partners of Nepal. She has worked as an international expert in countries of South Asia under the Asian Development Bank and World Bank projects. She can be reached at adhikari.gita3@gmail.com.

✎ **Baniya, Jeevan:** Jeevan Baniya, PhD is an Assistant Director at Social Science Baha. Dr. Baniya plans, designs and implements research projects. He received advanced degrees from the University of Oslo, Norway, and Ajou University, South Korea. Dr. Baniya's teaching and research interests include public policy and governance, comparative politics, and state-building and state failure in the developing world. He can be reached at jbaniya@gmail.com.

✎ **Bhattarai, Keshav:** Keshav Bhattarai, PhD is a Professor of Geography in the School of Geoscience, Physics, and Safety at the University of Central Missouri, USA. Dr. Bhattarai completed a PhD in geography from Indiana University, Bloomington, USA. Dr. Bhattarai co-authored several books and authored many book chapters and journal articles. He has been serving as a reviewer of more than 22 journals. Dr. Bhattarai specializes in spatial modeling using geographic information systems (GIS) and remote sensing techniques, spatial data integration, urban planning, the human dimension of global climate change, tourism, and food security. He can be reached at bhattarai@ucmo.edu.

✎ **K.C., Khadga:** Dr. Khadga K.C. is a Professor at the Department of International Relations and Diplomacy and currently Executive Director, Center for International Relations, Tribhuvan University, Kirtipur, Kathmandu, Nepal. Professor KC is a Japan Foundation Fellow (2012 July- March 2013) MONBUSHO Fellow of Government

of Japan (2002-2009), US State Department's SUSI Fellow (April-June, 2012), and a Visiting Faculty at Nepali Army Command and Staff College, APF Command and Staff College, and Nepali Army Higher Command and Management since 2010. He did his first MA in Political Science from TU in 1993 and did a second MA in IR, and Ph.D. And Post Doctoral Research at Nagasaki University, Japan under Japanese Government Scholarship from 2002-2009. He edited Journal of Political Science from 1996-2001 and 2009-2013 and Journal of International Affairs from 2016-2020. He is on the editorial Advisory board of Journal of International Affairs, Department of International Relations, University of Dhaka, Bangladesh, and Journal of Asian Political Affairs, Department of Political Science, Chittagong University, Bangladesh and Policy Review-Journal, Policy Research Institute, Nepal. He reaches at khadga.kc@dird.tu.edu.np

✎ **Shrestha, Madhavji:** Madhavji Shrestha is presently a senior resource person at the Institute of Foreign Affairs(IFA), Nepal. Before retirement, as a Joint Secretary at the Ministry of Foreign Affairs of Nepal, Mr. Shrestha served in the Europe-America and Administrative Divisions of MoFA and Nepali Embassies overseas in various capacities. He received MA in Political Science from Tribhuvan University. He frequently contributes newspaper articles on the foreign policy and diplomacy of Nepal. He is the author of the book “Transforming Foreign Affairs of Nepal”. He can be reached at madhavshrestha1@gmail.com.

✎ **Upadhyay, Mukti:** Mukti Upadhyay, PhD is a Professor of economics and coordinator of graduate study at the Eastern Illinois University. He received a PhD from Johns Hopkins University. His research interests are in the areas of total productivity growth and its determinants globally, fiscal policy interaction with rural-urban migration in developing countries, regional integration in Asia, Africa, and Latin America, and macroeconomic and political economy aspects of development. Dr. Upadhyay can be reached at mpupadhyay@eiu.edu.

✎ **Rimal, Naresh N.:** Naresh N. Rimal, PhD is a Systems Thinking practitioner, freelancer, and Visiting Professor who teaches at the Armed Police Force Nepal Command and Staff College and supervised more than 30 Masters' theses related to natural resources, security, intelligence, and disaster. Dr. Rimal received advanced degrees from the University of Wisconsin and University of Minnesota of the US and the Central Queensland University of Australia. Dr. Rimal conducted and over-sighted scores of ESIA's in Nepal. Dr. Rimal's professional experience focuses on environmental management and policy issues within universities, NGOs, and International Think Tank, and consulting firms in developed and developing countries. Dr. Rimal emphasizes the socio-ecological resilience framework to global environ-

mental change, socio-cultural transformation, farming, and poverty. Dr. Rimal can be reached at resilientfarmingsociety@gmail.com.

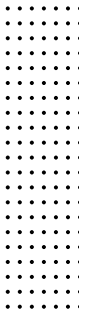
- ✎ **Paudel, Ramesh Chandra:** Ramesh Chandra Paudel, PhD is Associate Professor at the Central Department of Economics, Tribhuvan University, Kathmandu, Nepal, and received a PhD in economics from Australian National University, Australia. Some of Dr. Paudel's key areas of interest include economic growth, development economics, international trade and investment, foreign direct investment, and South Asian economies. As a researcher, he has worked in many countries of the regions and widely published in his areas of expertise, Dr Paudel is a member of the board of editors of the international journals. He can be reached at ramesh.paudel@alumni.anu.edu.au.

- ✎ **Bhattarai, Sadikshya:** Sadikshya Bhattarai, MSc is a Research Associate at the Centre for the Study of Labor and Mobility (CESLAM), Social Science Baha, Kathmandu, Nepal. Ms. Bhattarai received a Master of Science in Forest and Nature Management degree from the University of Copenhagen, Denmark. Ms. Bhattarai is undertaking several research activities funded by various organizations such as Social Science Baha, Open Society Foundations, Yale University, Province 1 of Nepal, Swiss Agency for Development and Cooperation (SDC), and International Centre for Integrated Mountain Development. She can be reached at sadi.bhattarai@gmail.com.

- ✎ **Devkota, Satish:** Satish Devkota, PhD is an Assistant Professor of economic study at the University of Minnesota Morris, USA. Dr. Devkota's expertise. He received advanced degrees from Wayne State University, Western Illinois University, and Tribhuvan University in the US and Nepal. He bears research interest in socio-economic inequality in health and education, farmer's efficiency, agricultural productivity and poverty, comparative effectiveness and sustainable policy, and low and middle-income countries. He can be reached at sdevkota@morris.umn.edu.

- ✎ **Gautam, Shiva:** Shiva Gautam, PhD is a Professor at the University of Florida College of Medicine, Jacksonville, Florida, and a Curtsey Professor at the Department of the Biostatistics University of Florida, Gainesville, Florida. Dr. Gautam was engaged at different universities including thirteen years at Harvard University and five years at Vanderbilt University. Dr. Gautama's research areas focus on the cross-section of biostatistics, medicine, and health, much of which lately focuses on the US context, and in cancer in particular. He can be reached at Shiva.Gautam@jax.ufl.edu.

- ✎ **Paudel, Shree R.:** Shree R. Paudel, M. Phil, MA is a lecturer of journalism at Tribhuvan University (TU). He has completed advanced degrees in public administration (M.Phil.), mass communication and journalism (MA), and political science (MA) from TU, Nepal, and a PhD scholar at TU. Mr. Paudel was a SUSI (Study of



the U.S. Institute), scholar in Journalism (2019). Mr Paudel worked for two decades in different media outlets including print, radio, television and online media. He has published several articles in his area of expertise. He can be reached at srpaudel@gmail.com.

✉ **Prasad, Uma Shankar:** Uma Shankar Prasad, PhD is an Associate Professor at Tribhuvan University, Nepal, and received PhD in economics from Jawaharlal Nehru University, India. He is the Chairperson of the Health Insurance Board of the Government of Nepal and a Member of the High-level Cross-Sector Advisory Committee of the Office of the Chief Minister, Province 2, Government of Nepal. Dr. Prasad served as a consultant to the Public Service Commission, National Planning Commission, Ministry of Finance, Nepal Cooperative Board, Inland Revenue Department of the Government of Nepal. He is a reviewer of the International Journal of Sustainable Economies Management (IJSEM), and International Journal of Disaster Response and Emergency Management (IJDREM), IGI Global Academic Journals. He can be reached at umashankarceda@gmail.com.

✉ **Pradhan, Vibhav:** Vibhav Pradhan, MA is Research Associate at Social Science Baha and focuses on international relations with field-based knowledge on socio-economic and political affairs. Mr. Pradhan received a Master's degree from South Asian University, India focused on a dissertation on Nepal's identity discourses, post-conflict transformation, nation-building, and federalism. His research interests include Nepal and South Asian political economy, geopolitics, diplomacy, entrepreneurship, social justice, and conflict and peace-building, and Nepal's labor and migration. Mr. Pradhan is experienced in research and program management allied with the Government of Nepal's agencies, DFID, and UNICEF. His research work includes strategic reforms in the economic sector, child labor and rights, and labor and migration. He can be reached at vibhavpradhan1@gmail.com.

Nepal's New Diplomatic Approaches on COVID-19

 Madhavji Shrestha

Background

Historians will record the pandemic- ravaged year 2020 as a painful year that had critically disrupted the socio- economic fabric of the world on the wider scale. They would most probably compare the year with 1918 when the Spanish flu battered the European societies claiming the death toll of 50 million of peoples.

Doubtless, any pinching event of greater scale impacts the world in a bigger way, because that brings telling situation to affect the behavior and attitude of societies in the global community. The abrupt outbreak of the virus (subsequently named Covid-19 by the World Health Organization) first reportedly appeared in Wuhan of China at the end of December 2019. In subsequent months, the virus has emerged as a dreaded disease threatening every one. Its consequences have made the entire humanity to suffer, turning the disease pandemic, severely affecting public health, national economy and other areas of societies including international order and dealings. Normal dealings within and outside the borders of countries are highly affected by the outbreak. Consequently, the virus also pushed each country to grapple with the Covid-19 induced emerging international phenomena and diplomatic dealings. It has created a situation of an international turbulence which has pushed weak countries to adopt softer but newer areas of diplomatic activity to meet its emerging needs. There is no alternative to boldly facing this new bleak reality largely surfacing on the global scale. The surge of the virus is still on the prowl with new variant of the virus haunting the world. Global geopolitics has taken visible turn as a consequence of massive impact of Covid-19. However, efforts through the competent governance actions around the globe and the fast development of efficacious vaccines as achieved in the United States, United Kingdom, China, Russia and other countries are up by November 2020 to eventually upend the deadly virus.

This article depicts the developing global geopolitics since the initial months of 2020 and traces its evolving trend in its closing months by observing its various spectrums as analyzed by experts of Asia, Europe and the United States.



Also, this figures out Nepal's struggle to grapple with the fallout of the pandemic.

Global Scenario under Covid-19 Pandemic

Knowledgeable people have witnessed a shifting trend in the regional and global environment in recent years. New dynamics and new factors are apparently at play in bringing new situations in geopolitics in the world-geopolitics that calls for new thinking and new mindset to tackle emerging challenges. Covid-19 thrust- geopolitics is not similar, but perceptibly different from the great wars and great revolutions distressed geopolitics. The dimension of the current geopolitics is much concerned with humanity and humanitarian pains and sufferings, calling for greater cooperation across the world to serve the global people with anodyne.

Evidently the world will never remain stagnant and stalled by the once-existent practice and behavior as illustrated in historical perspective. The pre-pandemic geopolitics has been primarily characterized by the emergence of nationalism, populism and protectionism. But instantly, Covid-19 has impelled global societies to live with the abrupt emergence of xenophobia, isolation, and autarky as the circumstantial development which led an expert to say that the trend resembles like a geopolitical game changer (Duclos, 2020). Amid all these, uncertainty prevails about fear and anxiety globally.

Hopefully, the decisive victory of Joe Biden as the President of the United States in November 2020 has given some glimmer of optimism to boost an ambience of the global order in array. Experts on the global affairs, however, say that Joe Biden could be a repairer, not a game changer as the global environment has undergone almost a sea change much caused by the policy actions of President Trump. Peter Beinart, a journalist and political scientist of the United States, points out, "The Biden team should make solidarity-not leadership-its watch word for approaching the world. In so doing, it would acknowledge that while the United States can do much to help others nations, its obligation-especially after the horrors of the Trump era- is to stop doing harm" (New York Times, Int. Ed.2020).

Covid-19 requires global cooperation to rein in the appalling challenges. However, the desired cooperation has not come up to tackle the crisis as of yet. Growing national strategies are also consequential to combat the likely future scenarios of the pandemic. The efforts especially by the developed countries to fight Covid-19 could largely contribute to produce antibody vaccines to defeat the dreary virus pandemic as is now being demonstrated

by them.

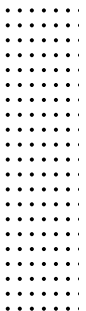
Given the present levels of impact, the post pandemic years would not be comfortable as they were a few years ago. The impact of the disease hit hard each and every developed and developing countries alike with tremendous economic downslide. De-globalization and disruption of supply chains and demand stumps have disturbed the lives and livelihoods around the globe. Policy concerns for health and economic security have become enduring global characteristics, persistently affecting international relations.

Together new horizons with new challenges have emerged in the conduct of foreign policy at multilateral and bilateral levels. The post Covid-19 scenarios would certainly demand new organizational set-up and invigorated institutional strength and efficiency in handling diplomatic affairs. Young and experienced diplomats have to equip and enrich themselves with new pattern and version of re-skilling and up-skilling to cope with situations with emphasis put on self reliance on economic growth, and to protect and promote national interest to meet the demands of their own citizens and stakeholders.

The current global economy suggests the expanded interests of corporate and trading sectors to occupy the top priority. The business entities with economic and political clout have the resources and techniques and to influence the policy-making mechanisms of the government to their advantages and benefits. Naturally the national policies and citizens' tendencies would be inward-looking. The powerful and influential powers look beyond their borders to exploit for political and economic gains. The strategic and security interests of major powers would matter significantly in dealings with less powerful and resourceful countries. The flaunting of the military and economy strength is likely to increase. The present global complexity in the post Covid-19 years leads to the emergence of a mess of the social, cultural and political downslide.

Shift in International System

Practitioners and scholars of international affairs have understood the management of global affairs in the post Second World War II by the super power United States and likeminded major powers to accommodate mutual interest. Given the prevailing situation however, major and great powers may have difficulty in managing global affairs. Hardly major powers of any count are in a commanding uptick to manage global affairs as the world has indeed undergone layers of visible change. The emergence of the multi-polar world at economic and military levels and non-polar in terms of political



and social diversities and divergences is clearly noticeable. The situation may turn to chaos and confusions as the world continues in the path of unpredictability induced by the crisis. This uneasy situation has prompted Joseph Nye to make an absorbing comment by pointing out that there is no “system manager.” to manage global affairs as he conscientiously felt the absence of any credible power capable enough to tackle global issues. Kevin Rudd, former Prime Minister of Australia, has observed in his article titled “The Coming Post COVID Anarchy” by stating, “History is not pre-determined. But none of this (détente) will come about unless political leaders in multiple capitals decide to change course. With the wrong decisions, the 2020s will look like a mindless rerun of the 1930s; the right decisions, however, could pull us back from the abyss.” (Foreign Affairs, July/August, 2020) The UN Secretary-General Antonio Gutierrez has pointed out as a preparatory process for the Annual General Assembly in September in 2020; “The UN wants to use its 75 anniversary for a grand consultation on the future of multilateralism. Covid-19 has hijacked the global agenda. But it also creates an opportunity. Rather than destroying the system, the upheaval could spur countries into strengthening it. That will require planning for the future while tackling the crisis of the present. Today’s leaders need to emulate what their predecessors achieved so magnificently in 1945.” But surprisingly, the 75th Annual General Assembly ended up under the shadow of the video conferences without any remarkable achievement.

The shift in the global order is indeed real. It is indeed contextual to quote as per the celebrated book *War and Peace* “All must constantly find new footing in a shifting world” (Leo Tolstoy, 1805)

In-depth study unfolds the state of hardship and suffering of the people as a consequence of Covid-19 and damage to the economy to date. The public health and the national economy of any country are two major aspects. The greater damage done to the global economy would have far-reaching impact on countries with weak economies and faltering governance to face troubling consequences. The OECD report of June 10, 2020 suggested that the global economic shrinkage could be 6 percent of the global GDP in 2020 and estimated the number of job loss would amount to 40 million people. However, the same OECD lowered the estimation of global contraction to 4.2 percent in December from 4.5 in September, 2020.

Other Version of Geopolitical Calibration

The kaleidoscope on the global arena appears developing non- similar unlike in the past. Notably, a Spanish expert on global geopolitics writes: “The

configuration of world geopolitics after Covid-19 could be very different from what we have previously. Very likely, multi-polarity will be the new geopolitical setting, resulting in a new balance of power.” In the course of his analytical discourse, he reflects on another scenario of geopolitics: “The new geopolitical model of dual polarity will have two great poles competing with each other. Each pole represents a different typology of power and ideals.” He further visualizes: “The democratic Trans-Atlantic pole made up of the United States and the European Union, which is based on currently weakened transatlantic link, and the authoritarian Eurasian pole made up of China and Russia, supported by the Eurasian partnership, whose influence is growing ever stronger.”(Pila, 2020).

Not surprisingly the pandemic has also created an atmosphere of non benign vaccine diplomacy as rich countries had upper hand in the supply chain of vaccines with their sufficient financial resources and diplomatic maneuver at their disposal. Weak and poor countries are at obvious disadvantage to make available sufficient vaccines for their citizens. Analysts pointed out: “By one recent estimate, nations representing one- seventh of the world’s population have already reserved more than half of all the promising vaccine supplies.” They continued: “Funding and supply concerns have placed COVAX, the global initiative to share coronavirus vaccines at “very high” risk of failure.”(Bollyky e.al.2020). Vaccine diplomacy infused by potent resources is at apparent play, depriving poor and middle-income countries of opportunity to have most needed vaccines. This imbalanced and critical situation has led Dr. Tedros Adhanom Ghebreyesus, the head of the WHO, to say that the inequity of vaccine supplies could soon become a “catastrophic moral failure.” (NYT. Int. Ed, 2021)

East Asia Emerging as a Model

The effectiveness of tackling of Covid-19 in some East Asian countries illustrates a showcase of their national ability to deal with the crisis efficaciously. For example, China, Japan and South Korea of the East Asia controlled the spread of the Covid-19 with strong management skills is indicative of institutional capacity and good governance. It is an example of effective leadership. The shift of global attention to East Asia is the outcome of effective governance. A distinguished fellow at Asia Research Institute, National University of Singapore, has reckoned, “Today the quality of governance in East Asia sets the global standard.....The result is that the post COVID- 19 world will be one in which other countries look to East Asia as a model, not only for how to handle a pandemic but how to govern more generally” (Mahbubani, 2020). The Regional Comprehensive Economic

Partnership (RCEP) concluded by 15 East and Southeast Asian and South Pacific countries in Hanoi of Vietnam on November 15, 2020 has amply testified to this trendsetting shift. This regional partnership is expected to stimulate the economy of the partners amid the coronavirus pandemic and “pull the economic centre of gravity back towards Asia.” However, the trade tension and tech fight between the United States and China, and their growing rivalry in the South China Sea present a worrying picture in the East Asian region. The outcome is not likely to turn out hopeful unless those major powers could reach a compromising understanding to sort out their differences.

Factors Responsible for the Shift

Two important factors have played distinct role in the shift of global geopolitics; the first being the governance competence to effectively enforce regulations and the second is the fast development of the techno-economic fields to meet the socio- economic needs. Asian countries, particularly the East Asian countries China, Japan and South Korea and Southeast Asian like Malaysia, Singapore, Thailand, Vietnam, etc. countries have demonstrated their ability to control the devastating effect of the virus affected death toll and to arrest the slowdown of their national economies that have remained less scathed. The current geopolitical shift is not apparently evinced by the ideological, political and security alliances as it were a couple of decades ago. Effective regulation enforcement capability and overcoming the barriers of economic meltdown have conspicuously factored in the recent phenomenon of geopolitics, which are likely to continue in the years ahead.

Adopting New Trend of Diplomatic Practice

Covid-19 awakens national authorities and urges them to strategically think to respond to the transforming geopolitics and prods them to engage in the softer areas of diplomatic activities. Consequently, the world now is obliged to start science and technology diplomacy and health diplomacy as international cooperation approach to accommodate with the techno-economy dominated geopolitics. The virus has made greater push to embrace these newer areas of diplomacy. The trend of scientific and technological development has been much on the steady increase since several decades, but the onset of Covid19 has its emphatic imprint on its adaptation by global societies. Digitization has now become an integrated part of everyday life with its arm extending far into the deep space with security concern remaining at stake. In the meantime, quick adaptation with digitization has also become a normal tendency across the world, including the frequent use of the virtu-

alization of diplomacy across the world.

As a consequence, the necessary institutional build-up in the Foreign Ministries particularly in developing countries toward science and technology diplomacy can be an effective instrument to engage in multiple aspects of science such as technology, engineering and climate change and many more. Developed and advanced countries have practiced science and technology diplomacy since long. In 2020 the technology industry comprises USD 20 trillion worth market capital. The enormous wealth of the US tech companies is really mind-boggling. Margaret O' Mara, a professor of history at the University of Washington wrote "Jeff Bezos of Amazon, Tim Cook of Apple, Sundar Pichai of Google and Mark Zuckerberg of Facebook, whose companies have a combined market value roughly equivalent to the G.D.P. of Japan." (New York Times, In.Ed., 2020). According to the IMF, the total G.D.P. of Japan was put at US\$ 5.45 trillion in 2019. Japan is the third largest economy after the United States and China.

Today no society belonging to developed and developing countries alike remain secluded outside the fast spread of digitization as it has entrenched into every pore of human. The Covid-19 pandemic has emphatically pushed to adapt to the pathway of more digitization in human activities. At the moment, big Data Analytics and 3D printing processing occupy special place in the society with its techno-economic effects in everyday life (Heather, B et al, 2017). Furthermore, the rising use of 5G information technology combined with the IOT (Internet of Things) is introducing new dynamics which would induce the people to get themselves used to fast-paced and comfortable diplomatic functions. We have now been witnessing the developing use of robotics, self-driven vehicles, artificial intelligence etc. in human activities. This is an amazing development rapidly happening around the world as a specific feature of the age of Industry-4. The outbreak of the virus has indeed given big impetus to the use of digital process on a larger scale. As such, its unavoidable and strategic importance needs to be realized in any foreign policy actions and diplomatic activities if the conduct of diplomacy and relevant actions has to gain good traction visibly.

In the contemporary world, the digitization work process has not only been localized on earth alone, but also it has far reached the remote corners of the universe in order to explore its fascinations and mysteries scientifically. Apparently, it has brought in an increasing concern for cyber space, the latest international concern to emerge. "Cyber space is in many ways the newest domain of international activity and as is the often the case, and the same time of overlap and cooperation and those of disagreement and

political conflict (Haass, 2017). Surprisingly, no international convention which is acceptable to all technically and technologically advanced countries as well as other countries could be framed to date as the development of information technology and its relative growth is so fast that this year's advancement becomes obsolete the ensuing year. Also, its fast development is not only the handiwork of any government alone, but also extensively carried out by private sectors. The rapid speed of development and control of information technology mostly lying with private hands have stood on the way to the framing of the international convention. Additionally, there are also great differences among major powers with regards to the framing of the convention.

Most notably, given the rapid development of science, technology, engineering, medical science and information technology in particular, the efficient conduct of diplomacy in the 21st century by the people drawn from the academic domains of social sciences, humanities and law could not be as much effective as we aspire to. New openings and opportunities must be given to good and intelligent graduates of science, technology, engineering, medical science and information technology to truly boost up our diplomatic efficiency and activities visibly. That would instill new spirit and provide new strength to face new normal as brought by the Covid-19.

Nepal Steps in to Rein the Virus

Nepal has constantly strived to cope with Covid-19 by various programmed interventions such as lockdowns when needed and rendering special health services to the infected and suspected people with testing, tracing, quarantining and hospitalization. Efforts through isolated management interventions which are not sufficient to prevent and control the spread of disease would not be of any great help. National efforts emboldened by the high increase of national budget together with global cooperation and most recent decision of the Government of Nepal to quickly construct 396 local hospitals in every part of the country will positively facilitate and contribute to handling the crisis at present and in any probable future as well.

In the closing days of January, 2021, Nepal has started to inoculate people with one million of vaccines received from India as donation and additionally purchased one million doses from India in February. China has promised five hundred thousand as grant assistant. The World Health Organization has planned to supply Nepal with 2.25 million doses in the coming month. As all those supplies would not be sufficient, Nepal has also planned to make available an adequate quantity of vaccines with more million doses

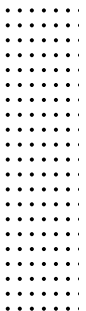
of supplies from various foreign sources to inoculate about 72 percent of its total population of 30 million by increased allocation of an estimated budget of about Rs 40 billion. However, the rest 28 percent below 14 years of age is excluded from the scheme of vaccination as they are not prone to infection (Nepal Media, 2021). Nepal's vaccine diplomacy has appeared not much scathed despite the recent political squabbling in the country. The operational activities of health relevant bureaucracy have not lagged behind in quelling down the number of infection and death rate since February of this year.

The dire need to nix the health crisis is up on the front. Compulsion to save the people's life is a pressing challenge. No escape from the bounded duty is every body's anxiety. People are, though, hopeful for the desired outcome as the rate of infections and deaths has perceptibly declined since February on.

Nepal's Search for Strategic Policy

Naturally the authorities of Nepal, particularly those with responsibility to marshal foreign policy pathway should keep their watchful eyes on the emerging trend of the global balance of power pronouncedly shifting to Asia. Covid-19 has much accentuated the transforming trend in 2020. Nepal is now being thrust at a place to analyze the evolving trend and steer its external behavior to meet the challenges of the techno-economic induced power shift. There is a need to reframe the policy actions more attuned to gain from the transformed situation and more posited to utilize the opportunities sprouting around the Asian continent, in particular to East Asia in particular and Southeast Asia in general.

Historically, Nepal has been embracing its long revered non-aligned foreign policy which is doubtless an inherent outcome of its strategically located geopolitical situation. The shift in the current geopolitics will not materially affect the political dimension and nature of non-alignment. But Nepal needs to be sensitively aware of the recent border troubles between India and China that the country has to un-flinchingly pursue its non-aligned foreign policy with its stance of neutrality when needed by clearly reckoning the global geopolitics much intoned by techno-economic strength. In the meantime, Nepal is required to invent matching diplomatic demarche to accommodate newer demands for diplomatic techniques and strategies to cope with the techno-economic prodded power shift to accommodate with the developing trend. Diplomats equipped with knowledge and professional skills to handle techno-scientific matters as well as inter-state economic



connectivity should come up to deal with the shifted trend in the international environment. Structural improvement is also apparently needed to make any good footprints to walk along with the changed situation.

Obviously however, a return of the shift of power to the pre-Covid-19 years may emerge after the long experienced Joseph Biden has taken the rein of the US administration after the end of the Trump years. In his inaugural address, President Biden has unequivocally signaled to the world to “engage with the world once more” indicating the imminent comeback of the US global leadership role. President Biden has issued 45 executive orders within two weeks after his inauguration in January 20, 2021 (NYT. Int. Ed, 2021). Some of his important executive orders including his frequently pronounced “America is back” clearly indicate the return of the leadership of the United States in the liberal international order including climate change, multilateral activities, values for democracy and respect for human rights, etc.

More plausibly, the immediate future development in geopolitics will largely hinge on the Sino-U.S relations which were basically marked by trade and technology tensions during the Trump administration making strategies for decoupling of connectivity with China. Even after departure of Trump, the tough goings in the United States- China relations will likely stay as obviously hinted by President Biden himself and the leading members of his foreign policy team. However, cooperation not competition between the two for the global peace and stability as a common concern will make geopolitics benign, whereas competition with their respective national interest and values as their priority will herald a different geopolitics. Unquestionably, the pandemic devastated peoples around the globe wish for the healing touch and great relief.

Evidently, the upcoming years may unfold which pathway the global geopolitics will veer around. However one can take for certainty that Asia, in particular, East Asia will have a greater role to play in global arena as the evolving trend in the techno-economic field has apparently indicated in the initial months of 2021. Technology and its strategic application in upgrading people's living standard and enhancing national development will underpin the growth of national strength of major powers, which in turn, will indicate the trail-blazing of global geopolitics in the 21st century.

Reference

Gardini, Gian Luca 2020. The World Before and After Covid-19, European Institute for International Studies, Salamanca-Stockholm.

Haass, Richard. N. 2017, The World in Disarray, Council on Foreign Relations, New York, US.

Legrand, Timothy and Stone Diane, 2018. Science Diplomacy and Transnational Governance Impact, London, UK

OECD 2020. Strengthening the Governance of Skill Systems, Paris, France

Report on Nepal's Foreign Affairs 2018-2019. Ministry of Foreign Affairs,GON, Kathmandu

The Constitution of Nepal 2015. Law Books Man-

agement Board, Ministry of Law, Justice and Parliamentary Affairs, GON, Kathmandu.

Foreign Affairs. Several Issues, 2020 March/April, May/June and July/August, September/October, November/December and 2021 January/February, Council on Foreign Relations, New York, USA

The Economist (Weekly), 2020 May to 2021 February, London, UK

The New York Times (Int.Ed.), 2020 Mid-June to 2021 February New York, USA (Printed in Kathmandu)

The Rising Nepal. First Week of 2020 March to 2021 February, Gorkhakra Corporation, Kathmandu.

WHO Periodic News Bulletin, 2020

Chapter I

Revisiting Foreign Policy

Nepal's Foreign Policy after COVID-19

✉ Khadga K.C. and Gaurav Bhattarai

Introduction

Economists and policy makers have largely predicted that a global recession, prompted by the unprecedented impact of the microscopic SARS-CoV2 will stay for some years to come, and will be the last nail in the coffin of globalization (Ray, 2020). Also, from the security perspective, governments have labeled the extraordinary and extreme measures adopted to limit the spread of the virus as the 'New Normal'. Such an act of securitization, with the help of technology augments unnecessary restrictions and confinements that may linger in post-COVID days. Securitization is fundamentally understood as a speech act that "moves a particular development into a particular area and claims a special right to use whatever means necessary to block it" (Waeber, 1995). Thus, securitization enables those in power to "gain control" over an issue, its framing and its response (Ray, 2020). Today, the global pandemic has hit the powerful and the powerless countries alike. And, as the ancient Greek historian and the author of History of the Peloponnesian War, Thucydides said, "the powerful do what they will, and the powerless suffer what they must." By implication, powerful countries seldom take a pause in their quest to misuse disasters and pandemics to grab more power at home, and concomitantly pursue long-standing strategic and security interests, in their traditional sphere of influence (The Economist, 2020). True enough, because of the act of securitization, instead of encouraging cooperation and taking a leadership during the time of a global crisis, Beijing and Washington have involved themselves today in a major squabble, from trade to technology, jeopardizing their already strained ties (Joshi, 2020). Nepal- India bilateral relations have also not remained free from the impact of securitization during this pandemic. When Nepal closed its land borders with India and China to prevent the spread of the pandemic (The Kathmandu Post, 2020a), New Delhi inaugurated a new route to the Kailash-Mansarovar pilgrimage site via Lipulekh Pass, which territorially belongs to Nepal (Giri, 2020a). India even used the COVID-19 pandemic as an instrument to procrastinate talks with Nepal over the border problems (The Kathmandu Post, 2020b) despite requests from the Nepali side. But, New Delhi did have the time and energy to hold talks with China over the

Sino-Indian border disputes (Karki, 2020a). India paid no heed to Nepal's repeated calls for a diplomatic solution (Anupam, 2020). Rather, the Indian security analysts were seen to be taking Nepal's interest to resolve the border problems as an act being carried out "at the behest of China," further aggravating the geopolitical problems riveting the Himalayan region (Bhattacharjee, 2020).

Historically, Nepal has maintained balanced neighborhood relations with India and China. Beyond the neighborhood, too, Nepal's relations with the major powers including the United States, Britain, the EU, and Japan have remained friendly and deserve special mention. But, having signed the China-led Belt and Road Initiative (BRI), Nepal, today, has to tactically deal with the geopolitical difficulty of balancing its BRI commitments with those regarding the Millennium Challenge Corporation (MCC) funded by the United States (Jha, 2020). When the USD500-million investment plan for roads and electricity transmission lines (Malla, 2020b) was signed in 2017 with the US, there was no controversy, and it was believed that the compact would be easily endorsed by the parliament. But, after it was revealed to be linked with the Indo-Pacific Strategy of the US, controversy began raging creating ripples throughout the Nepali political spectrum. Also, as India is still reluctant in signing BRI projects, New Delhi's superfluous suspicion over Kathmandu's engagement with Beijing has become more pronounced, thus aggravating the same geopolitical difficulty. Thus, this paper attempts to assess the implication of contemporary global power relations, which is being discoursed in the New Cold War situation, on Nepal's foreign policy. Also, the paper sheds light on the multilateral, regional and bilateral relations of Nepal in the changing context. Finally, the paper discusses how the Nepali diasporas may enhance Nepal's soft power ambitions.

Methodologically, this study is based on the information collected from secondary sources to critically revisit Nepal's foreign policy in today's changing context, induced by the unprecedented changes in global politics triggered by the global pandemic. Reports and the press releases of the Ministry of Foreign Affairs, CCMC have been reviewed. Government reports and decisions have been studied and analyzed. Media sources were also reviewed to comprehend the various facades of the maneuverability of Nepalese foreign policy in the changing context. The results that emerged from the reviews were thematically analyzed and interpreted.

New Cold War

While the United States and China vie for global supremacy through their

“own trade and financial rules and internet and intelligence capabilities,” (Trevelyan, 2020), the world is facing a technological and economic divide, eventually turning into a geostrategic and military divide that predominantly characterizes a Cold War (Bremmer, 2020). Both perceive each other as a threat. Recently, China aired its perception of the United States as a threat to global strategic security and stability. It was during the First Committee of the 75th session of the UN General Assembly, that China’s deputy permanent representative to the United Nations, Geng Shuang, fathomably identified the United States as a threat to the international security structure (CGTN, 2020). The United States, too, has listed China as a threat in its National Security Strategy Report for challenging American power and influence (National Security Strategy of US, 2017). Geng Shuang even accused the United States for “spreading a political virus in the United Nations and for smearing China’s image on COVID-19” (CGTN, 2020). The 2018 Defense Strategy of the United States summarized China and Russia as “revisionist powers” and a threat to the interest of the United States, as they aim to influence world politics with their authoritarian models. (Mahbubani, 2020). International Relations scholars believe that the geopolitical contestation between the United States and China will continue further. Although President Donald Trump divided the United States in all his policies, he received bipartisan support for trade and technological war against China. George Soros, the American billionaire, spent millions attempting to avert Trump from being re-elected. However, he has praised Trump when it comes to his bipartisan policy towards China. For Trump, China has been America’s strategic rival. Also, Chairman of the Joint Chiefs of Staff General Joseph Dunford considers China as a threat to the United States by about 2025 (Mahbubani, 2020). The FBI director Christopher Wray has said, “One of the things we’re trying to do is view the China threat as not just a whole-of-government threat, but a whole-of-society threat (ibid).

Today, Southeast Asia emerges as a center of strategic competition between the United States and China. While the region is a testing ground for China to develop itself as a superpower and also as a gateway for its global expansion, Beijing is using its economic clout for securing its sovereignty claims in the South China Sea. The Trump administration has been promoting its Open Indo-Pacific strategy challenging China’s expanding influence, not only through the principles of trade, investment, and deepening political and security ties (IPS Report, 2019), but also by warning other countries that Beijing is exercising authoritarianism in the region. (Stromseth, 2020). Two important U.S treaty allies in Southeast Asia are Thailand and the Philippines. Singapore is also an important security partner while Vietnam

and Indonesia are emerging partners for the United States. Economically, ASEAN countries are the top destinations for U.S. investment in the Indo-Pacific, standing approximately at 329 billion dollars, which is more than what the United States has directed to China, South Korea, Japan, and India combined (East-West Center, 2019). The Indo-Pacific strategy of the Trump administration has made the regional leaders uncomfortable as it pushes them to choose between Washington and Beijing (ibid). Previous U.S. administrations, before Trump, had used a carrot-and-stick approach with Beijing, blending the policy of competition with the spirit of cooperation. But, as the policy of the U.S. began concentrating heavily on defense and security, against diplomacy and development, it has provided space for China to fill the soft power vacuum by using its BRI instrument (ibid). In South Asia, India's multi-aligned and issue-based foreign policy and her rapport with the US in Indo-Pacific Strategy has firmly put it in the US camp regarding the Sino-US rivalry. That rivalry is visible in Sri Lanka, Bangladesh, Maldives and Nepal. Although the Sino-Indian relation has the elements of conflict, cooperation and competition, the strategic partnership between the United States and India has minimized the spirit of cooperation between the two ancient civilizations.

The Xi-Modi Wuhan meeting of 2018 did aim to stabilize the relations between India and China, but their bilateral relation is not free from the problems caused by the competition for regional supremacy and border conflicts and their interactions have been labeled as 'rivalry'. Historically, Nepal, which has the strategic advantage of being located between the two giants, has been balancing its relations with both to maximize its own economic growth and sustain a balanced political stability regarding both the neighbors. As the Sino-Indian rivalry heats up, how would Nepal proceed? The signing of the Basic Exchange and Cooperation Agreement (BECA) between the United States and India, during the 2+2 meeting of top American and Indian foreign and defense officials in New Delhi at the end of the October 2020, is already perceived as a military alliance between Washington and New Delhi with an objective of containing China in a new Cold War (Rai, 2020). Also, some of the influential members of the ruling party of Nepal have viewed the U.S.-funded MCC grant as part of the U.S. Indo-Pacific Strategy to limit China's influence in the South Asian region (Adhikari, 2020).

Changing Geopolitics

Nepal's foreign policy is thus facing a geopolitical challenge to accommodate the interests of the major powers, which may get more complicated

in the days to come. Conflict between the two immediate neighbors has already aggravated such geopolitical challenges. The recurrent instances of standoffs, brawls, and skirmishes in the Himalayan borders between India and China (Gettleman, et al., 2020) have manifested into security threats for Nepal. Following the death of 20 Indian soldiers in the recent skirmish with China in Galwan Valley (ibid), Nepal's security threat has multiplied, which was clearly visible in the press statement, issued by Nepal on 20 June 2020, mentioning that the two neighboring countries needed to resolve their dispute in Galwan Valley area through "peaceful means in favor of bilateral, regional and world peace and stability" (MoFA, 2020a).

Nepal and India share open borders and are close neighbors. More than 60 percent of Nepal's trade is with India, and as per the bilateral treaties between the two countries and specifically because of Nepal's geostrategic location, New Delhi has been considering Nepal as under its 'sphere of influence'. Nepal-China bilateral relations too have been stable, and friendly since after the establishment of diplomatic relations in 1955. However, with Nepal's entry into China's Belt and Road Initiative (BRI) on May 12, 2017, bilateral relations have gained a strategic importance. Also, the United States, the second country after the UK, with which Nepal established its diplomatic relations in 1947 (MoFA, n.d.) was actually the first country to offer foreign aid to Nepal, and has always shown her interest in Nepal due to the China factor.

Even though the Sino-Indian rivalry has triggered some geopolitical opportunities for Nepal, regional and global stakeholders have appeared skeptical toward Kathmandu's standpoint of amity towards all and enmity against none. In other words, Nepal may have to face more geopolitical challenges. To evade such trials, Nepal has hitherto opted for equidistance in the conduct of its foreign policy and has concomitantly assured both the countries that their interests are not hampered from the Nepali soil. Still, it becomes quite clear that Nepal's neighborhood foreign policy won't be free from impediments in the days to come as the disputes between China and India may lead several South Asian countries to take sides (Zheng, 2020). Although New Delhi has doubted Nepal's neutrality citing China's growing footprints in Nepal (Gupta 2020), Kathmandu deems such doubts as the upshot of a new map row with India (The Times of India, 2020).

Bilateral, Regional and Multilateral Relations

According to the Ministry of Foreign Affairs, Government of Nepal, as of September 25, 2019, Nepal has bilateral relations with 168 countries (MoFA,

n.d.) always prioritizing equal importance to all those bilateral relations- in the neighborhood and beyond. Nepal's bilateral relations with India entered into an uncharted terrain with the northwestern border dispute between the two neighboring countries escalating (Ethirajan, 2020). As India has been procrastinating talks with Nepal on the matter, it may be a daunting task for Kathmandu to seek early resolution of the issue (Anupam, 2020). Nepal's equidistance with both the neighbors is often challenged by New Delhi's provocations accusing Nepal of tilting toward her northern neighbor. Beyond the neighborhood, too, Nepal needs to be cautious in not letting the amity and friendliness slide away from the bilateral relations with the United States, particularly in the context of Nepal's dillydallying in ratifying the MCC (Ghimire, 2020).

Today, the friendly relations between Nepal and India have faced an unprecedented impasse (Ethirajan, 2020). India has not paid any attention to the repeated calls from Nepal to resolve the border problems through diplomatic negotiations (Anupam, 2020). Previously, there was agreement to discuss the disputed areas through the foreign secretary-level mechanism about which even Indian Foreign Secretary Vijaya Gokhale was positive (Giri, 2019). However, India has been unexpectedly procrastinating the talks today (Dahal, 2020). First, India published its new map unilaterally incorporating Nepali territory in November 2019 (Budhathoki, 2019). Secondly, India gave no response to Nepal's diplomatic note over the same (Neupane, 2020). Thirdly, India rather constructed and inaugurated a road through Nepali territory (Republica, 2020a). Fourth, the Indian army chief himself made remarks on Nepal's sovereignty (Singh, 2020). Fifth, repeated calls from Nepal were unheeded (Dahal, 2020). Consequently, Nepal issued a full-fledged map incorporating its territory up to Limpiyadhura and got it approved by the parliament (Pradhan, 2020). Historical facts and evidence that Nepal has dug from its archives evidently prove that Nepal's northwestern border is the river Kali originating from Limpiyadhura. Even India's official documents show that Limpiyadhura is the real source of the Kali River (Koirala, 2020a). But, with the passage of time, the river Lipu originating from Lipulekh, further down from Limpiyadhura, was falsely indicated as the border (Chaudhary, 2020).

Today, an artificial stream, far below Limpiyadhura, is being falsely identified by the Indian security forces, who have been occupying Nepali territory since the 1960s (Cowan, 2015), as the Kali River. The Sugauli treaty of 1816 occupies an important position in Nepal-India border relations. Except the provisions in Sugauli treaty, there have been no other treaties and agreements demarcating Nepal-India borders. Article 5 of the Sugauli treaty has

clearly demarcated the Nepal-India borders. It says “The Rajah of Nipaul renounces for himself, his heirs and successors all claims to or connections with the countries lying to the west of the river Kali and engages never to have any concern with those countries of the inhabitants thereof”. After 108 years of the inking of the Sugauli Treaty, the Treaty of Peace and Friendship signed in 1923 between Nepal and British India also validated the provisions in the Sugauli Treaty. Article 2 of the treaty states, “ All previous treaties, agreements and engagements, since and including the Sugauli Treaty of 1815, which have been concluded between the two Governments are hereby confirmed, except so far as they may be altered by the present Treaty”. Most importantly, the whole country, including all the political parties, stood firmly behind the current K.P. Sharma Oli Government (2019/2020) on getting Article 5 of the treaty of Sugauli implemented in letter and spirit (Dhungel et al., 2020). As India is still procrastinating the issue, Nepal’s foreign policy faces a challenge to build pressure on India for the early resumption of bilateral dialogue to sort out the issue by utilizing all the available knowledge, resources, evidence and expertise, provided the incumbent government is truly committed in getting the matter resolved, and to exercise sovereignty over its territory (ibid).

With China, Nepal’s relations have been relatively stable, particularly due to the former’s consistent policy towards Nepal. Nepal has never cultivated relations with one country at the expense of relations with another (Mishra, 2020). But, some analysts have begun to point an accusing finger at China’s close engagement with Nepal’s ruling party. Chinese Ambassador to Nepal Hou Yanqi drew concerns from different quarters (Bagchi, 2020) when she held a series of meetings with a number of government officials and party leaders at a time when intra-party squabbling was going on within the ruling communist party. Beijing didn’t want to see a rift in the Nepal Communist Party and desired the NCP leaders to resolve their differences and stay united. The virtual meeting between the communist parties of Nepal and China that was organized by Nepal Communist Party (NCP)’s School Department on June 19, 2020 made Nepal’s southern neighbor more anxious. The meeting took place when relations between India and China were worsening because of their border skirmishes in Ladakh and while Nepal’s own boundary dispute with India remained unresolved (Bhattarai, 2020a). Nepal-China relations have been problem free since both the countries established diplomatic relations in 1955. China has been consistent with its policies towards Nepal irrespective of the political and regime changes in Nepal, and in reciprocity, Kathmandu too has adhered to its long time ‘One China’ policy.

Today, Nepal confronts the challenge of boosting its diplomatic capacity to take both the neighbors, and major powers beyond the neighborhood, including the United States, into confidence. When it comes to relation with the United States, Nepal faces the challenge of keeping it intact, particularly because Nepal's pledge to go through with the US' Millennium Challenge Corporation Compact (MCC) remains unendorsed by Parliament. Although the ruling communist government has signaled that the MCC Compact will be ratified, lawmakers from the ruling party have strongly objected to some of the articles under MCC (Bist, 2020) leaving the U.S.-sponsored MCC in limbo. Most possibly, the fate of MCC in Nepal determines the future US policy towards Nepal (Wagle, 2020). MCC being touted as a part of the US Indo-Pacific Strategy is not very helpful as Nepal can hardly afford to be part of any military or strategic alliance of great powers. Nepal's bilateral relations with the EU, UK and Japan are as cordial as they were before.

There is a perception among policy makers and academicians in Kathmandu that for long the United States has been dealing with Nepal through Indian lenses. With the end of the Cold war, and particularly after the rise of China, Nepal has once again become strategically important for the United States. India playing an important role in the US strategy of containing China's growing influence through QUAD (that involves the US, Australia, India and Japan) and Indo-Pacific Strategy to combat China-led BRI will definitely pose a geopolitical challenge for Nepal. And, the Biden presidency is anticipated to continue with this trajectory. In that case, Nepal needs to exercise a pragmatic and meticulous foreign policy (Malla, 2020b) ensuring the directive of Nepal's foreign policy that "Nepali territory is not used in hostilities, by one country against another" (MoFA, n.d.) remains unbroken.

At the regional level, SAARC was briefly rejuvenated by Indian Prime Minister Narendra Modi to instigate a collective regional response against the COVID-19 pandemic (Muni, 2020). Still, highly porous borders and densely populated borderlands in the region came as an impediment to effectively contain the spread of the virus through a mutually coordinated strategy (Yhome, 2020). Prior to the pandemic, some quarters had begun discussions to replace SAARC by BIMSTEC (Bay of Bengal Initiative for Multi-sectorial Technical and Economic Cooperation) (Desai, 2019). Some analysts predict that South Asia's larger population, lower gross national income (GNI) and a high degree of disparity in per capita income (PCI) make it difficult to envision the region emerging as economically stable in the near future. The image of contemporary South Asia is perceived as a backward and often-neglected region, confronting social problems, environmental disasters, political threats and economic perils. Still, the region

has emerged as a geo-strategically important site, whose importance is likely to grow prominently in the near future (Moni, 2008).

Because of its sheer size, South Asia has a greater significance in the management of global issues. The region, which covers a vast area equivalent to the whole of Europe, represents more than one-fifth of the world's population. One may well argue that this weight might naturally have an incisive impact on the future of the globe, with regard to pressing issues such as human development, energy supply, food production, environmental sustainability, healthcare challenges, etc. (ibid). Also, we cannot deny that South Asia has been a conflict-prone region-- Kashmir being a nuclear flashpoint. Despite the opportunities and challenges that South Asia presents, the process of regionalism that aims to face them has become dysfunctional. Nepal's chairmanship of the regional body is an extended one and the country occupies a central place in SAARC. But it still finds itself in a hopeless situation in doing away with the dysfunction chiefly due to perennially souring relations between nuclear India and Pakistan.

On March 15, when Indian Prime Minister Narendra Modi held a video conference with SAARC members proposing a collective strategy to contain the virus, he also called for the establishment of a fund that could support countries in their response against the pandemic (Bhattarai, 2020c). Nepal pledged a million US dollars to the fund, India committed 10 million while Pakistan, Sri Lanka, Bangladesh, Afghanistan, Maldives and Bhutan pledged three million, five million, 1.5 million, one million, 200,000 and 100,000 dollars respectively (Poudel, 2020). But, the fund couldn't materialize because of the dispute between India and Pakistan over its management and use. Pakistan believes that the fund should be administered through the SAARC Secretariat and the utilization of the fund should be finalized by consulting with the member countries. India insisted on keeping the fund outside of the SAARC calendar. As a result, the fund cannot be used however afflicted other small countries in their vicinity may be. Even Nepal's request for 1.5 million dollars from the SAARC Development Fund for establishment of hi-tech laboratories in all seven provinces across the country has not been responded to for three months (ibid). Although Nepal sought the financial assistance to buy protective gear and reagents and to set up the required laboratories, it hasn't received the requested amount. It goes without saying that the fund was established in 2010 to promote the welfare of the people in the SAARC countries (ibid).

The SAARC video conference was the result of Modi's March 13 tweet proposing that "the leadership of SAARC nations chalk out a strong strategy

to fight the Coronavirus. We could discuss, via video conferencing, ways to keep our citizens healthy. Together, we can set an example to the world, and contribute to a healthier planet.” The video conference of March 15 was the first of its kind since 1985, when SAARC was created “to promote the welfare of the peoples of South Asia and to improve their quality of life.” After the 18th SAARC summit in Kathmandu in 2014, SAARC leaders met for the first time through that video conference. Although Nepal’s Prime Minister K.P. Oli did attend the conference along with other member heads of states- from Afghanistan, Bangladesh, Bhutan, India, Maldives, and Sri Lanka-at no point in time during the conference was Nepal recognized as the current SAARC chair (Bhattarai, 2020d). Also, as the next chair, Pakistan’s prime minister should have led his country at the conference and communicated Islamabad’s firm commitment to the SAARC process. Instead, he assigned his health minister to do so (ibid). Despite the challenges faced by the South Asian regionalism, Nepal should leave no stone unturned to derive benefits from a revitalized SAARC and BIMSTEC, and the same spirit is also carried by Nepal’s foreign policy-2077. Already, having hosted the SAARC secretariat, Kathmandu is located at the center of the South Asian regional framework. With BIMSTEC, Nepal not only gets connected with the South and Southeast Asian regions, but also gets an access to the global value chain of the broader Indo-Pacific region.

With the global pandemic ravaging the world economy, the coffers of the aid disbursing countries have been severely limited. As a result, Nepal is expected to see a reduction in foreign aid. The country received 1.79 billion dollars from multilateral and bilateral donors and international non-governmental organizations as aid in 2018-2019. Bilateral donors accounted for 60 percent of that (Shrestha, 2020a). However, today, with major bilateral donors including the United States, China and Europe, confronting a recession, foreign aid is anticipated to shrink. As to what extent it may fall depends on the intensity of the impact the pandemic has on the aid-offering countries, and how much moral responsibility they shoulder towards the low-income countries. In 1970, although the United Nations set a target for the developed countries to contribute 0.7 percent of their GDP as development assistance to poor countries, only few countries have met that target. Today, the pandemic comes as an excuse for them. But, the traditional development partners may be reluctant to lose their influence in Nepal by cutting their aid. Bilateral aid for Nepal is mostly doled out in the infrastructure sector, and when such aid is cut, development activities get paralyzed.

But, the aid coming from multilateral bodies may not be much affected as commitment to the funding was made before the pandemic. For exam-

ple, 450 million dollars was approved by the World Bank on June 10, 2020 for “Nepal Strategic Road Connectivity and Trade Improvement Project,” as financial assistance to improve Nepal’s regional road connectivity. The fund also aims to set the course for post-COVID-19 economic recovery through new job creations in the Nagdhunga-Naubise-Mugling road improvement project, and upgrading of the Kamala-Dhalkebar-Pathlaiya road to smoothen Nepal’s connectivity and trade with India and other countries (World Bank, 2020). Still, a substantial drop in aid receipts has impacted the government’s revenue collection targets. The Ministry of Finance has stated that aid pledges from international non-governmental organizations for 2020-2021 is around 13 percent less than for 2019-2020. They have pledged 21.62 billion rupees for 2020-21(Shrestha, 2020b) as against 24.79 billion for 2019-2020.

Most of the international non-governmental organizations in Nepal work in areas of sanitation, education and health, through advocacy and service delivery programs, in order to raise awareness and strengthen accountability at the local, provincial and federal levels (Shrestha, 2020b). But, still, there are prospects for international aid from INGOs getting reoriented towards the health sector (Shrestha, 2020b). In 2018-19, international non-governmental organizations disbursed 215 million US dollars to various projects in Nepal, which was almost double of what they had spent (\$110 million) in the previous Fiscal Year (Shrestha, 2020b). But, today, as the pandemic has plunged the global economy into the gravest recession since the Great Depression, spending by many international non-governmental organizations has also plummeted. For instance, Britain has already decided to merge its Foreign and Commonwealth Office and the Department for International Development (DfID), the latter being the major contributor to international NGOs (BBC, 2020). Therefore, even though planners and development thinkers have reached an understanding that the global pandemic won’t shrewdly cut multilateral aid, in comparison to bilateral aid, it still depends on how Nepal exercises its foreign policy to attract more multilateral assistance, for the economic recovery. Also, to meticulously evade the geopolitical chessboard of great power politics, multilateralism that prioritizes a rule-based world order, could be the best platform for Nepal (Koirala, 2020b) in the post-COVID-19 days. Most importantly, multilateral diplomacy at the United Nations may be Nepal’s Plan B, if the bilateral diplomacy on the border problems with India fails to yield any outcome (Malla, 2020a).

COVID-19 has shown the rationale of multilateralism much more than before. Multilateral platforms, embracing ‘sovereign equality’ have always been the best place for small powers like Nepal to raise their concerns. An

effective multilateral diplomacy, as recommended by Nepal's foreign policy-2077, is always advantageous to draw assistance from multilateral institutions, including Asian Development Bank, International Monetary Fund, and World Bank. On 30 June, 2020, Asian Development Bank (ADB) approved a three million dollar grant from its Asia Pacific Disaster Response Fund (APDRF) to support Nepal in its fight against the COVID-19 pandemic. The fund will be used for the improvement of quarantine facilities, effectively managing the inflow of returning migrants, and also to procure laboratory and medical equipment (ADB, 2020).

In the same way, Nepal was able to draw 214 million US dollars from the IMF to address the urgent balance of payments needs arising from COVID-19's severe impact on remittance, tourism and domestic activity (IMF, 2020). On May 6, 2020, IMF Executive Board approved the disbursement equivalent to SDR156.9 million (about US\$214 million, 100 percent of quota) to Nepal, under its Rapid Credit Facility (RCF). That helped Nepal fill its immediate financing needs to support its COVID-19 response (IMF, 2020). On June 24, 2020, Nepal and the World Bank board signed a 100 million dollar Development Policy Credit (DPC) with an aim to "improve the financial viability and governance of the energy sector and recover from the COVID-19 crisis" (The World Bank, 2020a). Also, on April 7, 2020, the World Bank approved a fast-track 29 million dollar COVID-19 Emergency Response and Health Systems Preparedness Project to help Nepal prevent, detect, and respond to the COVID-19 pandemic and strengthen its public health preparedness (World Bank, 2020b).

Diplomatic Endeavors during COVID-19

Nepal officially commenced its pandemic diplomacy on March 1, 2020, when its High-Level Coordination Committee for the Prevention and Control of COVID-19, constituted by the Government of Nepal, decided to "request all the friendly countries through diplomatic channel for the protection and safety of Nepali nationals in the countries of their residence". The high level committee also called on "the Nepali nationals abroad to stay in safety and composure in the countries wherever they are". It said that it falls under the responsibility of the Nepali diplomatic missions abroad "to inform about the decisions and steps taken by the Government of Nepal to Nepali nationals staying abroad through regular dissemination of information" (MoFA, 2020c). Decision was made to entrust the Ministry of Foreign Affairs to coordinate with the neighboring countries, India and China, to bring the required essential medicines, equipment and medical logistics for the prevention, control and treatment of the contagion. It was also decided that

“the movement of diplomatic missions, individuals and institutions enjoying diplomatic immunities and privileges shall be exempted” (MoFA, 2020c).

During the pandemic, the diplomatic missions of Nepal successfully adhered to the functions listed in Article 3 of 1961 Vienna Convention on Diplomatic Relations. The Nepali diplomats did their best to protect the interests of the sending State, and of its nationals, within the limits permitted by international law, in the receiving State. Minister for Foreign Affairs Pradeep Kumar Gyanwali directed the Nepali embassies and missions abroad to constantly report to the government on the COVID-19 infections in their respective countries and take initiatives for the health and safety of the Nepali citizens in the receiving countries. On March 26, 2020, speaking at a video conference with the chief of Nepali missions in Malaysia, Japan, South Korea, Israel and South Africa, he directed them to stay connected with the employers of Nepali workers and the respective governments and take steps for the protection, safety, employment and social security of Nepali citizens (The Rising Nepal, 2020).

Nepali diplomats negotiated with the governments of the receiving states, and ascertained their initiatives by all lawful means, conditions and developments in the receiving State, and reported thereon to the government of the sending State, as per the 1961 Vienna Convention on Diplomatic Relations. They briefed the government about the status of regular and emergency services provided by the embassies to Nepali citizens (The Rising Nepal, 2020).

Nepal's diplomatic endeavors during the pandemic have been perceptible in different multilateral forums. Nepal's participation in the virtual Ministerial Conference on Digital Response to COVID-19 on July 1, 2020 is an apt example. Participated by over 60 countries, the virtual conference discussed how countries could emerge strongly in the face of the COVID-19 crisis by using innovative digital solutions (MoFA, 2020f). Prime Minister KP Sharma Oli addressed UNGA in the third week of September 2020. Nepal also participated in High-Level Video Conference on Belt and Road Initiative (BRI) Co-operation on 18 June 2020 and emphasized the importance of Health Silk Road under BRI, which is aimed at expediting trade in anti-epidemic medical supplies, and strengthening co-operation in fighting COVID-19 (MoFA, 2020g). Nepal also sent its president's video message to Global Vaccine Summit 2020 on 4 June 2020. In the virtual Summit hosted by Prime Minister of the United Kingdom Boris Johnson, in association

with Global Alliance for Vaccines and Immunization (GAVI), President Bidhya Devi Bhandari stressed the need for ensuring equitable access to the vaccine for a reduction in disease inequality and the creation of a healthier world (MoFA, 2020h).

While Nepal is accepting pandemic assistance from around the world to combat the virus (Republica, 2020b), it is equally urgent to mull over the strategic interests and competition of the countries offering medical aid and financial assistance to Nepal (The Himalayan Times, 2020a). Because, accepting medical aid (The Kathmandu Post, 2020c) and financial assistance haphazardly, might not only weaken healthy bilateral relations, but also obscure the national interest priorities at a time of crisis. Undeniably, Nepal's priority, at present, is to strengthen its medical system's capacity and concurrently lessen the financial stress on individuals, particularly the underprivileged and vulnerable. And, to continue with the same priorities, amidst the economic slowdown, foreign aid and assistance seem to be an easy way out. However, the pandemic diplomacy of a small power, whose geo-political location is quite strategic, needs to be reasonably different from others. Indeed, it needs to be meticulous. Because, aid usually does not come without any strings attached (Khadka, 1991). While Nepal continues accepting aid from all, possibly it's going to be a herculean task for Nepal, to fulfill their conditionality in the post COVID-19 days. To thwart such a hostile situation, it is best for Nepal to compartmentalize the interests of the donor countries. If the interest is truly humanitarian and philanthropic, there shouldn't be any reluctance to accept it. But, when the interests are conflicting and incompatible, then Nepal needs to ponder, even in crisis-bound circumstances. Actually, it is from here that the pandemic diplomacy of a small power like Nepal commences.

The diplomatic endeavors of Nepal with its immediate neighbors during the pandemic have remained completely different from the way Nepal exercised its diplomacy with the major labor destination countries. Diplomacy couldn't yield much from India after the southern neighbor violated the earlier agreement between Kathmandu and New Delhi to take care of each other's citizens stranded on the border due to the lockdown on both sides enforced to contain the spread of the contagion. After Nepal contended the road construction in its far west by India saying, "it passes through Nepali territory" and asked India to refrain from carrying out any activity inside the territory of Nepal (MoFA, 2020b), New Delhi rejected Nepal's protests against the construction (MEA, 2020). The whole episode rather took Ne-

pal-India relations to a low ebb during the pandemic.

Objecting to India's move of opening the new route, Nepal also handed over a diplomatic note to Indian Ambassador to Nepal Vinay Mohan Kwatra, and Nepal's Foreign Minister Pradeep Gyawali even made it clear that Nepal cannot wait for the Covid-19 crisis to be over to hold talks with India (The Kathmandu Post, 2020d). But, Nepal's objection to India's opening of the road link via Lipulekh was comprehended by Indian Army Chief Gen Manoj Mukund Naravane as done "at the behest of someone else" (The Kathmandu Post, 2020e). The Nepali cabinet expressed serious reservations over General Naravane's statement and also endorsed the updated map of Nepal as proposed by the Ministry of Land Management (Pradhan & Giri, 2020). Six months after India unveiled its new political map, Nepal unveiled its own new map showing Kalapani, Limpiyadhura and Lipulekh as Nepali territories (The Kathmandu Post, 2020f). Almost after two weeks of India's unilateral inauguration of the Mansarovar route, Beijing responded to India's opening of the route by stating that the issue was between Nepal and India (The Kathmandu Post, 2020g).

Nepal's diplomatic efforts during the pandemic in the neighborhood has been limited in revitalizing its bilateral relations with India, rather than making joint strategies to combat the impact of COVID-19 on their porous and populated borderlands. But, the bilateral relations with India has yet to regain normalcy due to the northwestern border dispute with India. India has paid no heed to Nepal's diplomatic call to resolve the border disputes through diplomatic negotiations. Once the talk resumes, it would be better for Nepal to pursue a discreet policy on the Limpiyadhura and Kalapani issue between Nepal and India, rather than resorting to a media shouting match. Regarding China, Nepal's pandemic diplomacy was concentrated in buying and receiving COVID-19 test kits from that country. Some of those purchases through Nepali buyers were mired in controversy too. In the midst of all this, some news reports came out on September 22, 2020 alleging construction carried out by China within Nepali territory between Nepal-China boundary pillar Numbers 11 and 12 in Humla District. The Ministry of Foreign Affairs verified and confirmed after a field inspection of the Department of Survey that the constructed buildings were not within Nepali territory (MoFA, 2020j).

COVID-19 and Human Insecurity

Labor migration has been one of the fundamental features of the Nepali economy for some time now. Over four million labor permits were issued

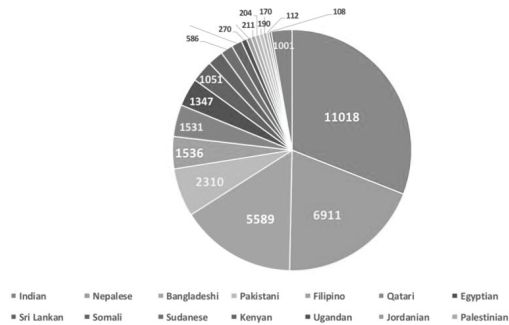
for Nepali seeking to migrate for foreign employment in the last decade (MoLESS 2020). Since the COVID-19 pandemic has resulted in a severe crisis in labor migration, unprecedentedly impacting the work, livelihood and income of the migrant workers, the limit of Nepal's labor diplomacy has been exposed. Nepal's labor diplomacy prior to the pandemic was confined to regulating the migration of the workers. In the beginning of the global pandemic, diplomacy began working to inform the workers to cope with the crisis in the host countries and gathering the data of stranded migrants for possible repatriation. Also, Nepal called on the receiving states, despite the latter's reservations, to protect the security of Nepali laborers abroad. Now, while the second wave of the pandemic has hit both the sending and receiving countries, Nepal's labor diplomacy confronts three major challenges:

1. Repatriating the stranded workers, and those losing their existing jobs, income and opportunities
2. Active engagement with the host countries to address the assorted issues of Nepali migrants and making them accountable for the protection of the lives and work of Nepali migrant workers(Baniya et al., 2020)
3. Under-resourced Nepali embassies, which need to be strengthened to deal with the unprecedented crisis propelled by the spread of COVID-19 (Mandal, 2020c)

About 35,000 migrant workers were repatriated from the major destination countries until July 25, 2020 (CCMC, 2020) and the repatriation process is still in progress. Until July 24, 2020, a total of 474 Nepali migrant workers died in different destination countries, out of which, 459 were men and 15 were women (Foreign Employment Board, 2020). Until July 24, 2020, the dead bodies of 165 migrants were cremated in the destination countries, without the presence, but with the consent of family members, while the dead bodies of 216 workers were repatriated (Foreign Employment Board 2020). The severest challenge to Nepal's labor diplomacy emanates from those countries of destinations, where Nepal has no diplomatic missions. In such countries, migrant workers remained uncertain about their repatriation as the lack of authentic information further worsened the condition of the migrant workers (Baniya et al.,2020). Thus, Nepal must pursue an effective labor diplomacy, which may commence by displaying constant concern and initiating continual communication with the migrants, which may install a sense of being looked after and develop a feeling of security among migrant workers. Let the labor diplomacy augment trust and confidence building

between the Nepali migrant workers and the Nepali state. As an object of interstate policy (Adamson & Tsourapas, 2018), labor diplomacy aims to use diplomatic means and methods in fulfilling the migration goals (Tsourapas, 2018). Today, Nepal's labor diplomacy needs to concentrate itself in addressing the security of migrant workers and defend their lives from the pervasive threats (Alkire, 2002) and to safeguard human freedoms, dignities and human fulfillment (Report of the Commission on Human Security 2003). Nepal needs to strengthen its labor diplomacy in protecting migrant workers from the critical threats of hunger, infection, job loss and death in the major destination countries. Now, let us look into the cases of infection, deaths, job losses and other problems including hunger and stigmatization that migrant workers have faced in the major destination countries. Their categorical study may be helpful in why a human security approach should be infused in the exercise of labor diplomacy during this pandemic.

Cases of Infection: The living condition of migrant workers in crowded quarters posed a risk to the spread of COVID-19 among them, in the major destination countries, including GCC countries and Malaysia. Unlike highly skilled labor migrants, who may also work from home, the low skilled migrants must be physically present for work, which exposes them to the risk of contracting and spreading the contagion (Yayboke, 2020). As per the May 11, 2020 details, in Qatar alone, 6,911 Nepali migrant workers were infected, which was the highest among all destination countries (Karki, 2020b).



Source: Ministry of Public Health, Qatar

Among the list of infected migrant workers in Qatar, Indian laborers stood at the top, followed by Nepalese, Bangladeshi, Pakistani, Filipino, Qatari, and others. Among the infected, 31,977 were men, while 3,654 were women.

Forty three percent of the infected were low wage workers. (The Himalayan Times, 2020b). Besides the infections, the global pandemic also impacted the mental health and well-being of the migrant workers (EUROPA, 2020).

Death: Globally, Covid-19 led to 474 Nepali deaths till July 24, 2020. Eighty four men succumbed to the virus in Malaysia; in Saudi Arabia, 170 men and one woman died. In Qatar, 72 male and two female workers died; in UAE, 75 men and five women died and in Kuwait, 16 men and six women succumbed to the virus. Because of the protracted lockdown and suspension of international flights, families of deceased Nepalese migrant workers gave their approval to perform the last rites of their loved ones in the destination countries. Until July 24, 2020, 165 dead bodies received their consent for the cremation of their deceased family members in the receiving states.

Sn.	Destination Countries	Number of Deaths	Approval Given for Cremation Abroad	Bodies Repatriated and Handed Over to Families	Number of Bodies yet to be brought home
1.	Malaysia	84	8	67	9
2.	Saudi Arabia	171	40	73	58
3.	Qatar	74	25	47	2
4.	UAE	80	58	12	10
5.	Kuwait	22	10	9	3
6.	Bahrain	10	4	6	0
7.	Oman	2	1	1	0
8.	South Korea	8	5	0	3
9.	Others	23	14	1	9
10.	Total	474	165	216	94

Source: Foreign Employment Board

Job Loss: In March 2020, the UN's International Labor Organization stated that because of the Coronavirus some 25 million jobs may be lost, and migrant workers are likely to be extremely affected; further worsening inequality between the world's richest and poorest (Gu, 2020). According to the Nepal Association of Foreign Employment Agencies, the pandemic took away Nepali jobs in the Persian Gulf and Malaysia, which are Nepal's top labor destination countries. Ten to 30 percent of Nepalese jobs in Malaysia

and the Gulf are gone affecting their lives and livelihood. Being penniless, they waited for the Nepal government to take them home. About 20 to 25 percent of the estimated three million Nepali workers abroad were likely to return home, mainly because of two reasons: first, the work tenure of about 60 percent of the Nepali workers was over, and secondly, a large number of workers lost their jobs due to the pandemic (Mandal, 2020a). There were also cases of Nepalese workers not being paid, even during the pandemic. Hundreds of Nepali migrant workers went on a strike in the United Arab Emirates after their employers didn't pay their salaries for over two months. About 500 workers terminated their work at an oil and gas company in Ruwais of Abu Dhabi after a protest against their employer for not paying them (Mandal, 2020b).

Destination Countries	Number of Nepali migrant laborers	Estimated Job Loss
Malaysia	500,000	30 %
UAE	400,000	30 %
Qatar	425,000	20%
Saudi Arabia	380,000	20%
Kuwait	80,000	15%
Bahrain	35,000	12%
Omen	17,500	10%

Source: Nepal Association of Foreign Employment Agencies

Moreover, the pandemic foiled the administrative processes to apply for and get residence and work permits as government offices were either closed or reduced their services (EUROPA, 2020). Even a post-COVID-19 world may possibly introduce a manufactured crisis playing on the distrust and fears of the receiving states, severely influencing the output of the migration industry and propelling safe and orderly migration into irregular pathways (Yayboke, 2020). Approximately 127,000 Nepali migrant workers, whose contract terms are over, and stranded without jobs, and those who've applied for general amnesty in countries where they are working, are anticipated to return home immediately after travel restrictions are lifted. Until July 20, 2020, approximately 35,000 migrant workers were repatriated (CCMC, 2020).

Hunger: Because of the disruption in the supply chains, triggered by transport restrictions (FAO, 2020) aimed at slowing the spread of Coronavirus,

Nepali migrants went hungry, were stranded and broke (Sharma & Karim, 2020). Most of the Nepalese migrant workers were heard saying, “We will die of hunger before we are killed by the Coronavirus”(Ganguly, 2020) as the pandemic is not only impacting the food trade, food supply chains and markets, but also people’s access to food, and nutrition(FAO, 2020). It is a shame that migrant workers, the backbone of the economy in both the sending and receiving countries, have had to go hungry. Not only did both receiving and sending countries initially failed to address their hunger, even the international organizations and conventions proved unsuccessful in protecting the rights of this vulnerable group during the pandemic. The UN warned that the world was facing a “hunger pandemic”, with millions facing starvation (Financial Times, 2020).In Kuwait’s migrant labor camps, there was limited access to food. According to Kuwait-based Nepali organizations, about 143 workers had to directly ask for food-assistance, which is likely to increase as the pandemic intensifies in such labor camps (Republica, 2020c). Ushered into camps without jobs or proper food has left the Nepalese workers vulnerable not just to Covid-19 but to other diseases too (Mandal, 2020c). Furthermore, already living in precarious conditions, they hardly get access to public health and social services available in the receiving countries (Hargreaves, 2020).

Stigmatization: Actions taken by receiving states in controlling the spread of the novel corona virus are not consistent with established international human rights norms of “non-discrimination, rights to health and right to information, which apply to all persons, irrespective of their immigration status” (The New School, 2020). But, reports from different parts of the world mention that discriminatory acts and even violent acts against people of ‘foreign’ ethnic backgrounds surged up (EUROPA, 2020).There have been cases of migrant workers being stigmatized and targeted with discriminatory methods during the pandemic. COVID-19 exacerbated xenophobia and racism, globally. The fear and hatred towards Asian migrant workers (Vertovec, 2020), including Nepalese, was quite perceptible. Treading on Trump’s assertion that illegal migrants are spreading the virus in the U.S., the Kuwaiti government also asked Nepal to repatriate the illegal Nepali workers living in the country (Republica, 2020c). According to Amnesty International, Qatar used the global pandemic as a plot to banish Nepali workers illegally. Indeed such decisions will have durable effects on migrant workers, their families and their communities (Yayboke, 2020). As the prime destination of Nepali workers in the Gulf region, Kuwait is currently employing about 80,000 to 85,000 Nepalis, 35.29 percent of which are domestic workers (Republica, 2020c). It is the responsibility of the receiving

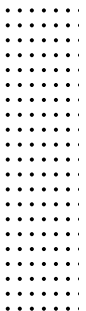
state to combat the practice of stigma, racism and xenophobia targeted at migrant workers. Also, the right of migrant workers to life and health in camps, settlements and collective shelters need to be protected by the receiving state.

While the problems of hunger, death, loss of income and stigmatization are being faced by Nepali workers in major destination countries, it is really important for the diplomatic missions in the host countries to embrace the element of human security in labor diplomacy- first, to protect the workers' rights to live in the destination countries, secondly, to defend their right to income in the host countries and, thirdly, to uphold their dignity even at a time of crisis. Even though the government allowed chartered flights from mid-June, the process of repatriation of workers is not over yet as between 400,000 and one million are estimated to return (Gill and Sapkota, 2020). While some of the migrant workers weren't in a position to buy a chartered flight ticket back home, the Supreme Court instructed the government to pay for their tickets by using the foreign employment welfare fund (Prasain and Mandal, 2020a).

Today, the government is bearing all the costs of repatriating the Nepali workers in foreign employment and who were rendered jobless within the year due to the pandemic (Mandal, 2020e). Thus, Nepali diplomatic missions in the major destination countries are more engaged in determining whether the migrant workers looking for repatriation are actually stranded after having lost their jobs and have received no support (Mandal, 2020d). They ascertain whether the workers seeking repatriation are really stranded and left without money after being unpaid by their employers, or have lost their jobs and haven't received any support from anywhere. The government's decision to allow resumption of labor migration, which was suspended since March 2020 because of the Covid-19 lockdown and international travel restrictions, has added extra challenges to Nepal's labor diplomacy. Labor migration experts have already cautioned that the government's decision comes at the expense of the safety and health of the workers. Here, Nepal's labor diplomacy needs to understand that:

1. State interests and the security of migrant workers are inseparable;
2. Human security is the key to national and international security;

Today, the interest of the Nepali state is to thwart the larger impact of the sharp fall of the inflow of remittance by resuming foreign employment. But, without assuring the security of those migrant workers, who are home on leave as well as first timers (Mandal, 2020f), a resumption of foreign em-



ployment, when the second wave of COVID-19 infection has hit most of the countries, may prove counterproductive. Hence, it's an appropriate time for Nepal's labor diplomacy to embrace the principle of human security and balance state interest and national security with the safety and security of Nepali migrant workers. While a large number of Nepali migrant workers are infected with the Coronavirus in the receiving countries, Nepal's labor migration apparatus needs to focus on applying safety schemes in the accommodation of the migrant workers, which is usually squalid and mostly crowded (Baniyaet al, 2020). Diplomatic missions in the destination countries may frequently monitor the workplace and accommodation provided to their migrant workers. Also, they may assess the financial condition of the employers and their response to the pandemic (ibid). While Nepal has been repatriating its stranded workers, sending them to foreign employment again without Nepali missions probing their employers' status would only make the workers struggle without money, food, shelter and health care (ibid). In the absence of such enquiry and assessment, Nepali workers will still remain vulnerable to their overall livelihood and well-being going astray. Also, Nepali missions abroad may conduct a risk assessment before foreign employment is resumed. Sending migrant workers, at present, will further burden the overstrained missions. Earlier too, during the pre-repatriation phase, their challenges had mounted with the uncertainty about the modality of migrants' home-coming, covering air tickets, medical examinations and flight dates of those requesting repatriation (Prasain & Mandal, 2020b).

Diaspora as Soft Power

Because of the growing number of Nepali diasporas around the world, Nepal's diplomatic presence abroad has also expanded. Today, the number of diplomatic missions has now reached 39 with 30 embassies, three permanent missions and six consulate generals (MoFA, 2020i). Labor migration from Nepal is one of the key reasons behind the increasing number of diplomatic missions, because whether it was during the earthquake or other times of crisis, a sizable Nepali diasporas has always played a significant role through remittance. But, today, Nepali diasporas communities have lost their jobs since mass lockdown measures were introduced to business and industries to contain the Covid19 outbreak (Shahi, 2020). So, while there has been a sharp fall in the inflow of remittance, how have Nepali diasporas communities helped in mitigating the crisis? This seeks an assessment.

Diaspora is a soft power to promote a country's national interests, which instrumentally 'generates loyalty to the home country' (Emreok, 2018). As a key to cultural and public diplomacy, with the help of which cross-commu-

nity relations are fostered, diaspora helps in developing an understanding that goes beyond the formal initiatives of the state (Ho & McConnell, 2017). Before the pandemic, Nepali diaspora was perceived only as an important aspect of Nepal's economic diplomacy (AIDIA, 2019). At present, the role that Nepali diaspora played during the global pandemic is notable not only in the areas of sharing information about the number of Nepals succumbing to the virus, and of those being infected by it in different parts of the world, Nepali diaspora communities have been active in providing support and relief materials to Nepali nationals in different parts of the world (NRNA, 2020).

The Gurkha Welfare Trust, a diasporas community based in the United Kingdom, translated government advice, on the symptoms and protection against the COVID-19, for the use of the Nepali Gurkha pensioners in the UK who do not speak English. Working together with the DWP, SSAFA, Royal British Legion, Nepali Gurkhas too played a traceable role in the construction of a temporary COVID-19 hospital in Excel Centre in London (The Gurkha Welfare Trust, 2020). Appreciating the role of Gurkhas during the COVID-19 pandemic, British Ambassador to Nepal, Nicola Pollitt said, "The UK's relationship with the Gurkhas is so special...and their contribution to the Coronavirus response has been typically exemplary" (Government of UK, 2020). In Australia, as an attempt to relieve the financial stress faced by Nepali, the Non-Resident Nepali Association distributed student assistance packages consisting of grocery items. As of April 11, 2020, although 1,000 students requested for the relief package, only 250 have received it because of insufficient funds. An intense fear had gripped Nepali students across Australia after Australian PM Scott Morrison asked immigrants and international students to return home if they aren't able to support themselves for at least a year (Shahi, 2020). Nepali diaspora groups were also supported by various international organizations to resolve the problems that Nepali nationals had been facing in their destination countries. International Labor Organization (ILO) has already agreed to provide 51 million rupees grant to the Non-Resident Nepali Association (NRNA) to rescue Nepali nationals stranded in Malaysia, Saudi Arabia, United Arab Emirates, and Qatar due to the COVID-19 pandemic lockdown (Republica, 2020d).

As labor diplomacy links a state's diplomacy with international organizations (Hamilton & Langhorne 2011) and calls for using diplomatic instruments and methods in achieving the migration goals (Tsourapas 2018), the ILO initiated project aims to address the problem of repatriation in coordination with embassies abroad and non-residential Nepalese associations

(Nepali Times 2020). Nepal's diplomatic missions in the major destination countries may get further support through volunteer staff in the repatriation process. With the help of Nepali diaspora communities in the major labor destination countries, ILO's project also extends the embassy's reach beyond the capital by setting up outreach camps where migrant workers are largely concentrated. Easing the task of Nepal's missions abroad with the help of diaspora groups, ILO's project also facilitates mediation with employers and ensures safe and humane reception of returnees at holding centers and home districts (Nepali Times 2020).

To mitigate the risks of COVID-19 on Nepali diaspora, Netherlands-based Nepal Policy Institute (NPI) collaborated with the NRNA Executive Team, NRNA national committees across 81 countries, grassroots-level institutions of Nepali diaspora across COVID-19-affected countries and the government of Nepal (UNDP, 2020). On 17 April 2020, NPI presented early policy recommendations, which included: ensuring repatriation of Nepali migrant workers and special relief packages for daily wage earners; stimulus for MSMEs; prevention and control of domestic violence, social discrimination, physical and psychological abuses, and sexual assault during the lockdown (UNDP, 2020). As an effort to intensify institutional efforts, NRNA constituted a High Level Committee on COVID-19 Pandemic Mitigation under the coordination of its President and appointed focal persons for 41 nations. Also, NRNA released the NRNA Strategic Plan to Manage Impact of COVID-19 Pandemic: March 2020, and a COVID-19 Emergency Plan to guide NRNA's overall efforts (UNDP, 2020).

Conclusion

This qualitative research studied how COVID-19 has impacted global politics, and transformed the relations between the countries. It has explored the need for Nepal to be more meticulous in dealing with India and China as the growing strategic partnership between India and the US has provided more opportunities for China to engage in Nepal. The paper has suggested that infusing the human security approach into Nepal's labor diplomacy would make Nepal's labor migration to the major destination countries safer and more secure. Human security of the Nepali migrant workers needs to be protected and promoted by the both sending and receiving states. During the pandemic, despite having confronted job losses and dwindling financial opportunities at the face of the lockdown to contain the Coronavirus, the approach of Nepali diaspora has proved to be humanitarian in mitigating the crisis that has befallen upon the Nepali migrant communities and Nepali migrant workers across the globe.

Moreover, Nepal's foreign policy has gone through a prolonged period of benign neglect, a problem which the country needs to address on a priority basis. Over the past three decades, much has happened at home and abroad, as the country underwent through extended political transition, insurgency and instability. However, the promulgation of an inclusive federal democratic constitution in 2015 has succinctly defined the elements of national interests and provided a broad framework to conduct Nepal's international relations. Now, Nepal's foreign policy should embrace a clear strategic perspective that is guided by our constitution and understanding of the evolving international, regional and bilateral environments and exploring our priorities in a manner that addresses and promotes our national interests in the changing contexts, especially in the world after the COVID-19 pandemic. To address the COVID-19 challenges, Nepal will thus have tricky policy choices to make. For instance, if there are options between, say, Chinese, Russian, Indian, and American vaccines, whose vaccine will it choose? Then, there are long-term questions: From where, and in what form, will Nepal get the support to rebuild the corona-ravaged economy? As China's tensions with the US and India escalate, can Nepal even set its own terms on its external economic engagement without compromising its national interests? Perhaps the policy of non-alignment and Panchasheel also need to be revisited in the post-COVID world that could throw up new configurations in international relations. Then, we also need to revisit the Nepali dream of acting as a vibrant economic bridge between India and China. The ties with the Gulf countries may also need to be reconfigured as unprecedented scales of layoffs of Nepali workers loom large. At this juncture, Nepal should revisit her foreign policy, keeping its neighborhood at the center with greater priority on China, India, Japan and other Asian countries, which are associated with SAARC and BIMSTEC. Balanced bilateral relations with the two immediate neighbors, based on sovereign equality, should be the foremost goal and strategy of Nepal's foreign policy. Also, the policy should aim to foster bilateral relations with those Gulf countries, where millions of Nepali migrants are working for their survival. Such a reorientation needs to evoke Nepal's foreign policy to the changing international context, embrace the ethos of 'enmity toward none and friendship with all', avoid any kinds of security alliances, but build and foster friendship with major powers to bring peace and prosperity back home through economic diplomacy- FDI, and technology transfer. For this, the priority should also be geared towards North America and Western and Northern Europe as well.

This paper has concluded that at the multilateral level, the significance of the UN for Nepal continues to remain strong even today. Nepal should also

increase its engagement in the UN Peacekeeping Operations, the World Bank, WTO, IMF, ADB and the AIIB to draw more foreign policy benefits. The rationale of revisiting Nepal's foreign policy underlines greater engagements of the diplomatic missions abroad. While prioritizing Nepal-China and Nepal-India relations, Kathmandu needs to focus on deriving benefits from India's Act East or Multi-Align foreign policy and also from China's BRI to build connectivity and infrastructures and bring in more FDI for industrialization to create more jobs. Nepal should not hesitate to receive the funds under the US-sponsored Millennium Challenge Corporation (MCC), unless it is associated with the greater American Strategy umbrella and harms our core national interests. With the classification of countries and international bodies, developing political consensus on foreign policy and redefining the role and strengths of Ministry of Foreign Affairs and political leadership for the quality enhancement of diplomatic representation, the forthcoming foreign policy documents need to include strategies and policies promoting bilateral, regional and multilateral engagements in trade, investment, tourism and schemes in resolving the plight of Nepali migrant laborers in the destination countries.

The study has also identified that the social capital of the Nepalese diaspora can be used as Nepal's soft power. Partnership with the private sector, strengthening institutional improvement through coordination, monitoring missions and providing them with the necessary guidelines, collaboration with the security sector are all really important to achieve that. Rational and meritocracy-based ambassadorial appointments, succinct provisions of improving coordination between the Ministry of Foreign Affairs and line ministries and its diplomatic missions abroad, must also be emphasized. The unilateral, ideology-driven and non-consensual foreign policy document is neither acceptable nor applicable nor sustainable. Thus, there must be ample discourse through a national dialogue so that the revisited foreign policy is a widely accepted and owned document.

Reference

- ADB.** (2019). ADB's Work in Nepal. <https://www.adb.org/countries/nepal/overview>
- ADB.** (2020). ADB Approves \$3 Million Grant to Support Nepal Against COVID-19. <https://www.adb.org/news/adb-approves-3-million-grant-support-nepal-against-covid-19>
- Adamson, Fiona B and Tsourapas, Gerasimos.** (2018). The Migration State in the Global South: Nationalizing, Developmental, and Neoliberal Models of Migration Management. International Migration Review. DOI <https://doi.org/10.1177/02F0197918319879057>. (Accessed: 18/06/2020)
- Adhikari, Deepak.** (2020). Nepal ruling party split over US aid threat to China relations. Nikkei Asian Review. <https://asia.nikkei.com/Politics/International-relations/Nepal-ruling-party-split-over-US-aid-threat-to-China-relations>
- AIDIA.** (2019). AIDIA Dialogue with Hon'ble Minister Pradeep Kumar Gyawali. Thematic Question- First Episode of AIDIA Dialogue. <https://aidiasia.org/>

- page/transcripts
- Alkire, Sabina.** (2002). Dimensions of Human Development. *World Development*, Volume 30, Issue 2, February 2002, pp. 181–205. Available at SSRN: <https://ssrn.com/abstract=2118655>
- Anupam, Birat.** (2020). India Needs to Fast-Track a Border Solution, Lest It Lose Nepal. *The Diplomat*. <https://thediplomat.com/2020/07/india-needs-to-fast-track-a-border-solution-lest-it-lose-nepal/>
- Bagchi, Indrani.** (2020). Why China's maneuvers in Nepal politics worry India. *The Times of India*. http://timesofindia.indiatimes.com/article-show/75562098.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cpst
- BBC.** (2020). International development and Foreign Office to merge. <https://www.bbc.com/news/uk-politics-53062858>
- Baniya, Jeevan; Bhattarai, Sadikshya; Thapa, Binay Jung and Pradhan, Vibhav with Gurung, Manju; Tumsa, Dogendra; Kambang, Ratna; Limbu, Bhimkala and Dulal, Binod** (2020, July 20) Socio-Economic and Health Impacts of COVID-19 on Migrants and Their Families. *CESLAM, Social Science Baha*.
- Bhattacharjee, Kallol.** (2020). Nepal acted on behalf of Beijing' argument erodes our ties: Chinese Envoy in Kathmandu. <https://www.thehindu.com/news/international/nepal-acted-on-behalf-of-beijing-argument-erodes-our-ties-chinese-envoy-in-kathmandu/article31952158.ece>
- Bhattarai, Dinesh.** (2020d). Revive SAARC to Fight COVID-19, *The Rising Nepal*. <https://risingnepal-daily.com/opinion/revive-saarc-to-fight-covid-19>
- Bhattarai, Kamal Dev.** (2020c). Nepal Cannot Fight Coronavirus Alone. *The Diplomat*. <https://thediplomat.com/2020/04/nepal-cannot-fight-coronavirus-alone/>
- Bist, Jagadish Prasad.** (2020). The MCC Compact is not a significant issue. *The Kathmandu Post*. <https://kathmandupost.com/columns/2020/07/27/the-mcc-compact-is-not-a-significant-issue>
- Bremmer, Ian.** (2020). What Happens Next with the U.S.–China Rivalry. *Time*. <https://time.com/5830990/happens-next-us-china-rivalry/>
- Budhathoki, Arun.** (2020a). Coronavirus, Geopolitics, and Nepal between Great Powers. *The Diplomat*. <https://thediplomat.com/2020/03/coronavirus-geopolitics-and-nepal-between-great-powers/>
- CCMC.** (2020). Data till July 25, 2020 on Repatriated Migrant Workers. COVID-19 Crisis Management Center, Government of Nepal
- CGTN.** (2020). China: U.S. is the greatest threat to global strategic security, stability. <https://news.cgtn.com/news/2020-10-10/China-U-S-is-the-greatest-threat-to-global-strategic-security-Ut3Bn7MD7y/index.html>
- Chaudhary, Aashish.** (2020). Lipulekh, Limpiyadhura, Kalapani: Trying to understand the dispute. *The Himalayan Times*. <https://thehimalayantimes.com/opinion/lipulekh-limpiyadhura-kalapani-trying-to-understand-the-dispute/>
- Cowan, Sam.** (2015). The Indian check posts, Lipulekh, and Kalapani. *The Record*. <https://www.recordnepal.com/wire/indian-check-posts-lipu-lekh-and-kalapani/>
- Dahal, Bini.** (2020). Solve It Peacefully. *The Rising Nepal*. <https://risingnepaldaily.com/opinion/solve-it-peacefully>
- Desai, Suyash.** (2019). India's Focus Shift from SAARC to BIMSTEC Is Strategic, but Underused. *The Wire*. <https://thewire.in/diplomacy/india-saarc-bimstec-trade-south-asia>
- Dhungel, Dwarika; Bhusal, Jagat & Khanal, Narendra.** (2020). North-Western Boundary of Nepal. *Journal of International Affairs*. <https://doi.org/10.3126/joia.v3i1.29077> Department of International Relations and Diplomacy, Tribhuvan University, East-West Center. (2019). ASEAN MATTERS FOR AMERICA/AMERICA MATTERS FOR ASEAN. *East West Center*. <https://www.eastwestcenter.org/publications/asean-matters-america-america-matters-asean>
- Emreok, Yunus.** (2018). "Diaspora Diplomacy" as a foreign policy strategy. *IFAIR*. <https://ifair.eu/2018/11/01/diaspora-diplomacy-as-a-foreign-policy-strategy/>
- Ethirajan, Anbarasan.** (2020). India and China: How Nepal's new map is stirring old rivalries. <https://www.bbc.com/news/world-asia-52967452>
- EUROPA.** (2020). COVID-19's impact on migrant communities. <https://ec.europa.eu/migrant-integration/news/covid-19s-impact-on-migrant-communities>
- FAO.** (2020). Mitigating risks to food systems during COVID-19: Reducing food loss and waste. <http://www.fao.org/3/ca9056en/CA9056EN.pdf>
- Financial Times.** (2020). India: the millions of working poor exposed by pandemic. <https://www.ft.com/content/dec12470-894b-11ea-9dcb-fe6871f4145a>
- Foreign Employment Board.** (2020, July 24). Press Release. www.fepb.gov.np/detail/76/suchana
- Ganguly, Meenakshi.** (2020). Nepal Abandons Migrant Workers in Fight Against COVID-19. *Human Rights Watch*. <https://www.hrw.org/news/2020/03/31/nepal-abandons-migrant-workers-fight-against-covid-19>
- Gittleman, Jeffrey, Hari Kumar & Sameer Yasir.** (2020). Worst Clash in Decades on Disputed India-China Border Kills 20 Indian Troops. *The New York Times*. <https://www.nytimes.com/2020/06/16/world/asia/indian-china-border-clash.html>

- Ghimire, Binod.** (2020). Why the MCC compact court-ed controversy in Nepal. The KathmanduPost. <https://kathmandupost.com/national/2020/01/09/why-the-mcc-compact-court-ed-controversy-in-nepal>
- Gill, Peter & Sapkota, J. R.** (2020, June 29). COVID-19: Nepal in Crisis. The Diplomat. <https://thediplomat.com/2020/06/covid-19-nepal-in-crisis/>
- Giri, Anil.** (2019). Nepal hopes to resolve Kalapani dispute through a meeting of the foreign secretaries. The Kathmandu Post. <https://kathmandupost.com/national/2019/11/10/nepal-hopes-to-resolve-kalapani-dispute-through-a-meeting-of-the-foreign-secretaries>
- Giri, Anil.** (2020a). India opening a road via Lipulekh, a territory that Nepal claims, is a diplomatic failure. The Kathmandu Post. <https://kathmandupost.com/national/2020/05/08/india-opening-a-road-via-lipulekh-a-territory-that-nepal-claims-is-a-diplomatic-failure>
- Government of UK.** (2020). Press Release. Gurkha charity and Foreign Office staff support Gurkha veterans and Nepalese communities through coronavirus crisis. <https://www.gov.uk/government/news/gurkha-charity-and-foreign-office-staff-support-gurkha-veterans-and-nepalese-communities-through-coronavirus-crisis>
- Gu, Vanessa.** (2020). Virus or hunger? – Asia's migrant workers' COVID-19 dilemma. <https://news.cgtn.com/news/2020-04-05/Virus-or-hunger-Asia-s-migrant-workers-COVID-19-dilemma-Pq0vBXg-Zol/index.html>
- Gupta, Shishir (2020, June 10).** In Nepal's map tactics, a reflection of China's growing footprint in Kathmandu. Hindustan Times.
- Gurkha Welfare Trust.** (2020). COVID-19 and the Gurkha Welfare Trust. [https://www.gwt.org.uk/news/breaking-news-covid-19-and-the-gurkha-welfare-trust/Hindustan Times](https://www.gwt.org.uk/news/breaking-news-covid-19-and-the-gurkha-welfare-trust/Hindustan%20Times). (2020a). Chinese envoy to Nepal in fresh row for her meetings with Nepalese Political leaders. Hindustan Times. <https://www.hindustantimes.com/india-news/chinese-envoy-to-nepal-in-fresh-row-for-her-meetings-with-nepalese-political-leaders/story-jBfStlx7OWlorYRVAmASXI.html>
- Ho, Elaine L.E & McConnell.** (2017). Conceptualizing 'diaspora diplomacy': Territory and populations betwixt the domestic and foreign. <https://doi.org/10.1177/0309132517740217>
- IMF.** (2020). IMF Executive Board Approves a US\$214 Million Disbursement to Nepal to Address the COVID-19 Pandemic. <https://www.imf.org/en/News/Articles/2020/05/07/pr20209-nepal-imf-executive-board-approves-us-million-disbursement-address-covid-19-pandemic>
- IPS Report.** (2019). Indo-pacific Strategy Report. Preparedness, Partnerships and Promoting a **Networked Region**.
- Jha, Hari Bansh.** (2020). Rivalry between US and China in Nepal delays MCC. Observer Research Foundation. <https://www.orfonline.org/expert-speak/rivalry-between-us-and-china-in-nepal-delays-mcc-60298/>
- Joshi, Manoj.** (2020, March 21). US and China: Engagement, strategic competition and beyond. ORF. <https://www.orfonline.org/expert-speak/us-and-china-engagement-strategic-competition-and-beyond-63578/>
- Hargreaves, Sally.** (2020). Targeting COVID-19 interventions towards migrants in humanitarian settings. The Lancet. VOLUME 20, ISSUE 6, P645-646.
- Karki, Brabim.** (2020a). Why is India Eager to Talk Borders with China but Not Nepal? The Wire. <https://thewire.in/south-asia/india-china-nepal-border>
- Karki, Hom.** (2020b). Over 6 thousand 9 hundred Nepalis infected in Qatar. Kantipur. <https://ekantipur.com/news/2020/05/23/159021264966971490.html>
- Khadka, Narayan.** (1991). Foreign Aid, Poverty and Stagnation in Nepal. Ratna Pustak Bhandar
- Koirala, Kosh Raj.** (2020a). Even India's official documents show that Limpiyadhura is the real source of the Kali River (with video). Republica. <https://myrepublica.nagariknetwork.com/news/even-india-s-official-documents-show-that-limpiyadhura-is-the-real-source-of-the-kali-river/>
- Koirala, Kosh Raj.** (2020b). Nepal for strengthening multilateralism and rule-based world order: FM Gyawali. Republica. <https://myrepublica.nagariknetwork.com/news/nepal-for-strengthening-multilateralism-and-rule-based-world-order-fm-gyawali/>
- Mahbubani, Kishore.** (2020). Has China Won The Chinese Challenge to American Primacy. New York: Public Affairs Books
- Malla, Katak.** (2020a). Multilateral diplomacy may be the way. The Kathmandu Post. <https://kathmandupost.com/columns/2020/03/13/multilateral-diplomacy-may-be-the-way>
- Malla, Katak.** (2020b). Nepal's partnership for peace with MCC and BRI. The Kathmandu Post. <https://kathmandupost.com/columns/2020/01/12/nepal-s-partnership-for-peace-with-mcc-and-bri>
- Mandal, Chandan Kumar.** (2020a). At least 500,000 migrant workers want to return home at the earliest, says report. The Kathmandu Post. https://kathmandupost.com/national/2020/05/21/at-least-500-000-migrant-workers-want-to-return-home-at-the-earliest-says-report?fbclid=IwAR3GGHcR_VSgpCocQn7CBmA8xn16kW4k-Ci0uyEuen8Mn7gU1bm9IzAk6r7k
- Mandal, Chandan Kumar.** (2020b). Without work and

- salary, Nepali migrants protest in COVID-19 -hit UAE. The Kathmandu Post. <https://kathmandupost.com/national/2020/05/18/without-work-and-salary-nepali-migrants-protest-in-covid-hit-uae>
- Mandal, Chandan Kumar.** (2020c). He lost his job and wanted to come home. The lockdown killed him. <https://kathmandupost.com/national/2020/05/17/he-lost-his-job-and-wanted-to-come-home-the-lockdown-killed-him>
- Mandal, Chandan Kumar.** (2020d, May 5). Government considers bringing back Nepali migrant workers from Covid-19-affected countries. The Kathmandu Post. <https://kathmandupost.com/national/2020/05/05/government-considers-bringing-back-Nepali-migrant-workers-from-covid-19-affected-countries>
- Mandal, Chandan Kumar.** (2020e, July 1). Guidelines ready for repatriation of migrant workers who cannot pay for their flights. The Kathmandu Post. <https://kathmandupost.com/national/2020/07/01/guidelines-ready-for-repatriation-of-migrant-workers-who-cannot-pay-for-their-flights>
- Mishra, Ishita.** (2020). Nepal envoy: We don't cultivate ties with a country at expense of another. The Times of India. <https://timesofindia.indiatimes.com/india/nepal-envoy-we-dont-cultivate-ties-with-a-country-at-expense-of-another/articleshow/77176464.cms>
- MEA.** (2020). Official Spokesperson's response to media queries on inauguration of road on 8th May in Pithoragarh district, Uttarakhand. Ministry of External Affairs. https://mea.gov.in/response-to-queries.htm?dtl/32677/Official_Spokespersons_response_to_media_queries_on_inauguration_of_road_on_8th_May_in_Pithoragarh_district_Uttarakhand.
- MoFA.** (n.d) Bilateral Relations. Government of Nepal. <https://mofa.gov.np/foreign-policy/bilateral-relation/>
- MoFA.** (n.d) Nepal – US Relations. Ministry of Foreign Affairs. <https://mofa.gov.np/nepal-us-relations/>
- MoFA.** (2020a). Press Statement on recent development in Galwan Valley area between Indian and China. Ministry of Foreign Affairs. <https://mofa.gov.np/press-statement-on-recent-development-in-galwan-valley-area-between-india-and-china/>
- MoFA.** (2020b). Press Release on Lipu Lekh. Ministry of Foreign Affairs. <https://mofa.gov.np/press-release-regarding-lipu-lekh/>
- MoFA.** (2020c). Decision of the 12th Meeting of HLCC on VOVID-19- 24 March 2020 and its Unofficial Translation. Ministry of Foreign Affairs. <https://mofa.gov.np/decision-of-the-12th-meeting-of-hlcc-on-vovid-19-24-march-2020-and-its-unofficial-translation/>
- MoFA.** (2020d). Press release regarding the telephone conversation between the Foreign Ministers of Nepal and Pakistan. <https://mofa.gov.np/press-release-regarding-the-telephone-conversation-between-the-foreign-ministers-of-nepal-and-pakistan/>
- MoFA.** (2020e). Press Release on Rt. Hon. PM's Address to NAM Virtual Summit on COVID-19. <https://mofa.gov.np/press-release-on-rt-hon-pms-address-to-nam-virtual-summit-on-covid-19/>
- MoFA.** (2020f). Press Release on the Hon. Foreign Minister's Participation in the Ministerial Conference on Digital Response to COVID-19. <https://mofa.gov.np/press-release-on-the-hon-foreign-ministers-participation-in-the-ministerial-conference-on-digital-response-to-covid-19/>
- MoFA.** (2020g). Press Release regarding participation of Hon. FM at High-Level Video Conference on Belt and Road International Cooperation. <https://mofa.gov.np/press-release-regarding-participation-of-hon-fm-at-high-level-video-conference-on-belt-and-road-international-cooperation/>
- MoFA.** (2020h). Press Release on the Rt. Hon. President's video message to the Global Vaccine Summit. <https://mofa.gov.np/press-release-on-the-rt-hon-presidents-video-message-to-the-global-vaccine-summit/>
- MoFA.** (2020i). History of the Ministry of Foreign Affairs. <https://mofa.gov.np/the-ministry/history-of-the-ministry-of-foreign-affairs/>
- MoFA.** (2020j). Press statement on news report about Nepal-China border. Ministry of Foreign Affairs. <https://mofa.gov.np/press-statement-on-news-report-on-nepal-china-border/>
- MoLESS.** (2020). Nepal Labour Migration Report 2020. Ministry of Labour, Employment and Social Security, Government of Nepal, <https://moless.gov.np/wp-content/uploads/2020/03/Migration-Report-2020-English.pdf>
- Moni, Monir Hossain.** (2008). Japan and South Asia: Toward a Strengthened Economic Cooperation. *Asia-Pacific Social Science Review* 7(1). DOI: 10.3860/apsr.v7i1.112
- Muni, Sukh Deo.** (2020). India has done well to revive SAARC. The Hindustan Times. <https://www.hindustantimes.com/analysis/india-has-done-well-to-revive-saarc-opinion/story-ax17bHXpQHfzfgE-PK7AaDHP.html>
- National Security Strategy of the United States.** (2017). <https://www.whitehouse.gov/wp-content/uploads/2017/12/NSS-Final-12-18-2017-0905.pdf>
- Neupane, Suresh Raj.** (2019). Nepal sends a diplomatic note to India over Kalapani issue. The Kathmandu Post. <https://kathmandupost.com/national/2019/11/22/nepal-sends-a-diplomatic-note-to-india-over-kalapani-issue>

- Nepal, Rameshwar; Baniya, Jeevan, Thapa, Chhetri, Kamal and Thapaliya, Deepika.** (2020). COVID-19 Mahabyadiko Chapetama Nepali Aaprabasi Shramnikko Adhikar (Rights of Nepali Migrant Workers in the Clutches of the COVID-19 Pandemic), National Human Rights Commission, Nepal
- Nepali Times.** (2020, July 8). Helping hands for Nepali migrants in distress. Nepali Times. <https://www.nepalitimes.com/latest/health/helping-hand-for-repatriated-nepali-workers/>
- NRNA.** (2020). Income and Expense Report of COVID-19 Relief (Emergency Fund). <https://www.nrna.org/Portals/0/Covid%2019%20Report.pdf>
- Poudel, Arjun.** (2020). Request for \$1.5 million to set up PCR labs in all provinces yet to respond by SAARC Development Fund. The Kathmandu Post. <https://kathmandupost.com/health/2020/07/01/request-for-1-5-million-to-set-up-pcr-labs-in-all-provinces-yet-to-respond-by-saarc-development-fund>
- Pradhan, TR & Giri, Anil.** (2020). Cabinet endorses new political map that includes all Territories that Nepal claims'. The Kathmandu Post. <https://kathmandupost.com/national/2020/05/18/cabinet-endorses-new-political-map-that-includes-all-territories-that-nepal-claims>.
- Pradhan, Shirish B.** (2020). Nepal Redraws Political Map by Incorporating Three Disputed Areas with India. The Wire. <https://thewire.in/south-asia/nepal-redraws-political-map-by-incorporating-3-indian-areas>
- Prasain, Sangam & Mandal, Chandan Kumar.** (2020a June 17). Supreme Court orders government to use welfare fund to repatriate Nepali workers stranded abroad. The Kathmandu Post. <https://kathmandupost.com/national/2020/06/17/supreme-court-orders-government-to-use-welfare-fund-to-repatriate-nepali-workers-stranded-abroad>
- Prasain, Sangam & Mandal, Chandan Kumar.** (2020b, June 7). Authorities plan to rescue Nepalis stranded abroad. But no one knows who will pay for it. The Kathmandu Post. <https://kathmandupost.com/national/2020/06/07/authorities-plan-to-rescue-nepalis-stranded-abroad-but-no-one-knows-who-will-pay-for-it>
- Rai, Jaya.** (2020). A New Cold War in Himalaya. Nepali Times. <https://www.nepalitimes.com/here-now/a-new-cold-war-in-the-himalaya/>
- Ray, Trisha.** (2020, March 25). What we will lose to Covid19. ORF. <https://www.orfonline.org/expert-speak/what-we-will-lose-covid19-63685/>
- Report of the Commission on Human Security.** (2003). Report of the Commission on Human Security: "Human Security Now". <https://reliefweb.int/sites/reliefweb.int/files/resources/91BAEEDBA50C-6907C1256D19006A9353-chs-security-may03.pdf>
- Republica.** (2020a). India unilaterally constructs link road to Tibet through Nepali territory of Lipulekh. <https://myrepublica.nagariknetwork.com/news/india-unilaterally-constructs-link-road-to-tibet-through-nepali-territory-of-lipulekh/#:~:text=KATHMANDU%2C%20May%209%3A%20India%20on,north%20western%20frontier%20with%20China>.
- Republica.** (2020b). US commits additional \$1.8 million to Nepal to combat COVID-19. <https://myrepublica.nagariknetwork.com/news/us-commits-additional-1-8-million-to-nepal-to-combat-covid-19/>
- Republica.** (2020c). Kuwait ready to send illegal Nepali workers back home free of cost and by its own civil airlines. Republica. <https://myrepublica.nagariknetwork.com/news/kuwait-ready-to-send-illegal-nepali-workers-back-home-free-of-cost-and-by-its-own-civil-airlines/>
- Republica.** (2020d). ILO agrees to provide Rs 51 million grant to NRNA to evacuate stranded Nepalis abroad. <https://myrepublica.nagariknetwork.com/news/ilo-agrees-to-provide-rs-51-million-in-grant-to-nrna-to-evacuate-stranded-nepalis-abroad/>
- Shahi, Ishita.** (2020). Uncertain times in Australia. The Record. <https://www.recordnepal.com/wire/features/uncertain-times-in-australia/>
- Sharma, Gopal. & Karim, Naimul.** (2020). Hungry, stranded and broke: Coronavirus travel bans hit migrant workers. <https://www.reuters.com/article/health-coronavirus-jobs-asia/hungry-stranded-and-broke-coronavirus-travel-bans-hit-migrant-workers-idUSL8N2BA7OW>
- Shrestha, Prithvi Man.** (2020a). Foreign aid to Nepal could go down due to Covid-19 pandemic, experts and stakeholders say. The Kathmandu Post. <https://kathmandupost.com/national/2020/04/01/foreign-aid-to-nepal-could-go-down-due-to-covid-19-pandemic-experts-and-stakeholders-say>
- Shrestha, Prithvi Man.** (2020b). International nonprofits cut aid pledge to Nepal amid Covid-19 pandemic. The Kathmandu Post. <https://kathmandupost.com/2020/07/03/international-nonprofits-cut-aid-pledge-to-nepal-amid-covid-19-pandemic>
- Singh, Manvendra.** (2020). Gen Naravane's insensitive remark undermined 40 battalions of Nepalis in Indian Army. The Print. <https://theprint.in/opinion/gen-naravanes-insensitive-remark-undermined-40-battalions-of-nepalis-in-indian-army/428218/>
- Stromseth, Jonathan.** (2020, April). BEYOND BINARY CHOICES, Navigating great power competition in Southeast Asia; Boston: Brookings Institution
- Trevelyan, Laura.** (2020). Is the world entering a new Cold War? BBC. <https://www.bbc.com/news/>

- world-us-canada-5424401
- The Gurkha Welfare Trust.** (2020). Gurkhas in the UK – Support during COVID-19. <https://www.gwt.org.uk/news/gurkhas-in-the-uk-support-during-covid-19/>
- The Kathmandu Post.** (2020a). As India steps up measures to control coronavirus spread, smaller border points with Nepal likely to be closed. <https://kathmandupost.com/national/2020/03/13/as-india-steps-up-measures-to-control-coronavirus-spread-smaller-border-points-with-nepal-likely-to-be-closed>
- The Kathmandu Post.** (2020b). Nepal cannot wait for the Covid-19 crisis to be over to hold talks with India on boundary issues, Gyawali says. <https://kathmandupost.com/national/2020/05/11/nepal-cannot-wait-for-the-covid-19-crisis-to-be-over-to-hold-talks-with-india-on-boundary-issues-gyawali-says>
- The Kathmandu Post.** (2020c). India gifts 23 tonnes of essential medicines to Nepal to fight Covid-19. The Kathmandu Post. <https://kathmandupost.com/national/2020/04/22/india-gifts-23-tonnes-of-essential-medicines-to-nepal-to-fight-covid-19>
- The Kathmandu Post.** (2020d). Nepal hands over diplomatic note to Indian ambassador expressing displeasure over India's opening of a road via Lipulekh. <https://kathmandupost.com/national/2020/05/11/nepal-hands-over-diplomatic-note-to-indian-ambassador-expressing-displeasure-over-india-s-opening-of-a-road-via-lipulekh>
- The Kathmandu Post.** (2020e). Indian Army chief says Nepal objected to India's opening of a road link via Lipulekh 'at the behest of someone else'. <https://kathmandupost.com/national/2020/05/15/indian-army-chief-says-nepal-objected-to-india-s-opening-of-a-road-link-via-lipulekh-at-the-behest-of-someone-else>
- The Kathmandu Post.** (2020f). Government unveils new political map including Kalapani, Lipulekh and Limpiyadhura inside Nepal borders. <https://kathmandupost.com/national/2020/05/20/government-unveils-new-political-map-including-kalapani-lipulekh-and-limpiyadhura-inside-nepal-borders>
- The Kathmandu Post.** (2020g). Kalapani Issue is between Nepal and India says Chinese Foreign Ministry. <https://kathmandupost.com/national/2020/05/19/kalapani-issue-is-between-nepal-and-india-says-chinese-foreign-ministry>
- The Times of India.** (2020). Border row with India: Nepal's parliament approves new map. <https://timesofindia.indiatimes.com/world/south-asia/border-row-with-india-nepals-parliament-approves-new-map/articleshow/76441236.cms>
- The Economist.** (2020). Autocrats see opportunity in disaster. <https://www.economist.com/leaders/2020/04/23/autocrats-see-opportunity-in-disaster>
- The Himalayan Times.** (2020a). US provides PPE to contain COVID-19. <https://thehimalayantimes.com/kathmandu/usa-id-nepal-provides-personal-protective-equipment-to-contain-covid-19/>
- The Himalayan Times.** (2020b). 674 Nepali workers infected by COVID-19 in Saudi Arabia. <https://thehimalayantimes.com/nepal/674-nepali-workers-infected-by-covid-19-in-saudi-arabia/>
- The New School.** (2020) Human mobility and human rights in the COVID-19 pandemic: Principles of protection for migrants, refugees, and other displaced persons. Zolberg Institute on Migration and Mobility. <https://zolberginstitute.org/covid-19/>
- The Rising Nepal.** (2020). MoFA Instructs Missions To Update On Citizens Abroad. <https://risingnepaldaily.com/main-news/mofa-instructs-missions-to-update-on-citizens-abroad>
- The Wire.** (2020). Army Chief Says Nepal Objected to India's Link Road to Lipulekh at Someone Else's Behest. <https://thewire.in/external-affairs/army-chief-general-m-m-naravane-nepal-lipulekh-china>
- The World Bank.** (2020a). Government of Nepal and World Bank sign \$100 million credit agreement to reform Nepal's energy sector and boost recovery from COVID-19 crisis. <https://www.worldbank.org/en/news/press-release/2020/06/24/government-of-nepal-and-world-bank-sign-100-million-credit-agreement-to-reform-nepals-energy-sector-and-boost-recovery-from-covid-19-crisis>
- The World Bank.** (2020b). The Government of Nepal and the World Bank sign \$29 Million Financing Agreement for Nepal's COVID-19 (Coronavirus) Response. <https://www.worldbank.org/en/news/press-release/2020/04/03/world-bank-fast-tracks-29-million-for-nepal-covid-19-coronavirus-response>
- Tsourapas, Gerasimos.** (2018). Authoritarian emigration states: Soft power and cross-border mobility in the Middle East. *International Political Science Review.* <https://doi.org/10.1177/0192512118759902>
- UNDP.** (2020). Rapid Assessment of Socio-economic Impact of COVID-19 in Nepal. <https://www.np.undp.org/content/nepal/en/home/library/rapid-assessment-of-socio-economic-impact.html>
- Vertovec, Steven.** (2020). Covid-19 and enduring stigma. *MAX-PLANCK-GESELLSCHAFT.* <https://www.mpg.de/14741776/covid-19-and-enduring-stigma>
- Waever, Ole.** (1995). "Securitization and Desecuritization." In *On Security*, edited by R.Lipschutz. New York: Columbia University Press. pp. 46-87.

Wagle, Achyut. (2020). What the Biden win means for Nepal. The Kathmandu Post. <https://kathmandupost.com/columns/2020/11/09/what-the-biden-win-means-to-nepal>

World Bank. (2020). World Bank's \$450 Million Road Support in Nepal to Spur COVID-19 Recovery. <https://www.worldbank.org/en/news/press-release/2020/06/09/new-world-bank-strategic-roads-project-to-aid-economic-recovery-post-covid-19-in-nepal>

Yayboke, Erol. (2020, March 25). Five ways COVID-19

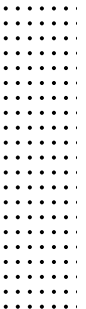
is changing global migration. Center for Strategic and International Studies. <https://www.csis.org/analysis/five-ways-covid-19-changing-global-migration>

Yhome, K. (2020, March 23). "COVID-19 crisis and SAARC diplomacy". ORF Online

Zheng, Sarah. (2020). China-India border dispute may force South Asian neighbours to pick a side. South China Morning Post. <https://www.scmp.com/news/china/diplomacy/article/3092510/china-india-border-dispute-may-force-south-asian-neighbours>

Chapter II

**Macroeconomic
Impacts On
Nepal's Economy**



Impact of COVID-19 on Nepal's Economy

 Ramesh C. Paudel, PhD

Background

COVID-19, known as the coronavirus, has become a pandemic threatening human lives and challenging the world's economies, though at different degrees. The first case affected by this virus was detected in Wuhan Town, Hubei Province of the Peoples' Republic of China on 31st December 2019. Since then, COVID-19 has gradually become not only a global phenomenon in the health care industries but also it has become the top issue of concerns to the policy makers, development activists, entrepreneurs, and in fact the people of all walks of life. Probably, this has become the single subject of concern of all people in the world for a long time more than a year now.

As of early December 2020, about 64 million cases were reported as COVID-19 affected people globally. It has claimed total death of over one and a half million with a death rate of about three percent in the global context with huge variation of cases in country to country. Also, over eighteen million people are under the process of treatment. The frustrating situation is that the protective vaccine may not be in use for some months.

Scholars compare the threat of present pandemic with a century-old Spanish flu that infected around 500 million people between 1918 to 1920 and killed about 50 million (Baker et al., 2020). As the world is much integrated due to expanded tourism industries; international trade, cultural exchange, technological advancement, and people to people, corporate to corporate and government to government relationships, the potentiality of severe effect of COVID-19 seems higher than that of Spanish flu (Baker et al., 2020).

As of early December 2020, Nepal has over 235,000 cases of affected people, out of which more than 1,500 have lost their lives, and over 220,000 have recovered after treatment. The tested numbers of Nepal's population above 1,800,000 that stands around 60000 per one million population (Worldometers.info, 2020). The same database shows some comparative statistics. Nepal is the top 49th largest country in the world in terms of population, 5th in terms of tests relevant to population ratio. It is reasonably a better controlled number in the region in terms of casualty and tests.

COVID-19's economic impact on the global economy is very serious and negative, because of health threat, restricted mobility of production forces, and limited operation of markets and economic activities. As the pandemic lingers, the future scenario of potential health and economic shocks globally at different levels is noted. Against this background, Kristalina Georgieva, the Chief of International Monetary Fund (IMF) indicated that 2020 is likely to be the most difficult, devastating and failure year in terms of economic performance since the great depression of the 1930s (Dev & Sengupta, 2020). She also fears that more than 170 countries in the world may have negative per capita growth because of this pandemic in 2020.

Given the global scenario, predicting the future of Nepalese economy is a difficult task about the shifting shape of the Nepali economy in the changed perspectives. This is clear that the situation is not normal and the roads ahead are very foggy, and pre-cautious approach to manage Nepalese economy is needed as it has been more integrated with the world economy now than in the past, when other pandemic, such as, Spanish flu, Severe Acute Respiratory Syndrome (SARS), and other pandemics spread globally (Gössling, Scott, & Hall, 2020).

It is evident that the adverse impact on many sectors of economy hard hit by COVID-19 is tourism, transportation, education, and industries. Because of restrictions imposed to contain the spread, the adverse impact will deepen to deter the national economy further degrading economic growth caused by downturn in economic activities, thus lowering the revenue collection, employment, capital and remittance inflows, economic output as well.

Some of the potential risk scenarios are- Nepal's major trading partners seem to be badly affected by COVID-19, for example, top six trading partners of Nepal, such as, India, USA, Turkey, Germany, China, and United Kingdom. Notably, these countries account more than 85 percent of Nepal's trade and are heavily coronavirus impacted countries in the world, and it seems that they may be in more difficult situation in the days to come. This scenario will adversely impact both in import and export creating more pressure in the foreign reserves, consumption pattern, revenue collection, and even remittance inflows. Also, by virtue of the same reason, other sources of foreign currency, such as, foreign aid, loan and foreign direct investment are likely to be in downturn. This background puts us in a difficult situation as there are both demand and supply side factors badly affected but at different degrees in countries to countries. The capital market, in the global context, is affected substantially and Nepal's capital market has the halo effect even though the base is poorer than that of the international capital market.

The entire background will further create heavy pressure on international reserves and capital inflows in the country, loss of jobs, and declining national output. It will amplify the effect in causing the economy to lose the ground further, and most importantly we cannot predict that how long it will take to fully control and shape the economy as it was before COVID-19 (Trzebinski, Cabanski, & Czarnecka, 2020). The problem is that there is no historical benchmark to compare the case of COVID-19. Therefore, the set benchmark would be how to minimize the fatality and the risks in the economy as a strategy to survive and sustain.

Against this background, this chapter aims to analyse the COVID-19's major impact on the Nepali economy, particularly the major macroeconomic variables. Second section presents COVID-19's situation in Nepal and government's response in brief. Third section presents a casual observation on COVID-19's impact on Nepali economy discussing the different macroeconomic variables in the country, and I will present a brief policy recommendation (roads ahead) within the given context in the final section.

COVID-19 pandemic and governments' response in Nepal: at a glance

Health issues created by COVID-19 are severe globally. COVID-19 is not only a pandemic, but also exposed the health care system of the advanced economies, which spend approximately 10 percent of their gross domestic product (GDP) on average health care system despite a long history of modern medical and healthcare industry. Without doubt, Nepali health care system comparatively poor to face this pandemic as the foundation is not much established yet. Nepal's health expenditure is just about 6 percent of her GDP as of 2015. Notably, this percentage in terms of GDP is greater than that of our close neighbours China and India. Further, if we think about Nepal's GDP itself, which is quite smaller than that of these countries. Also, the weakness from the poor scale of economies also exists there. The figure for advanced economies stands around 10 percent of their GDP as can be seen in the Table 2.1. The United States of America has about 17% of GDP.

Similarly, the per capita health expenditure of these countries compared with Nepal's per capita health expenditure is very low (lower panel of Table 2.1). Nepal's per capita health expenditure, as of 2015, is just USD 49 compared to USD 59 of India and USD 393 of China for the same period, measured in nominal term. These amounts are very small compared to that of high-income countries, which have more than USD 4000. The USA has the highest amount of about USD 9500 per capita health expenditure in our

sample, followed by Australia, Germany, and UK with the per capita health expenditure in between USD 4000 to USD 5000.

These data raise a natural question on the background of having that big amount of per capita health expenditure, the high income countries are unable to manage the pandemic effectively, then how the least developed countries like Nepal can fight with the pandemic with minimal amount of per capita health expenditure. Further, this scenario of expenditure has been there for long, indicating very poor health infrastructure in the country.

Further, the data indicate that Nepal's per capita health expenditure is increasing over the time in terms of percentage but the base itself was very low so that this expenditure in terms of amount still remains very low and insufficient to cover the healthcare expenditure even comparing with other developing countries. For example, Kenya, Mongolia, and Vietnam have USD 158, USD 516, and USD 335 respectively measured in purchasing power parity (PPP) at current prices. This scenario urges to invest more in the healthcare system and healthcare infrastructure so that the effect of any kind of pandemic, even in the future, can be minimal. However, if we look at other South Asian countries, Bangladesh and Pakistan have lower per capita health expenditure compared to that of Nepal just standing at about 88 and 134 respectively measured in the same standard for the year 2015, whereas Nepal has about USD 150. Even for the earlier years, the situation was not meaningfully different than that of 2015 (World Bank, 2020).

Table 2.1: Health expenditure scenario in selected countries including Nepal

Variables	Year	Nepal	China	India	Australia	Germany	UK	USA
Health expenditure (% of GDP)	2000	4	4	4	8	10	6	13
	2005	5	4	4	8	10	7	15
	2010	5	4	3	8	11	8	16
	2015	6	5	4	9	11	10	17
Per capita health expenditure (Nominal value-USD)	2000	9	42	19	1632	2335	1674	4560
	2005	15	72	28	3004	3547	3010	6452
	2010	30	188	45	4953	4597	3309	7957
	2015	45	393	59	4888	4617	4326	9538

Source: World Development Indicators (2020).

Note: UK refers to the United Kingdom and USA refers to the United States of America.

In fact, all the three levels of the governments of Nepal are engaged to control the pandemic with very limited resources, poor and unorganized health care infrastructure, and poor and insufficient human resources in hand. There may be different verdicts on the role played by the three levels of governments of Nepal dealing with this pandemic but they had to start with various scarcities and scary situations in the system, which was not even prepared to face such problems at the time when the pandemic emerged in the country. As a country and as a civilized society, we faced verities of transmissible disease in the past, but the nation had only one hospital in hand in the country to face any types of the transmissible diseases. It shows the negligence or unplanned action in the past about the healthcare system and health care delivery mechanism.

Table 2.2: Evolving of COVID-19 related incidents & governments' response in brief

Date	Incidents	Remarks
January 23, 2020	First case of COVID-19 found in Nepal.	A 32-year-old male student had returned to Kathmandu from Wuhan on 9th January and tested positive for the disease.
March 1, 2020	A High-Level Coordination Committee for the Prevention and Control of COVID-19 is constituted by the Government of Nepal.	This commission committee has the leading role for planning and implementing leadership to control the pandemic in the country. This committee has worked under the name of COVID-19 Crisis Management Center (CCMC), which has held a series of meetings to decide on the immediate situation. In the process, decided verities of restriction on mobility and economic activities, issues different rules and regulations to control the spread of pandemic.
March 23, 2020	Suspension of international flights and Visit Nepal 2020 national program, schools and educational institutions were closed.	Some rescue international flights were arranged in between, few flights with restriction were allowed only after 1st of September 2020. Schools and education institutions particularly classroom teachings are not allowed yet as of October 1st, 2020.

March 24, 2020	Country-wide lockdown started	Lockdown ended on 21st July 2020 with restriction on mobility and economic activities, no public transportation until 1st of September 2020.
April 4, 2020	First case of local transmission was detected.	In Kailali district of Far Western province. This means the infected was not from overseas but infected by the infected incomer from India.
May 17, 2020	First death from COVID-19	A 29-year-old woman from Kavrepalanchowk died from the novel coronavirus. She was tested positive after a few days of discharge from the hospital after giving birth to a baby boy.
Until October 1st, 2020	Extension of testing labs in different hospitals	Total of 57 (governments' 40 and private sector's 17) labs in different districts covering all provinces of the country have been established until the date. Testing facility was hardly in existence in only one hospital, that is, Teku Hospital (Sukraraj Tropical & Infectious Disease Hospital) in the federal capital city (Kathmandu).

Source: CCMC (2020) and Government of Nepal (2020)

COVID-19's Impact on the Nepali Economy: Casual Observations

Nepal's economy lost the momentum of growth and expansion as a direct shock of COVID-19, it is largely reflected in the first half of the financial year 2020. Agriculture sector has some unique problems since long, such as delayed monsoon, shortages of fertilizer, poor quality or pseudo seeds, lack of labours in the hilly region and many more. Industries and manufacturing sectors are badly affected by both demand and supply side factor. The service sector could expand, as the technology and other infrastructure are not required at the stage of development to lead in the market. I will discuss each of the selected, macroeconomic sectors' response based on relevancy in the following subsections.

Major macroeconomic indicators

The immediate impact of any crisis in the economy can be seen not only in employment, output, productivity, and growth, but also in overall macroeconomic indicators. However, such crisis creates pressure on all dimensions of the social system and integration, economic system, social integration and in fact all walks of lives directly or indirectly (Alon, Doepke, Olmstead-Rumsey, & Tertilt, 2020). Keeping this point in mind, if we could have a look at the data for major macroeconomic indicators, we find most of them are inflected towards the negative direction unlike in the normal cases.

The preliminary estimate by Nepal Rastra Bank (2020) shows that the growth of real GDP and basic price remained only 2.3 percent this year compared to that of 6.7 percent in the previous financial year 2018/19. This declining trend of growth appears in capital formation, savings, and wage rate index. On the other hand, due to obstruction in the supply chain and restriction on mobility, the consumer price levels (both wholesale price index and consumer price index) show some declines although they are within acceptable ranges.

The trade deficit declined a bit, say around 22 percent, as a result, gross foreign exchange reserve has increased by almost same percent. The revenue has a negative growth of almost 9 percent. The domestic debt and foreign debt have increased by almost about 35 percent bringing debt to GDP ratio about 38 percent from 30 percent of the previous year. Similarly, we see more negative impact in other indicators, such as, recurrent expenditure to GDP has a nominal increase but capital expenditure to GDP has declined further to remain about just 5 percent of GDP, which is a more worrying point for the betterment of our national economy in the background that poor capacity for low capital expenditure has been a major concern of the policy makers and stakeholders.

Where does Nepal's GDP come from? How is the economic sector's performance in the last year? These are important questions to be considered to analyse the impact of COVID-19 on the economy. For this purpose, Table 2.2 presents the growth rate of the sector based on industrial classification from the financial year 2070/71 (2013/14 AD) to 2076/77 (2019/20 AD). As we see among the selected years, the negative marks in the growth rates of different sectors are seen only in two years, such as, in year 2072/73 (2015/16 AD) in which two exogenous shocks hit the economy, trade and transit blockade by Indian side and devastating earthquake as discussed in Paudel (2019) and in year 2076/77 (2019/20) because of this COVID-19

pandemic.

Few important points emerge, which may be useful to the policymakers of the country. The first is that few sectors are more sensitive and turn to be negative in the case of exogenous shocks as in the Table 2.3. For instance, mining and quarrying have a negative growth in both years. This feature is found in case of manufacturing, construction, and hotels and restaurants are recorded with the negative growth in both years. Second point is that only the electricity, gas and water and wholesale and retail trade are recorded with the growth in the year 2076/77 that recorded negative growth in 2072/73.

The third point is that only one sector that has turned up with negative growth in 2076/77 which was positive even in 2072/73 is transport, storage, and communication. This sector had grown by about 2 percent in 2072/73 but has a contraction by almost 2.5 percent due to the pandemic. Fourth point is that only one sector has a greater magnitude of contraction in the year 2076/77 that is, -16.30 percent growth compared to -9.68 percent growth in the year 2072/73.

The fifth point is that, however it may be a hurry to conclude as the effect of pandemic in the year 2076/77 is only for last quarter, few sectors remained with positive growth in both of these years with exogenous shocks. For example, agriculture and forestry, fishing, financial intermediation, real estate, renting and business activities, public administration and defense, education, health and social work, and other community, social and personal service activities have maintained positive growth throughout the year. Also, we note that only few sectors have greater magnitude of growth compared to that of previous year, such as, fishing, electricity gas and water, public administration and defense, and health and social work. The largest shock in the sectoral growth is found in hotels and restaurants, which is recorded as -16.30 percent, and notably this sector has also the negative growth, that is -9.68 percent, in the year 2072/73.

The sixth and probably the most important point is that the results should be taken with a very precautionary approach as they may be revised later and the COVID-19's impact on the economy was for about only three and half months of the year. If this scenario goes whole year, then it may result by far more devastating and frustrating macroeconomic indicators. Also, the whole years' indicators are not that bad due to the better performance of economy during eight and half months of the financial year of 2076/77.

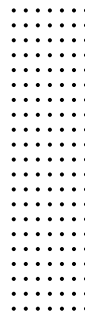
The overall economic growth for the year 2076/77 is estimated to be about

2.28 percent which declined from about 7 percent in the previous year, 2075/76. These facts suggest that a sectoral focus to be made for achieving the targeted economic growth rate in the country. Probably, we need a special policy attention for the most vulnerable sectors due to the various shocks that have become common phenomenon in the national economy. ►

► **Table 2.3: Sectoral Growth of Nepal's economy, 2070/71-2076/77 measured in percentage**

Industrial Classification	2070/71	2071/72	2072/73	2073/74	2074/75	2075/76	2076/77
	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
A Agriculture and forestry	4.54	1.00	0.01	5.14	2.72	5.05	2.48
B Fishing	4.90	7.09	11.76	8.02	7.42	5.60	7.17
C Mining and quarrying	11.85	2.34	-2.79	13.74	8.88	8.91	-0.69
D Manufacturing	6.28	0.37	-8.00	9.70	9.17	6.82	-2.27
E Electricity gas and water	3.27	0.78	-7.59	20.47	9.64	9.15	28.75
F Construction	9.08	2.85	-4.36	12.43	10.02	8.05	-0.31
G Wholesale and retail trade	10.89	2.42	-2.16	11.89	12.54	11.06	2.11
H Hotels and restaurants	6.77	3.33	-9.68	7.33	9.77	7.33	-16.30
I Transport, storage and communications	5.24	6.23	2.02	6.47	4.65	5.90	-2.45
J Financial intermediation	3.70	2.91	8.55	9.09	6.38	6.18	5.15
K Real estate, renting and business activities	3.64	0.77	3.72	5.67	5.24	6.12	3.25
L Public administration and defence	5.04	8.84	2.52	9.06	5.07	5.54	6.91
M Education	4.81	5.09	7.33	7.39	5.02	5.11	4.88
N Health and social work	4.50	11.37	3.25	7.34	6.33	6.75	7.07
O Other community, social and personal service activities	4.77	12.52	5.55	5.58	5.54	5.73	4.70
Gross Domestic Product (GDP)per	5.99	3.32	0.59	8.22	6.70	6.99	2.28

Source: Nepal Rastra Bank (2020) | Note: R refers to revised data and P refers to the preliminary data.



Informal Sector

Chatterjee and Okazaki (2018) state that the majority of the households in Nepal is involved in the informal sectors for their livelihoods. ILO (2020) states that more than 70 percent of the economically active population of Nepal are involved in the informal economy. These two research-works indicate three major points of Nepalese economy: first, as the dominance is found in the informal economy, Nepal's economy is not much integrated with world or regional economies. The second point is that there is the role of governments to put major activities into the formal basket of economy so that tax base will be expanded to ease the development activities in the country, and also would help to integrate faster with the global economy.

One of the important points about the informal sector of the economy is that it does not pay the tax but provides a strong support to the formal economy in many ways. For example, it provides raw materials, mobilizes and protects the local resources, and generates the self-employment, and supplies semi-finished products to the formal sectors. Therefore, managing the wide bases of informal economy can be a good way to make solid foundation for industrialization if appropriately analysed the backward and forward linkage of the informal sectors' products and goods.

Unfortunately, every shock in the economy creates more difficulties for the lower economic class of the society. The lower classes lose the jobs before the investors lose the profits. This scenario naturally indicates the vulnerability in the poor and marginalised groups of people; women, so called low cast people and so on as discussed in Karki and Xheneti (2016). This equally implies in the case of the crisis created by the COVID-19 pandemic. Therefore, without count, the pandemic has made weaker informal sector so that economy will lose the strength in one or other ways in both short and long run, as this sector has the most backward and forward linkages products to the formal economy of the country.

Financial Sector

Already noted from 27 commercial banks performance, the loan investment has declined significantly during Baishakh, Jestha and Ashadh of this year. The data show that loan investment has declined to negative NPR 15 billion in Baishakh and NPR 16 billion in Jestha. The monthly remittance inflow has declined to almost half of the pre-COVID-19 months but has slightly improved thereafter. These data show the challenges of negative investment from the private sector and the important source of government expenditure, remittance, to be substantially low in the coming days.

If the agriculture sector is not tied up with the manufacturing sector, there may be a heavy pressure in the goods and commodities' price level in the market due to supply chain effect and also broken production sharing network having a negative impact in the global output.

Capital inflows in many ways, such as bilateral and multilateral aid will be highly influenced negatively. Specifically, the bilateral aid flows will be declined unless new venues are opened. These venues can be the countries or organizations from such countries that are not affected or have a minimal effect of the pandemic, such as, China, Japan, South Korea and rich Arab countries and Europe.

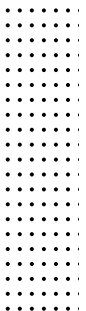
The flow of foreign direct investment seems to have a negative blow at this stage. Investment seems to have less return due to the restriction imposed in production activities. Even the domestic investment has lost the confidence as evinced by the deposits in the banking and financial institutions.

The growths of both foreign grants and foreign loans have declined in 2019/20 compared to that of 2018/19. This situation has created pressure to rely on domestic loans subsequently the situation might lead to problems because of supply of funds to the private sector if the situation prolongs.

International Dynamics

COVID-19 is explained as devastating as 21st century's Spanish flu and has exposed the so-called advanced healthcare system of the high-income countries. This has emerged in the global context as a pandemic potentially causing many ups and downs in the global power order, structure of the United Nation's (UN's) agencies, development agencies and the power of politics globally and regionally. The United States of America's exit from the World Health Organisation (WHO), the inconsistent response of the WHO on COVID-19, and the departure of Mr Roberto Azevedo-the Director General of the World Trade Organization (WTO) indicate the new global order disrupted by the pandemic.

China and Russia have strengthened their role and international image in the global political economy but still have not become deterministic. The United States' exit from the World Health Organization (WHO) and inefficiency seen in the health care system in most of the developed countries has created a different dynamics in capital and labour mobility in the global market, and also the mechanisms are very unpredictable at present and expected changes in these areas can directly impact international relationship, trade and diplomacy.



The negative impact of this pandemic is seen in overall economies, casualties, treatments, and poor managerial efficiencies of the governments in the global context. If we analyze the impact it might be just a coincidence. We notice that these indicators are comparatively better in socialist party led countries; for example: Peoples Republic of China (PRC), Republic of Cuba, Lao People's Democratic Republic, and Socialist Republic of Vietnam have done better than other countries to manage the adverse impact of COVID-19. Per capita death and infection number are less, and recovery seems better there. This will raise the question why the other countries performed poorly than those four countries.

Nowadays, global power is judged by, largely soft power, such as, trade, technologies, innovation, software, happiness of people, and the quality of governance. These are more effective tools nowadays to rule the world than the traditional indicators of the power, such as, weapons, military, and missiles(Gallarotti, 2011). However, the hard power also has its own merits for the time being, but in relevancy is declining year by year. This may be another element to change the global power dynamics in the days to come.

Due to the wrong focuses and wrong allocation of resources by the high-income countries, most of the western countries seem to have grappled with severe complexity caused by the pandemic; this should be taken as an opportunity to build a solid foundation for the better healthcare system as managed in the socialist oriented economic system.

International Trade

COVID-19 has a negative impact in both import and export segments of international trade. In import, it has created a hurdle disturbing supply chain, breaking the production sharing networks, and regular supply of raw materials to the industries as well as the finished products to the hands of the consumers. Because of lockdowns and other types of restrictions imposed in the country, it has limited the supply side factors and has created difficulties to maintain the regular supplies to export. Nepal's major trading partners seems to be badly affected by COVID-19 as we note from the data that top six trading partners, i.e., India, USA, Turkey, Germany, China and United Kingdom, which account more than 85 percent of Nepal's trade, are heavily pandemic impacted countries in the world, and they may, though, come across more difficult situation in future. China has managed to control from the early stage, but the scenario is still not clear. Brazil is facing a big challenge from this impact too. Other countries are also in the fear of risks. This scenario clearly indicates that this pandemic will adversely impact both

in import and export creating more pressure in the employment, output, and consumption.

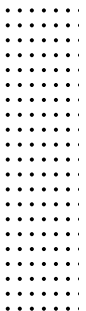
The data show a substantial downgrade of Nepal's trade due to the pandemic. During the last quarter of financial year of 2019/20 (AD), the growth of exports has declined to 5.9 percent from 23.6 percent in the previous quarter of the same year. While comparing quarter to quarter of the previous year, it has declined from 18.7 percent to 5.9 percent. If we look at the total imports in the similar fashion, it has declined to negative 11.9 percent in the last quarter from the negative 3.4 percent in the previous quarter of the same year. Further if we compare the data with the same quarter of the previous year, it has declined to this level from 19.4 percent (Nepal Rastra Bank, 2020). These realities clearly indicate the difficult scenario of the international trade due to the pandemic of COVID-19.

The declining trend of exports would create the pressure in the foreign reserves while the decline of imports may create the pressure in the price level and supply chain difficulties in the economy. These two scenarios require a fiscal precaution. As a predominantly agricultural country in diverse climatic and natural resources availability, Nepal imports 23 percent of food and beverages. The facts lead to the need for urgent policy intervention in tying agriculture with the manufacturing sectors.

Foreign Employment and Remittances

One of the major contributors of Nepal's national income is foreign employment from which remittances inflows have increased substantially, particularly since 2001. Because of the pandemic, most of our out migrant workers' in destination countries went through various restrictions of mobility and economic activities. This situation has resulted negative impact in remittances inflows. For example, Nepal Rastra Bank (2020) states that the total of 243,868 persons exited from the country in 2018/19 and that number has declined to 193,945 in 2019/20. This is about 21 percent decline compared to the previous year.

Nepal had issues on labour agreement with Malaysia during 2018/19 that resulted in the slowing down of out-migrant workers to Malaysia. For the latter year, the progress seems positive once the new labour agreement with Malaysia was concluded solving the major issues raised from both sides (Poudel, 2018). The new agreement of October 2018 paved a way to out-migrate to Malaysia during 2019/20 resetting Malaysia as one of the main destinations for our out-migrant workers (3rd destination after UAE and Saudi Arabia in 2019/20). Having done all these total effort, about 20



percent decline of the out-migrant workers indicates of losing one of the important sources of national income via remittance inflows in the country.

The data for the first month of 2020/21 show almost nil in the numbers of out-migrant workers. It will have a severe impact on the remittance's inflows in the future, however, out migrants' stock will contribute to maintain certain level of inflows. It depends on how the destination countries deal with the pandemic and the severity of the restriction on economic activities in the respective countries.

Figure 2.1 illustrates a monthly comparison of remittance inflows for the financial year 2075/76 and 2076/77, measured in NPR billion. The figure shows that the negative shock of COVID-19 is seen during Chaitra and Baishakh of the later financial year, since then the inflows have gradually increased and reached to the maximum of two years in the Ashadh with a total of more than NPR 100 billion. And it has declined to about NPR 93 billion in Shrawan of 2077/78. If we compare yearly, a negligible decline of about NPR 4 billion in 2076/77 is less compared to that of 2075/76.

The increment in monthly inflows of remittances in the last three months needs to be considered cautiously because of four specific reasons. First, the workers did not send the remittances during Chaitra and Baishakh due to uncertainty caused by the initial phase of pandemic that broke down the channel for sending, so they sent in the later months. Second, due to pandemic and other reasons, imports have declined rapidly that demoralized the hundi transactions indicating that the remittances came through the formal channel to increase the count of remittances in the later months. Third, due to uncertainty caused by pandemic in their destination countries, they sent the hold money to home country resulting in increased flows in the later months. Fourth, may be not in substantial numbers, but a sizable number of

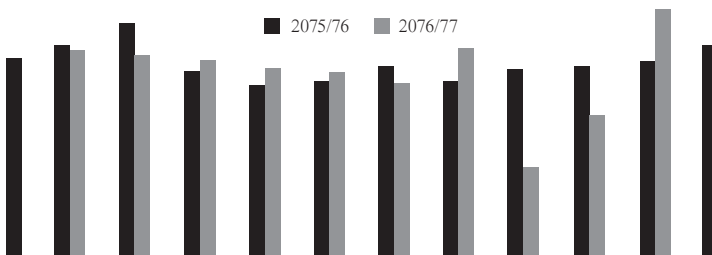


Figure 2.1: Remittance Inflows in Rs. Billion (month to month comparison)

Source: Author's calculation based on data provided by the Confederation of Bank and Financial Institutions (2020).

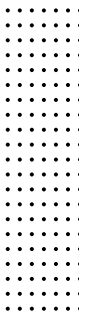
migrant workers have returned home with some money that also contributed to increase the inflows in the later months. Whatever the reason, the trend of the past few months has created a hope of not heavily declining as feared at the initial phase of pandemic, at least for the time being.

Tourism and Transportation

It seems that the most affected sector from COVID-19 is the tourism sector because of travel ban, restriction on entry and exit from countries, and fear of transmission of the virus during travelling. Nepal had to postpone the national program for the year “Visit Nepal 2020.”Gössling et al. (2020) states that any transmissible pandemics, at the first stance, directly impacts adversely the tourism sector that includes aviation; transportation; hospitality such as hotels, food outlets, restaurants; and other ways of mobility of people.

Since the beginning of the year 2020, the number of tourist arrivals, while comparing month-to-month with previous year, remain lower slightly in January and February despite Nepal's plan to celebrate as the Visit Nepal 2020 year. The data show that in the first month of 2020, a total of 79686 tourists visited Nepal compared to 81273 of the same months of 2019 as stated in the report of Nepal Rastra Bank (2020). The scenario for the month of February, while comparing with of 2019, follows the same trend. The number of tourists' arrival is less than 300 in each month in April, May, June, July, and August. If we compare the data, only 18 percent of 2019's number of tourists visited Nepal until the end of August. This scenario indicates the scenario of the collapsing tourism sector in the country if the situation does not change. The costs of fixed infrastructure and investment in the sector seem very difficult to recover or maintain throughout the financial year. This situation seeks an urgent attention for the alternative plans for the years to come. One of such plans may be to promote domestic and neighbours' tourists in a managed way.

The jobs, revenues and transactions loss in the road transportation seems more devastating as the public transportations were completely locked down since mid-Chaitra to the end of Bhadra, almost half a year. This sector is completely demoralized and dysfunctional at that situation. Total jobs and revenues loss due to the pandemic seems to be very difficult to estimate at this stage but it would have a multidimensional adverse impact in the economic activities. Therefore, not only to minimise the negative impact of the pandemic, but also to make our economy sustained, we need to think to utilize our available resources properly as discussed in Shrestha and Shrestha (2012). Probably, Nepal is the only country lagging behind in the tourism sector despite being a huge potential of tourism development.



Digital literacy

Most of the schools and colleges, particularly from the private sectors, are teaching online. Most of the meetings, seminars, conference, and discussion are held virtually. Many of the people in different offices are working from home using verities of the software, applications, and platforms. Even others at home are indirectly participating in television, computers, and mobile phones programs. The internet use has increased by 50 percent(Singh, 2020). Such a trend of using the internet shows the increasing pattern in the digital literacy due to the pandemic. This may ultimately change the way of transactions and entertainment in the future.

Roads ahead

Despite the ongoing severity of the pandemic, there is silver lining in the dark cloud of the economy. Some businesses seem to survive and flourish even without the physical mobility of the people, service trade, such as, outsourcing of technology, research, innovation, e-commerce, e-business, innovation in financial technology popularly known as fintech and e-learning education targeting international students. Also, healthcare and hygiene items, medicinal products, herbs, and spices with very less or nominal mobility can be traded in the international markets. Remarkably, these types of trade suit our geographical variations and opportunities as discussed in Paudel (2014)and Paudel and Burke (2015)reducing the costs of trade and transportation. Nepal is able to benefit from the increased digital literacy due to pandemic, notably because of comparative advantages. But we need to develop competitiveness with specific focus on such trades.

Tourism sector is a hard-hit sector seeking specific plans and designs. Nepal should increase the visibility via controlled domestic tourism to survive. In the meantime, it is an opportunity to develop the infrastructure for high paid tourism in the country. It seeks urgent attention to prepare the policies and infrastructure focusing on the type of the tourism, such as, sports, health, religious, expedition and recreational and many others. In addition to the above, we need to control and reduce the vulnerability of climate change in the tourism sector as an important aspect of intervention as discussed in Nyaupane and Chhetri (2009).

The efforts towards the green economy would result in utilizing our natural resources in a more meaningful and sustainable manner. If Nepal becomes a role-model for the green economy, it will create heavy pressure to be followed by our neighbors and other countries. Nepal endowed with natural resources including the Himalayan ranges needs proper utilization of resource-

es at present and in the future. We all know that our country has a suitable climate for health care and a world class hospital system; these abundant resources must be wisely mobilized on behalf of the development slogan “Prosperous Nepal, Happy Nepali”. Therefore, developing a sound health care system with special branding may be a national priority in the days to come and it should become a workhorse of Nepal’s economy focused by all three spheres of governments. Doing all these need to increase the share of per capita health expenditure and share of health expenditure in our GDP. Developing and implementing a progressive and comprehensive health insurance to all people with a good plan should be an immediate priority in the health care system.

The world is realizing that the agriculture sector will be less affected by the pandemic despite the high transportation costs for trading internationally. In Nepal’s case, we can develop it with a target to reducing imports and improving the trade deficits. If we can tie it with small and medium scale industries, it will contribute for a structural transformation increasing the role of manufacturing and industries sector. This will help to reduce the out-migrants workers and increase the contribution in GDP as this sector has a more backward and forward linkages. The implementation of the above policies with a proper reform of banking and marketing areas is imperative.

The development of infrastructure and their returns need to be wisely judged. All hard infrastructure needs to be developed focusing on agricultural-industry hubs and production regions to foster national output growth. We should be aware to protect the property rights of our herbs, medicinal products, non-timber forests’ products and our indigenous products. At present, Nepal is taking the benefits from about 28 percent of its land, we should think about the rest 72 percent of land to increase the nation’s GDP.

Printing money would not solve the problem but increasing money circulation by expanding the public expenditure focused on all types of hard and soft infrastructure is essential. Doing this would make a substantial contribution to the economy. Increasing money circulation in the crisis time is always the prime job of the governments and that would be from the fiscal instruments rather than only monetary instruments.

As discussed earlier, every pandemic and crisis hit the marginalized group of people in the country. Unfortunately, we do not have a proper database to identify them systematically. Therefore, for the proper recognition of the economic class, the identity card should be developed with detailed digital information of the person related with family, economic status, crimes,

travel, and other possible information. Then, implementing the government policies related to any type of welfare would get a better shape.

Investment seems to be a big challenge in the country. The government should build a trust among the domestic investors first, then that would help to attract the foreign direct investment (FDI). We should focus on improving the quality of trade facilitation, quality of governance and international branding of the economic strategies of the country to improve the foreign direct investment (FDI) inflows. Non-resident Nepalese (NRNs) and their linkage and forums can be good sources of investment and tourism inflows to convert the problem of brain drain into the brain gain.

Education sector needs a big jump to adopt the aspiration of international students to study in Nepal. Particularly, medical education targeting overseas students seems to be a good potential due to climate and natural diversities, and there is a good possibility (Hemang Dixit, 2009; H Dixit & Marahatta, 2008). Distance education, outsourcing, e-learning, etc. may be new avenues for the development of education system to suit the needs of the national economy. Digital and fintech innovation seems to be other avenues to be focused as one of the development agendas.

Reference

- Alon, T.; Doepke M.; Olmstead-Rumsey, J.; & Tertilt, M.** (2020). The impact of the coronavirus pandemic on gender equality. *Covid Economics Vetted and Real-Time Papers*(4).
- Baker, S. R.; Bloom, N.; Davis, S. J.; Kost, K. J.; Sammon, M. C.; & Viratyosin, T.** (2020). The unprecedented stock market impact of COVID-19 (0898-2937). Retrieved from
- CCMC.** (2020). COVID-19 Related Documents. COVID-19 Crisis Management Center, Kathmandu, Nepal.
- Chatterjee, R., & Okazaki, K.** (2018). Household livelihood recovery after 2015 Nepal earthquake in informal economy: case study of shop owners in Bungamati. *Procedia engineering*, 212, 543-550.
- Dixit, H.** (2009). Development of medical education in Nepal. *Kathmandu University medical journal*, 7(1), 8-10.
- Dixit, H., & Marahatta, S.** (2008). Medical education and training in Nepal: SWOT analysis. *Kathmandu University medical journal*, 6(3), 412-420.
- Gallarotti, G. M.** (2011). Soft power: what it is, why it's important, and the conditions for its effective use. *Journal of Political Power*, 4(1), 25-47.
- Gössling, S.; Scott, D., & Hall, C. M.** (2020). Pandemics, tourism and global change: a rapid assessment of COVID-19. *Journal of Sustainable Tourism*, 1-20.
- Government of Nepal.** (2020). Health sector emergency response plan. Ministry of Health and Population, Kathmandu.
- ILO.** (2020). Informal economy in Nepal <https://www.ilo.org/kathmandu/areasofwork/informal-economy/> (access 6th October 2020). Retrieved from
- Karki, S. T. & Xheneti, M.** (2016). Women entrepreneurs in the informal economy of Nepal—Is formalization a burden or empowerment? Paper presented at the 61th annual ICSB World Conference.
- Nepal Rastra Bank.** (2020). Current Macroeconomic and Financial Situation <https://www.nrb.org.np/category/current-macroeconomic-situation/?department=red>, accessed on 24/09/2020.
- Nyaupane, G. P., & Chhetri, N.** (2009). Vulnerability to climate change of nature-based tourism in the Nepalese Himalayas. *Tourism Geographies*, 11(1), 95-119.
- Paudel, R. C.** (2014). Economic growth in developing

- countries: Is landlockedness destiny? *Economic Papers: A journal of applied economics and policy*, 33(4), 339-361.
- Paudel, R. C.** (2019). Exports Performance of Nepal: What Can Be Done? *Applied Economics and Finance*, 6(5), 92-103.
- Paudel, R. C., & Burke, P. J.** (2015). Exchange rate policy and export performance in a landlocked developing country: The case of Nepal. *Journal of Asian Economics*, 38, 55-63.
- Poudel, U.** (2018, October 30). Nepal, Malaysia ink labour supply MoU. *The Himalayan Times*.
- Shrestha, H. P., & Shrestha, P.** (2012). Tourism in Nepal: A historical perspective and present trend of development. *Himalayan Journal of Sociology and Anthropology*, 5, 54-75.
- Singh, R. R.** (2020). Coronavirus-lockdown increased internet consumption by 50 percent in Nepal- <https://reviews.com.np/article/coronavirus-lockdown-increased-internet-consumption-by-50-percent>. Retrieved from
- Trzebinski, J.; Cabanski, M., & Czarnecka, J. Z.** (2020). Reaction to the COVID-19 pandemic: the influence of meaning in life, life satisfaction, and assumptions on world orderliness and positivity. *Journal of Loss and Trauma*, 1-14.
- World Bank.** (2020). World Development Indicator. from <https://databank.worldbank.org/source/world-development-indicators>
- Worldometers.info.** (2020). Covid-19 Coronavirus Pandemic. from <https://www.worldometers.info/coronavirus/>

Chapter III

Institution and Governance

Institution, Governance and Fiscal Federalism Responding to COVID-19

 Uma S. Prasad

Introduction

COVID-19 is the greatest global challenge since World War II. The COVID-19 pandemic disaster risk management cannot be handled by a single agency or discipline. It requires combined efforts of multi-disciplinary government and non-government agencies, private sector, communities, and development partners.

Schedule 8 of the Constitution of Nepal and Point 6 of the Sub-Article 5 under Article 11 of Part 3 of the Local Government Mobilization Act 2017 has provided the autonomous right of disaster management and managing local human resources and services to the local government. The Sendai Framework for Disaster Risk Reduction (SFDRR) 2015–2030 was adopted by United Nations (UN) member states. The framework focuses on all phases and aspects of disaster risk management. Priority 2 of the SFDRR clarifies the need for strengthening disaster risk governance along with institutional involvement. It ensures the coherence of government frameworks of laws. It defines roles and responsibilities, guides, encourages and offers incentives to the public and private sectors to take action and address disaster risk (UN, 2015). Recently the World Health Organization (WHO) formulated the Global Strategy to respond to COVID-19. It clearly states the need for mobilization, ownership, and participation of all sectors and communities including individuals, communities, governments, private sector, and international humanitarian organizations in the response and preventing cases (WHO, 2020).

The present study reviews and analyzes the major gaps in practicing the constitutional and legal provisions in the management of COVID-19 and other disaster risks, interlinking with the strategies of the United Nations and WHO, particularly in the areas of institutional frameworks, governance, and fiscal federalism. It examines whether the roles and responsibilities of the local government and the permanent structures established in Nepal for responding to various disasters like the COVID-19 pandemic have been compatible with the existing constitutional and legal frameworks and make suggestions to fill the gaps.

The study is based on secondary sources of information and data. Various Acts, strategies, and procedures, the Ministry of Finance's Economic Survey and Fiscal Year Budget Speech reports published by the Financial Comptroller General Office and Inland Revenue Department of the Government of Nepal are the main sources of information. The publications of the United Nations Development Program (UNDP), non-governmental organizations such as Transparency International, and Fund for Peace are also consulted.

Institutional Set-up

The federal system of government provides public services by closeness to the people and its sensitivity to their preferences. It increases efficiency in the production of public goods by promoting effective collective decision-making (Oates, 1972; Rao, 1997; Watts, 1999; Kalin, 2010).

Nepal's 753 local governments include 6 metropolitan cities, 11 sub-metropolitan cities, 276 municipalities, and 460 rural municipalities in 77 districts and 7 provinces. The Constitution of Nepal Article 56 under Part 5 states that the Federal, State, and Local levels shall exercise the power of the State. The Constitution offers autonomy to the local government for disaster risk management. Municipalities and rural municipalities are the nucleus agencies. There are two sets of institutional structures currently in existence for the prevention and control of COVID-19 in Nepal--permanent and especially established to deal with the current situation. Both of them are existing at all three tiers of the government. There is substantial overlap and duplication in the roles and responsibilities between these two structures.

The Government of Nepal recognizes pandemics including flu as an unnatural disaster in its legal documents particularly in the Disaster Risk Reduction and Management Act (DRRMA) 2017. The institutional arrangements of all tiers of the government under DRRMA appear to be a globally prevailing model of disaster risk management.

The Disaster Risk Reduction and Management National Council has also been formed as an apex body under the Chair of the Prime Minister for the effective operation of the works related to disaster management. The Chief Executive of the National Disaster Risk Reduction and Management Authority (NDRRMA) is the member secretary. Another Executive Committee under the Chairpersonship of the Federal Home Minister is set-up for the implementation of policies and plans approved by the Council. As per the provision of the Act, the Ministry of Home Affairs (MoHA) may form an Expert Committee comprising of maximum 5 members as geol-

ogist, specialist doctor, disaster management expert, environment expert or infrastructure expert for providing suggestion on the policy, plan and program formulation and study and research functions relating to disaster management.

NDDRMA under the MoHA has been established for the effective operation and management of activities relating to disaster management. The Authority works under the direct supervision and control of the Executive Committee. The Central office of the Authority is located in Kathmandu Valley and offices can be established in different places as deemed necessary. The Authority functions as the secretariat of the Council and Executive Committee.

As per Schedule 6 of the Act, the State Disaster Management Committee in each State has been formed under the chair of the Chief Minister. According to Schedule 7 of the Act, District Disaster Management Committees (DDMCs) in 77 districts are formed under the Chair of Chief District Officers. The Member-secretary is selected by the District Administrative Office (DAO).

According to Article 17 of the Schedule 7 under DDRMA, Local Disaster Management Committees (LDMCs) are formed in each rural municipality and municipality under the leadership of the Rural Municipality Chairperson or the Mayor of the Municipality. Community Disaster Management Committees (CDMCs) are formed at the ward level in all wards. Various task forces including search and rescue, first aid, and early warning system are in place. UN agencies, INGOs, and NGOs support disaster risk management programs and activities in their respective working areas.

Emergency Operation Centers (NEOCs) established at the federal, state, district and local levels have coordination and communication nodes for disaster information. Health Emergency Operations Centers (HEOCs) established at the federal and state government level function as a nodal to the health sector to communicate and coordinate during health emergencies and disasters.

The first case of COVID-19 was confirmed in Nepal on 23rd January 2020. The Government of Nepal formed a High-level Coordination Committee for the Prevention and Control of COVID-19 on 1st March 2020 under the leadership of Deputy Prime Minister and Minister for Defense to specifically respond to COVID-19.

A National COVID-19 Crisis Management Centre (NCCM) is instituted

under the High-level Coordination Committee. The Centre includes officials from the Ministry of Health and the Nepal Army. Crisis Management Centers are also established at the district level. A separate health emergency response mechanism also exists under the Ministry of Health. Local Level Coordination Committees are also established for the prevention, response, and treatment of COVID-19. Hub and satellite hospital networks and laboratories across the country are designated for the mass casualty management.

The Non-Resident Nepali Association (NRNA), The Nepal Association of Foreign Employment Agencies (NAFEA), Nepal's diplomatic missions abroad are the key organizations outside the country working in responding and mitigating the risks of COVID-19. NRNA formed a High-Level Committee on COVID-19 Pandemic Mitigation under the coordination of its president and appointed focal persons for 41 nations. The NRNA also released an "NRNA Strategic Plan to Manage Impact of Pandemic COVID-19: March 2020" and a "COVID-19 Emergency Plan" for guiding the overall efforts of the NRNA. The Nepal Policy Institute (NPI), a policy-institute promoted by NRNA and headquartered in the Netherlands, been collaborated with the NRNA Executive Team, NRNA national committees across 81 countries, grassroots-level institutions of Nepali diaspora across COVID-19 affected countries and the Government of Nepal to recommend minimize risks of the ongoing crisis to the Nepali diaspora. The Nepal Association of Foreign Employment Agencies (NAFEA) has also coordinated with the key government authorities in Nepal and outside to undertake activities aimed at minimizing risks from the ongoing crisis on Nepali migrant workers and their families and also on overall activities of Nepali recruitment agencies. Similarly, Nepal's diplomatic missions abroad also got involved in a variety of operations related to COVID-19. The role of residential missions in GCC countries, Malaysia and South Korea to address the situation of Nepali migrant workers is crucial. Regular coordination at short, medium, and long term strategic planning based on research is essential to overcome the problem.

The South Asian Association for Regional Cooperation's (SAARC's) COVID-19 Emergency Fund was established on 15th March 2020. The fund to mitigate the risks associated with the pandemic in the South Asian region was USD 22 million in April 2020. An officer at the National Disaster Risk Reduction and Management Authority needs to be deployed to plan, submit, and look after the effective utilization of the fund.

Fiscal Federalism

The theories of fiscal federalism advocate that substantial part of the expenditure and revenue-raising responsibilities be devolved to the local governments (Bird, 2002). The local governments are more accessible, kindly and faster to respond to local needs and offer close relationships between citizens and governments. Government resources can be allocated more efficiently at lower costs (Kalin, 2010). Decentralization is supposed to remove institutional and legal obstacles. It enhances the sense of ownership and responsibility among citizens. It encourages the local population to carefully plan, monitor and protect the outcomes. It increases fiscal autonomy, efficiency and accountability (Oates, 1972; Musgrave, 1985; Rao, 1997; Bird, 2002; Dafflon, 2006; Bardhan, 2006; Ambrosanio and Bordignon, 2006; Boadway and Shah, 2009).

The share of custom duty, Value Added Tax (VAT), excise and income tax in total tax revenue in the fiscal year 2017/18 was 20.9, 31.4, 15.6 and 24.2 percent respectively. The Constitution of Nepal has assigned all these taxes to be collected by the federal government, i.e. 92 percent of the total tax revenue (IRD, 2019).

The Government of Nepal has promulgated the Fiscal Arrangement Act (IGFAA) 2017 and the National Natural Resource and Fiscal Commission (NNRFC) Act 2017 related to intergovernmental fiscal transfer. The Constitution of Nepal has four types of grants provisions by the federal government to the sub-national governments including fiscal equalization, conditional, matching and special grants. As per the IGFAA, the amount of VAT and in-country excise duty credited to the Federal Divisible Fund will be distributed 70, 15 and another 15 percent to the federal, state and local governments respectively. The vehicle tax collected by the state governments will be distributed 60 percent to states and 40 percent to local governments. Similarly, the house and land registration, entertainment and advertisement taxes collected by the local governments are distributed 60 percent to the local and 40 percent to provincial governments. As per the Act, the amount of royalty obtained from the natural resources credited to the Federal Divisible Fund will be distributed 50 percent to the federal government, 25 percent to the state and another 25 percent to the local government to that particular state/local government (Table 1 and 2). The models of revenue sharing and grants do not support the expenditure responsibilities of the sub-national governments adequately.

Table 1: Revenue sharing formula (%)

Level of government	VAT and country excise	Royalty from natural resources
Federal	70	50
State	15	25
Local	15	25

Table 2: Grants formula (%)

Determinant	State	Local
Expenditure need/ Revenue Generation Capacity	60	70
Multidimensional poverty index	15	10
Social and economic disparity index	15	5
Infrastructure index	10	15

Source: Intergovernmental Fiscal Arrangement Act, Government of Nepal

The IGFAA does not justify the allocation of vertical transfer for the fiscal equalization, conditional, matching and special grants to be distributed to the sub-national governments. It remains ad-hoc based on the federal government's influence on the system.

The National Natural Resources and Fiscal Commission recommended 4 determinants for the horizontal revenue sharing at the sub-national governments. 70 percent weightage is given for population, 15 percent for the area, 5 percent for Human Development Index (HDI), and 10 percent for Lower Development Index. The weightage given for HDI is very low and therefore needs revision (Prasad, 2019).

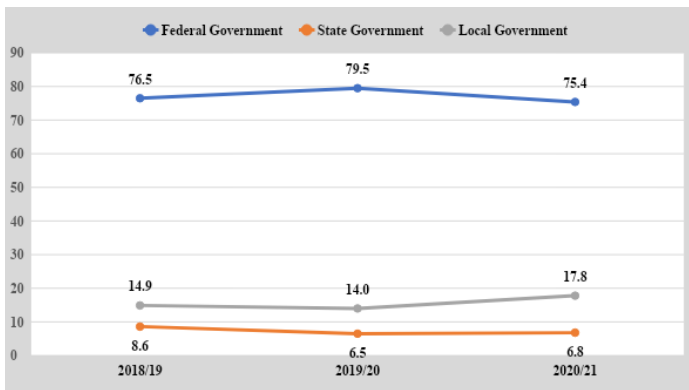
The Commission recommended 4 determinants with different weightage for distributing fiscal equalization grants horizontally to the provincial governments. A 60 percent weightage is given for expenditure need, 15 percent for Multi-dimensional Poverty Index (MPI), 15 percent for Social and Economic Disparity Index and 10 percent for Infrastructure Index. The weightage given for MPI is low and revision might be needed. It has also recommended 4 determinants with different weightage for distributing fiscal equalization grants horizontally to the local governments. 70 percent weightage is given for the Gap between Expenditure Need and Revenue Generation Capacity, 10 percent for Multi-dimensional Poverty Index, 5 percent for Social and Economic Disparity Index and 15 percent for Infra-

structure Index (Prasad, 2019).

The Act has endorsed Special Grant Procedure 2018. According to this, the GoN can provide a special grant to the state or local level in 7 areas comprising of (i) educational project/programs to be implemented for the development of education sector in the areas with low literacy rate, (ii) health project/programs to be implemented in the areas with high child and maternal mortality rate, (iii) drinking water supply project/programs to be implemented in remote and economically backward areas, (iv) project/programs to be implemented for minorities, marginalized group, remote and backward areas, and economically and socially excluded groups, (v) project/programs to be implemented for maintaining infrastructural and human resource development balance between the state and local level, and (vi) project/programs to be implemented for the assurance of food security in the areas with low cereal production, and (vii) project/programs to be implemented for modern technology-based garbage management.

It has also endorsed Matching Grant Procedure 2018. According to this, the GoN can provide 40 percent matching grant to the state or local level in 13 areas including road, irrigation, electricity, bridge, drinking water, university education and educational infrastructure, health post and hospital infrastructure, integrated settlement development in rural areas, agriculture storage house and cold store, local level building and ward office building construction, alternative energy projects, modern technology-based garbage processing and management, and forest and environment.

Figure 1: Fiscal transfer of federal government to state and local government (%), 2019/19 - 2020/21



Source: Economic Survey, Ministry of Finance, Government of Nepal

Figure 1 illustrates 6.8 and 17.8 percent of the federal budget will be transferred to the state and local governments respectively in the fiscal year 2020/21 under four categories including fiscal equalization, conditional, complementary and special grants. It marginally increased from the fiscal year 2019/20.

Table 3 illustrates that out of the total federal budget of the Fiscal Year 2018/19, 12.3 and 18.6 percent was allocated for the state and local governments respectively through grants and revenue sharing. It decreased in the fiscal year 2019/20. As the tax-raising capacity of the state and local governments in Nepal is weak, they have to depend heavily on the federal government. However, they have been receiving insufficient financial resources from the federal government to meet expenditure.

Table 3: Intergovernmental fiscal transfer and revenue sharing to province and local government, 2018/19 - 2020/21

Particular	2018/19		2019/20		2020/21	
	State	Local	State	Local	State	Local
Grant	8.6	14.9	6.5	14.0	6.8	17.8
Fiscal equalization grant	3.8	6.5	3.6	5.9	3.7	6.1
Conditional grant	4.8	8.4	2.9	8.1	2.5	10.9
Complementary grant	0.0	0.0	0.0	0.0	0.2	0.5
Special grant	0.0	0.0	0.0	0.0	0.4	0.3
Revenue sharing	3.6	3.6	2.1	2.1	NA	NA
VAT	2.7	2.7	1.6	1.6	NA	NA
Excise (Domestic)	0.9	0.9	0.5	0.5	NA	NA
Royalty sharing	0.1	0.1	0.0	0.0	NA	NA
Total	12.3	18.6	8.6	16.1	6.8	17.8
Federal budget (Billion NPR)	1,315.16		1,532.96		1,474.64	

Source: Economic Survey 2019/20, Ministry of Finance, Government of Nepal, 2020

The Constitution of Nepal 2015 adopted the policy of pre-information, preparedness, rescue, relief, and reconstruction for risk management due to

natural calamities. Schedule-7 assigned the early preparedness for rescue, relief and rehabilitation from natural and man-made calamities as concurrent powers of the federation and state. Schedule 8 has assigned disaster management as the local level power. Schedule 9 has assigned disaster management as the concurrent powers of the federation, state and local levels as well. It has created the problem of overlapping competencies among the three tiers of the government. Therefore, the unbundling of powers among the three tiers of the government is required.

As per the constitutional provision, contingency funds have been created at federal, state and local government levels. Similarly, according to Schedule 9 of the DDRMA Disaster Management Funds are also established at all three tiers of the government. Recently COVID-19 Prevention, Control and Treatment Fund was also created. The federal government has allocated NPR 6 billion for the prevention, control and treatment of COVID-19 in the budget of the fiscal year 2020/21. The total budget of the Ministry of Health and Population has been increased from NPR 68.78 billion in the fiscal year 2019/20 to NPR 90.69 billion for the fiscal year 2020/21, i.e. by 31.9 percent (MoF, 2020). The state and local governments have also allocated substantial amounts of the budget for responding to COVID-19.

Governance

Governance is measured through rule of law, transparency, responsiveness, consensus-oriented, equity and inclusiveness, effectiveness and efficiency, accountability, and participation (UNDP, 2011). The 2019 'Corruption Perceptions Index (CPI)' estimated by the Transparency International ranks Nepal 113th among 180 countries with a score of 34 — 0 standing for most corrupt and 100 for the cleanest country. This clearly indicates that 112 countries are less corrupt compared to Nepal. Hence, Nepal falls among the 67 most corrupt countries in the world. Similarly, the 2019 Fragile States Index (FSI) estimated by the Fund for Peace ranks Nepal at 45th position among 178 countries having an 84.7 score with a 'high warning' position. This clearly indicates that 133 countries are less fragile compared to Nepal and Nepal falls among the 45 most fragile countries in the world. The FSI is calculated on the basis of 12 social, economic and political indicators of state vulnerability mostly related to the governance system—monopoly on the use of force, representative leadership, public finances, economic equality, confidence in the political process, general provision of public services, civil and political rights.

No specific study is undertaken to estimate the magnitude of the black econ-

omy in Nepal. Some data on corruption exists but it is also not sufficient, systematic and authentic to determine the actual size of the black economy. It is also argued that the black economy is much higher than what can be captured by the term corruption. Analysts believe that corruption in Nepal has been increasing day by day because of political transition and instability. Despite the magnitude of corruption, no systematic study is undertaken to understand the aspects of the black economy.

Rana regime is characterized as the golden age of corruption in the history of Nepal and cases of corruption were also noted before the unification of Nepal in 1769. The Panchayat regime (1960 to 1989) is also noted for major corruption scandals. After the 1990, cases of corruption took different shapes through policy reforms in privatization reforms. After the adoption of the federal democratic republic system the black economy context has deepened not decreased with large scale corruption scandals and public speculations.

The Muluki Ain (National Code of Nepal) was a single comprehensive code that included criminal and civil code along with the code of procedures of Nepal. The first written law of the country was the first legal attempt to check corruption during the Rana regime. The Administrative Restructuring Commission was established in 1952 led by Indian civil service officer NM Buch was to check corruption to reform the administrative system of Nepal.

The government issued two anti-corruption laws in the 1952—Nepal Corruption Act and Nepal Corruption Control Regulations. The act was further amended in 1965. Recently, the government has issued the Prevention of Corruption Act, 2002. The Act has restricted government officials from being involved in income-generating private businesses directly or indirectly. The two major attributes under the Act are—the corruption control department and the special police department to take steps to curb corruption.

The government established the Office of Auditor General in 1961 to prevent financial irregularities in the country. The office examines the financial matters of all government expenditures and submits an Annual Report to the president. Based on the report specific government agencies are entitled to act accordingly to address financial anomalies. Similarly, the Commission for the Investigation of Abuse of Authority (CIAA) was established in 1991 as a constitutional body to oversight and take action on corruption in Nepal. It plays the role of an ombudsman, investigator and prosecutor. The Department of Revenue Investigation (RID) was established with the mission to control illegal activities in tax revenue and to conduct research activities

in tax administration. The objective of the department is to control leakage in direct and indirect taxes, to check the irregularities in foreign exchange transactions and to take legal action against such activities by investigation. However, these institutions established to contain corruption and malpractices have been controversial and meddled with politics.

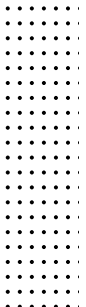
Apart from these institutions, various laws (regulations) are formulated and implemented in Nepal to maintain the basic principles and assumptions of good governance including Good Governance (Management and Operation) Act, 2007; Civil Service Act, 1993; Local Self-Governance Act, 1998; Corruption Alleviation Act, 1992; Public Procurement Act, 2007; Right to Information Act, 2007. A Special Court has been established to hear and make decisions on the cases related to institutional corruption. The National Vigilance Centre is established to oversee measures of corruption. However, lack of effective implementation of the legal provisions, lack of transparency in the decision-making process, centralized decision-making system, lack of an effective mechanism to discourage the irregularities are the problems in maintaining good governance.

With a vision to institutionalize good governance at the local level by making governance process and service delivery quick, effective, transparent, accountable, qualitative and participatory, Ministry of Federal Affairs and General Administration (MoFAGA), the Government of Nepal (GoN) has developed the Good Governance Promotion Strategies and Work Plan (GG-PSWP), 2017 with key objectives, policies and strategies. The objectives of the strategy and work plan include the following.

1. Ensure good governance at the local level for effective, qualitative, transparent, cost-effective and accountable operation
2. Enhance wider participation of citizens in monitoring mechanism
3. Involve civil society, the private sector, local-level organizations and groups
4. Improve the working mechanism of the local government
5. Utilize good government instruments compatible with place, time and office capacity.

The entire five policies of the document are focused on the formation of policies and their effective and result oriented implementation. The eleven strategies include the following.

1. Form strategies



2. Develop roles and responsibilities and evaluation mechanism of elected representatives/ staffs
3. Ensure timely and effective service delivery
4. Maintain financial discipline and risk mitigation
5. Maintain transparency in the entire system including budget
6. Ensure citizen participation
7. Enhance capacity
8. Establish accountability
9. Use information technology
10. Establish complain hearing, suggestion and feedback system
11. Monitor effectiveness of citizen participation.

According to the GGPSWP, the local government has to formulate good governance acts, rules, regulations, policies and working guidelines. For example- public hearing, social audit, public audit, gender-responsive and inclusive budget audit and community scorecard. Similarly, the local level has to develop working policies and guidelines related to complaint hearing and its management, project and program implementation, formation and mobilization of user groups, procurement, and mobilization and coordination of NGOs, and public-private partnership.

Under the Constitution of Nepal, LGOA and GGPSWP, there is the provision to make various committees at municipality, rural municipality and ward level. Article 217 of the Constitution of Nepal has made a clear provision that there is a Judicial Committee at the local level under the leadership of Deputy Mayor and Vice-chairperson. Further, LGOA has elaborated on the rights and responsibilities of the Judicial Committee. The major rights, roles and responsibilities of this committee as elaborated in the Local Government Operation Act 2017 is to resolve the local disputes.

Furthermore, LGOA has made a provision that there are primarily three committees in each municipality/rural municipality comprising Local Revenue Advisory Committee, and Budget and Program Formulation Committee under the leadership of Deputy Mayor or Vice-chairperson, and Resource Projection and Budget Ceiling Determination Committees under the leadership of Mayor/Chairperson. Further, LGOA has elaborated on the rights, roles and responsibilities of all Committees.

GGPSWP has also proposed to form a Good Governance Promotion Com-

mittee (GGPC) under the leadership of Mayor/Chairperson of the municipality/rural municipality for the promotion of good governance at the local level. It has also suggested forming sub-committees including the Good Governance Advisory Committee under the GGPC. GGPSWP has clearly proposed the rights, roles and responsibilities of GGPC.

On 23rd June 2017, the Government of Nepal adopted a 7-steps planning process (Table 4). The local units are provided with sufficient autonomy as per the principles and provisions of the federal system of governance for successful decentralization modality (NPC, 2018).

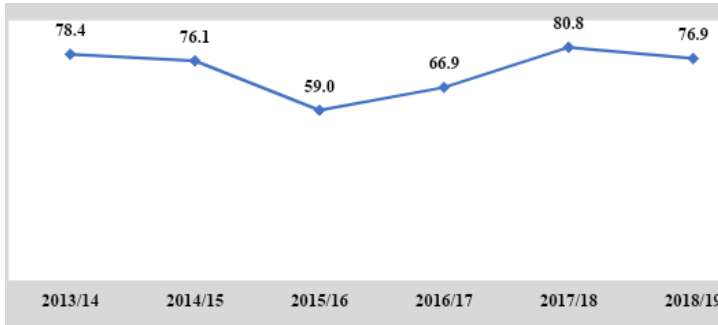
Table 4: Seven steps planning process

Steps	Activities	Time Schedule	
		English Era	Bikram Sambat
1	Receive fiscal transfer, and budget and program directives from the federal and provincial government	June 16 of the previous year	Asadh 2 of the previous year
2	Resource projection and fixation of the total budget ceiling	May 13	Baishakh 30
3	Selection of projects/programs from settlement/ward level	May 29	Jyestha 15
4	Prioritization of ward level projects/programs	June 8	Jyestha 25
5	Budget and program formulation	June 29	Ashadh 15
6	Approve budget and program from rural municipality/municipality executive meeting	June 29	Ashadh 15
7	Approve budget and program from rural municipality/municipality council	July 14	Ashadh 30

Source: National Planning Commission, Government of Nepal, 2018

Figure 2 illustrates that the performance of the Government of Nepal in utilizing the capital expenditure has been weak. Moreover, a substantial portion of the budget is spent at the end of the fiscal year.

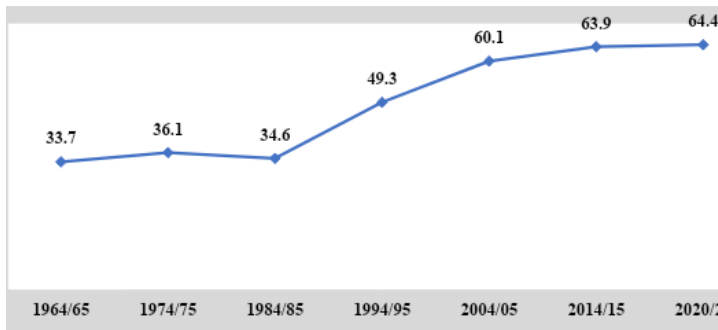
Figure 2: Actual expenditure on the budgeted expenditure of the Government of Nepal, 2013/14 – 2018/19 (%)



Source: Consolidated Financial Statement, Financial Comptroller General Office, GoN

The preliminary investigation statement of the Public Accounts Committee of the Federal Parliament has already alleged irregularities in the procurement of medical supplies and equipment for the prevention and treatment of COVID-19. It has also been controversial on expenditure irregularities in all tiers of the government in quarantine management, food, medicines and health supplies.

Figure 3: Share of recurrent expenditure in total budget allocation the Government of Nepal (%)



Source: Economic Survey, Various Years, Ministry of Finance, Government of Nepal.

The share of recurrent expenditure has increased substantially in Nepal (Figure 3). The establishment of multiple institutions with duplication of roles and responsibilities has been one of the major reasons for added expenditure.

Economic Diplomacy

Economic diplomacy is an important aspect of national interest. The international economic activities of a country include international trade and treaties, bi-lateral and multilateral investments, foreign aid, overseas employment, international trade and tourism and special bordering India and China relationship, sharing cross-border kinship. The trans-border undocumented movement, as well as employment and engagement in trade, commerce and other activities of international citizens is another facet of economic diplomacy. Once the lockdown is over, there will be a huge movement of migrant workers from one country to another. The trans-border undocumented movement has also impacted the organized crime, illegal and unauthorized trade, the flight of capital, money laundering, drug and human trafficking, terrorism, etc.

Migration for foreign employment has been a major source of income for many Nepali households since 2002. The contribution of remittance as a percentage of GDP increased from 2.4 percent in 2001 to 21.6 percent in 2010 and further increased to 29.5 percent in the fiscal year 2015/16 (CBS, 2019). The government of Nepal has officially opened 110 countries for foreign employment. But the government has approved 172 countries for foreign employment if Nepalese acquire work permits on an individual basis. Around 4.8 million Nepalese are currently employed abroad—most of them in Qatar, Malaysia, Saudi Arabia, UAE and Kuwait. Out of them, 74.5, 24.0 and 1.5 percent are unskilled, semi-skilled and skilled respectively. Moreover, the size of Nepali labor migrants in India, of course, is fairly large. It is also the case that such labors fulfil a significant portion of subsistence requirements from labor migration. The COVID19 pandemic has a massive negative impact on foreign employment and remittance.

International Development Cooperation remains an important source of finance in Nepal. In FY 2018/19, the total development assistance received by the country was USD 1.8 billion from Official Development Assistance (ODA) and cooperation from international Non-Governmental Organizations (MoF, 2019). Nepal is likely to face a crunch of international development assistance because of COVID-19 pandemic.

Conclusion and Recommendation

There are substantial overlaps and duplication in the roles and responsibilities between the permanent and currently established institutional structures for the prevention and control of COVID-19 in Nepal. Due to the lack of well-designed fiscal federalism policies, the state and local governments

lack financial resources substantially in responding to COVID-19. The governance is weak due to the lack of institutional efficiency looking at the Corruption Perception Index, Fragile States Index, and utilization of the capital expenditure. However, no study is undertaken to assess the magnitude of the black economy in Nepal. Although some efforts are made at all three tiers of the government structures including federal, provincial, and local levels to promote good governance, these efforts are stumpy and further efforts are required.

The COVID-19 pandemic context exudes the opportunity for Nepal to re-structure, redesign, and revise trans-border relations with India and China. Nepal's bilateral economic and diplomatic relations with countries should engage proactively in the labor and travel aspects of the COVID-19 crisis. Similarly, Nepal's foreign policy engagement with the International Development Cooperation and international financial institutions should be intensified for support and assistance.

The study recommends—first, there is the need to establish a Centre for Prevention and Control of COVID-19 in every 753 local governments under the Local Disaster Management Committee considering the power of local governments in disaster management mentioned in the Constitution of Nepal. Multiple institutional set-ups with duplication of the roles and responsibilities need to be dissolved as it increases the recurrent expenditure. Second, it is necessary to enhance the capacity of the existing permanent institutional structure at all tiers of government and no other structures are essential to set-up. Third, it is an urgent need to conduct a nationwide survey to estimate the magnitude of black income generation and identify the measures to control it. Governance has to be improved substantially to tackle the COVID-19 pandemic. Fourth, further research-based studies are required to examine and manage the bilateral and multilateral diplomatic relations, international borders, migrant workers, tourism industry, and foreign aid.

Reference

Ambrosiano, M. F. & Bordignon, M. (2006).

Normative versus positive theories of revenue assignments in federations. In E. Ahmad & G. Brosio (Eds.), *Handbook of fiscal federalism*. Edward Elgar Publishing Limited.

Bardhan, P. (2006). Decentralization and development.

In E. Ahmad and G. Brosio (Eds.), *Handbook of fiscal federalism*. Edward Elgar Publishing Limited.

Bird, R. M. (2002). Intergovernmental fiscal relations:

universal principles, local applications. In M. G. Rao (ed.), *Development, poverty, and fiscal policy: decentralization of institutions*. New Delhi: Oxford University Press.

Boadway, R. and Shah, A. (2009). *Fiscal federalism: principles and practice of multi-order governance*. Cambridge: Cambridge University Press.

Brosio, G. (2006). The assignment of revenue from natural resources. In E. Ahmad and G. Brosio (Eds.), *Handbook of fiscal federalism*. Edward Elgar Publishing Limited.

CBS (2019). *National accounts statistics*. Kathmandu:

- Central Bureau of Statistics, Government of Nepal.
- CBS** (2019). Report on the Nepal labor force survey 2017/18. Kathmandu: Central Bureau of Statistics, Government of Nepal.
- Dafflon, B.** (2006). The assignment of functions to decentralized government: from theory to practice. In E. Ahmad and G. Brosio (Eds.), *Handbook of Fiscal Federalism*. Edward Elgar Publishing Limited.
- Duc, J. F. & Friedlaender, A. F.** (1994). *Government finance: economics of the public sector*. Delhi: AITBS Publishers & Distributors. FCGO (Various Issues). Consolidated Financial Statement. Kathmandu: Financial Comptroller General Office, Government of Nepal.
- GoN** (2017). Intergovernmental Fiscal Arrangement Act 2017, Kathmandu: Government of Nepal.
- GoN** (2015). The Constitution of Nepal. Kathmandu: Ministry of Ministry of Law, Justice and Parliamentary Affairs, Government of Nepal.
- GoN** (2017). Disaster Risk Reduction and Management Act of 2017. Kathmandu: Ministry of Ministry of Home Affairs, Government of Nepal.
- GoN** (2017). Local Government Mobilization Act 2017. Kathmandu: Nepal Law Commission, Government of Nepal.
- GoN** (2017). Local Government Operation Act 2017, Kathmandu: Nepal Law Commission, Government of Nepal.
- IRD** (2019). Annual report 2017/18. Kathmandu: Inland Revenue Department, Government of Nepal.
- Kalin, W.** (2010). Decentralization: why and how? Retrieved from http://www.ciesin.org/decentralization/English/General/SDC_why_how.pdf
- MoF** (2017). Inter-governmental fiscal transfer (province and local level) fiscal year 2017/18. Ministry of Finance, Government of Nepal.
- MoF** (2018). Budget speech of fiscal year 2017/18. Kathmandu: Ministry of Finance, Government of Nepal.
- MoF** (2018). Inter-governmental fiscal transfer (province and local level) fiscal year 2018/19. Kathmandu: Ministry of Finance, Government of Nepal.
- MoF** (2019). Development cooperation annual report 2017/18. Kathmandu: Ministry of Finance, Government of Nepal.
- MoF** (2020). Budget speech of the fiscal year 2020/21. Kathmandu: Ministry of Finance, Government of Nepal.
- MoF** (Various Issues). Economic Survey (various issues). Kathmandu: Ministry of Finance, Government of Nepal.
- MoFAGA** (2017). Good governance promotion strategies and work plan (GGPSWP). Kathmandu: Government Ministry of Federal Affairs and General Administration, Government of Nepal.
- MoHA** (2016). Gorkha earthquake 2015: experience and learning. Kathmandu: Ministry of Home Affairs, Government of Nepal.
- Musgrave, R. A.** (1959). *The theory of public finance*: New York: McGraw-Hill.
- Musgrave, R. A.** (1985). A brief history of fiscal doctrine. In R. A. Musgrave (ed.) *Handbook of Public Economics*, New York: Elsevier.
- NPC**. (2018). Local-level plan and budget preparation guideline, 2017. Kathmandu: National Planning Commission, Government of Nepal.
- Oates, W.** (1972). *Fiscal federalism*. New York: Harcourt Brace Jovanovich.
- Prasad, U. S.** (2015). Nepal's fiscal federalism model in the new constitution: agendas for amendments.
- NRB Economic Review**, 27(2), 91-108. Kathmandu: Nepal Rastra Bank.
- Prasad, U. S.** (2019). *Fiscal Federalism in Nepal: Achievements, Challenges and Opportunities*. PAAN
- Journal (A Journal of Public Affairs Management)**, 25 (17), 1233-1241. Kathmandu: PublicAdministrative Association of Nepal.
- Prasad, U. S.** (2019). The economics of disaster risk management in Nepal. *International Journal of Disaster Response and Emergency Management*, 2(1), 1-14.
- Rao, M. G.** (1997). Indian fiscal federalism: major issues. In S. Mundle (ed.), *Public finance: policy issues for India*. New Delhi: Oxford University Press.
- UN** (2015). Sendai Framework for Disaster Risk Reduction 2015 - 2030. United Nations.
- UNDP** (2011). 8 governance principles, institutional capacity and quality. United Nations Development Program.
- Watts, R. L.** (1999). *Comparing fiscal systems*. Montreal and Kingston: McGill-Queen's University Press.
- WHO** (2020, April 14). COVID-19 strategy update. World Health Organization, Retrieved from <https://www.who.int/publications-detail-old/covid-19-strategy-update---14-april-2020>

Chapter IV

Labor Issues

International Migration, Foreign Employment, Migration and Remittance

Reflections on Nepali Migrants' Rights in COVID-19

✉ Vibhav Pradhan, Sadikshya Bhattarai, Binay J. Thapa and Jeevan Baniya

Introduction

The COVID-19 infected more than 7.8 million people and killed more than 4, 70,000 by June 2020 (WHO, 2020a). COVID-19 resulted in an unprecedented social and economic repercussion globally. People from Nepal have been to more than 153 countries for employment since fiscal year 2008/09 (IOM, 2019, p.46). However, no concrete source provides an accurate estimate of Nepali migrant workers in foreign countries. According to the Nepal Labor Force Survey (NLFS), 3.2 million Nepali travelled overseas in 2017/18 and 2.8 millions of them out-migrated for employment reasons. India is the major destination for employment with more than 900,000 and GCC countries and Malaysia with more than 400,000 out-migrated in 2017/18. Between March 2018 and March 2020, more than one million permits were issued mostly for the Gulf Cooperation Council (GCC) countries and Malaysia (Baniya, Bhattarai, Thapa & Pradhan, 2020). Similarly, 35,716 Nepali out-migrated to South Korea under the Employment Permit System (EPS) since 2015 (Baniya, Bhattarai, Thapa & Pradhan, 2020).

The lives of Nepali migrant workers are also affected by COVID-19 crisis impacting health, human and labor rights. During such a crisis governments of the Country of Origin (CoO) and Country of Destination (CoD) as well as the employers ensure migrants are protected of their rights. The international instruments such as the Charter of the United Nations 1941, Universal Declaration of Human Rights (UDHR) 1948, the International Covenant on Civil and Political Rights (ICCPR) 1966, International Covenant on Economic, Social and Cultural Rights 1966, the Convention on the Protection of the Rights of All Migrant Workers and Members of their Families 1990, and the Global Compact for Migration (GCM) 2018 make all the states responsible to ensure the protection of migrants including access to basic services and right to return (UN, 1941, 1948, 1966a, 1966b, 1990, 2018).

The present chapter seeks to understand the impacts of the global COVID-19 pandemic on the migrants and identify the roles of the Government of Nepal (GoN) in regard to protecting migrants of their rights. First, the chapter describes various health and socio-economic impacts faced by Nepali migrant workers in key destination countries of employment. Second, it describes efforts of the GoN to protect migrant workers of their rights, rescue and repatriate. Authors illustrate key challenges and limitations facing the GoN relevant agencies to address issues of migrants with highlights of pertinent aspects of future policy priorities. We return to it in more detail in the subsequent section; however to briefly state the article shows that the outbreak severely impacted Nepali migrants who have lost jobs and pay cuts and have faced forced expulsions from the employment. Similarly, the thousands of migrants confined to overcrowded and unhygienic detention centers with lack of access to health services require a systematic and coordinated rescue and repatriation plan. The study highlights key areas of concerns, limitations, lessons learnt, and provides policy guidelines to enhance Nepal's institutional mechanisms to expedite and facilitate the task of repatriation and reintegration of Nepalis facing the problems. Furthermore, it calls for the need for effective diplomacy, revision in Bilateral Labor Agreements (BLAs), and making the CoDs and employers more accountable in protecting and safeguarding the rights of Nepali migrants.

The study utilized a mixed methods approach with a review of national and international news coverage, audio-video materials, labor migration and remittance data, interviews and consultations with stakeholders (academics, migrant workers' networks, international organizations, and human rights organizations. The outcome of the study 'COVID-19 and Nepali Labor Migrants: Impacts and Responses', conducted by the Centre for the Study of Labor and Mobility (CESLAM), Social Science Baha from April 2020 to June 2020 was used to complement the primary data gathered for the purpose. Thematic analysis was performed to develop the substantive outcome of the study.

Socio-economic and Livelihood Implications of the Pandemic

COVID-19 pandemic disrupted the workforce including the migrant workers with an estimated loss of 305 million full-time jobs globally in the second quarter of 2020 (ILO, 2020a). Nepali migrant workers are facing various socio-economic challenges including loss of a job, unpaid leaves, reduction or non-payment of wages, lack of access to health services and food, problems of accommodation and forced return (Baniya, Bhattarai, Thapa & Pradhan,

2020; Nepal, Baniya, Chhetri & Thapaliya, 2020; PNCC, 2020).

The Foreign Employment Board (FEB) initially estimated nearly 20 per cent (280,000) of the Nepali migrant workers abroad were at risk of losing employment and would return home eventually as a result of the pandemic (Pandey, 2020). From the response of 1,073 migrant returnees from 16 different countries (including India), 21 per cent stated loss of jobs and 17 per cent of stopped remuneration (PNCC, 2020). In Oman, the employers deduct workers' wages and in Oman the workers received only 25 to 50 percent of the total salary (Kunwar, 2020). In Kuwait workers were forced to take unpaid leaves despite the Government of Kuwait directing employers to pay the full wage. Likewise, in Romania, 500 Nepali workers were forced to take unpaid leaves or accept reduced wages (Kunwar, 2020).

The pandemic increased the risk of discrimination, abuse, ill-treatment and forced labor of already vulnerable migrant workers in the destination countries (Baniya, Bhattacharai, Thapa & Pradhan, 2020; Nepal, Baniya, Chhetri & Thapaliya, 2020). The increased concern is now on human and labor rights violations of migrant workers especially women migrants (ILO, 2020b; UN Women, 2020). The increased risk for migrant workers stems from the fact that most of them are involved in informal and temporary occupation without social protection, particularly women migrants, many of whom are engaged in informal sectors as caregivers or housemaid (ILO, 2020b). With the spread of the virus, migrant workers in GCC countries are confined to dormitories and crowded labor camps with unsanitary conditions presenting increased risk of COVID-19 spread.

Nepali migrants in destination countries reported a lack of access to health services and food as a result of the pandemic (PNCC, 2020). The restriction of movement imposed by Nepal and destination countries in response to COVID-19 by lockdowns and suspensions of international flights exacerbated the plights of migrant workers. Thousands of migrant workers stranded in the destination countries are struggling for food, accommodation, confinement in overcrowded and unhygienic shelters and dormitories with a fear of disease transmission. The dire situation of Nepali migrant returnees from India was also led by sealing of the border by the GoN without effective provisioning for food and shelter at the borders (Baniya, Bhattacharai, Thapa & Pradhan, 2020; NHRC 2020). Out of desperation, Nepali returnees were found taking life threatening measures like swimming across the Mahakali river to enter Nepal.

Migrant workers are facing high levels of exploitation including non-pay-

ment of wage, unsafe work conditions and inadequate living conditions and are often denied fair and inclusive legal remedies (NHRC, 2018; Paoletti et al, 2014). The current crisis further hindered the migrants' access to justice and legal remedies. Thousands of Nepali workers are subject to involuntary employment leave prior to the expiry of their contract, wages and benefits deducted or scraped, deported and expelled. The hiked price of flight tickets and flight bans created produced predicaments and uncertainties.

Migration is intrinsic to employment to Nepal's economy. Nepal received USD 8.1 billion in remittance in 2019 accounting for 27.3 percent of Nepal's Gross Domestic Product (GDP) (World Bank, 2020). The remittance earnings in fiscal year 2018/19 were NPR 879.3 billion (USD 7.2 billion) (Nepal Rastra Bank, 2019). Consequently, loss of jobs and pay cuts in key destination countries led to a decline in the inflow of remittance in Nepal. Remittance decreased by four percent to NPR 626.9 billion (USD 5.1 billion) in the first nine months of FY 2019/20 compared to the same period in the previous fiscal year (Nepal Rastra Bank, 2020). In fact, between mid-March to mid-April of FY 2019/20, the remittance inflow dropped to NPR 34.5 billion compared to the same period of FY 2018/19 when the remittance inflow was NPR 71 billion. Also, with the economic slowdown caused by the COVID-19 pandemic, remittance is expected to decrease by 14 percent in 2020 (World Bank, 2020). Such a decline implies significant to negatively affect livelihood and social development of thousands of households in Nepal dependent on remittance. For many families, the added debt burden will further exacerbate their livelihoods.

Many migrant households are in debt to finance their migration (Sijapati et al, 2017). After decline in remittances families will face hardships getting out of debt in absence of alternative sources of income. COVID-19 could affect the livelihoods of 265 million people from low and middle-income countries around the world, with more than a quarter of a billion people suffering from acute hunger by the end of the year (Anthem, 2020). While lockdowns, border closure and social distancing measures have led to food shortage and price hike, the decline in remittance would subsequently decline in the purchasing power of households that are reliant on remittance (Food Security Information Network, 2020).

Nepal's unemployment rate is 11.4 percent and half a million of its population enter the labor force annually (CBS, 2018; Government of Nepal, 2020a, p.328). An influx of migrant returnees in the country means a significant implication in Nepal's labor market with a sharp rise in unemployment.

Initiatives and Efforts of Relevant Government Agencies

Safe and dignified repatriation of Nepali migrant workers is a challenge during the present pandemic. Migrant returnees and stakeholders demand safer repatriation of returnees from the CoDs. Given the resource constraints, response towards addressing the pandemic with testing, tracing and isolating the infected by the GoN is a consolidated effort. First of all non-pharmacological intervention is by imposing lockdowns, promoting physical or social distancing, personal hygiene habits and increasing quarantine and isolation efforts. Secondly, it is done by conducting nation-wide Polymerase Chain Reaction (PCR) test and Rapid Diagnostic Test Diagnostic (RDT) and provision of medical facilities. Thirdly, by implementing the action plan to rescue and repatriate the stranded Nepali migrant workers from different CoDs and provide food, relief shelter and cash to the victims of COVID-19 (Baniya, Bhattarai, Thapa & Pradhan, 2020; NHRC 2020). However, GoN's strategies for intervention met with criticism, disputes, and public protests for the inefficient, inadequate and weaker management of the quarantine facilities, securing labor rights and the transparent public expenditure (Ojha, 2020).

Section 75(2) of the Foreign Employment Act 2007 also states that the GoN should facilitate the return of migrant workers from countries suffering from war, epidemic, or natural calamities through diplomatic missions or labor attaché (GoN, 2007). Freedom of movement enshrined in international laws guarantees all nationals including migrants the right to return to their country (United Nations, 1948, 1966a, 1990). Hence, it is the right of migrants to safe and dignified return home facilitated by GoN. The Prime Minister (PM) of Nepal called upon Nepali diplomatic missions abroad to support the safety of Nepali citizens and urged Nepali citizens to stay where they were for the time being. Similarly, the Supreme Court of Nepal issued an interim orders on 7th and 16th April of 2020 the GoN to repatriate citizens stranded at the Nepal-India border by opening up various border points and from the CoDs following the due processes of the health and safety and quarantine factors (Supreme Court of Nepal, 2020a, 2020b). Subsequently, the PM addressing the nation on May 25 of 2020 announced GoN's plan to repatriate its stranded citizens (Baniya, Bhattarai, Thapa & Pradhan, 2020; Nepal, Baniya, Chhetri & Thapaliya, 2020).

In level, the Ministry of Labor, Employment and Social Security (MoLESS) formed a disaster management committee under the Department of Foreign Employment (DoFE) to study the impacts of COVID-19 on Nepali migrant workers at the preliminary level in managing the impacts of the pandemic.

The committee suggested the utilization of diplomatic missions in destination countries to spread awareness and information about coronavirus as well as engage with active labor and migrants' organizations to collect information on the migrants' situation in the CoDs (Nepal, Baniya, Chhetri & Thapaliya, 2020). The committee also recommended requesting families of deceased migrant workers to carry out cremation in the destination country and offer families with NPR 200,000. On 10 May 2020, the GoN made a decision to compensate families of dead migrant workers with NPR 50,000. These included dead bodies of Nepali that were unable to be sent to Nepal due to the flight bans, and whose family have provided permission for the cremation or burial in the destination country (Nepal, Baniya, Chhetri & Thapaliya, 2020). Similarly, the government agencies such as the Foreign Employment Board (FEB) and COVID-19 Crisis Management Centre (CCMC) have made some efforts to identify challenges faced by migrant workers due to COVID-19, including an estimation of numbers of Nepali in need of repatriation immediately and in the future, and suggested strategic measures to address these impacts (Nepal, Baniya, Chhetri & Thapaliya, 2020). Total of NPR 8 million was made available to Nepali diplomatic missions especially in Saudi Arabia, the UAE, Malaysia and Bahrain for the relief and rescue of migrant workers.

An executive order¹ of the GoN issued on 2020, May 25 outlined 15 categories of migrants and prioritized that granted general amnesty by the CoDs followed by those in the detention centers, followed by those whose visas have expired was given the highest priority for return (GoN, 2020b). The order also allocated 20 various entry points in 18 districts for the returnees from India. In response to the order, a high-level coordination committee for prevention and control of COVID-19 published a detailed 'Action Plan' on 2020, May 29 to repatriate Nepali citizens from several destination countries. As per the guidelines in the 'Action Plan', Nepali offices and Nepali embassies in different CoDs in conjunction with MoLESS were responsible to facilitate the repatriation process. As per the plan, Nepali migrants would be repatriated from the CoDs prioritized to the sick, pregnant, children and migrants in desperate need of rescue. Hence, since 2020, June 5, more than 3,000 migrants are repatriated from Malaysia, the UAE, Qatar, Saudi Arabia, Kuwait, Oman, Maldives, Japan, South Korea, Sri Lanka, Afghanistan, Hong Kong, Australia, Bangladesh, Cambodia, Singapore and Thailand (NRNA, 2020).

¹Order to Facilitate the Repatriation of Nepali Citizens Who Have to Return Home Due to the Inconvenient Situation Caused by the Global Infection of COVID-19

The challenges and controversies have mired the government's plan to safely repatriate the migrant workers. Firstly, lack of systematic and comprehensive data on migrants in destination countries undermined the number of migrants in immediate need of repatriation and rescue. While a preliminary estimation from the FEB reported that at least 127,000 migrant workers in need of immediate repatriation from major destination countries and total of 407,000 migrants from 37 different countries in coming months, the COVID-19 Crisis Management Centre (CCMC) estimated that 1.3 million Nepali from different countries including India are wanting to return because of the pandemic. This lack of concrete data on migrants has hindered the formulation of evidenced-based response and plans for the protection, repatriation and reintegration process (Baniya, Bhattarai, Thapa & Pradhan, 2020; Nepal, Baniya, Chhetri & Thapaliya, 2020). This issue was most prominent in case of returnees from India. The authorities in managing returnees from India at the border were overwhelmed by the large number of returnees at once in some border check posts. As a result, many returnees were sent to their home without testing while others were accommodated in quarantine facilities that are below the prescribed standard, lacking infrastructures and essential facilities with some facilities housing hundreds of returnees in a single space with possibilities of many being carriers of COVID-19 virus. This has made quarantine facilities a hotspot for transmission of disease while also increasing the risk of virus transmission in the community and families of the returning migrants (Sapkota & Paudel, 2020).

The limited human, technical and financial resources of Nepali embassies in the CoDs to track, shelter and manage the situation of Nepali citizens overseas increased the challenge in relief distribution and immediate rescue and repatriation of thousands of returnees. At the same time, plans and arrangements for return, holding centers, travels and quarantines and reintegration plans do not seem to have been prepared based on the lessons learnt from past crisis and disasters including the post 2015 earthquake. The active engagement of GoN with the CoDs can make the recruiting companies more receptive to Nepali migrant workers to avoid dire situations since the start of the pandemic. The Situation seems to have exacerbated because of the immediate communication gap between the GoN and its diplomatic missions in the CoDs (Baniya, Bhattarai, Thapa & Pradhan, 2020; Nepal, Baniya, Chhetri & Thapaliya, 2020).

The GoN follows the 'Action Plan' and designated hotels and public spaces as quarantine facilities for Nepali migrant returnees from different CoDs. Despite a lockdown and a large sum of spending, lack of a proper quarantine

plan and facilities still persist. The 'Action Plan' and guidelines require a documented proof of tests. However, the document has not firmly specified the type of test to be conducted before coming back home. Instead, the action plan states the tests to be conducted as 'PCR/RDT/others' which has created some amount of confusion among both the embassies and the returnees about which test should be carried out. This has also created a loop-hole for evading the required test for COVID-19 virus while coming back to Nepal. Returning migrants were being sent home without proper tests or mostly with the RDT that was considered to be less effective than PCR tests in diagnosing the virus (Nepal, Baniya, Chhetri & Thapaliya, 2020). The decision to let the returnees go to home quarantine after RDT is argued to increase risk of transmission of the infection. The negligent testing process of returnee migrants has complicated the quarantine management which increased not only the risk of transmission within the quarantine but also increased the possibility of an outbreak in the communal level among local communities. Since, more repatriation is to take place compliance with the existing guidelines can be a difficult task with a significant rise in the cases of infection in late May and June (Paudel, 2020). Furthermore, initial issues regarding payment of high air fares by the returnees themselves, which the returnee migrants have opposed strongly, as well as the strategic failure to capitalize flights which are flying back empty created more doubts on the capability of the GoN to handle the repatriation process more efficiently. Later, on the 15th June of 2020, the Supreme Court issued an interim order to use the Foreign Employment Welfare Fund to repatriate migrant workers stranded in several CoDs (Mandal, 2020). Following the order, the GoN prepared guidelines regarding the repatriation cost of Nepali migrants abroad (Mandal, 2020). According to the guideline, the government will cover all the expenses of repatriation of workers who have been in the destination countries for less than a year and have valid labor permits. On the other hand, workers who have been abroad for more than a year, the GoN will only bear half of the repatriation cost.

On the other hand, with the government focusing on the repatriation and return of thousands of migrant workers, one area of concern which the GoN should focus on is to ensure access to legal remedies for migrant workers who have faced different forms of exploitation and discrimination in destination countries with the COVID-19 outbreak (Baniya, Bhattarai, Thapa & Pradhan, 2020; Nepal, Baniya, Chhetri & Thapaliya, 2020).

Discussions

There are many Nepali migrants who are still continued in employment

overseas, many among whom are awaiting return. However, lack of consolidated and unified data still presents difficulty to plan and implement appropriate and effective interventions and rescue efforts increases vulnerability and predictability. There has been a multitude of diverse and often conflicting data coming out of different agencies of GoN. For example, regarding returnees from India, data sources of the Armed Police Force, Nepal Army, and District Administration Office (DAO) are not consistent and uniform (Nepal, Baniya, Chhetri & Thapaliya, 2020). Such anomaly suggests for streamlining of data through expert orientation and linked data application for uniformity. Moreover, issues of integrating migrant returnees presents socio-economic, logistics and resource challenges requiring systematic ways to handle the outcomes at federal, provincial and local levels (Baniya, Bhattarai, Thapa & Pradhan, 2020). Similarly, the utilization of skills brought by the returnees and reintegration and jobs creation for these workers in Nepal itself is the next big challenge. The Constitution of Nepal has provision to use the skills and expertise gained by migrant workers in the productive sectors (GoN, 2015). The 15th Periodic Plan and Foreign Employment Board's Policies, Programs and Budget for FY 2076/77 also highlights the use of skills, knowledge and expertise of returnee migrant workers in the productive sector through entrepreneurship, self-employment and professional jobs (GoN, 2020a).

Similarly, a conducive environment that provides returnees with opportunities for self-employment, income opportunities, education and life skills enhancing training, agriculture, and entrepreneurship is essential for proper reintegration of the returnees. The plans and programs of the federal, provincial and local governments for 2077 B.S., including the annual budget must expand the scope of employment and opportunities and reflect the needs of the returning migrant workers (Baniya, Bhattarai, Thapa & Pradhan, 2020). Addressing the adverse drivers that pushes millions of Nepalis to migrate also requires substantive revisions on social security policies to ensure wider coverage of workers. Although efforts of maximum utilization of skills gained by the migrant workers have been sought for, as has been outlined through the plans and policies brought forth in the national budget as well as provincial plans, there has neither been enough attempts to base the policies on available data and evidence, nor it is clear as to how concretely these skills will be utilized. The vast majority of the migrants in the destination countries are 'unskilled' followed by 'skilled' and 'semi-skilled.' Comparatively, lower numbers of migrants are 'professional' and 'high skilled'. Challenge, therefore, remains on how to utilize the skills and resources that Nepali workers will bring.

The quarantine facilities in many of the districts bordering India remained vulnerable to the spread of the virus (Nepal, Baniya, Chhetri & Thapaliya, 2020). Moreover, the quarantine facilities have not been up to par with health guidelines and recommendations of maintaining social distancing and having adequate medical supplies. The above realities are further complicated by the inefficient and inadequate testing to control the spread of the virus (WHO, 2020b; Nepal, Baniya, Chhetri & Thapaliya, 2020). As evidenced with the sharp rise of COVID-19 cases in Nepal in the months of May and June, the quarantine facilities themselves became the hotbed of transmitting the virus (Baniya, Bhattarai, Thapa & Pradhan, 2020; Nepal, Baniya, Chhetri & Thapaliya, 2020). This points to the crucial need of improved and enhanced institutional capacity and quarantine shelters that guarantees GoN and WHO mandated health standards, testing, and other health facilities. Strict imposition of quarantining the upcoming Nepali citizens in order to restrict further spread of the virus on a community level is also of critical importance.

A key challenge amidst the response to COVID-19 was also seen in the lack of available resources of GoN in terms of its capacities (economic, human and technical) of diplomatic missions abroad (Baniya, Bhattarai, Thapa & Pradhan, 2020; Nepal, Baniya, Chhetri & Thapaliya, 2020). There were reports of many Nepalis feeling destitute as they were turned away from Nepali embassies or were provided with inadequate information on rescue and repatriation plans. Although various national and international entities have been called upon for due enforcement of international conventions related to protection of migrants and their rights, namely the Protection of the Rights of All Migrant Workers and Members of their Families 1990, International Covenant on Civil and Political Rights (ICCPR), Charter of the United Nations, Universal Declaration of Human Rights (UDHR) and Global Compact for Migration (GCM), we can see that in the light of the recent events of the treatment of migrant workers in the CoDs, adherence to these norms and commitments have proven weak in the part of the governing bodies from Nepal as well as CoDs (Baniya, Bhattarai, Thapa & Pradhan, 2020; Nepal, Baniya, Chhetri & Thapaliya, 2020).

Recommendation

Access to Health and Other Services

CoDs should be held accountable to include migrant workers in their national COVID-19 response strategies and ensure equal access to testing, medical treatment and healthcare, food distribution, social protection and safety

net schemes, and other essential services regardless of the migrants' legal status. There has to be a clear distinction between humanitarian response and immigration enforcement.

GoN should also design and implement COVID-19 related health coverage policies targeting the returnee Nepali migrant workers. It is necessary to ensure that Nepali migrants have easy and timely access to vital services such as health care, medicines, treatment, housing and food. Particular emphasis should be placed to ensure Nepali returnees get maximum access to health and other services including medical treatment, and psychological support.

Safe and Dignified Repatriation and Return

A country is responsible for fulfilling international obligations to respect the right to return and reunite with family guaranteed in the 1990 Convention Related to Protection of Migrants and their Families and in the GCM 2018. Both the GoN and the governments of CoDs need to ensure migrants' right to return to their home country. Such return should proceed only after adequate preparation for screening, testing and quarantines guidelines. GoN must engage in the relief and rescue of migrant workers in CoDs in coordination with various stakeholders including influential CSOs and Nepali diaspora.

Normal flights need to be resumed and ticket prices need to be strictly regulated by GoN to ensure that Nepali can return without additional financial burden. Blanket policy of migrants required to pay the cost for a return ticket, stay at holding centers and travel to their respective districts needs to be reconsidered. It is prudent for GoN to utilize the money from Foreign Employment Welfare Fund (FEWF) as well as other resources to facilitate the dignified return of those Nepali who are unable to bear the costs of airfare or quarantine services. This will be most applicable to those who have lost their jobs and income, were infected with COVID-19, and are forced to return because of immediate financial burden. This policy will be as per the spirit of the constitutional rights and FEA 2007.

The ongoing repatriation process brought forth a significant issue of who is going to bear the repatriation cost (COVID-19 tests, fare of flights, hotel quarantine, etc.) of migrant workers. This highlights the need to review and expand existing BLAs and other national and international agreements to include and clearly state the parties responsible and their role in similar situations. This should account for full consideration and implementation of labor rights especially pertaining to humanitarian crisis as one presented by COVID-19. Moreover, this challenge demonstrates a key requirement of

updating the modality of how new labor migration policies are created. The situation is further precarious for Nepali migrant workers in India who are not covered by the foreign employment laws. Hence, bilateral agreements between Nepal and India that facilitate protection of Nepali migrants' rights, particularly that of the seasonal workers, is a must.

Repatriation of the stranded bodies of deceased Nepali should be given priority, and necessary arrangement and coordination should be made for delivery of the bodies for cremation or death rituals in Nepal. It is essential that Nepali who have died abroad are repatriated in a dignified way and families are provided their rights to perform cultural practices and rituals, which is also in accordance with the UN's Convention on Civil and Political Rights (UN, 1966b).

Rehabilitation and Reintegration

Once migrants are repatriated to Nepal, GoN must ensure safe quarantine facilities. The 'holding shelters' established in the Kathmandu valley as well as elsewhere in the country particularly in Nepal- India border areas must be strictly and regularly monitored and equipped with necessary health measures and facilities of the highest standards.

After the immediate relief and repatriation strategies has been implemented, the mid and long term plan, policies and strategies of all the tiers of governments has to prioritize on job and employment creation and developing a conducive environment for entrepreneurship at local levels so that returnee migrants will not have to face additional livelihood challenges.

There should be a proper institutional mechanism that handles grievances and provides access to justice for returnees. In order to mitigate the stigma and ill-treatment faced by migrants upon their return, it is important to identify factors that perpetuate such factors. Returnees under quarantine shelters require adequate medical and health care, psychological support services, and other basic services. Successful social, physical and economic integration requires increased capacity for collaboration and coordination between government agencies. It should entail strengthened partnerships and consultation among wider stakeholders such as state agencies, migrant workers' organizations, trade unions, business communities and international organizations and academicians - also as per the principles of "Whole of the Government" and "Whole of the Society" (UN, 2018).

Data and Information

Nepali diplomatic missions should also work in conjunction with the CoD governments to provide information about the infected, treated, recovered and dead Nepali on a daily basis. Absence of segregated data on migrant returnees precludes full comprehension of the issue of employment in the CoDs. Hence, GoN needs to establish a mechanism to collect data for emergency preparedness such as COVID-19. The Foreign Employment Information Management Systems (FEIMS) plays an important role in effective data management including the data collected in the health desks at TIA and in diplomatic missions of Nepal so that future policies and plans targeted to these returnees and their families can be developed and turned into evidence-based intervention.

Furthermore, absence of diplomatic missions in many CoDs also presented challenges in dissemination of information and data collection, as well as challenges in safe repatriation. Hence, the GoN should strengthen its diplomatic leverage and ties with CoDs in order to alleviate the problems faced by Nepali.

Enhanced Bi-lateral, Diplomatic and Other International Engagements

In political level as well as the Nepali missions should engage in diplomatic channels and negotiation mechanisms to manage issues of unpaid and backlogged salaries, forced job evictions, prospects of resuming their workforce, and forced deportations of Nepali workers (Baniya, Bhattarai, Thapa & Pradhan, 2020; Nepal, Baniya, Chhetri & Thapaliya, 2020). They must also facilitate in the migrants' safety, rescue and repatriation, while also continuing assessing the situation of COVID-19 and suggest the relevant government decisions for rapid response.

Similarly, it is instrumental that migrants and their families are provided with legal remedies both in CoDs and Nepal, accounting to the possible high number of grievances and cases such as arbitrary arrest and detentions because of lockdown, non-payment of salaries among others. GoN should proactively investigate, identify and engage with the private recruitment agencies, airline companies and other agents and diplomatic missions to ensure that migrants are getting necessary legal support.

It is important that diplomatic missions work actively in the major CoDs like Jordan, the Maldives, and Afghanistan, where there are no diplomatic missions. There also seems to be a gap in the effective role and engagement of Nepali Diasporas with Nepali diplomatic missions abroad. A more effective engagement between the GoN diplomatic missions and Nepali diaspora would enhance data collection and information dissemination, communica-

tion, protection of migrants' rights, and the repatriation process.

Similarly, it is essential to ensure that CoDs guarantee upholding the ratified international instruments and regional dialogues that safeguards fundamental rights of Nepali migrant workers, especially those most vulnerable to exploitation, mistreatments, harassments, discriminations and stigmatization, violations of labor rights and human dignity, slavery, and gender-based violence in times of such emergencies. Nepal's diplomatic efforts should make sure in enhancing its efforts to secure enforcement of the agreed upon conventions and agreements. Nepal as the chair of Colombo Process could also utilize the forum like this to forge some common stance/ position in terms of making the destination countries accountable and responsible to address the problems facing the migrants from their respective countries.

Conclusion

COVID-19 pandemic disproportionately impacted the migrant population globally. Nepali migrant workers faced loss of jobs, pay cuts and forced return. It is apprehended that the returnees will suffer on their home back to Nepal as their number has soared up. However, the instant and continued efforts by the Ministry of Foreign Affairs in coordination with the respective Diplomatic Missions based in the relevant countries have largely contributed to addressing their concerns. Caution taken and coordination management done by the Government of Nepal upended the much feared sufferings of the returnees. Necessary medical checking and watch over the surface borders and airports of Nepal have perceptibly contributed to rescuing and helping them for their safe settlement in various part of the country. However, all might not have gone well to a desired extent as the event is first of its kind never dealt with in the past. It is, therefore, advisable that the Government of Nepal should initiate anticipatory steps like amending the existing bilateral Memorandum of Understanding (MoU) on the Nepali migrant workers and signing new one with host respective countries would prevent such apprehended sufferings in the future.

Acknowledgement

Authors acknowledge support by Mr. Binod Dulal, Miss. Bhimkala Limbu, Mr. Dogendra Tumsa, Ms. Manju Gurung, and Miss. Ratna Kambang of CESLAM, Social Science Baha.

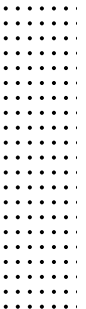
Reference

- Anthem, P.** (2020). Risk of hunger pandemic as COVID-19 set to almost double acute hunger by end of 2020. World Food Programme Insight. Retrieved from <https://insight.wfp.org/covid-19-will-almost-double-people-in-acute-hunger-by-end-of-2020-59df0c4a8072>.
- Baniya, J.; Bhattarai, S.; Thapa, B. J. & Pradhan, V.** (2020). COVID-19 and Nepali labour migrants: impacts and responses. Kathmandu, Nepal: Centre for the Study of Labour and Mobility. <https://www.ceslam.org/our-publications/covid-19-and-nepali-labour-migrants>.
- CBS** (2018). Report on the Nepal Labour Force Survey 2017/18. Kathmandu, Nepal: Central Bureau of Statistics.
- Food Security Information Network** (2020). Global report on food crisis: joint analysis for better decisions. n.p.: Food Security Information Network.
- Government of Nepal** (2007). Foreign Employment Act. Kathmandu, Nepal: Government of Nepal.
- Government of Nepal** (2015). Constitution of Nepal. Kathmandu, Nepal: Government of Nepal.
- Government of Nepal** (2020a). Pandhraun Yojana (Aarthik Barsa 2076/77-2080/81) (Fifteenth Plan [Fiscal Year 2076/77-2080/81]). Kathmandu, Nepal: Government of Nepal.
- Government of Nepal** (2020b). COVID-19 ko bishwo byapi sankraman ko karan bata utpanna asahaj paristhiti ma swadesh aanauni parne awasthama rahaka nepali nagarik lai swadesh aanauni sahajikaran garne sambandhi aadesh 2077 (Order to facilitate the repatriation of nepali citizens who have to return home due to the inconvenient situation caused by the global infection of COVID-19, 2020). Retrieved from <http://rubivalley.gov.np/sites/rubivalley.gov.np/files/Notices-bahira-ba-ta-aane-ko-laagi-aadesh.pdf>.
- ILO** (2020a). ILO Monitor: COVID-19 and the world of work- fourth edition updated estimates and analysis. Geneva, Switzerland: ILO.
- ILO** (2020b). Protecting migrant workers during the COVID-19 pandemic: recommendations for policy-makers and constituents. Geneva, Switzerland: ILO.
- International Organisation for Migration** (2019). Migration in Nepal: A Country Profile 2019. Kathmandu, Nepal: International Organisation for Migration.
- Pandey, J.** (2020). Char lakh shramik tatkai pharkina sakne (Four lakh workers can return immediately). Kantipur. Retrieved from <https://ekantipur.com/news/2020/05/07/158881692093682346.html>.
- Kunwar, M.** (2020). Bideshmarahaka 50 lakh Nepali ko rojgari jokhimma (Jobs at risk of 5 million migrant workers abroad). Naya Patrika. Retrieved from <https://www.nayapatrikadaily.com/news-details/40178/2020-04-02>.
- Mandal, C. M.** (2020). Guidelines ready for repatriation of migrant workers who cannot pay for their flights. The Kathmandu Post. Retrieved from <https://tkpo.st/3ieF5qi>.
- Nepal Rastra Bank** (2019). Current macroeconomic and financial situation of Nepal (based on annual Data of 2018/19). Kathmandu, Nepal: Nepal Rastra Bank.
- Nepal Rastra Bank** (2020). Current macroeconomic and financial situation of Nepal (based on nine months' data of 2019/20). Kathmandu, Nepal: Nepal Rastra Bank.
- Nepal, R.; Baniya, J.; Chhetri, K.T. & Thapaliya, D.** (2020). Covid-19 Mahamariko Chapetama Nepali Aaprabasi Shramikko Adhikaar: Drut Addhyan Pratibedan (Rights of Nepali Migrant Workers in the Clutches of the COVID-19 Pandemic: Rapid Assessment Report. Kathmandu, Nepal: National Human Rights Commission.
- NRNA** (2020). Gairawasiya Nepali Sangh (NRNA) COVID-19 data: update 10 (Non-Resident Nepali Association [NRNA] COVID-19 data: update 10). Non-Resident Nepali Association. Retrieved from https://nrna.org/News/newsid/1663?fbclid=IwAR-2JvsM7o99_NASKVlrEiTBDBEKDwXj-_DB-zQV1LGvxdhdh5XuLEFESAC8o.
- Ojha, A.** (2020). Youth-led protest enters third day with demonstration at Maitighar Mandala. The Kathmandu Post. Retrieved from <https://tkpo.st/3hlZCJ3>.
- Paoletti, S.; Taylor-Nicholson, E.; Sijapati, B., & Farbenblum, B.** (2014). Migrant Workers' Access to Justice at Home. Nepal. New York, United States: Open Society Foundation.
- Paudel, M.** (2020). Quarantine Facilities in Province 5 Crowded and Mismanaged. The Kathmandu Post. Retrieved from <https://tkpo.st/2WJ2dog>
- PNCC** (2020). Brief report on the cases received in COVID-19 online form: an urgent call for action to government for the protection of Nepali migrant workers during the pandemic of COVID-19. Kathmandu, Nepal: Pravasi Nepal Coordination Committee.
- Sapkota, R., and Paudel, K.** (2020). Nepal Quarantines Hotspots for Disease. The Nepali Times. Retrieved from <https://www.nepalitimes.com/here-now/nepal-quarantines-hotspots-for-disease/>
- Sijapati, B.; Lama, A. S.; Baniya, J.; Rinck, J.; Jha, K., & Gurung, A.** (2017). Labour migration and the remittance economy: the socio-political impact. Kathmandu, Nepal: Centre for the Study of Labour

- and Mobility.
- Supreme Court of Nepal** (2020a, April 7). Orders passed regarding COVID-19 repatriation and rescue of the stranded Nepali migrants abroad. Retrieved from, http://www.supremecourt.gov.np/web/assets/downloads/IMG_20200421_0001_076_wo_0932.pdf.
- Supreme Court of Nepal** (2020b, April 16). Orders passed regarding COVID-19 repatriation and rescue of the stranded Nepali migrants abroad. Retrieved from, http://www.supremecourt.gov.np/web/assets/downloads/covid_076-WO-0940.pdf.
- United Nations** (1941). Charter of the United Nations. San Francisco, California: United Nations.
- United Nations** (1948). Universal declaration of human Rights. Paris, France: United Nations.
- United Nations** (1966a). International covenant on economic, social and cultural rights. New York, United States: United Nations.
- United Nations** (1966b). International covenant on civil and political rights. New York, United States: United Nations.
- United Nations** (1990). International convention on the protection of the rights of all migrant workers and members of their families. New York, United States: United Nations.
- United Nations** (2018). The Global compact for safe, orderly and regular migration. New York, United States: United Nations.
- UN Women** (2020). Addressing the impacts of the COVID-19 pandemic on women migrant workers. New York, United States: UN Women.
- World Bank** (2020). Covid-19 crisis through the migration lens. Migration and Development Brief 32.
- World Health Organization** (2020a, June 21). WHO Coronavirus Disease (COVID-19) Dashboard. Retrieved from, <https://coronavirus.jhu.edu/map.html>.
- World Health Organization** (2020b). Situation update #9 - Coronavirus Disease 2019 (COVID-19). Kathmandu, Nepal: World Health Organization.

Chapter V

Emerging Sector



Agriculture, Eco-Tourism and Possible Paradigm Shifts

Post Pandemic Approach for Inclusive Sustainable Development in Nepal

✉ Satis Devkota and Mukti Upadhyay

Background

Nepal is one of the least developed countries in the world with a per capita GDP in 2017 equal to 3,251 constant international dollars at 2017 prices and 911 US dollars at current prices (WDI, 2020). About 28.6 percent of Nepal's population is multidimensionally poor (NPC, 2018) and 25.2 percent is living below the national poverty line (WDI, 2020). Sixty-one percent of Nepal's population resides in municipal areas and 66 percent is engaged in agriculture (FAO, 2020). Nepal ranks 161st out of 191 countries in terms of Gross Domestic Product (GDP) per capita measured at PPP (IMF, 2019) and 147th out of 189 countries in terms of Human Development Index (HDI, 2019).

Nepal's estimated unemployment rate is 11.4 percent (NPC, 2019). The Department of Foreign Employment of Nepal issued more than 3.5 million labor permits to migrant workers from 2008 to 2017¹. A majority of these workers migrate to Malaysia and nations of the Gulf Cooperation Council (GCC) comprising Qatar, Saudi Arabia, United Arab Emirates, Kuwait, Bahrain, and Oman. During 2008-17, nearly 45 thousand Nepali workers gained employment opportunities in the Republic of Korea via the Employment Permit System (EPS). An additional two million workers, or 37 percent of all migrants, migrate to India for seasonal or long-term employment (NPC, 2019).

The number of COVID-19 infected individuals in Nepal has been increasing as a result of the return of many migrant workers from India and other foreign countries. In South Asia, Nepal reported the first confirmed case of COVID-19 on January 24, 2020. That infected person had just returned from Wuhan, China. In March, the government of Nepal decided to impose

¹From 2008 to 2017, Nepal issued some 3.5 million labor permits to migrant workers, predominantly for travel to Malaysia and nations of the Gulf Cooperation Council (GCC). It is important to note that migration to India for work occurs at an even higher rate though no permits are required of Nepali citizens to travel or stay in India.

an international travel ban, as well as lockdown and social distancing within the country, until the middle of June 2020. That helped to keep the infected individuals in isolation, reduce the virus reproduction rate R_0 (the average number of cases per infected person), and keep hospitalizations and deaths below the global trend. At the community level, however, enforcing lockdown and social distancing was less effective due to the return migration of thousands of workers, itself caused by a lockdown in India. As of July 1, 2020, Nepal had a confirmed caseload of over 14,000 but only 30 deaths. Despite great initial success in containing the virus, however, the danger from an increase in R_0 was not over as of this writing.

Relative to population or per capita income, Nepal continues to be one of the highest remittance recipients among South Asian countries (WDI, 2020). But COVID-19 has taken its significant toll on the economies of India, Malaysia, and the GCC countries which increased the likelihood that a large number of Nepali workers might return home soon. The government estimates about 1.3 to 1.5 million of them may soon be homebound. That will reduce remittances, increase unemployment, and lower household income and consumption in the country threatening the livelihood of the poor and vulnerable. That together with the lockdown-induced decline in economic activities exerts significant downward pressure on aggregate demand and cause a recession. Steep shrinkage of remittance receipts exacerbates the financial problem for remittance-receiving families in particular and enhance the liquidity crunch in the financial market in general. That liquidity crunch wields a threat to the survival of commercial banks. The decrease in remittance also exerts downward pressure on foreign currency holding. That may lead to the devaluation of Nepalese currency vis-à-vis the US dollar. As the consumption in Nepal is heavily import based, currency devaluation leads to inflation.

On the social front, the return of over a million migrant workers with dimmed prospect of employment in Nepal will raise poverty and inequality. In the absence of mitigating policy, hunger, malnutrition, health deterioration and social crimes may intensify, setting the country back from its march to Sustainable Development Goals (SDGs).

The months-long lockdown has disrupted supply chain for domestic agricultural products impacting farmers' hard. Lack of cold storage for green vegetables compounds the problem caused by interrupted transportation. Farmers necessarily dump green vegetables and fresh milk on the farm. Poor farmers face a threat to their livelihood as loss of agricultural income retards GDP growth during the ongoing recession.

The severe problem with the disruption of life due to the pandemic, on the other hand, provides an opportunity that has the potential to revitalize agriculture and the rural economy, if the country can design policies carefully. The focus of such policies should be to advance supply-side structural reforms to achieve food security while building modern and efficient agriculture. Connecting rural agriculture with eco-tourism offers another path to strengthening the rural identity. Policy needs to be designed to attract investment in agro-business in a way that creates thousands of formal jobs in modern agriculture and tourism, retains rural adults in their villages, and allows them to participate in the country's development process. A restructured policy can boost rural incomes for all and decrease rural poverty.

Agriculture Sector Reform

Post-COVID-19 recovery calls for innovative policies to enhance agricultural productivity and create new employment opportunities in agriculture. One promising approach seems to be enterprise farming or leasehold farming. Nepal used to be one of the food-exporting countries until the 1970s but turned into a net food importer in 1980s, a situation that continued till today (Baral, 2000; Pyakuryal et al., 2010; Rorabacher, 2010). Approximately, 29% of its land is arable (WDI, 2020). There are altogether 6,000 rivers (including their tributaries) in Nepal and the total renewable water resource of the country is estimated to be 237 cubic kilometers per year (km³/year) (WEPA, 2019). Even with this natural gift, however, food insecurity in Nepal remains deep.

Despite food scarcity, agricultural land in the country has been abandoned or underutilized in recent decades at an unprecedented rate. This trend has escalated over the past 20 years or so in the wake of a nation-wide Maoist war with the state, causing severe political instability (Paudel et al., 2014). One important result was the international migration of rural youth coupled with the domestic movement of rural middle and upper-class families into urban areas. While rural residents sought a better and safe life outside of the home, they left their marginalized and poor neighbors physically vulnerable in villages. Those left behind had minimal or no access to farmland. The trend never reversed to a substantial extent when the Maoists entered mainstream politics. So the chronic food scarcity continued.

How to increase land and labor productivity, then, will require a fresh approach, we feel it is about time Nepal introduced a new land-use policy. We propose two ways of ushering in a large scale farming era in the country.

Leasehold Farming: Under this approach, the land will be leased by an en-

terprise. The terms of the lease may vary: year-to-year or multi-year, rolling or renewable, lease with an option to buy or a right to back out, and transfer by sale of some or all of the leased land. Short-term leases are likely to be more attractive to beginners or early-stage farmers. If they succeed, the farmers can go on for a longer-term or a rolling contract. A long-term lease has numerous benefits that range from tax incentives from the government to subsidized low-interest loans by institutions of agricultural finance for the lessee to strive for higher productivity. A lease could be agreed upon for 25-35 years with a possibility of renewal before the term expires. A person or a group of people who leases the land will pay a fixed yearly rent to the landowner but will have the right to use it in various ways including building structures on it according to the provisions in the agreement. The landowner may periodically inspect the property to make sure it is being farmed and any conditions set down on the agreement are adhered to.

Financing for the lessee could be available through a regular commercial bank, a specialized agricultural development bank, or both at the same time. In addition to regular procedures for obtaining a loan, banks can set additional requirements such as the term of the lease to be at least 5 years longer than the term of the mortgage. Such conditions may provide enough incentives for banks to engage in a long-term loanable funds market, a market that banks have been traditionally reluctant to enter. We believe such a leasing model can be attractive for private entrepreneurs and investors in Nepal.

Community-Based Farming: This is an alternative model in which a community of individuals who already own their farms comes together by pooling their land to make large scale farming feasible and more productive. This gives rise to community-owned farms that can be recognized by law as having a formal legal status. Or, if the farmers so desire, the pooling of farms can follow informal agreements among them. All of the farmers in a community-based arrangement share the risk of loss due to unfavorable weather or pests. The loss or the benefits from farming are shared by the members in proportion to the size of their landholding in the consolidated farm. The community effectively operates a group enterprise. Community-based farming can also look like a leasehold farming model in which farmers are shareholders of the enterprise. The relative success of community forestry in Nepal indicates the potential that community farming can, with time, become successful as well.

A policy that strongly encourages either of these land-use models tends to lead to large-scale farming, increase land productivity, enhance the growth rate of agricultural GDP, and create greater employment opportunities.

Lesseducated and economically vulnerable rural residents are likely to benefit as they make use of their individual skills or else bring in the power of a group to achieve higher productivity from large scale farming.

Agricultural growth has both forward and backward linkages to the rest of the economy which will produce a multiplier effect on the economic growth of the non-agricultural sector. Our farming models will allow entrepreneurs to acquire farmland in a relatively inexpensive way so as to overcome the productivity constraint of small scale farming. Farmers can construct additional infrastructure and introduce advanced technologies to raise land productivity significantly. This new approach calls for the government to provide tax advantages and other subsidies to investors, at least during the initial few years of investment. The goal will be to enhance efficiency in agriculture and leverage rising agricultural incomes to support non-agricultural sectors of the economy.

Literature suggests that every dollar increase in agricultural GDP boosts rural employment and poverty alleviation in excess of what a dollar increase in the industrial sector will, until the country is able to attain a middle-income status. In the longrun, the increased productivity in agriculture has multiplier effects on the other sectors of the economy. For Asia, the value of this multiplier is between 1.6 and 1.8 (de Janvry and Sadoulet, 2016). Thus, every dollar increase in agricultural income induces another 60 to 80 cents increase in non-agricultural income, with obvious implications for additional employment opportunities in non-agricultural sectors. We believe our proposed strategy could slow down the migration of labor into the Gulf countries and elsewhere which can raise national output considerably.

Integration with Tourism

Tourism has remained one of the few encouraging sectors of Nepal's economy since 1950. If nothing else, Nepal is endowed with beauty, and the very terrain that impedes other economic development is one of the world's greatest tourist attractions. From a slow beginning in the late 1950s, modern international tourism in Nepal has become a government-supported industry, which, by the late 1970s, emerged as the country's number one source of foreign exchange earnings (IBRD, 1979), a major destination for local private investment (Blaikie et al., 1980), the foremost recipient of loans from the government's Nepal Industrial Development Corporation, and a prime factor in sustaining Nepal's unsteady balance of trade (IBRD, 1979).

The inflow of tourists accelerated dramatically for substantial periods within the past 50 years, rising from nearly 18,000 in 1967 to 940,000 in 2017. The

number of arrivals was nearly 163,000 in 1980, 254,000 in 1990, 463,000 in 2000, and 600,000 in 2010 (NTB, 2017). Over the years several government policies have played a vital role to create this boom, such as easier visa obtaining procedures, the opening of previously restricted mountain areas to trekking, development of a national park system, investment in the creation and then upgrading of an international airport, loans for hotel and restaurant development, and permission of gambling in a luxurious hotel in Kathmandu (Smith, 1981) during the 1970s and 1980s. There were other factors contributing to the strengthening of the tourism industry as well. Nepal has 125 castes and ethnic groups who speak 123 different languages. It is considered to be a garden of flowers of different species. People with distinctive religions such as Hinduism, Buddhism, Islam, and Christianity live in harmony. Nepal is home to 10 UNESCO world heritage sites (UNESCO, 2019). Finally, Nepal is the birthplace of Buddha and therefore has a special place in the hearts of the believers (Barahi, Fan, Hung, Malla & Yeung, 2017).

Tourism is relatively big in Nepal. According to the World Travel and Tourism Council (2017), it contributed Rs. 177 billion into the economy in 2016 alone, amounting to 7.5 percent of GDP. Its share is expected to rise to 8.3 percent by 2027. This can be achieved only if Nepal can increase the number of tourists in the country by more than double over the next nine years. The hotel industry alone has provided employment opportunities to more than 500,000 people (Sharma, 2017).

The integration of tourism with agriculture in Nepal can create a significant backward linkage in terms of employment as well as productivity. Tourism-related industries can be promoted along major trekking routes so as to provide incentives for tourists to stay longer. Diagnostic tools can be applied to understand the nature of constraints on building stronger linkages between farms and hotels. Greater tourist inflows will increase the demand for food some of which can be met through the adoption of more organic farming. More than the contribution of tourism to overall growth, however, how much the development of tourism is pro-poor needs to be carefully studied going forward. In turn, any intervention in pro-poor tourism should be examined in terms of its relationship with agriculture because most of the poor live in the rural areas. Attempts to boost the supply of food will not be pro-poor without a clear understanding of the demand for the types of food and other items tourists prefer. What are the products in which Nepal's poor farmers have the potential for competitiveness but have problems in marketing them with hotels and restaurants? Tourism value chain analysis is necessary in this connection before interventions in agriculture can be

developed for a desired pro-poor impact. Would forming producer alliances, for instance, address problems with respect to the quality and volume of the products demanded by the hotels that rely on imports?

The greater focus on linked development of agriculture and tourism will go a significant way to multiply employment opportunities to the less educated and the impoverished. This could help to alleviate rural poverty, reduce income inequality, and achieve sustainable development.

Reference

- Barahi, S.; Fan, R.; Hung, P.; Malla, P., & Yeung, R.** (2017). *Tourism Cluster in Nepal: Microeconomics of Competitiveness*. Boston, MA: Institute for Strategy and Competitiveness, Harvard Kennedy School and Harvard Business School.
- Baral, L.R.** (2000). *The Regional Paradox: Essays in Nepali and South Asian Affairs*. Adroit Publisher, Delhi, India.
- De Janvry, A. D. & Sadoulet, E.** (2016). *Development Economics: Theory and Practice*. Routledge, 711 Third Avenue, New York, NY 10017.
- FAO.** (2020). *Nepal at Glance*. Food and Agricultural Organization of the United Nations.
- IBRD.** (1979). *Nepal: Development Performance and Prospects*. Washington, DC: International Bank for Reconstruction and Development, World Bank.
- IMF** (2019). *World Economic Outlook April 2019*, International Monetary Fund.
- JHU** (2020). *COVID-19 Dashboard by the Center for Systems Science and Engineering (CSSE) at Johns Hopkins University*. Johns Hopkins University, Maryland, USA. Data generated on 2020, June 1.
- NPC** (2018). *Nepal's Multidimensional Poverty Index: Analysis Towards Action*. National Planning Commission, Government of Nepal, Kathmandu.
- NPC** (2019). *Report on the Nepal Labour Force Survey, 2017/18*. Central Bureau of Statistics, Kathmandu, Nepal.
- NTB** (2017). *Nepal Tourism Statistics 2017*. Kathmandu: Nepal Tourism Board.
- Pyakuryal, B.; Roy, D., & Thapa, Y.** (2010). Trade liberalization and food security in Nepal. *Food Policy* 35, 20e31.
- Rorabacher, J. A.** (2010). *Hunger and Poverty in South Asia*, Gyan Publishing House 23, Main Ansari Road, Darya Ganj, New Delhi.
- Sharma, S.** (2017). *50 Years of Nepal Tourism*. *New Business Age*. Retrieved 2019 June 29 from <http://www.newbusinessage.com/MagazineArticles/view/1706>
- Smith, V. L.** (1981). Controlled vs. Uncontrolled Tourism: Bhutan and Nepal. *Royal Anthropological Institute News*, 46, 4-6.
- UNDP.** (2019). *Human Development Report 2019*. United Nations Development Programme, Kathmandu, Nepal.
- UNESCO** (2019). *World Heritage List*. United Nations Educational Scientific and Cultural Organization. Retrieved from <https://whc.unesco.org/en/list/>
- WEPA** (2019). *State of Water Environment Issue*. Water Environment Partnership in Asia. Retrieved on June 29 from <http://www.wepa-db.net/policies/state/nepal/state.htm>
- World Bank** (2019). *World Development Indicators*. World Bank, Development Research Group. Retrieved on June 29.
- World Bank** (2020). *South Asia Economic Focus, Spring 2020: The Cursed Blessing of Public Banks*. Washington, DC: World Bank.
- World Bank** (2020). *World Development Indicators*. Development Research Group. Retrieved on June 15.

Rethinking Public Health and Education

Education, Health, and Inclusive Growth for Post-COVID-19 Reforms

✉ Satis Devkota and Shiva Gautam

Background

Human capital consists of the knowledge, skills, and healths that people accumulate throughout their lives, enabling them to realize their potential as productive members of society. Education, particularly schooling and their qualities, serves as the basis for human capital, as it plays a fundamental role in the accumulation of major skills, such as literacy and numeracy, and the promotion of economic growth. Kindergarten standardized achievement tests have been found linearly associated with wage two decades later (Chetty, et al., 2011). Similarly, a study evaluating higher education and wages over a period of more than two decades found that higher wages consistently associated with higher education level and the difference over the study period increase with educational attainment (Murnane, et al., 2007). Health, on the other hand, is highly influential for learning and the ability to think laterally (Madsen, 2016). However, the literature that examined the empirical relationship between health and learning, schooling, and idea production is very limited; though those are considered as the main drivers of growth in endogenous growth models. Studies disagree on the relationship between educational attainment and health. This may be due to substantial heterogeneity across outcomes, settings and analytical methods. However, a systematic review and meta-analysis found that education has mostly beneficial effect on several health outcomes (Hamad, et al., 2018).

Education and Economic Growth

Education has been considered as an important determinant of economic growth. Based on the theoretical growth literature there are three channels through which education may affect economic growth. First, the augmented neoclassical growth theories argued that education can increase the human capital inherent in the labor force. That increases labor productivity and thus the economic growth toward a higher equilibrium level (Mankiw et. al., 1992).

Second, endogenous growth theories posit that education can promote the stock of human capital that increases the innovative capacity of individuals and the economy (Nelson and Phelps, 1966). Endogenous growth theories also emphasize the accumulation of human capital that helps to acquire new knowledge of innovative technologies, products, and processes. All of these factors help promote economic growth (Lucas, 1988; Romer, 1990; Aghion and Howitt, 1997). A comparison of investment in research and development vs. economic growth between the US and Europe helps us to understand the role of innovation to promote economic growth. In the late 1990s or early 2000s, slower growth in Europe may have been caused by the European Union's relatively meager investment of 1.1 percent of its gross domestic product in higher education, compared to 3 percent in the U.S. (Sapir, 2004).

Third, Aghion and Howitt (1997) distinguish another framework within the endogenous growth literature that emphasizes the importance of technology transfer in addition to factor accumulation as an opportunity to catch up for higher economic growth. In this framework, education can facilitate the dissemination and transmission of knowledge needed to understand and process new information and to successfully implement new technologies devised by others. That imitation promotes economic growth (Nelson and Phelps, 1966; Benhabib and Spiegel, 1994). For instance, let us consider the Europe's faster growth than the U.S. in the thirty years after World War II even though it invested mainly in primary and secondary education. Similarly, the "Asian miracle" (high productivity growth in Asian countries like South Korea) is associated with greater investments in primary and secondary education than investments in higher education. Thus, for developing countries like Nepal, this approach could be very useful.

Regardless of these theoretical predictions, the empirical literature on the impact of education on economic growth has long been divided. Even though an additional year of education adds value to economic growth, a year of schooling may not produce the same level of cognitive skills everywhere. There are other determinants such as family background, type of peers, and health status that might impact the cognitive skills. The most recent research on education and economic growth shows that ignoring differences in the quality of education significantly distorts the picture of how educational and economic outcomes are related. For instance, Hanushek and Kimko, (2000) showed that the quality of education, measured by the knowledge that students gain as reflected in tests of cognitive skills, is much more important for economic growth than just the quantity of schooling measured in terms of the years of education completed by an individual.

Health and Economic Growth

The correlation between health and economic growth is positive. Countries with better health status tend to have higher incomes than countries with poor health status. That is the Preston curve relationship between health and economic growth is pretty much established in health and economic growth literature. However, the underlying relationship between them is complex and difficult to discern due to the following three issues. First, evaluating and extricating causality between health and economic growth is empirically arduous. The mechanism through which health can affect economic growth or economic growth can affect health simply complicate the anecdote of this relationship. Second, with the change in the development status of a country, the relation between health and economic growth will also change. Third, the dimension of health matters. For instance, mortality vs. morbidity, children's vs. women's health, and the health of the aging population may have different consequences on economic growth (Bloom, et al., 2017). However, the increased investment in health might increase the likelihood of avoiding poor health status from the poverty trap that has been sustained or reinforced by poor health. That means an increased investment in health might help to preserve the better health of poor and vulnerable which could be instrumental to promote the long-run growth in developing countries like Nepal.

Cervellati and Sunde (2015) use a systematic quantitative analysis in a prototype unified growth model and showed that differentials in extrinsic mortality are one of the good candidates for explaining differences in economic takeoff in developing countries that have implications toward sustained long-run economic growth. A decline in mortality prompts greater investments in individual human capital, encourages parents to have fewer children, and to educate those children better. That leads to initiate an economic-demographic transition and promote economic growth (Boucekkine et al., 2002, 2003; Chakraborty, 2004; Cervellati and Sunde, 2005; and Soares, 2005). Likewise, Bloom et al. (2015) show the importance of women's health on economic growth. As healthier women are more likely to participate in the formal labor market, they have higher opportunity costs of having more children. Thus, investment in women's health encourages them to find a better job and hold fewer children with better quality education. This leads to a transition from stagnation to growth in developing countries even at the absence of the Ben-Porath (1967) mechanism.

The take-off toward sustained economic growth is then reinforced by the demographic dividend (Ashraf, Weil, & Wilde, 2013; Kuhn, and Prettnner,

2017; Mason, Lee, & Jiang, 2016). As the fertility rate decreases, the overall dependency ratio—youth plus old-age dependency ratio—drops. That emancipates resources that can be used for investment in health, education, and infrastructures. These investments, in turn, foster economic development and accelerate the transition toward sustained long-run growth. Thus, in developing countries like Nepal, investment in health is important for the transition of its economy from stagnation to growth.

Inequality in Health and Education

As economic activity becomes increasingly knowledge-based, the average level of educational attainment and health status, and disparities in educational opportunities and health play a more important role in determining the level of human capital and then the growth prospects of the economy, and the distribution of income therein. As human capital is the crucial development objective and essential instrument for growth and development, it is simultaneously an end and a means of development (Sen, 1999; Solow, 1956; Romer, 1986; Lucas, 1988). An increase in human capital induces innovations that enhance efficiency and productivity, promote enterprises and product varieties, and creates new jobs in the economy. Thus, better human capital indirectly spurs economic development through the channel of innovation. The crucial role of innovation for economic development and growth has been documented in Solow, 1956; Romer, 1986; and Lucas, 1988.

From a theoretical standpoint, an increase in average educational attainment results in a relative increase in the supply of skilled workforce, which, in turn, enhances average labor productivity, promotes better human capital and increases the rate of economic growth (Barro, 1991; Barro and Lee, 1994; Barro and Sala-i-Martin, 1995; Aghion and Howitt, 1997). The resulting higher levels of output tend to represent a higher inequality in the distribution of incomes, and therefore more poverty if equal educational opportunities are not provided to all (Gloom and Ravi kumar, 1992; Banabou, 1996; Thomas, Wang, and Fan, 2000; Lopez). The slightest concern with equitable growth for the current and future generations, therefore, cannot remain oblivious of the state of human development.

Likewise, Mankiw, Romer, and Weil (1992) raised the issue of health and nutrition in a broader analysis of human capital and hence economic growth. Later, Fogel (1994) and Barro and Sala-i-Martin (2004) examined the relationship between economic growth and population health in more detail. Both Mankiw, Romer, and Weil (1992) and Fogel et al. (1994) suggest that a disparity in population health slows the process of human capital formation,

and therefore enhances income inequality and reduces the rate of economic growth. That further leads to the gender-based wage gap that might exert pressure on economic growth. Besides, the disparity in health may affect the evolving age distribution of the workforce in a country that can also exert negative pressure on equitable human capital formation, income distribution, and the income growth of developing countries.

Thus, the reduction in all types of inequality (caste-based, gender-based, spatial, and income-related) in health and education has positive implications on human capital formation and hence to the economic growth and development of developing countries like Nepal.

Policy Analysis

From a development policy perspective, education offers two attractive features. First, the private vs. social returns of education are high. Second, education is a public good. The private return of education is around 6-10% (Card, 1999) and the social return of education is approximately three times larger – approximately 18-30% (Acemoglu and Angrist, 2000). However, returns to education are different from returns from investment in education. The first is the effect of one more year of schooling on output while the second is the effect of additional dollar investment in education on the outcome. The private returns to investment in primary, secondary, and higher education for Asian countries are 20%, 15.8%, and 18.2%, respectively (Psacharopoulos and Patrinos, 2004). Education will not only benefit individuals personally through access to better jobs, higher incomes, and a better partner, it also benefits others as it helps generate more jobs, improve the human capital of our children, and create better citizenship in political participation. The social returns are 16.2%, 11.2%, and 11.0%, respectively (Psacharopoulos and Patrinos, 2004). Thus, there are strong positive private and social externalities associated with individual education. Because education has social externalities, it is a public good. This is because they are non-rival and non-excludable in their uses and that is why they are both ends and means of development (Sen, 1999).

Likewise, the investment in public health policies provides effective, efficient, inclusive, and innovative solutions, defined by values and evidence, and enables our society for sustainable development, which is again important for better health. There are three different pathways through which investment for health and well-being drives and enables the sustainable development of a developing country (Dyakova, et. al., 2017).

Health and Security Path: This path recommends to increase life expect-

tancy, improve quality of life, and build better human capital. That leads to enhance labor productivity, promotes economic growth, and again ensure national and global health security.

Social and Equity Path: This path recommends to reduce the inequality in health by income class, gender, caste-ethnicity, and geography and build social capital. That helps to create political stability in the country, and achieve employment equity for women, young people, and the poorest. That could ultimately help to redistribute the income and wealth to the poor and vulnerable in society and promote the inclusive growth in the country.

Economic and Innovation Pathway: This path recommends to enhance the direct, indirect, and induced economic effects by generating employment and providing decent jobs, enhancing skills, providing access to better technology, investing on infrastructure, delivering communications, enabling taxes and social security system, and driving sustainable production and consumption.

Thus, to enhance inclusive economic growth and promotes the sustainable development, better education and health policies are very important. From the evidence derived in this paper and based on the other policy research published so far, we have proposed the following post-COVID-19 education and healthcare policy reforms in Nepal.

1. Create a database of the total population of the country by their income and wealth status. Update that information every three years.
2. Define an income threshold and provide the conditional cash to the school going kids of the families whose income is below that threshold.
3. Reduce all types of inequality by gender, caste-ethnicity, income, and geography; empower poor, vulnerable, voiceless; and address violence and abuse on them.
4. Ensure the best start in life, leaving no child behind; provide early and youth education; enhance the quality of schooling and health care services provided in the country.
5. Enhance access to quality education and health care service at every corner of the country.
6. As health and education both have private as well as social returns, those are the responsibilities of the government. Thus, develop a strong public education and universal health care systems in the country.

Reference

- Acemoglu, D. & Angrist, J.** (2000). How large are human-capital externalities? Evidence from compulsory schooling laws. *NBER Macroeconomics Annual*, 15, pp. 9-59.
- Aghion, P. and Howitt, P.** (1997). *Endogenous Growth Theory*. MIT Press, Cambridge, MA.
- Ashraf, Q. H.; Weil, D. N.; & Wilde, J.** (2013). The effect of fertility reduction on economic growth. *Population and Development Review*, 39, pp. 97–130.
- Barro, R. J.** (1991). Economic growth in a cross section of countries. *Quarterly Journal of Economics*, 106(2), pp. 407–443.
- Barro, R. J.** (1997). *Determinants of Economic Growth: A Cross-country Empirical Study*. Cambridge, MA: MIT Press.
- Barro, R., & Lee, J.** (1994). Sources of Economic Growth. *Carnegie-Rochester Conference Series on Public Policy*, 40, pp. 1–46.
- Barro, R., & Sala-i-Martin, X.** (1995). *Economic Growth* (1st Ed.). New York: McGraw-Hill.
- Barro, R., & Sala-i-Martin, X.** (2004). *Economic growth* (2nd Ed.). Cambridge, MA: MIT Press.
- Benabou, R.** (1996). Inequality and Growth. In *NBER Macroeconomics Annual*. B. S. Bernanke and J. Rotemberg (Eds.), pp. 11–92. Cambridge, MA: MIT Press.
- Benhabib, J. & Spiegel, M. M.** (1994). The role of human capital in economic development: Evidence from aggregate cross-country data. *Journal of Monetary Economics*, 34(2), pp. 143–174.
- Ben-Porath, Y.** (1967). The production of human capital and the life cycle of earnings. *Journal of Political Economy*, 75, pp. 352–365.
- Bloom, D. E.; Kuhn, M.; and Prettnner, K.** (2017). Africa's prospects for enjoying a demographic dividend. *Journal of Demographic Economics*, 83, pp. 63–76.
- Boucekkine, R.; de la Croix, D.; & Licandro, O.** (2002). Vintage human capital, demographic trends, and endogenous growth. *Journal of Economic Theory*, 104, pp. 340–375.
- Boucekkine, R.; de la Croix, D.; & Licandro, O.** (2003). Early mortality declines at the dawn of modern growth. *Scandinavian Journal of Economics*, 105, pp. 401–418.
- Card, D. E.** (1999). The causal effect of education on earnings. In *The Handbook of Labor Economics*, Vol. III, O. Ashenfelter & D. Card (Eds.). Amsterdam: Elsevier.
- Cervellati, M. & Sunde, U.** (2005). Human capital formation, life expectancy, and the process of development. *American Economic Review*, 95, pp. 1653–1672.
- Cervellati, M. & Sunde, U.** (2015). The economic and demographic transition, mortality, and comparative development. *American Economic Journal: Macroeconomics*, 7, pp. 189–225.
- Chakraborty, S.** (2004). Endogenous lifetime and economic growth. *Journal of Economic Theory*, 116, pp. 119–137.
- Chetty, R.; Friedman, J. N.; Hilger, N; et al.** (2011). How does your kindergarten classroom affect your earnings? Evidence from Project Star. *Quarterly Journal of Economics*, 126(4), pp. 1593–1660.
- Dyakova, M., et al.** (2017). Investment for health and well-being: a review of the social return on investment from public health policies to support implementing the Sustainable Development Goals by building on Health 2020. WHO Regional Office for Europe, Copenhagen.
- Fogel, R. W.** (1994). Economic growth, population theory, and physiology: The bearing of long-term processes on the making of economic policy. *American Economic Review*, 84, pp. 369–395.
- Glomm, G. & Ravi Kumar, B.** (1992). Public vs. Private Investment in Human Capital: Endogenous Growth and Income Inequality. *Journal of Political Economy*, 100 (4): pp. 818–834.
- Hamad, R.; Stewart, H. C.; Tran, D. C; et al.** (2018). How and Why Studies Disagree About the Effects of Education on Health: A Systematic Review and Meta-Analysis of Studies of Compulsory Schooling Laws. *Social Science and Medicine*, 212, pp. 168–178.
- Hanushek, E. A. & Kimko, D. D.** (2000). Schooling, labor force quality, and the growth of nations. *American Economic Review*, 90(5), pp. 1184–1208.
- Lucas, R. E.** (1988). On the mechanics of economic development. *Journal of Monetary Economics*, 22, pp. 3–42.
- Madsen, J. B.** (2016). Health, human capital formation and knowledge production: two centuries of International evidence. *Macroeconomic Dynamics*, 20(4), pp. 909-953.
- Mankiw, N. G.; Romer, D. & Weil, D.** (1992). A contribution to the empirics of economic growth. *Quarterly Journal of Economics*, 107(2), pp. 407–437.
- Mason, A.; Lee, R. D. & Jiang, J. X.** (2016). Demographic dividends, human capital, and saving. *The Journal of the Economics of Ageing*, 7, pp. 106–122.
- Murnane, R. J.** (2007). Improving the education of children living in poverty. *Future Child*, 17, pp. 161–182.
- Nelson, R. R. & Phelps, E.** (1966). Investment in humans, technology diffusion and economic growth. *American Economic Review*, 56(2), pp. 69–75.
- Psacharopoulos and Patrinos. (2004). Returns to

- investment in education: a further update. *Education Economics*, 12(2), pp. 111-134.
- Romer, P.** (1986). Increasing returns and long-run growth. *Journal of Political Economy*, 94, pp. 1002-1037.
- Romer, P.** (1990). Endogenous technological change. *Journal of Political Economy*, 99(5, pt. II), pp. 71-S102.
- Sapir, A.; Philippe, A.; Giuseppe, B.; et al.** (2004). *An Agenda for a Growing Europe*. Oxford University Press, Oxford.
- Sem, A.** (1999). *Development as freedom*. Anchor Books, New York.
- Soares, R. R.** (2005). Mortality reductions, educational attainment, and fertility choice. *American Economic Review*, 95, pp. 580-601.
- Solow, R. M.** (1956). A contribution to the theory of economic growth. *The Quarterly Journal of Economics*, 70, 65-94.
- Thomas, V, Y. Wang, & X. Fan.** (2001). *Measuring education inequality: Gini coefficient of education*. World Bank Development Forum WP 2525, the World Bank, Washington, DC.

Sustainability, Urban Planning and Development

Sustainable and Self-Reliant Urban Development in Post-Pandemic Nepal

✉ Ambika P. Adhikari and Keshav Bhattarai

“Modern planning and civil engineering were born out of the mid-19th century development of sanitation in response to the spread of malaria and cholera in cities. Digital infrastructure might be the sanitation of our time.”

- Ian Klaus, 2020¹

Introduction

COVID-19 pandemic is affecting many aspects of the society, economy and the way people live. The pandemic is also disrupting the process of physical planning and development in the cities. It will perhaps permanently change the way planners and policy makers think about the city and plan for its development. The residents and visitors will also find the city to be different from the pre-COVID-19 era. The emerging situation would likely require new ways of moving, working and living in the city, and building the different physical components of the city.

Cities around the world are experiencing varieties of unexpected problems in tackling the COVI-19 pandemic crises. Political leaders, policy makers, planners and designers are developing guidelines to minimize and insulate from the spread of disease and improve urban public health permanently. However, some ideas for sustainable post-pandemic planning and development have already become apparent. For example, urban centers must facilitate the safe and efficient movement of essential workers and residents using real time information. Cities should also provide open and safe spaces for the residents to gather for recreation, de-stressing and as the means of reducing the urban densities. Planners are contemplating developing an effective transportation network that could be more efficient, sanitary and effective to keep urban areas safe if similar pandemics emerge in the future. Planners also are engaged in designing housing to promote public health

¹Pandemics are also an Urban Planning problem. Bloomberg City Lab March 6, 2020

that helps reduce the transmission of communicable diseases.

COVID-19 pandemic has prompted city leaders to find different ways of enhancing self-reliance. Proper planning approaches for transportation, water supply, and sanitation are needed to create a self-reliant city. Likewise, planners also are facing challenges related to meeting the food needs of the urban dwellers to better manage future public health emergencies. Ways to promote local food production through urban farming and even rooftop and on-balcony farming need to be devised for this purpose.

The following paragraphs outline possible policies and planning related to the key elements of urban development to achieve sustainability and self-reliance for cities.

Urban Density and Development Pattern

The world is urbanizing at an unprecedented rate fueled by increasing rural to urban migration and growing economies (Wang et al., 2029). The UN-Habitat has identified planned city infill, redevelopment and densification as three critical areas of global urbanization. As cities grow and densify, agglomeration intensifies (Shaker, 2015; Kytta, 2013). However, unorganized urbanization presents great difficulties for a sound land use planning process. Unplanned urban expansion often results in a series of environmental and socioeconomic problems due to the loss of agricultural land and natural resources, unequal water and other resources distribution and the lack of associated infrastructure and services. The urban planning goal is to optimize the use of urban land, infrastructure and services to serve the residents well and promote sustainability. Deficient planning with obsolete urban patterns can result in undesirable effects, such as gentrification or unreasonable increases in land prices even in the degraded areas making it difficult for the local residents to afford to live there. It is important to properly plan and manage urban expansion and densification to improve urban efficiency while minimizing any negative impacts on the residents and on the environment.

Land use and cover information classifies urban areas consisting of different land use categories such as open space and areas with low, medium and high intensity development. These classifications are based on the percentages of impervious surfaces with the presence of a mixture of impervious surfaces and green covers. These areas most commonly include residential, commercial, institutional, and industrial areas, and parks and green spaces for recreation, erosion control, or aesthetic purposes. Many Nepali cities lack efficient urban services and adequate amount of open spaces as many

continue to be served only by the rural infrastructure even when they may be classified as urban centers.

The management of the urban densification process is an effective tool for improving sustainability of cities. Using such tools, urban planning offices often produce forecast models to assess the sustainability indicators for a city. Urban planners can predict the level of future urban population, urban expansion, required infrastructure, and services accounting for the current and future possible urban density. Proper planning and management for the rapidly growing cities help improve the efficiency in land use, infrastructure, and services development. The UN Habitat indicates that most cities in the developing world have forfeited agglomeration benefits and generated sprawl, congestion, and segregation in the last two decades (Brueckner and Lal, 2015). These realities are reflected in cities and towns in Nepal and are systematically taking-up fertile agricultural land, and creating challenges to devise an efficient transportation system. In larger cities such as Kathmandu, Lalitpur and Pokhara, housing in the form of multi-family development is required to create appropriate residential densities to optimize access to infrastructure and the provision of services.

In comparison to single-family housing, multi-family development is also more affordable as it uses less land per dwelling unit. As the intensity of development has increased, and the urban population has grown. For example, larger cities of Nepal are growing in increased multi-family development of mid-rise and high-rise apartment buildings. While the increased residential densities promote sustainability and help arrest urban sprawl, the increased densities can also be seen as spreading transmissible diseases during pandemics such as the COVID-19.

City planners, architects, and developers need to offer creative solutions to balance increased residential densities with public health-friendly buildings and unit layouts, and designs. The tenants of multi-family buildings should be able to maintain physical distancing protocols such as separate entry, staircase, entry, wider corridors and exit alternative provisions. The development needs to include access to common open spaces both inside the development and in adjoining areas to provide opportunities for passive and active physical activities for the residents.

Transportation, Virtual Work

Increasing number of office employees are working from home during the COVID-19 drastically reducing the movement of single-occupancy personal automobiles and personal two-wheelers. The impacts of reduced urban

traffic have resulted in cleaner air, increased visibility and reduced time to commute to the destination. Most people have observed this pleasant outcome of the pandemic.

As the effective intervention to the COVID-19 pandemic is at least many months away, working from home for many will be a new norm. Even after an effective vaccine or some form of relief medication for the COVID-19, it is likely that the virus will mutate and render the newly developed medications less effective in curing the emerging disease (CDC, 2020). According to reports, some forms of mutation in the virus have already been noticed. Earlier, it was assumed that the virus will become inactive or go away with the increase in temperature, but the viral infestation has multiplied in many warm places around the world. That means the virus is likely to mutate very quickly and policy makers and planners have to overcome these challenges with new urban planning and design approaches.

As the virus has spread, many office goers felt unsafe to physically commute to offices. However, with the improvement in the virtual working environment, remote working is gradually replacing the need to physically go to the office. It is hoped that the new routine for virtual work will further open up new possibilities for the cities to be self-reliant, environmentally better and sustainable. Walking and bicycling will positively affect public health. An improvement in public transportation will drastically enhance the self-reliance capacity of the cities. It will reduce out-of-pocket travel costs for the employees, and in fact, help to improve public health by encouraging needed physical activities for the residents.

Public transportation vehicles for a smaller number of people per vehicle are easier to clean and sanitize regularly. However, the small number of people in high occupancy vehicles increases per person cost to commute and subsequently fewer people will use it with the needed safe physical distancing. Other people may prefer walking and biking to the destinations and such alternatives likely become popular. The central and local governments subsidize public transport in most countries. Transportation planners find the need to engage in identifying innovative approaches to public transportation for efficient and cost effectiveness, maintaining small passenger capacity vehicles, and absorbing additional cost of enhanced sanitation. Dedicated bus lanes will help increase frequency and decrease commute time of services. Also, as congestion is eased by the reduced number of single occupancy vehicles, public transportation could enjoy generally reduced commute time and cost. The reduced traffic congestion can decrease the total fuel cost by up to 20-25 percent (Bhattarai et al., 2019).

Office vs Home Space Needs

The area of living space per person in residential buildings has been increasing overtime. This growth is driven by the increasing per capita income, decreasing rate of population growth, and increased awareness of sanitation and personal hygiene. For example, currently, the per capita residential space estimated in Nepal and India is 120 square feet, in Japan it is 150-250 square feet, and in the US, it is upwards of 800 sq. ft. As the pandemic induces increased rate of work from home, the per-person residential space will perhaps increase even more as people will need additional floor space for home office and other activities in their homes. Expanding indoor residential spaces per person might not be a problem in countries like the U.S. where the population density is already low. However, for the European and Asian countries where the population density is already high, provisions of increased per person interior space could become expensive because residential buildings may have to become taller. Improved construction technology, using the most efficient building materials, better subdivision and neighborhood planning can help in keeping the housing prices in check while maintaining needed space.

The need for the total amount of office space is likely to decrease because a smaller number of employees will be physically present at work, as remote working becomes the preferential approach. The estimated office space need in the US is estimated at about 200-300 square feet per person. In Nepal, it is perhaps less than 100-150 square feet per person. In general, in addition to the personal office space, office facilities devote spaces for meetings rooms, break rooms, storage, equipment, bathrooms and other services. As more and more people start working remotely, the total amount of office space in a city can be reduced to save fixed cost expenses such as for development and utilities. The reduction of land for office use and infrastructure development can make more land available for residential purposes, more open spaces, and urban farming leading to a self-reliant sustainable city.

Open and Public Gathering Spaces

Public and private open spaces are inadequate in most cities and towns of Nepal. The construction of new homes in any available lot size and infilling even small open spaces has resulted in a significant decrease in public open space in the cities (Adhikari, 1998). Nepali planners have recommended adopting a 40:60 ratio for built-up to non-built-up areas by 2021 in the context of Kathmandu Valley's seismic vulnerability (Bhattarai and Conway, 2010). There are virtually no public parks in many cities of Nepal. Kath-

mandu Metropolitan City (KMC) has less than two square kilometers of total public park space, including Ratna Park, Balaju Park, Tribhuvan Park, and Sankhamul Park. Nepal's neighboring countries India and China have managed to maintain urban greenery despite high urban densities and rapid urban growth. For example, Bangalore in India and Shanghai in China are emerging as green cities. In India, in many urban planning, 'Park and Garden Society' are established to create green cities. It is mandatory in the 'Park and Garden Society' in India to maintain greenery in all new urban development. In Delhi, currently about 297 square kilometers area is set aside for greenery amounting to an average of 10 square meters per individual. Gandhinagar, the capital city of Gujarat State has 57 percent of its land area covered by green spaces. Bengaluru of Karnataka State has more than 700 public parks. Similarly, the City-State of Singapore imports most of its water from Malaysia harvests rainwater to develop 'Bay Gardens'. Singapore is known as one of the greenest cities including greenery on roads, terraces, roofs and bay areas. It is also known for its energy efficiency approach, reduced carbon emission and biodiversity preservation (The Straits Times, 2015).

In Nepal, developers, land brokers, and owners of residential, commercial or private office properties try to maximize every square foot of the site area for development, do not leave any extra open space for sidewalks, public and private plazas, urban parks or pocket parks and plazas in and adjacent their development. As a result, public spaces and publicly accessible amenities where residents, workers, and visitors can relax and enjoy passive or active physical recreation are rare. This not only lowers the quality of urban life, but also robs the residents of the availability of any safe gathering space in times of disaster. Especially, in times of public health crisis such as the current pandemic or natural disasters such as earthquakes, the residents have nowhere safe to go and wait for help.

Open spaces and public gathering spaces are vital amenities for urban areas. In the downtown and office areas, the need for open spaces is calculated based on the number of people who live and work in that area. The space needs in office areas should be recalibrated based on the reduced number of employees that will occupy the area on any given day. However, as physical distancing between individuals might be needed to minimize the potential transmission of any contagious diseases such as Covid-19, the design and total space requirements for public spaces might be different from how they are provided currently.

Open spaces, especially in the form of urban parks and gardens can also be

important locations for relaxation for the residents. Singapore has successfully deployed “Therapeutic Gardens”, which residents can visit to enjoy the beauty and therapeutic ambiance created with water, landscape features, flowers, seating areas and views. These gardens are great amenities for the residents to help them de-stress their daily lives. Especially during the pandemics, these gardens can become important reservoirs of amenities to promote public health and improve the mental state of the residents.

Residential Density Conundrum

A denser settlement is generally more desirable to promote sustainability, and reduce per-capita cost of utilities such as water supply, sewerage and road and communication network, and health services. The cities within Kathmandu Valley were traditionally built as dense settlements to protect the existing fertile agricultural land and greenery in the area.

Among the densest cities, Kathmandu has a population density of 52,000 persons per square mile, Mumbai 77,000, Seoul 43,000 and Singapore 22,000, Mexico City 22,000, London 13,000, and New York 27,000. In Singapore or London, city-dwellers have adequate personal spaces for themselves. Edward Glasser in his 2011 book *Triumph of the City* wrote that “all of humanity could fit in Texas—each of us with a personal townhouse”. Thus, even when there is a limited amount of land in a city, it is a matter of how one designs for adequate personal spaces, avoiding overcrowding, and providing sufficient public space for the urban residents to ensure good public health.

During a pandemic, it appears that people prefer low-density settlements. News reports indicate that some urban residents in the US have begun to move to the rural areas. However, such horizontal expansion is not an option for the densely populated Nepal. The important element is not how dense a city is to cope well during pandemics and from transmissible diseases, but how well the city is planned and designed to allow for safe physical distancing between individuals and secured and uncrowded access to residential units. The urban density is often confused with overcrowding in residential units because dwelling overcrowding is not good for the public and mental health of the residents.

Urban Farming for Local Food Production

It is estimated that despite the increase in global production of food grains by 2.3 percent between 2018 and 19, almost 135 million people are facing food insecurity today and this number will be doubled by the end of 2020

with maximum scarcity in urban areas (Lal, 2020). Since December 2019 until today, COVID-19 pandemic has spread to over 213 countries. This increase in COVID-19 has caused food insecurity to 265 million (Schleifer and Sun, 2020). The dependence of cities on imported food requires hauling food long distances by various means of transportation such as by air, land (e.g. road and railways) and ocean (e.g. ship). Hence, the quality of food may suffer resulting in lack of freshness or usage of preservatives for maintaining the life of the product. Urban food security intervention can improve sustainability, reduce greenhouse gas emissions, and make fresh food available to communities. In times of public health crisis, such as the present pandemic, it can provide food security needs for communities. Urban farming is highly feasible in Nepal's tropical and subtropical areas as they have fertile lands and receive ample rainfall during monsoon. In the past, cities of the Kathmandu valley produced adequate amounts of food grain to sustain the communities' needs. Very few food items were imported from outside to the valley until the 1970s.

Urban lots often have limited spaces to grow vegetables, fruit plants, and flowering plants. Roof and balcony gardening can be one of the alternatives of food production. Likewise, community gardens in public open spaces are another possibility. If some spaces are available, urban residents enjoy landscaping in their own lots. Where spaces are available, urban dwellers may grow potato, tomato, cabbages, cauliflower, beans, eggplant and some flowering herbs for both their aesthetic purpose and food value.

Distributed Energy Production

Solar and Wind

On-site solar photovoltaic (PV) and wind power generation can supplement residential and business needs supporting self-reliance and sustainability. Such electricity needs are supported by the installation of solar PV panels on the rooftops, parking garages, and other locations at household levels and distribution of the solar PV technologies by the Government of Nepal's Alternative Energy Promotion Center (AEPC) to mainstream alternative energy supply in Nepal. The unit price has been going down in the past decade so the amount of subsidy needed is only minimal. The PV prices continue to fall and the subsidy period can be only for a few more years. The PV Magazine (May 19, 2020) predicts that the cost of solar power could be around 1 to 2 US cents/Kilowatt Hours within 15 years. The subsidy or initial grant required to a household level can be initially high because the cost of installation is high. Similarly, wind power can be complementary given

Nepal geographical terrain. Hence, PV energy can be available at daytime, and wind energy during the evening and nighttime for continuous energy supply and help improve self-reliance in the residential urban power sector.

On-site Water Harvesting

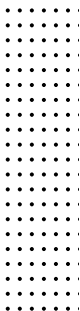
Most areas in Nepal receive a significant amount of annual rainfall including in the two largest cities, Kathmandu with 60 inches and Pokhara with over 130 inches. Therefore, rainwater harvesting can be economically feasible in these areas for household use. The system of collecting and using the on-site harvested rainwater saves costs associated with water use, makes it readily available, and contributes to self-reliance and sustainability.

Conclusion and Recommendation

Several perspectives on Nepal's urban centers planning can become gradually self-reliant and sustainable and help the cities cope with the current and any future pandemics. In the midst of a pandemic, urban centers with higher densities should provide access to nearby public and human services that are critical during public health emergencies, including the ability to conduct tracking and testing, and providing medical care. The higher urban residential densities encourage walking and biking, support mixed use, and public transit, and make more public-spaces available in the area. Public health friendly planning requires proper space configuration and design of buildings to maintain high residential densities, but creating enough physical spaces for separation to reduce the spread of communicable diseases. The following are the key recommendations that can be followed by the cities and municipalities at the action level.

Nepal can also consider providing therapeutic gardens in its urban centers that can help residents de-stress, and improve her urban aesthetic ambience. It requires strategically located public spaces, walk-up residential units when feasible, touchless technologies in elevators, and multiple routes for the flow for the residents in and around the building. Develop open spaces to provide opportunity for recreation, fresh air, and on and for public gathering, emergencies, and staging sites for makeshift medical facilities such as testing, vaccination and distribution of materials.

Provide handwashing stations throughout the city in areas such as parks, public bathrooms, public and private plazas, and public plazas. As water supply remains problematic in most Nepali towns, on-site water harvesting can help store water for the handwashing stations, public bathrooms and public gardens. Utilize frequent disinfecting, washing, passenger load re-



duction, hand washing facilities at public transit systems, and other sanitary protocols such as requiring masks for all passengers.

Design common exterior walls and floors with washable materials that can be easily disinfected and washed to help stop spread of communicable diseases.

Design multifamily residential buildings with multiple communal staircases offering the residents options to use the stairs closest to their units while allowing individuals to physically distance themselves from others.

Cities must improve the walking and biking infrastructure to provide for safe and healthy transport and help reduce spread of communicable diseases.

Reference

- Adhikari, A. P.**, Urban and Environmental Planning in Nepal: analysis, Policies and Proposals. IUCN-The World Conservation Union, 1998.
- Bassett, M. T.**, "Just Because You Can Afford to Leave the City Doesn't Mean You Should: It's a mistake to blame density for the spread of the coronavirus". New York Times, 2020 May 15.
- Bhattarai, K., Yousef, M., Greife, A. and Lama, S.**, Decision-Aiding Transit-Tracker Methodology for Bus Scheduling Using Real Time Information to Ameliorate Traffic Congestion in the Kathmandu Valley of Nepal. *Journal of Geographic Information System*.2019, 11, 239-291. doi: 10.4236/jgis.2019.112016.
- Bhattarai, K. and Conway, D.** Urban vulnerabilities in the Kathmandu Valley, Nepal: Visualizations of Human/Hazard Interactions. *Journal of Geographic Information Systems*, 2010. 2: 63-84.
- Brueckner, Jan K. and Lall, Somik.** V. Chapter 21- Cities in Developing Countries: Fueled by Rural-Urban Migration, Lacking in Tenure Security, and Short and Affordable Housing. *Handbook of Regional and Urban Economics*. Volume 5: 1399-1455.https://doi.org/10.1016/B978-0-444-59531-7.00021-1.
- CDC.** Historical Vaccine Safety Concerns: Centers for Disease Control and Prevention: CDC 24/7: Saving Lives, Protecting People. https://www.cdc.gov/vaccinesafety/concerns/concerns-history.html. Accessed on 2020, July 8.
- Glaeser, E.** *Triumph of the City*. The Penguin Press, 2011.
- Greca, Paolo La; Barbarossa, Luca; Ignaccolo, Matteo; Inturri, Giuseppe; Martinico, Francesco.** 2011. The density dilemma. A proposal for introducing smart growth principles in a sprawling settlement within Catania Metropolitan Area Cities. Dec2011, Vol. 28 Issue 6, p527-535. 9p. DOI: 10.1016/j.cities.2011.06.009.
- Hooper, M.**, "Pandemics and the future of urban density: Michael Hooper on hygiene, public perception and the "urban penalty"". Harvard Graduate School of Design Newsletter. April 13, 2020.
- Klaus, I.**, Pandemics Are Also an Urban Planning Problem, City Lab, 2020, March 6
- Kyttä M, Broberg A, Tzoulas T, Snabb K.** Towards contextually sensitive urban densification: Location-based softGIS knowledge revealing perceived residential environmental quality. *Landscape and Urban Planning*. 2013; 113: 30–46. https://doi.org/https://doi.org/10.1016/j.landurbplan.2013.01.008.
- Lal, R.** Home gardening and urban agriculture for advancing food and nutritional security in response to the COVID-19 pandemic. *Food Sec.* 2020. https://doi.org/10.1007/s12571-020-01058-3.
- Miller, G.**, "Density can work post-COVID-19, with good urban planning." *Policy Options*, IRPP, Canada, 2020, June 8.
- Schleifer, Philip and Sun, Yixian.** Reviewing the impact of sustainability certification on food security in developing countries. *Global Food Security*, 24: 100337. https://www.sciencedirect.com/science/article/pii/S2211912418300841?via%3Dihub.
- Shaker R. R.** The well-being of nations: an empirical assessment of sustainable urbanization for Europe. *International Journal of Sustainable Development & World Ecology*. 2015; 22(5): 375–387.
- Wang L, Omrani H, Zhao Z, Francomano D, Li K,**

- Pijanowski, B.** 2019. Analysis on urban densification dynamics and future modes in southeastern Wisconsin, USA. PLoS ONE 14(3): e0211964. <https://doi.org/10.1371/journal.pone.0211964>.
- Zengkun, Feng.** Concern over Singapore's water supply from Malaysia: Vivian. The Straits Times. Singapore. 2015, Aug 3, Updated 2016, Jan 19. <https://www.straitstimes.com/singapore/environment/concern-over-singapores-water-supply-from-malaysia-vivian>. Accessed on 2020, July 8.

Green Governance for Sustainability in context of COVID-19 Pandemic

 Chandra L. Pandey, PhD

Introduction

Scientists agree that the world has reached a tipping point affecting sustainable development goals (SDGs) because of anthropogenic ecosystem degradation. The efforts of achieving sustainability in production and consumption striking the balance between the 3Es (equity, economy and environment) has only paid lip service to the idea. The United Nations negotiations and treaties on ozone depletion, biodiversity conservation, waste management and climate change are facilitating the countries around the world towards green governance however, such efforts to protect and to reverse environmental impacts remain increasingly ineffective. The emerging threats of environmental degradation and climate change and their disproportionate impacts on the geographical, economic, cultural, social, and individual levels are felt widespread at global level.

Nepal is one of the fastest urbanizing countries in the world and it is also one of the most disaster-prone countries, which ranked 14th on climate change effects, and 40th on water -stress (Pandey, 2019; Pandey 2020; United Nations, 2014; Muzzini and Aparicio, 2013). The effects of anthropogenic climate change and environmental degradation are posing irreversible threats on Nepal's water, food, health, economic and social systems. The politics of North and South at international level and least research informed development activities at the national level further worsen the impending environmental challenges. Addressing such challenges towards achieving sustainable development goals of the country and to elevate from the category of least developed countries to the developing countries in next few years is important. Such development requires plans and policies that need to be accommodated in the interest of greening the economy guided by green governance. This paper discusses the nexus of green governance and sustainability and suggests a way forward in the context of green governance and COVID-19 pandemic.

Sustainable Development and Sustainability

The Brundtland Commission Report "Our Common Future" defines sus-

tainable development as “development that meets the needs of the present without compromising the ability of future generations to meet their own needs” (Brundtland Commission, 1987, 43). The inseparable and integral dimensions to sustainable development include society, culture, economy and environment. The major objectives of sustainable development however the vast majority of people dwelling in least developed and developing countries have often been unable to meet their basic needs related to food, clothing, shelter and jobs, holding them at distant places for meeting aspirations for an improved quality of life beyond basic needs. Sustainable development keeps human development at the center of the universe (Brundtland Commission, 1987) and requires meeting the basic needs of all and extending to all, the opportunity to satisfy their aspirations for a better quality of life. However, a world that is again divided into three worlds: first world, second world and third world, primarily the people of the third world in which poverty and inequity are endemic, encounter multiple crises and prone to live miserable lives dismissing the core of SD, striking the balance between equity, economy and environment. Meeting basic needs of bottom billions is still far from reality (Collier, 2008). In the least developed and developing countries income gaps have widened with increased disparities and disconnections. The SDGs prioritize to address the disparities between and among individuals and communities within a country and between countries but special priority needs to be given to the poorest and most vulnerable societies of the least developed and developing countries.

Sustainability, literally, refers to an ability to maintain some entity, outcome or process over time (Mensha & Casadevall, 2019; Basiago, 1999). In development literature, most practitioners, researchers and academics apply the concept to connote improving, nurturing and sustaining a healthy economic, ecological and social system for human development (Tjarve, & Zemite, 2016). The 20th century effort to sustainability came to human attention because of resource intensive developments and overexploitation, which led to environmental and human well-being concerns and stimulated further discussions on natural resources dynamics. Often contested, it constitutes a coherent set of interrelated beliefs and values that establish how collective life might be better organized. Sustainability is a long-term goal of sustainable development processes and pathways such as in agriculture, forestry, sustainable production and the like (UNESCO, Undated). It came to be a paradigm shift for thinking about the future through environmental, societal and economic considerations. The prosperity of societies relies on a healthy environment to provide food and resources, safe drinking water and clean air for their citizens. Sustainability is now advocated by a growing

number of citizens, corporations, professional agencies, educational institutions, civic organizations, political parties, and governments (Thiele, 2016). Sustainability provides common language and often termed as 'megatrend' – a phenomenon with a massive and enduring impact on culture, economy, politics, society and technology.

The sustainability makes good use of science to ensure the adaptive management of scarce resources in a crowded and complex world. In the era of Anthropocene, overexploitation of natural resources and unsustainable lifestyles resulted in irreparable environmental damage. The least developed countries mostly dependent directly on natural resources often get trapped to meet the basic needs and achieving sustainability goals becomes difficult. Learning to live, work, produce and consume sustainably has become a challenge at present and demands understanding sustainability science at a much deeper level (Thiele, 2016). Thus, sustainability outcomes require sustainable development processes and it places priorities to universal endorsement such as in democracy and human rights. Sustainability is not static state of harmony. It is a process of change in which the exploitation of resources, the direction of investments, the orientation of technological development, and institutional change are consistent with future and present needs of the society. Achieving sustainability needs proper governance structure and green development designs through green governance, which can effectively coordinate the relationship between human and nature to maintain harmonious development relationship of economy, society and environment.

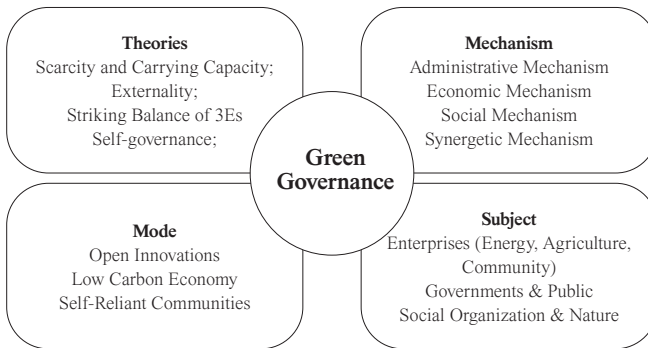
Green Governance

Green governance has attracted more scholars and institutions and have become the key policy interventions (Li, Xu & Zheng 2018). Green governance is a response to the mounting calls for a paradigm shift in the way humans relate to the natural environment. It opens the door to a new set of solutions by proposing a compelling new synthesis of environmental protection based on broader notions of economics and human rights and on commons-based governance. Green governance can be the engine for macro-principles and policies for the state, internal governance, the market, and legal institutional structures (Weston and Bollier, 2013) with considerations, and even prioritization for shared management of ecological resources (Guerrero, Bodin, McAllister, and Wilson, 2015). The key principles of green governance include: 1. All levels of development decision making and actions need to be embed the environmental considerations; 2. Cities and communities, and social, cultural, economic and political life need to be

considered as a subset of the environment; 3. Emphasis on the inalienable nexus for co-existence of people and the ecosystem; 4. Promoting the transition from open-loop/cradle-to-grave systems (like garbage disposal with no recycling) to closed-loop/cradle-to-cradle systems (like permaculture and zero waste strategies).

Green governance, being a multi-dimensional entity, does not possess consensus regarding the concept of it. However, what is agreed upon is that green governance concerns itself with addressing context and social diversity by structuring socio-economic activity and environmental problems in ways where values in socio-economic thoughts account for nature and social well-being (Kusis, Brokane, & Miltovica, 2017). Discussions on green governance have been gaining tremendous attention because environmental degradation and risks are becoming more prominent in contemporary times (Li, Xu, & Zheng, 2018). The green governance coordinates conflict between human and nature in such a way that institutional arrangements are carried out to ensure scientific decision-making and maintaining continuous and stable operations of the economic, social and environmental system within a framework of green governance. The theoretical basis for the green governance framework includes theories of sustainable development and sustainability, state's administrative, social, economic mechanisms, priority subjects and synergetic innovations (Li, Xu, & Zheng, 2018; Kusis, Brokane & Miltovica, 2017) and thus, green governance calls for a common endeavor and for new norms of behavior at all levels of society in the interests of sustainable actions.

Figure 1: Green Governance Framework (adapted from Li, Zu & Zing 2018)



Development and Sustainability Challenges in Nepal

Nepal within South Asia with the major Himalayan range includes fertile

flat land of Terai of Indus-Ganga Plain. Nepal ranks 49th largest country in population and 93rd largest country in area occupied and often hit by natural disasters (MOHA, 2015). A landlocked Nepal borders India in the south, east and west and China in the north and has no direct access to sea. The ecological zones—Terai, Midhills and High hills ranges in altitude of 70masl to 8848 masl. Nepal's more than 102 ethnic communities, various ecological regions and fragile geopolitical realities, has diverse developmental needs. Hence, the country encounters varied challenges to sustainable development as more than 21% of its population live under the international poverty line. Often increasing inequalities result in enormous disparities of opportunity, wealth and power. Although gender and racial inequalities are primarily being addressed but often incidents of gender and racial violence across the country are still prevalent. The higher level of national unemployment leads young labor-force to out-migrate to overseas and neighboring India. The return of a large pool of out-migrated labor at present because of COVID-19 pandemic has arisen to be one of the key context of challenges to sustainable development.

Given the weaker national health system and alternatively expensive private hospitals and clinics precludes many Nepalis from getting access to the health services. Frequent natural disasters such as landslides and floods lead to forced displacement of the population and reverses needed development. Natural resources degradation because of air pollution, drought, degradation of land declining water and loss of biodiversity exacerbate the situation. The unpredictable climate change poses additional adverse impacts that are continuously undermining the ability of the country to achieve sustainable development. Rising global temperature, changing monsoon patterns, re-appearance of diseases once eradicated, frequency and intensity increases in heat and cold waves are some of the immediate causal factors of climate change resulting into impacts on agricultural practices, water scarcity, and poorly managed health system.

Nepal as the fastest urbanizing country (Pandey and Bajracharya, 2017; United Nations, 2014; Muzzini and Aparicio, 2013), and that almost half of humanity is likely to live in urban centers by the end of the 21st century in the world is another sustainable challenge to Nepal. The existing urban infrastructure and chaotic development patterns cannot accommodate rapid urban growth. The urban planning with weak and inadequate institutions and infrastructure of electricity, water, agriculture, health, education, transport and waste management impede sustainable development activities (Pandey, 2020). Most existing urban areas fail to meet the requirements of township in terms of landscape planning, service provisions and self-reliant

communities. Nepal must increase its capacity to produce and manage its rural and urban infrastructure and services related towards a decent living conditions. Effective urban planning and management makes communities efficient that requires decentralization of funds, political power and skilled human resources. The presence of the local government in Nepal can contribute towards coordinated effort to achieve the goal. The local governments are best placed to comprehend and manage local needs while state and federal governments support the implementation through robust policy and required resources. Considerations must also be put to urban poor who contribute to city development through skills, energies, and resources of neighborhood groups.

The institutions to address various sustainability challenges are often fragmented and emphasize on sectoral issues with limited mandates. For example, those responsible for managing natural resources and protecting the environment are institutionally separated from those responsible for managing the economy and development activities. Those engaged in water services do not coordinate with road services and electricity services and vice versa. Therefore, understanding the real dependency of interlinked economic and ecological systems will not change, rather the policies and institutions concerned must be dynamic towards a holistic outcome for sustainable development. The growing need for effective inter and intra institutional cooperation is imperative to appreciate and manage ecological and economic interdependence of the country.

Green Governance in Development for Sustainability

Since the decade of 1960s, governments around the world have been under pressure to clean up the mess societies created. The establishment of the environmental ministries and environmental agencies to address environmental issues have led to awareness and need for action required for avoiding detrimental impacts to ecology and society. However, the works of these ministries and agencies remain stand alone to give the false impression that these agencies were by themselves able to protect the environment striking the balance between equity, economy and environment. The problems of erosion, desertification, acidification, disposable management of new chemicals, and waste and new forms of e-waste are related to agricultural, industrial, energy, forestry, and transportation policies and practices still remain in existence. While addressing the above issues, quantities of production and growth overwhelm the need for balance of the 3Es. For example, the mandates of Ministries of Industry, Commerce and Supplies of Government of Nepal include production targets, while the accompanying pollution is

left to the Ministry of Forests and Environment. The Ministry of Energy focuses on producing power, while the acid pollution they produce is left to other bodies to clean up. Hence, summarily, the challenges now are the followings: 1. Agencies not taking responsibility for their own decisions that affect the human and natural environment. 2. Non-integration of the sustainability components in development plans for green governance. 3. Uncoordinated fragmentation of ministries and line agencies in implementation of development activities 4. Lack of reorientation for better cooperation at the institutional level focused on future trajectory.

COVID 19 and Green Development

The COVID-19 halted existing production, consumption, growth and employment systems globally. Nepal is an import-based economy and holds high dependency on global market for imports to meet the needs of the country. Food, transport, energy, employment and health securities among others are fully dependent on the global market. Nepal's main imports partner is India, accounting for 58% of the total imports and the rest of the major imports take place with China, Indonesia, Argentina, South Korea, Malaysia, Japan and Germany. Nepal mainly imports oil, gold, iron and steel, clothes, pharmaceutical products, cement, electronic appliances, food and automobiles (Trading Economics, 2020).

For employment opportunities, more than 520,000 labor permits are issued to Nepali youths planning to work abroad every year and Malaysia is the number one destination country for Nepali migrants followed by Qatar, Saudi Arabia, UAE and Kuwait (ILO Nepal, 2014). Foreign employment and remittance are important contributors for bridging the gap between rich and poor and for helping a large number of Nepali households to get them out of poverty line but these are not sustainable practices matching the country's long-term development goals. Migration of the youth labor force for the lowest ladder of wages to foreign countries has kept large areas of fertile land, although subsistence farming, barren over two decades and more than 95% of the remittance received has been spent on consumption. This practice has not allowed accumulating capital to run new entrepreneurship/businesses when migrants return home from abroad and they are forced to fall in the trap of foreign employment.

COVID-19 offers us an opportunity to reflect on our historical practices of production and consumption and compels to engage collectively in green productivity. Nepal is able to reflect back and make robust plans for future interventions to make it self-sufficient country, and there are at least four

areas in which Nepal needs to focus on through innovations and interventions: 1. Improve hydro energy sector and green technology; 2. Modernize agricultural practices for food security; 3. Implement e-governance and digitalization and 4. Planned urban and community development

1. Improve Hydro Energy Sector and Green Technology

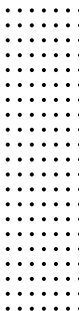
Nepal has gifted with high potential of renewable water resources, possessing about 2.27% of the world's fresh water resources (CBS, 2005). Nepal with more than 6000 rivers and rivulets can produce more than 43,000 MW hydroelectricity (World Bank, 2001; Pandey et al. 2019). However, approximately 1300MW is produced this far with additional 550 MW to be added soon. A highly prioritized approach on hydro electricity generation would enable Nepal to produce more clean and green energy to achieve the following key milestones.

1. Reduced or no dependency on hydrocarbon imports
2. Saving of foreign reserves leading the path towards a middle income rich country
3. Use of hydro-electricity for transport, mobility, industry, agriculture and domestic use
4. Reduced carbon emission through the use of green energy and technology

These milestones strengthen national interest and overall security of Nepal and provide a high number of employment opportunities to migrant returnees and unemployed youths of Nepal. Therefore, one of the most prioritized policy objectives of the Government of Nepal must be to develop the nation's vast hydro power resources to provide the electricity needs of the country, and to earn export revenues.

2. Modernize Agricultural Practices for Food Security

The COVID-19 and elongated lockdown situation, a large number of Nepali who had been working in foreign countries are returning home. There are discussions and worries about how to engage these youths during the recession created by Novel Coronavirus. Since the Nepali economy is still at a nascent stage of development and agriculture still holds the largest share, there are various sectors within agriculture for the engagement of returnee migrant workers. In fact, when the youths had been involved in agriculture, whether commercial or subsistence, the land of Nepal was tilled and used and Nepal used to be self-sufficient on food items and possessed robust food security indicators but once the concept of going abroad among youths



became popular, agriculture was left on the shoulder of women and aged citizens and many of the fertile land was kept barren. COVID-19 can be an opportunity for Nepal to get prepared with policies and plans to hold these returnees in the country. Having said that there are many economic opportunities from agricultural productions and consumptions—value chains of agriculture—yet to be clearly explored. Also, the federal structure of the State with three tiers of government: federal, provincial and local—has provided an opportunity to all and especially to local governments to formulate context specific agricultural development policies and tangible programs and execute them for the youth and returnee migrants. Engaging them in modernized agriculture productions and distribution systems along with other potential green economic and eco-tourism practices are some of the possibilities of turning dreadful pandemic into opportunities.

3. Implement E-governance and Digitalization

Novel coronavirus is threatening a once thickly globalized world with the identified concept of global village turning the concept itself into physical and social distancing as key mantras to decelerate its speed and fighting against it. Once the notion of connectivity was key but with the global pandemic attack of COVID 19, connectivity has been circumscribed by global lock down, national lockdown, community lock down and even family lock-down. People of the world are forced to live and work in a new paradigm due to the COVID-19 pandemic however the work impacts of different countries are disproportionate and there are many uncertainties about volumetric, temporal and spatial issues. In such situations, a clear digital divide between countries and within countries can be noticed. Countries, which have been using e-governance and digital technologies for long, are able to provide effective services through e-governance and digital technology ever during the pandemic but countries like Nepal, where there has recently been digital boom, but still neglect the use of digital technologies and e-governance are encountering a number of challenges in terms of delivering effective services from public service sector to banking sector to educational world. Use of e-governance and digital technology holds multiple benefits for Nepal during and Post-COVID situation. Some of them, inter alia, are: 1. Effective and efficient use of digital technology can substantially reduce traffic jams of megacities; 2. Save considerable amount of time for obtaining services of clients/citizens; 3. Eliminate the practice of middleman/brokers; 4. Eliminate corruption as there is no direct contact between clients and public servants; 5. Reduce the crowded queue system of Nepal where Nepali clients suffer the most. Therefore, exploiting e-governance and digitalization reorients our social, political, economic, health service sectors including

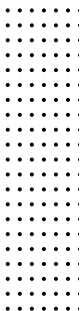
our traditional teaching and learning system through digital tools and techniques which benefits us at present, helps us cope COVID 19 like situations in the future and direct our generation and posterity to a new paradigm of development and sustainability.

4. Planned Urban and Community Development

Urban and community development planning create norms and values and vision that capture the aspirations of both the government and the people. Every government and the community have a vision to develop their country and neighborhood in their own way but the visions must contain the fundamental aspects of making the communities and the state a self-sufficient entity. A self-sufficient entity must have a few fundamental components to make a community –a self-reliant community. Allowing to build and construct residential homes or businesses prior to effective water, electricity, road, waste management, school and health services and other infrastructure systems are often the case of Nepal's urbanization process. When envisioning a community, we need to understand the value of community first that establishes a sustainable community framework with efficiency and effectiveness in services that deliver a quality of life. Emphasis must be given on land parcel development ensuring good living including possibility of local food production. The collective vision of the government and the people need to be contextual—making sense of the place and people. The locally embedded thinking in development can reflect fundamental aspects of green governance and sustainability. It can also support communities to become self-reliant, avoid chaotic development and establish living based on aesthetics locally dependent on resources and services and contribute to the challenges of COVID-19 and alike threats.

Conclusion

There are strong synergies between self-reliant communities, green governance and sustainability. Food, health, education, economic and energy securities are inalienable indicators of higher human development index and important contributors to sustainable development goals. COVID-19 affected all aspects of life. In order for the country to move forward, green governance, a low-carbon economy and resilient green investments can create opportunities and the sustainable growth. The environmentally sound and economically viable energy pathway will sustain the communities and the country's future possibilities. Nepal's use of renewable energy, agriculture for food, clothing and shelter will reduce external dependency. This can be improved by implementing policies to protect vulnerable subsistence



farmers, pastoralists, and the landless. Implementation of the concept of the self-sufficient community contributes towards independence of each community and totally changes intensive travelling practices of today from businesses to sending children to school to distant locations.

Visionary community development plans must, at least, have robust low-carbon transport system, access to quantity and quality water, availability of renewable and reliable electricity services, community recreational areas, accessible and affordable health services, self-sufficient agriculture and local-community school systems. The digital access to services and teaching and learning will vastly improve our efficiency. The additional benefit of digitalization and e-governance will reduce mal-governance. Thus, the COVID-19 led opportunity can immensely help transition to alternative pathways of hope in the future.

Reference

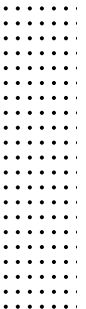
- Basiago, A. D.** (1996). The search for the sustainable city in 20th century urban planning. *The Environmentalist*, 16: 135–155.
- CBS.** (2005). *Statistical Year Book of Nepal*. Kathmandu Central Bureau of Statistics.
- Collier, Paul,** (2008). *The Bottom Billion: Why the Poorest Countries are Failing and What Can Be Done About It*. Oxford, Oxford University Press
- Government of Nepal.** (2015). *The Constitution of Nepal 2015*. Kathmandu: Government of Nepal.
- Guerrero, A. M.; Bodin, O.; McAllister, R. R. & Wilson, K. A.** (2015). Achieving social-ecological fit through bottom-up collaborative governance: an empirical investigation. *Ecology and Society*, <http://dx.doi.org/10.5751/ES-08035-200441>.
- Kusis, J.; Brokane, L. & Mitovica.** (2017). Green governance principles in the development of environment education infrastructure. *Proceedings of the 2017 International Conference "Economic Science for Rural Development"* (pp. 256-266). Jelgava: LLU ESAF.
- ILO Nepal.** (2014). *Labor Migration for Employment: A Status Report for Nepal 2013/14*. Geneva: ILO. <https://www.ilo.org/kathmandu/areasofwork/labour-migration/lang-en/index.htm>
- Li, W.; Xu, J. & Zheng, M.** (2018). Green governance: New perspective from open innovation. *Sustainability*, doi: 103390/su10113845.
- Mensha, J. & Casadevall, S. R.** (2019). Sustainable development: Meaning, history, principles, pillars, and implications for human action: Literature review, *Cogent Social Sciences*, 5 (1): 1-21.
- MoHA** (2015). *Nepal Disaster Report*. Kathmandu: Ministry of Home Affairs.
- Muzzini E, and Aparicio G.** *Urban Growth and Spatial Transition in Nepal: An Initial Assessment*. World Bank Group, Open Knowledge Repository, Washington, DC, 2013. <https://openknowledge.worldbank.org/handle/10986/13110> (last accessed 2015, September 8).
- Pandey, C. L.** (2020). *Managing Urban Water Security: Prospects and Challenges in Nepal*. Environment Development and Sustainability. DOI: <https://doi.org/10.1007/s10668-019-00577-0>
- Pandey, C. L.; Maskey, G.; Devkota, K. & Ojha, H.** (2019). Investigating the Institutional Landscape for Urban Water Security in Nepal. *Sustainability: The Journal of Record*, 12 (3): 173-181.
- Pandey, C. L. & Bajracharya, R. M.** (2017). Climate Adaptive Water Management Practices in Small and Midsized Cities of Nepal: Case Studies of Dharan and Dhulikhel. *Sustainability: The Journal of Record*, 10 (5): 300-307.
- Theile, L.** (2016). *Sustainability*. Cambridge: Polity Press.
- Bruntland Commission.** (1987). *Our Common Future: World Commission on Environment and Development*. London: Oxford University Press.
- Tjarve, B., & Zemite, I.** (2016). *The Role of Cultural Activities in Community Development*. *Acta Universitatis Agriculturae et Silviculturae Mendelianae Brunensis*, 64(6), 2151–2160.
- Trading Economics.** (2020). *Nepal Imports: 2001-2020 Data*. Trading Economics. <https://tradingeconomics.com/nepal/imports>
- UNESCO.** Undated. *In Brief: Sustainable Develop-*

ment.<https://en.unesco.org/themes/education-sustainable-development/what-is-esd/sd>

United Nations. (2014). World's Population Increasingly Urban with More than Half Living in Urban Areas. New York: United Nations. <http://www.un.org/en/development/desa/news/population/world-urban->

[ization-prospects-2014.html](#) (last accessed 2015, September 15).

World Bank. (2001). Nepal Proposed Power Sector Development Strategy: Report No. 21912-NE. New York: South Asia Regional Office of World Bank.



Information, Database and Digitalization

Covid-19 and Digital Change to Opportunities and Challenges for Nepal

 Shree R. Paudel

Introduction

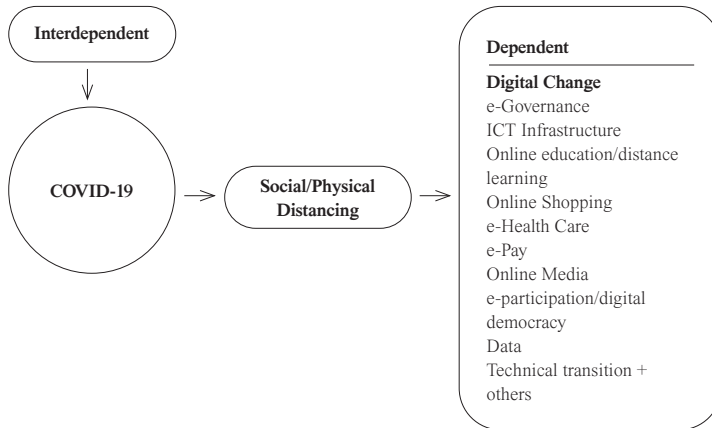
COVID-19 severely disrupted human societies in health, economy and politics. However, it will reshape and reinforce new ideas and opportunities for a resilient future. It has enforced opportunities for developing countries like Nepal in digital activities. All kinds of public activities are either closed or controlled during the active corona period. Several countries locked all activities except health emergency services as they were coping with COVID-19 pandemic which first occurred in Wuhan, China in December 2019. Many countries responded to the COVID-19 crisis declaring lockdown through stay-at-home orders and total movement control. National border closures, social distancing and travel restrictions still continue including Nepal. The closure of public places, schools, shops, production, recreational venues still prevail in places that affected social and economic life. The educational sector is heavily affected surviving through online classes with limitations in learning. The National Examination Board of Nepal decided to upgrade students of Secondary Education Examination (SEE) which is the final examination in the secondary school system of Nepal. The political agitation program was curtailed. Summarily many societies are struggling to normalcy by adopting new measures.

It is too early to predict the impact and change of the COVID-19 pandemic. However, digital transformation is gradually occurring with a new level of acceptance and understating. It is widely observed that the different services of commerce, trade, banking, health, education and others are being operated online due to the enforcement of physical distancing measures. Actual digitalization is undergoing into the poorer communities despite inadequate access to Information Communication Technology (ICT) infrastructure, digital facilities and infant digital culture. The present article analyzes digitalization initiatives of Nepal and its opportunities and challenges for e-governance to assist in good governance.

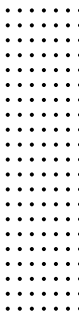
Approaches of Nepal

Nepal is moving forward gradually towards the e-governance system. 'Digital Nepal' priority of the Government of Nepal (GoN) is setting initiatives by the expansion of ICT infrastructure, policy arrangement, implementing the digital Nepal framework and generating data within a few years. The COVID-19 crisis is likely to speed up the digital change in Nepali society. Digitalization is becoming an efficient means for the government and other public authorities to reach out to the citizens and receive opinions and ideas (Bhatnagar, 2004). The ICT changed the method of working of the government by adopting electronic service delivery and workflow. Figure 1 illustrates the digital conversion projected in various sectors. The measures to physical distancing in the COVID-19 crisis required all activities to be performed accordingly and e-governance was adopted naturally. Different measures are taken to maintain physical distance by banning public gatherings of all forms such as cultural function including the use of land and air transportation.

Figure 1 Digital change caused by physical distancing (Source: Figure by author).



After 83 days of lockdown from March 24 to June 14, 2020, the measure eased the movement of people. However, public transportation, school, college, entertainment centers, cultural and social gatherings such as in marriage, religious and funeral activities are suspended. The City of Kathmandu implemented an odd and even number of private license plate vehicles to ply on roads on odd and even days respectively. The requirement of travel authorization from the corresponding local government and in absence of



public transportation such activities are restricted.

Nepal's security agencies such as Nepal Police, Armed Police Force- Nepal and Nepal Army are enforcing government executive order. The Ministry of Health and Population (MoHP) regularly issues precautionary measures such as maintaining physical distance, wearing the mask, using face reading signature, temperature measurement before entering into an office and business premises and frequent sanitization of public toilets. Trade, business and other service sectors like the restaurant, bank, shop, saloon and private health clinic are also opened as lockdown lifted.

Good Governance and E-governance

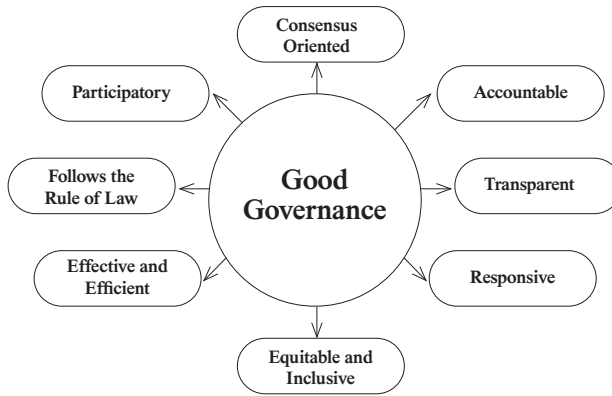
Governance is a broad concept encompassing the state's institutional arrangements, decision-making process, implementation capacity and the relationship between government officials and the public. E-governance is the use of ICT by the government, civil society and political institutions to engage citizens through dialogue and feedback encouraging wider participation (Jain, N., Agnihotri, B.P. and Verma, A., 2013). People anticipate good governance from their government and e-government supports in fostering the goal of good governance.

Good governance is a value-loaded concept, endorsing an idea of administrative behavior, and rejecting behavior that is unethical or questionable (Salminen and Norrbacka, 2010). According to the United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP) good governance has eight major characteristics (Figure 2). It is participatory, consensus oriented, accountable, transparent, responsive, effective and efficient, equitable and inclusive and follows the rule of law. It assures that corruption is minimized, the views of minorities are taken into account and that the voices of the most vulnerable in society are heard in decision-making. It is also responsive to the present and future needs of society.

Good governance means the effective management of resources in a manner that is open, transparent, accountable, equitable and responsive to people's needs (Elahi, 2009). Parameters of good governance include accountability, transparency, efficiency, decentralization of power, corporate functioning of the state, rule of law and responsiveness (World Bank, 1992; UNDP, 2014; IMF, 1996). World Bank (1992) suggested good governance in two forms: i. economic role for the state to set up policy reforms. ii. Non-economic aspects: such as transparency, accountability, participation and responsiveness to be followed in the process of governance and functioning of state organs leading to administration of justice. Figure 2 shows the dimensions of good

governance which is believed to achieve through e-governance of the digital age of this hour.

Figure 2 UNESCAP's characteristics of good governance

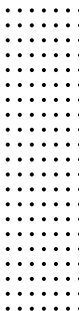


Source: <https://www.unescap.org/sites/default/files/good-governance.pdf>

Poor governance stifles and impedes development. In countries where there is corruption, poor control of public funds, lack of accountability, transparency and abuses of human, economic development and human welfare inevitably suffers. (Satpathy et al., 2013). With transparent dealing, e-governance will help to increase transparency. It also reduces corruption by monitoring the financial transaction and putting the information of the procedure online.

E-governance

E refers to electronics. E-governance is activities associated with carrying out the function and achieving the result of governance by the use of ICT. E-governance is about the use of ICT for steering citizens and promoting the public services. The E-governance links state and society, government and people, people to people and governance and society-governance increases transparency, accountability, efficiency and effectiveness and also inclusiveness in the governing process. It facilitates and improves the quality of governance and ensures the people's participation through electronic means like email, website, text connectivity and others. E-governance is not just about government websites or e-mail or financial transactions. It will change how citizens relate to government as much as it changes how citizens relate to each other (Ilyas, 2016). It also refers to the utilization of



Information Technology (IT) during the election to increase the people's participation-governance also helps to improve service delivery, civil service performance and finances for the government. It also empowers citizens as ICT eliminates intermediaries and empowers people to complete their transactions with the government at a speedier and cheaper cost. It also enhances technical transitions. Figure 3 shows distinct sectors of e-governance adopted in Nepal. Despite it encompasses a wide range of activities and actors globally.

G2C (Government to Citizens) and C2G (Citizen to Government)

The objective of the G2C and C2G services is to ensure equitable distribution of information. The Government is responsible for promoting the social opportunities and the public services in the field of transportation such as motor vehicle registration, driving license, tax and fee collection, banking transaction and pollution control. Health services, e-learning on education section, online job portals, various customer services are offered under G2C. It also ensures services like issue of a certificate, job card, passport, payment of bills and filing taxes from the doorstep through the e-governance platforms.

G2G (Government to Government)

G2G refers to raising the quality of government process by cost-cutting, managing performance and making strategic connections within the government. E-secretariat, e-police, e-court and statewide networks are the modules with G2G.

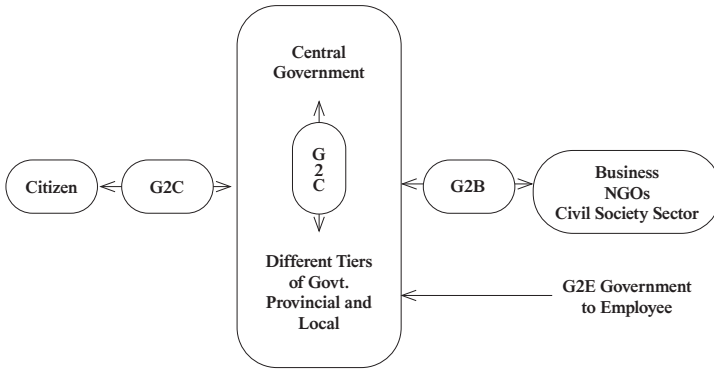
G2B (Government to Business)

It is mainly concerned about taxation receiving license from the government. It has included the policy of the government with business.

G2E (Government to Employee)

It refers to providing information and services from government to employee and employee to government. It involves training through the e-learning methods to consolidate the employee and share of knowledge among the employees. It also facilitates the employees to access information regarding pay and benefits policies and manage profit online.

Figure 3. E-government module of Nepal

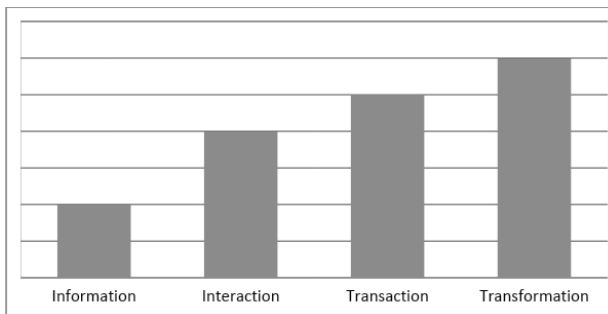


Source: <https://nitc.gov.np/document/>

Gartner Group Open Government Maturity Model

Gartner Group, e-business research consultancy firm formulated a four-stage maturity model of e-government (Figure 1). Many developing countries are adopting this concept for the readiness of digital governance that evolves presence, interaction, transaction and transformation stages. First stage is 'web presence' in which the website is static and provides basic information to the citizen. Second stage is 'interaction' which features tools for interaction with stakeholders like search engines, documents downloading and emails. Third stage is 'transaction' in which the user can perform complete transactions online. This includes payments like buying and selling. Fourth stage is 'transformation' where processes are integrated and personalized.

Chart 1. Figure E-governance Maturity Model (Gartner, 2000)



E-governance and Nepal

The shift from traditional government practice to electronic government is made possible by ICT. The last decade witnessed the fast-changing digitalization of various sectors in Nepal. The government of Nepal has prepared an e-Government Master Consulting Report (eGMP) collaborating with the Korean Industry Promotion Agency (KIPA). It has selected 33 projects in sectors comprising G2C, G2B, G2G and infrastructure.

Digital Journey

The history of communication and technology in Nepal is relatively recent (ITU, 2000, p.5). The computer was used in the population census projects of 1961 and 1971 by the GoN. After 1982, the microcomputers were used by private companies and individuals. Before the Telecommunication Policy of 1997, rapid change in computer technology at the global levels took place and its subsequent increased use in Nepal. Nepal's telecommunications modernization started with the Telecommunication Project of 1970. During the period Nepal had a total 5,350 telephone lines. Services such as Telex started in 1972 and the first satellite earth station was installed in 1982. Before this most long-distance traffic was conducted by short-wave radio (ITU, 2000). Increase in the telephone line, use of email, the involvement of the private sector in radio broadcasting and later television, internet news portal in 1997 were significant happenings during late 1990s. ITU report (2000) writes, 'in the latter half of the 1990s, Nepal has grown as fast (in telecommunication sector), if not faster, than any other country in the South Asia region despite the absence of foreign investment. In 1999 teledensity reached one line per 100 inhabitants and Nepal Telecom started a mobile phone service in March 2000. In 2000, Nepal adopted 'Information Technology Policy' with a plan to place Nepal on the global map of information technology within 2005. The objectives of the policy are to make information technology accessible to the general public and increase employment, build a knowledge-based society and establish knowledge-based industries. Table 1 illustrates the policies to cope with the evolving IT industry.

Table 1. Policy arrangement to address IT sector

Name	Enforcement Date
Telecommunication Act 2053 (1997)	2053 B.S.
Information Technology Policy 2057 (2000)	2057 B.S.
Electronic Transaction Act 2063 (2006)	2063 B.S.

Electronic Transaction Rules 2064 (2006)	2064 B.S.
IT Policy 2067 (2010)	2067 B.S.
Secure Password Practices 2067 (2010)	2068 B.S.
National Broadband Policy 2071 (2014)	2071 B.S.
National Information Communication Technology Policy 2072 (2015)	2072 B.S.
Digital Nepal Framework 2076 (2018)	2076 B.S.

The political instability during the Maoist insurgency (1996-2006) affected Nepal's progress on infrastructure development in various sectors like road, telecommunication, health, education, tourism. Defense expenditure increased and capital expenditure minimized during the conflict period (Mahat, 2005). Development infrastructures like bridges, telephone towers, electricity transmission lines and government buildings that are equivalent to NPR. 18 billion were completely demolished (Ibid, 2005; Upreti, 2006). Expansion of ICT, promotion of e-commerce and other related facilities were limited due to the insecure business environment. After the Comprehensive Peace Accord in 2005, development initiatives carried out by all units of government. The Gorkha Earthquakes of 2015 affected society economically resulting in slow pace on physical development efforts. However, ICT sector revived despite low economic growth in 2015¹. The digital transformation has been observed in banking, education, marketing, trade, commerce and other social sectors. However, prudent use of digital tools such as drones to assess earthquake disasters in Nepal is still at low (UN E-government survey, 2018, p. 56). COVID-19 crisis reflected the change in use of digital means like telemedicine, e-learning, e-commerce and e-banking.

The UN E-government Survey 2018 indicates Nepal among six countries from Asia to improve e-presence and provision of public services online (p. 94). Online Service Index (OSI), E-participation Index and E-government Development Index (EGDI) are with the medium progress levels (UN E-government Survey, 2018, p. 97 & 115).

Nepal is second in the top 10 countries list for e-government of Least Developed Countries (LDC) (Ibid at p. 143). Nepal is in 117th place in the total rank of 192 countries and ranks 55 on E-participation Index (EPI) (Ibid at p. 247). Table 2 illustrates the telecommunication infrastructure of Nepal.

¹Nepal's Gross Domestic Product (GDP) growth rate was less than 1 percent due the Gorkha earthquake and economic blockade imposed by India.

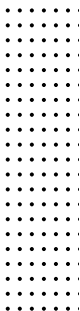


Table 2. Types of telecommunication services per 100 inhabitants in Nepal

Year	TII	Landline phone	Mobile phone	% of internet service users	Fixed (wired) broadband users	Active mobile-broadband
2018	0.24	2.96	110.83	19.69	0.77	30.54
2020		Nonsignificant change	139	75	NA	NA

Source: UN E-government Survey, 2018 and Nepal Economic Survey, 2020

The increased number of mobile users and extended service of 4G show comfortable situation for e-service delivery in Nepal². Internet service has reached 75 percent of the total population of Nepal. Internet Service Providers are Nepal Telecom with 48.9 percent, Ncell Axiata Ltd. with 32.8 percent and 18.3 percent of others (Economic Survey, 2020, p. 134). A total of 204 km of optical fiber is planned to be installed at Midhills highways and surrounding districts for high-speed internet facility during the last fiscal year 2019/2020 (Ibid at p. 134). Nepal Telecom Authority (NTA) is a telecommunications regulating body of Nepal, plans to expand broadband internet service in all districts within 2 years. But half the period time already elapsed with the progress of only 12 percent³. The total of 240 km is completed out of 2083 km long fiber optics installation project linking all provinces. Although the fiber-optic project halted, NTA informed that free broadband internet service is expanded in public places of 41 districts activating private sector internet service providers⁴.

Digital Nepal Framework

The GoN approved 'Digital Nepal Framework (DNF) 2018', is a blueprint roadmap of the digital initiatives that contribute to economic growth, to find innovative ways to solve major challenges of the society and to identify opportunities for Nepal to participate in the global economy (MoCIT, 2018,

²The number of mobile phone users are 40793102 and the 4G service is extended to 2120 places of 77 districts building additional 254 telephone towers (Economic Survey, 2020, p.132 & 133). But there is a question on reliable and quality internet service.

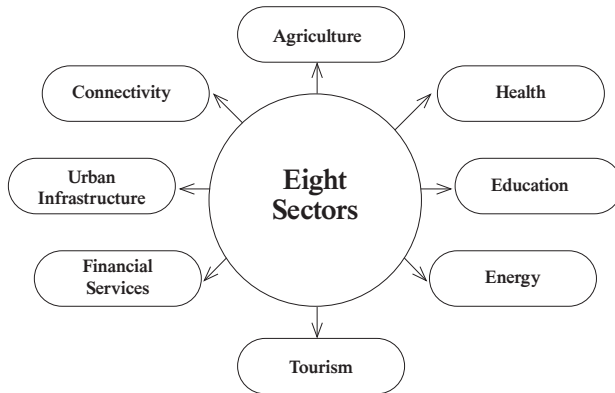
³Kantipur Daily reports the slow pace of fiber optic installation. Retrieved June 5, 2020, from <https://ekantipur.com/business/2020/06/05/159132409469723387.html>

⁴Nepalkhabar.com reports that broadband internet service has reached 41 districts. Retrieved June 14, 2020, from <https://www.nepalkhabar.com/economy/29588>

p.2). The DNF encompasses one nation, eight sectors and eighty initiatives (Figure 4).

Under these eight sectors, eighty digital initiatives are identified to enhance socio-economic development of Nepal. The Digital Nepal program helps Nepal in unlocking growth potential by leveraging disruptive technologies to enable social-economic growth. The program will help Nepal embark on its journey to an era of high economic growth, enabling it to become a developing country by 2022 and a mid-income country by 2030 (MoCIT, 2018, p. 6; NPC, 2017). DNF articulates the success of the DNF requires a high degree of emphasis on implementation (MoCIT, 2018, p.5).

Figure 4: Digital Nepal Framework 2018



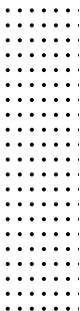
Ongoing E-government Projects of Nepal Government

Online services of 15 government agencies are in the national portal⁵. There are few upcoming projects of government which will be available online soon. These include e-Customs, Vehicle Registration (Transfer of ownership, blue book renewal, smart card for the blue book), National ID (Single identification smart card), Land Reform Information Management System (land registration and transfer), e-Passport and e-visa.

Data Digitalization: Positive Initiatives but the Slow Pace

For the digitalization process, data is essential tool. It is the source of knowledge building. Nepal lacks up to date data of her citizens in micro levels.

⁵Office of the Prime Minister, Election Commission, Public Service Commission, Ministry of Health and Population, Nepal Rastra Bank, Inland Revenue Department, Office of the Company Registrar, Land Management and Records Department, Passport Department, National Reconstruction Authority, National Library, Nepal Telecom Authority and Kathmandu Municipality (Economic Survey, 2020, p. 137).



Although national scale data of major sector like population, agriculture, industry, business, health, education etc. are available but the micro level information of each individual is to be generated to enhance digitalization process. For example, how many people use mobile banking or how often people do online shopping are unknown.

The last decade remained meaningful for digital data keeping of an individual issuing different digital cards including National Identification, Passport, Driver's License and citizenship identification cards. Likewise, different banks are collecting individual information through 'know your customer' for banking purposes. Various agencies are gathering the data not accumulated in a single platform. Hence, data duplication exists with resource wastes. An interesting fact is that a citizen owns a National Identification, Voter's Card, Machine Readable Passport, Driver's License and Citizenship Identification Cards. These somehow can be amalgamated into one or two identification cards. Big data gathered from various sides can enable researchers to better understand the situation and move to proper action.

National ID Card

In 2010, the GoN decided to distribute a single national identification card. It is a 'biometric smart card' that can be used for voting during the election, social security, financial transactions, taxation and other purposes. The budget speech of the fiscal year 2010/011 (2066/067), National ID Management Center of the Ministry of Home Affairs (MoHA) was tasked to collect personal and biometric information of citizens, but not updated to date. In 2018, The GoN announced the distribution of National ID Cards to 10 thousand citizens of Panchthar district and 7 thousand civil servants working at Singhadurbar. One lakh 17 thousand cards were bought and stored at Card refinery center at Singhadurbar (GoN Annual Report, 2018). The minister for Home Affairs inaugurated national ID cards distribution in the Panchthar District on 2018, November 25⁶. GoN plans to collect data from all districts⁷.

The general personal information like birth, marriage, passport, driving license and other specific voter information, medical information are included in the ID card. This card can be valid for land registration, vehicle and

⁶MoHA. (2018). Rastriya Parichay Patra bitaran (Distribution of National ID card). Retrieved from <http://www.moha.gov.np/post/nid-distribution>

⁷50 thousand in the Panchthar district and 7 thousand ID cards in Singhadurbar is distributed to date. Now the government is collecting data of 15 districts. MoHA's undersecretary J. Bhatta (personal communication, June 15, 2020) informed that the government is collecting data from all districts with new applicants of citizenship certificate from the fiscal year 2020/21.

other property, financial security, taxation, border and security management and travel purposes.

If the ID card was widely available to the citizens, the record-keeping system would allow effective COVID-19 pandemic infection monitoring and management. Such a biometric record of an individual will allow for access to travel and medical history.

Other Record for ID

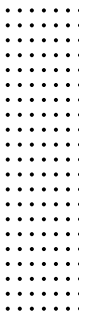
Voter's ID, Machine Readable Passport, License Card, Citizenship and registration of birth, marriage and death, arrival and departure record of immigration office are stand-alone databases. However, in absence of the relational linkage of the databases, a common gateway framework is missing reducing the opportunity of efficacious management of central information. All the transport management offices in the country are electronically networked despite its slow service affordability. Similarly, issuance of an embossed number plate system is pending for some time and print of smart driving licenses is a very slow process requiring several months to receive the driver's license card. National Information Technology Center National Information Technology Center (NITC) of Ministry of Information and Communication Technology is working for digitalization tasks of different departments of government. NITC's task includes domain registration, gate pass system, government network management, web hosting, software development and managing internet service within government offices.

Government Integrated Data Center (GIDC)

Government Integrated Data Center (GIDC) at the national level is formed and all information of the national identification card holders is to be stored in this system securely and confidentially. The technical arrangements are in place to synchronize the ID Card System and GIDC (Annual Report of GoN, 2075).

Corona Crisis and Changing Scenario

COVID-19 crisis is likely to accelerate digital change in the country. Although there is a poor ICT facility in the country, all possible sectors including schools, universities, health care institutions, banking, trade, business sectors and other service providers are depended more often on online services now. Because of restrictions for public gathering, the corona crisis opened the new culture of e-participation. Leaders are using digital platforms for virtual gathering and discussion programs. Group communication



remained vibrant during the pandemic.

Digital platforms are used at the maximum level for news reporting and another interview-based program by media. The disruption of print copy distribution led to shifts online or sharing print content in advance online. The Nepali Times, The Republica Daily, The Himalayan Times have closed their print editions.

Digital Democracy

Now there is a new culture of digital democracy. The younger generation is active on digital platforms and showing concern over the current issues. Issues of governance include:- Nepal-India border dispute, Millennium Challenge Corporation (MCC) disagreements, corona related expenditure, issues of Polymerase Chain Reaction (PCR) test, quarantine management among other government engagements. During the lockdown period, 'Claim the Border Group' initiated by an engineering student had demonstrated against MCC using robot and drone at Bharatpur, Chitwan⁸. Many youths expressed anger on social media with hashtags like #back off India against Indian encroachment to Nepal territories. They organized and participated in field protest programs decided after a series of discussions and consultations through virtual facilities of social media platforms. Although opposition political parties were also criticizing the government at the parliamentary forum, youth took the visible lead to pressure the government on health sector expenditure, PCR test and quarantine management responding to COVID-19 crisis. Self-motivated youths are successful to mobilize the large numbers of people into streets of major cities during the active lockdown period and surprise security-agencies.

The notable group was 'COVID-19 Nepal, Enough is enough' created on 6 June, 2020 on Facebook received large numbers of supporters within a few days. Having 'no RDT' sign on its profile picture, the group organized the protest in front of the Prime Minister's residence for three days on June 9 to 11 and in Maitighar Mandala on June 12. Protest programs were held in 30 major cities. Hashtags like #Sanitize Our Government #Enough is Enough #Save Nepal were used in social media urging the government to accelerate speed responding to the COVID-19 crisis. These hashtags were also picked up by mainstream media such as Nepal Republic Media. The GoN responded by easing lockdown and clarifying on the pandemic expenditure of NPR 10 billion. The GoN announced expanding PCR testing and managing quar-

⁸Nayapatrika Daily reports the unique style of protest using robots and drones. Retrieved June 3, 2020, from <https://nayapatrikadaily.com/news-details/44651/2020-06-03>

antine, measures of economic viabilities activities and travelling advisory.

E-health and Telemedicine

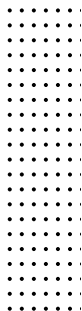
The COVID-19 pandemic is a huge challenge to health systems. Hospitals cease face-to-face instruction without personal protective equipment. The corona crisis has transformed the previous treating model to one driven by technology. MoHP is using all popular platforms to disseminate COVID-19 related information and tracking the people. As lockdown was introduced on March 24, the government briefing started with live broadcast from Nepal Television and Facebook page. The government is disseminating information using websites, social media platforms, telephone and mobile applications. Table 3 shows the different platforms used by MoHP and the increasing number of users within a short period.

Table 3. Website and social media platforms used by MoHP- Nepal

Platform	Name	Visitor/users as of 13 June	Visitor/users as of 26 August	Remarks
URL	https://covid19.mohp.gov.np	155,715	344,778	Available in the Website
Mobile Application	Hamro Swasthya	148,000	172,360	number of download
Viber cross platform instant messaging	MoHP Nepal COVID-19	3,69,023	453,606	
Facebook Page	Ministry of Health and Population-Nepal	214k	250K (656k followers)	Likes
Twitter	@mohpnep	14.6k	19.2k	Followers

Source: Daily Media Briefing and personal monitoring as of 13 June and 26 August, 2020.

B.P. Koirala Institute of Health Sciences started telemedicine service. People can contact the doctor registering their general information and specific health problem through website⁸. Hospital arranged doctors for 21 types of common diseases including blood pressure, diabetes, heart problem, back pain, common cold.



E-learning

Pandemic has toppled all the education systems across the country. GoN decided to upgrade class 10 students based on internal evaluation. There is a drastic rise in the use of various teaching and conferencing technologies. Due to the lack of ICT infrastructure, e-learning practice is confined to the city area.

Mobile Banking and E-commerce

Mobile banking has increased significantly as banks announced free online transactions during the lockdown period. Mobile banking transactions increased by 20 million in June comparing the data of early April. More than 6 million transactions carried through mobile banking till June. Likewise internet banking transactions have doubled during this period, Nepal Rastra Bank (NRB) reports NPR worth 18 billion transaction processed through mobile banking. When NRB freed the real-time gross settlement (RTGS), instantaneous transfer of money, mobile/internet banking increased significantly. Likewise banks and financial institutions made free of charge inter-banking ATM transactions and Nepal Clearing House managed the technical side of sharing information within banks to assist the growth of electronic transactions.

NRB Monthly report (June/July 2020) reads RTGS, e-commerce, wallet and quick response (QR) code transactions have increased during lockdown period. The Central Bank has revised the monetary policy to accept electronic payment and other measures taken promoting digital transaction. COVID-19 pandemic remains a good fortune for e-commerce portals. The social distancing measure and lockdown led people transform to use e-commerce platforms incrementally. Online businesses such as Daraz, Sastodeal, Muncha, Choicemandu, Nepbay, Okdam, Socheko, meroshopping, Smartdoko and Merotarkari are the leading organizations for e-commerce covering electronics items, home appliances and food items in Nepal.

Ride-sharing

Prior to the pandemic, as the digitalization environment is becoming dense, ride-sharing was popular in the city area. Pathao and Tootle are community-based platforms that provide convenient applications for ride-sharing, food delivery, parcel and courier services. These services are becoming

⁷BPKHS designed <http://telemedicine.bpkis.edu/> website and urged people to contact with their specific problem by submitting an online form. Doctors were available in video or voice call.

popular due to the infrastructural problems of the transportation sector. Bike share-riding is popular in Kathmandu which operates in a credible manner and creates threats to the traditional system of vehicle movement. Ride-sharing closed due to the mobility restrictions. But the service converted to goods supply through online shopping sites.

Use of Robot

Naulo is the first digitized robotics restaurant in Nepal where you can order food right from your table embedded with touch screens and wait for the robots to serve you. If the pandemic continues, robots would be useful at hospitals and isolation centers for medicine and food supply as well as disinfecting purpose with particular digital programming as required.

Challenges during Pandemic

There was a lack of data management and analysis during the COVID-19 crisis with no systematic record keeping of the returnees. Government responded to the crisis without knowing the number of Nepali migrant returnees. No reliable data of the Nepali migrant returnees inside and outside of the country existed. There was no projection on the possible number and mobility of people. As lockdown eased in India on May 11, thousands of Nepali migrants returned home but the government failed to manage them into quarantine. In June, the government announced plans to rescue Nepali citizens from abroad including gulf countries, a popular destination for Nepali workers remained inefficient. There was lack of coordination among different departments, timely arrangement of flights, arrangement of PCR testing, fit for travelling certification, quarantine arrangement upon arrival. However, the government rescued 175 Nepali students from Wuhan, China in February and more that 50 thousands Nepali returned home from various countries beyond India till August. During the initial COVID-19 in Nepal, poor record-keeping led to chaos. It took longer time for tracking people arriving from gulf countries with Coronavirus before the lockdown started on 24 March. Two women from Kathmandu and Baglung were found to be Coronavirus infected for which all the passengers required to be tracked. The Department of Immigration keeps arrival and departure records of visitors from the international airports, but there is no detailed record-keeping system for tracking visitors of their travel history. The lack of detailed information on COVID-19 victims maintaining the privacy of the victims, information like profession, ethnicity and caste and income level are absent. The daily updates include total infected number, new cases, and death number with age, gender and location. It also includes quarantine management

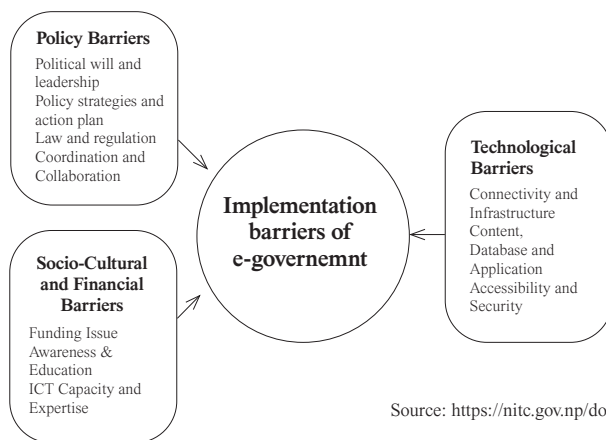
information, general health conditions of the people being treated in corona designated hospitals.

Challenges of e-Government

E-governance initiatives, once implemented, are a source of potential opportunities. The challenges of developing nations are common. Issues related to privacy of data/information, network security, government IT management and funding, imbalances in access to technology, absence of coherent organizational structure, level of trust in government departments and lack of confidence in the IT infrastructure are considered the potential challenges (Ilyas, 2016). There is a lack of adequate logistics and transportation infrastructure; low volumes for logistics players, around 85 percent of e-commerce users are using cash on delivery (Marasini, 2019). Likewise, there is a low stake of digital payment gateways such as eSewa, IMEPay which are serving only about 10 percent of e-commerce transactions. There is a wide gap of digital divide, digital literacy and digital competency in terms of ICT infrastructure, e-governance and digital culture.

Challenges for e-governance in Nepal as identified by government module include: low internet penetration, infrastructure restriction, digital divide, concerns regarding privacy and security, limited number of qualified IT specialists, unavailability of payment gateway, lack of digital signature and lack of IT literacy among the citizens. Figure 5 shows the different barriers for implementing e-government and few components are common to e-governance.

Figure 5: Barriers of e-governance in Nepal



Source: <https://nitc.gov.np/document/>

Furthermore, potential challenges ahead are distribution of resources, personal and positional categorical inequalities, ICT access and the culture of society. Digital skills which consist of operational, information and strategic, may hinder digital initiatives.

Conclusion

During the COVID-19 pandemic, there is more digital transformation as the social distancing measure continues in Nepal. The World Health Organization (WHO) prescribed different preventive public health measures including physical and social distancing, limiting person-to-person spread, and limiting movement of persons locally or nationally for slowing or stopping the spread of COVID-19. After a four months long lockdown, prohibitory orders to stop movements are in place in Nepal. This situation has transformed the previous operating model of health, education, commerce, banking etc. to one driven by technology.

Practices of digital operation driven by technology are at limited sectors with minimum scale. Despite the growth of mobile banking, e-learning, e-health and online operation of other sectors including media, a large population remains offline. Considering the internet service access, one fourth populations still remains offline in Nepal. Hence, the recent digital change is reactive rather than proactive. If the pandemic ends in a smooth way, there is space for doubt for digital transformation in Nepal. Governments need to create the legal and regulatory basis for the digital economy and enable digitized public services to citizens and businesses. There must be training and awareness programs so that technology is made user friendly. It is still unknown how long the COVID-19 pandemic remains. Society should move on. Total lockdown can't always be in place, activities of all sectors are to be activated safeguarding the public health concern. It is now the forceful condition to adopt digital operation in all possible sectors by using innovative technologies. Robotic technology may replace the service related jobs in restaurants, hospitals and disinfecting tasks in public sectors.

Digitalization process and progress is at slow pace. Installation of ICT infrastructure should be speeded up. There is unsatisfactory condition with 12 percent progress of fiber optic installation project which aims to link all districts. Digital connectivity and ICT infrastructure are limited to the city area. Nepal needs to address the digital divide by expanding ICT infrastructure. Internet access has emerged during the crisis as a new type of public good. Challenges ahead are bridging the digital divide across the nation would ensure that people and communities are not left behind in an increas-

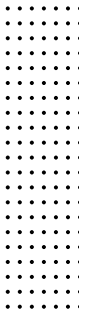
ingly digital world, where services and support are increasingly based on digital awareness, literacy and access. Nepal plans to expedite its initiation to reach into the full internet base functioning of the government till 2025. More attention should be given on ICT infrastructure, digital literacy and the culture of remote working to cope with COVID-19 crisis.

Reference

- Bhatnagar, S.** (2004). E-government from vision to implementation A practical guide with case studies. New Delhi: Sage Publications.
- Economic Survey.** (2020). Economic Survey 2019/2020. Singhadurbar, Kathmandu: Government of Nepal, Ministry of Finance.
- Elahi, K.Q.** (2009) 'UNDP on good governance', International Journal of Social Economic, Vol. 36, No. 12, p.1167-1180.
- GoN.** (2018). Annual Report of Government of Nepal 2074/2075. Singhadurbar: Office of the Prime Minister and Council of Ministers.
- Ilyas, M.** (2016). E-governance practices and models; options for Pakistan. ISSRA Papers p. 43-64.
- Jain, N.; Agnihotri, B.P. & Verma, A.** (2013). Impact assessment of e-governance in India. Vol. 3. Issue.6. International Journal of Engineering and Management Research. P.128-131. Available at: www.ijemr.net
- Jamil, I.; Aminuzzaman, S.M. & Haque, Sk; T.M. Eds.** (2015). Governance in South, Southeast, and East Asia, Trends, Issues and Challenges. Vol. 15. Switzerland: Springer.
- IMF.** (1996). Selected Documents of the International Monetary Fund Twenty-First Issues. Washington: IMF, p. 99.
- ITU.** (2000). The Internet from the Top of the World, Nepal Case Study. International Telecommunication Union
- Littlejohn, S.W. & Foss K.A Eds.** (2009). Encyclopedia of Communication Theory. New Delhi: Sage Publication.
- Mahat, R.S.** (2005). In Defence of Democracy, Dynamics and Fault Lines of Nepal's Political Economy. New Delhi: Adroit Publishers.
- Marasini, M.K.** (2019). Digital Development: Opportunities and Challenges, Perspectives from Nepal. Retrieved June 25, 2020 from https://unctad.org/meetings/en/Presentation/tdb66_2c_pres_MMarasini_en_25June2019.pdf
- Mesly, O.** (2015). Creating models in psychological research. Etats-Unis: Springer Press.
- MoCIT.** (2018). Digital Nepal Framework 2018. Singhadurbar, Kathmandu: GoN, Ministry of Communication Information Technology.
- NPC.** (2017). Envisioning Nepal 2030. Singhadurbar, Kathmandu: National Planning Commission.
- Salminen, A, & Norrbacka, R.I.** (2010) 'Trust, good governance and unethical actions in Finnish public administration', International Journal of Public Sector Management, Vol. 23, No. 7, pp. 647-668, Retrieved June 22, 2020 from <http://www.emeraldinsight.com/0951-3558.htm>.
- Satpathy, B.; Muniapan, B. & Dass, M.** (2013) 'UNES-CAP's characteristics of good governance from the philosophy of Bhagavad-Gita and its contemporary relevance in the Indian context', Int.J. Indian Culture and Business Management, Vol. 7, No. 2, pp. 192-212.
- UNDP.** (2014). Discussion Paper on Governance for Sustainable Development. New York: United Nations.
- UN.** (2018). United Nations E-government Survey 2018. New York: United Nations. Retrieved from publicadministration.un.org
- Upreti, B.R.** (2006). Armed conflict and peace process in Nepal. New Delhi: Adroit Publishers.
- World Bank.** (1992). Governance and Development. Washington D.C.: The World Bank. Retrieved June 3, 2020 from <http://documents.worldbank.org/curated/en/604951468739447676/pdf/multi-page.pdf>

Chapter VI

**Emerging Gender
Issues and SDG**



Gender Imbalance in Nepal

Policy Suggestions to Improve COVID-19 Induced Female Fate

 Gita Adhikari

Background

COVID-19 caused significant stunts around the world with socio-economic ramifications to people and communities in Nepal. Women served at the forefront of COVID-19 and its effect on them is unmistakable. The effects are exacerbated by increased burdens. While women are heavily represented in healthcare who are engaged in household care perceived as caretakers of the house. In doing so, women face a high degree of monetary frailty, expanded dangers of violence, harassment, exploitation, and abuse during times of uncertainty by the pandemic. From a clinical perspective, COVID-19 appears to hit men harder than women. Casualty rates for men contracted with COVID-19 are 60-80 percent higher than for women. However, as COVID-19 spread, its effect on women is progressively increasing. Such circumstances are similar in Nepal.

Globally women are ten times more involved in care work than men according to the OECD Development Centre's Social Institutions and Gender Index (SIGI). Women have increased burden due to the travel restrictions, closure of schools and day-care institutions, and the increased risk faced by the elderly. Elderly members of the family place increased responsibility on women. In the family even though both partners are expected to work from home, women naturally become more engaged in house chores. Travel restrictions and the restrictions in mobility and lockdowns exacerbate the risk of domestic violence, exploitation, abuse, and harassment against women and have been widely reported during previous crises and as well as this one. Even though it is recognized as one of the major issues facing women, information about it is not well articulated and likely possesses a risk of not being addressed in the formulation of policies in response to the crisis.

Effect of COVID-19 and Risk on Women and Girls

The effect of COVID-19 on the world economy is large and affects the social fabric of societies and subsequently places women and girls at high risk. The UNICEF study shows that women and girls, in particular, are facing a

greater risk of the pandemic because they are systematically disadvantaged and are suppressed by poverty, violence, inequality, and marginalization. These effects are becoming evident over time and there are several emergent COVID-19 related gender concerns as given below.

- Increased discrimination based on caste/ethnicity and gender
- Immediate needs of frontline women overlooked including menstrual hygiene supplies
- Threats to women's economic empowerment and livelihoods, especially in the informal sector
- Unpredictable and severe travel bans impact on women migrant workers
- Interrupted access to sexual and reproductive health services
- Increased risks of GBV and disruption of mechanisms for GBV prevention and response
- Exacerbated burdens of unpaid care work on women

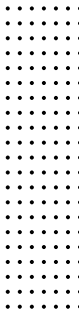
Impending Economic Impacts of COVID-19 in Nepal

COVID-19 influenced all areas of the nation and thus influenced businesses to slow down. Nepal's economy is dependent on remittances from migrant workers and the worldwide effect naturally impedes the flow of money to the country in addition to the returning of the migrant back home.

For Nepal's 60 percent population, agriculture is a source of livelihood. Hence, the agrarian area endures the worst impact of the pandemic. With the lockdown and stay-at-home orders, the production, processing and transport of agricultural products halted, making agriculture produce blocked from market absorption and small farming entrepreneurs losing the source of income from their respective occupations. Similarly, other revenue-generating and employment sectors are tourism and transportation which were completely halted for more than 8 months in the country. The travel industry as the largest employer in the country and with the worldwide and home-grown travel industry going to a flat-out end an enormous number of individuals will lose business, affecting the country's economy.

Impacts of COVID-19 according to the SDG by the UN

The COVID-19 pandemic has disrupted efforts to achieve the 2030 agenda for sustainable development. Goals. The United Nations Sustainable Devel-



opment Goals was passed in 2015 and adopted swiftly by many countries around the world. The Impacts brought upon by the COVID-19 pandemic possess a serious threat to the development prospects and have caused an unprecedented impact on Health, Economy, and Social systems around the globe. The pandemic threatens to reverse years of progress on poverty, hunger, health care, and education. The brunt of the pandemic is being faced by women and children disproportionately. Many women face increasing economic insecurity. COVID-19 has had a magnitude of impact on many SDG indicators which include Poverty related indicators (Goal -1) and Indicators in Gender equality (Goal – 5). The unfolding economic and social impact of COVID-19, including the SDG's and its magnitude are as follows:

1. Disruption on food production and distribution (Major impact and high risk): With many farmers losing their livelihood the production of agricultural goods will decrease hampering the food supply which may lead to famine and hunger.
2. Quality Education (Major impact and high risk): With the implementation of complete lockdown protocols the closing of schools has affected the education quality and practices like remote learning and online classes have been implemented in only the urban areas of the nation and is not accessible to everyone
3. Gender Equality (Major impact and high risk): Major impact and high risk: Women and girls are at a greater risk of domestic violence due to the lockdown restrictions and cases of violence and abuse have increased. And also, the majority of healthcare workers working in the response to the pandemic are women and are at risk of infection and contraction of the diseases
4. Access to clean water and sanitation (Medium impact and risk): With one of the main preventive measures being the maintenance of proper sanitation and regular washing of hands, many people do not have proper access to clean water and has hindered access to handwashing provisions
5. Economic growth and prosperity (Major impact and high risk): With almost all economic activities coming to a stop the economic growth has been hindered and will have an impact in the foreseeable future
6. Sustainable cities and population (low impact and risk): People living in slums and low-income neighborhoods face a higher risk of COVID-19 because of high population density and poor sanitation

Key Challenges of Post-COVID-19 Scenario to Gender Issues

Mitigation measures to reduce heavy unpaid care duties and domestic work

The male-centric accepted practices of the Nepali society constrain women to take on homegrown jobs and have put the added responsibility of thinking about kids and the elderly, including the majority of family errands, presently with the COVID-19 pandemic school closures result in a large number of youngsters at home which require women' and girl's increased care duty obligations at home.

Such a burden becomes a hindrance to women and girls as they can dedicate less time and resources towards education, training, and skill developmental activities. As a large majority of women are involved in service jobs it is impossible to continue

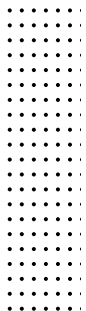
working from home hence stripping them of their livelihood. This dire situation makes women and girls with poor economic conditions, from disadvantaged and marginalized caste groups or in rural areas of the country even more vulnerable and is more likely to face extreme consequences.



Fig 1: Nepali woman with children and goats during COVID-19 lockdown

Resilience

Disaster, pandemic, and crises affect everyone, women, and girls are often disproportionately affected due to their relatively disadvantaged situation, distinct social obligations and responsibilities, and the high prevalence of gender-based violence. Women are always seen as frontline workers during a crisis in the form of first responders, medical personnel, and a major part of the community. They ensure the well-being of their families and communities and help their societies to “build back better.”



Concept of Gender-responsive Resilience

The gender perspective is a cross-cutting principle on building the resilience of family and communities in the crisis (especially pandemic), which states that: “A gender perspective should be integrated into all resilience and crisis management or policies, plans and decision-making processes, including those related to risk assessment, information management, and education and training.”

While harnessing the capacities of both women and men in addressing vulnerable conditions and protecting themselves, their families, and communities against the crisis, gender-responsive resiliencies also seek to contribute to gender equality and women’s empowerment in the community. Women’s vulnerability in crisis/pandemic situations is often emphasized, but the contributions of their works, contribution to the family economy is generally unrecognized. Women have unique needs in emergency and pandemic situations that have to be addressed, but they also have unique capacities that form the basis for leadership and participation together with men in resiliences and crisis management. Gender-responsiveness in crisis management does not mean addressing women’s issues – it means addressing concerns of both men and women, the relations between them, and the root causes of imbalances and reducing the risk on both.

Post-pandemic Gender Resilience

For women, the crisis challenges have been multiple. Many have had to step back from work because of caring responsibilities, and in so doing are losing visibility and are letting go of employment status. Women employees have had to juggle their careers for nearly 8 months, balancing extra childcare with domestic chores, adapting the work from home/zoom time, and caring for elderly people in the family while facing an uncertain future.

a) Resilience for Reducing the Amplified Women’s Unpaid Work Burdens

COVID-19 has resulted in the closure of many schools and childcare facilities nationwide; it has added the responsibility women are tasked with as they are engaged in homeschooling and childcare and child supervision. Generally, Nepalese women spend 4 hours on housework in the crisis, while men only spend 58 minutes. Similarly, women in communities only had on average 26 minutes per day for social and cultural activities such as community discussions, while men had close to 2 hours.

The studies and surveys show that in Nepal, 90.5 percent of women in employment are in informal sectors, according to the National Labor Force Survey 2017/18. Self-employed, domestic workers, female-headed households, and those in casual or temporary agency employees are at particular risk. Within households too, women bear a disproportionate burden of unpaid care and domestic work, which includes caring for children, the elderly, and sick family members.

During the crisis, much of this additional burden is likely to fall on women. Similarly, any increases in the time spent at home due to confinement are likely to lead to increased routine houseworks, including cooking and cleaning. Fulfilling these demands will be difficult for many parents, especially for those that are required to continue working.

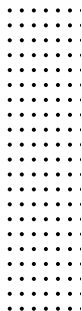
(b) Resilience to Women and Girl's Mental Health

The COVID pandemic and the widespread fear about it has also brought with it neuro-psychiatrist issues ranging from anxiety, depression, panic attacks, psyche-motor excitement, suicidal-deaths, and a general decline in the overall mental wellbeing of people. With the stigma and the misinformation surrounding COVID infection, people who have been or are infected have faced increased stigma and discrimination which can lead them to developing mental health issues. In the context of Nepal, women are considered the first caretaker of the family if they are in self vulnerable and are suffering from mental health issues, the whole family is going to be profoundly affected. Until now, there is a paucity of information on the socio-economic and psychological aspects of the Nepalese community in the face of COVID-19, which is critical for guiding policies and interventions to curb the pandemic.

(c) Resilience to the Reduction of Increased Risk of Female Poverty

The nature of the COVID-19 pandemic is different from that of any other pandemics faced in the past, given the ramifications, it has been extremely difficult to accurately predict the scale of the impact it will have on the economy, there remains doubt over how disproportionately the female job market, businesses, and income will be affected and the impact it may have over a woman's economic outcomes.

According to the Nepal Labor Force Survey 2017-18, for every 100 males in the working-age population, there are 125 females, but for every 100 employed males, there are only 59 employed females. The population of working-age males stands at 9.2 million while that of working-age females



stands at 11.53 million. The working-age population has been defined as people aged 15 and above. Of the total working-age women, only 8.5 million are in the labor force who are either employed or are in search of employment, and only 2.6 million from the total women labor force are employed, according to the report. This shows only 22.5 percent of working-age women are employed. With the majority of women involved in non-profit making and non-wage-earning works, the employment ratio of women is very low, according to the Central Bureau of Statistics.

Regardless of the gendered impact of job and business loss, women are likely to be more vulnerable than men to any crisis-driven loss of income. Across the country, 25.2 % (CBS, 2010) of the population lived below the poverty line, women's incomes are, on average, lower than men's, and their poverty rates are higher. The unemployment rate in Nepal is 1.4% in 2019, women also often hold less wealth than men, for a variety of reasons, and because of their greater caring responsibilities, it is often more difficult for women to find alternative employment and income streams (such as piece-meal work) following a lay-off. There has not been any significant jump in the number of women getting employed in formal jobs because of the lack of necessary skills needed in the sector. "Women have not been able to find an appropriate environment to work in the formal sector due to their social responsibilities at home," "Lack of daycare centers in the workplace and women-friendly environment is yet another factor for not many women being in informal jobs."

(a) Shift in Gender Norms Around Unpaid Domestic and Care Work

On the other hand, the widespread closure of businesses and workspaces mean that both men and women are exposed to the same household work responsibilities and men are exposed first hand to the double burden of household work as well as their paid work, which makes it likely that men will engage in more unpaid household work increasing their confidence and involvement in this area. This could be the catalyst in shifting gender norms around unpaid household work and domestic care work.

(b) Emerging Role of the Female in Socio-cultural Work Around Societal Norms and Values

During the COVID-19 crisis emerging roles of females in socio-cultural aspects have been observed, for example, touching a dead body by a female was considered a taboo in the society whereas now more female national army personnel have been deployed to manage the dead bodies of the vic-

tims of the illness. Previously women were engaged in combat duty, ordinances but this is the first-time women are being tasked with transporting bodies from the hospitals to the crematoriums.



Figure 2. Female soldiers managing COVID-19 related deaths (Source: Navesh Chitrakar/ Reuters]

Issues in other Marginal Areas-gender during the Pandemic

Existing Scenario on GDI, GII, & MPI

i . Gender Development Index (GDI)

The 2014 Human Development Report, (HDR) introduced a new measure, the GDI, based on the sex-disaggregated Human Development Index, defined as a ratio of the female to the male HDI. The GDI measures gender inequalities in achievement in three basic dimensions of human development: health (measured by female and male life expectancy at birth), education (measured by female and male expected years of schooling for children and mean years for adults aged 25 years and older) and command over economic resources (measured by female and male estimated GNI per capita). Country groups are based on absolute deviation from gender parity in HDI. This means that the grouping takes into consideration inequality in favor of men or women equally. The GDI is calculated for 167 countries. The 2019 female HDI value for Nepal is 0.581 in contrast with 0.623 for males, resulting in a GDI value of 0.933, placing it into Group 3.

ii. Gender Inequality Index (GII)

As per the Nepal Human Development Report, 2020 parliamentary seats held by women and attainment in secondary and higher education by each

gender; and economic activity are measured by the labor market participation rate for women and men. The GII can be interpreted as the loss in human development due to inequality between female and male achievements in the three GII dimensions. For more details on GII please see Technical Note 4. Nepal has a GII value of 0.452, ranking it 110 out of 162 countries in the 2019 index. In Nepal, 33.5 percent of parliamentary seats are held by women, and 29.3 percent of adult women have reached at least a secondary level of education compared to 44.2 percent of their male counterparts. For every 100,000 live births, 186.0 women die from pregnancy-related causes; and the adolescent birth rate is 65.1 births per 1,000 women of ages 15-19. Female participation in the labor market is 82.8 percent compared to 85.1 for men.

iii. Multidimensional Poverty Index (MPI)

The global Multidimensional Poverty Index (MPI 2020) shows that the current MPI of Nepal is 0.1488. The provincial MPI is as demonstrated in the table below.

Table 1. Multidimensional Poverty Index

Province No.	MPI = $H \cdot A$ Range 0 to 1	Head Count ratio; Population In multidimensional poverty (H) (%population)	The intensity of deprivation among the poor (A) (average of % weighted deprivation)	Vulnerable to poverty (who experience 20-33.3% of the intensity of deprivation) (% of the population)	In severe poverty (with intensity higher than 50% of the population)
Province 1	0.122	28.62	42.57	22.68	7.82
Province 2	0.240	52.39	45.87	22.38	23.83
Province 3	0.081	18.60	43.63	18.78	5.64
Province 4	0.080	19.19	41.45	22.75	5.24
Province 5	0.142	33.34	42.71	24.03	10.41
Province 6	0.235	54.79	42.86	18.36	14.84
Province 7	0.145	35.51	40.82	29.37	8.40

Source: Oxford Poverty and Human Development initiative multidimensional poverty index 2020

The current MPI shows that there are already a large number of people living in poverty. Due to this pandemic, the number of people is only expected to go up. The collateral effects brought up by the pandemic like job loss, economic insecurity, a large influx of returning migrant workers and general economic instability will only add to the problems faced by those living in such conditions. Due to this scenario, the SDG of reduction and eradication of poverty and hunger will be very difficult to achieve in Nepal and worldwide.

Emerging Issues in Other Marginal Areas-gender

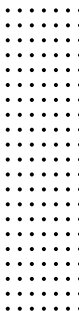
Widening the Gap in Gender Equality

The COVID-19 pandemic will have a profound impact on widening the employment disparity between men and women. Women significantly outnumber men when it comes to involvement in low-paying, informal, and insecure jobs. In Nepal, 90.5 percent of women in employment are in informal sectors, according to the National Labor Force Survey 2017/18. Self-employed, domestic workers, female-headed households, and those in casual or temporary agency employees are at particular risk. Within households too, women bear a disproportionate burden of unpaid care and domestic work, which includes caring for children, the elderly, and sick family members.

Socioeconomic Disadvantage on Vulnerable/Marginalized People

The economic impact brought forward by the pandemic tends to disproportionately affect those in low-income jobs and people with daily wages. The extended period of lockdown affected traders, small business owners with a limited source of income besides that poor people and people working in daily wages had their income source completely taken away leading them into not only economic despair but causing tremendous mental stress in the form of job insecurity, household instability, discrimination, and food insecurity.

In Nepal, a child's protection and development are strongly correlated with multiple socio-economic deprivations, including access to services and exposure to violence and exploitation. COVID 19 will further exacerbate these vulnerabilities especially among the poorest and most marginalized households," "Now, more than ever, family and child-friendly employment practices in the private and public sectors, as well as social protection measures adapted to this evolving situation, will be critical to protecting children and their families from the most detrimental fall-out of the pandemic." The evidence is also mounting that the economic impacts of COVID-19 will



affect women more harshly, as more women work in low-paying, insecure and informal jobs,”

According to the census, almost 2% of the total population of the country has some sort of disability (UNFPA Nepal, 2020). Disabled people are likely to have poor health conditions and underlying health complications which makes a disease like COVID-19 more dangerous for them. Limited access to culturally respected information, personal assistance, and medical care has impacted people with disabilities and people from minority communities. However, the lack of government coordination with local bodies and organizations and bureaucratic barriers have prevented these groups from being included in relief efforts and passing on important information. (Minority Rights Group International, 2020).

Increased Migration, Increased risk in the Trafficking of Women and Girls

Migration-induced risk in the trafficking of women and girls has risen in the post-pandemic scenario. The continued economic downturn in Nepal is reportedly leading to increased migration in search of work. This includes internal migration and international migration, particularly to India. At the beginning of the pandemic between 400,000-750,000 people returned to Nepal from India, “and many more are now choosing to return to India in search of income-generating opportunities due to lack of support at home”. Migrant workers are particularly vulnerable to the impact of the COVID-19 pandemic, which has constrained both their ability to access their places of work in the countries of destination as well as their ability to return to their countries of origin.

In the last fiscal year alone, the Department of Foreign Employment (DoFE) issued 236,208 labor permits which averaged at 650 per day. Women migrant workers account for 8.5 percent of the migration flows. Out of 2.6 million internal migrants in Nepal, more than 700,000 migrate for work, among which 94,000 i.e., 13 percent were women¹⁷. There are an estimated 1.7 million daily wages workers and another million workers on a temporary contract and other informal sector workers who have been significantly impacted by COVID 19 which has brought most parts of the economy to a halt. In the absence of sustainable wages, job guarantee, insurance, and inclusion in other social security and protection mechanisms, daily wages laborers and informal sector workers have been rendered most vulnerable to the socio-economic impact of the lockdown.

There are approximately 1.4 million home-based workers in Nepal – nearly

all women – producing goods for export and because of the complete lockdown the whole supply chain and demand has been disrupted, affecting these workers at large. “Due to Covid-19, people who didn't go to India before are going there now. Most of the new migrant peoples have fallen into human trafficking.

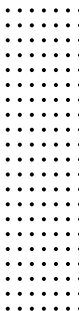
Increased Inequalities and Rise in Gender-Based Violence during -Post-pandemic

COVID-19 has brought along other various collateral problems which include the substantial increase in the crisis of gender-based violence, Reports of domestic abuse, exploitation, and rape have skyrocketed after the outbreak. Gender-based violence had already been a major crisis in Nepal even before the pandemic, A study by UNFPA suggested that almost 49% of women in Nepal had experienced some kind of gender-based violence at some point in their lives, with 27% reporting being victims of physical violence. Besides, 61% of these cases go unreported.

Due to the travel restrictions and the lockdowns, women and girls are forced to spend long hours in the house with their domestic abusers and that has exacerbated the cases of gender-based violence. The Women's Rehabilitation Center in Nepal reported 465 cases of GBV, WOREC has recorded 231 cases of violence against women and girls during the lockdown period (24 March to 9 May 2020) from 24 districts¹ of Nepal. In the first week of May 2020 only, WOREC recorded 55 cases of violence against women and girls. There are 133 cases of domestic violence, 21 cases of social violence, 34 cases of rape, 7 cases of attempt to rape, 10 cases of sexual abuse between March 24 and May 29, 2020. The number is likely to grow after more organizations make their GBV data public. The Kathmandu Post published that “Every ten minutes, a woman somewhere in Nepal dials 1145, the helpline operated by the National Women Commission (NWC), seeking assistance. The majority of these calls are made by survivors of domestic violence who are either looking to report incidents of abuse or calling to inquire about the support services offered by the group.” The health-related, economic, and social costs of violence against women - on women themselves, on their families, and social and economic development are substantial.

Conclusion

Nepal's constitution guarantees gender equality in education, work, wages, but, gender disparity largely exists. The Nepal Labor Force Survey 2017-18 reports that for every 100 employed males there were only 59 employed females; the literacy rate for women is 57.4 percent compared to 75.1 percent



for men, and the average monthly income for women is 5,834 Nepali rupees less than what men earn. The unequal gender division of labor has long been identified as a factor causing inequality with direct links to lower-income, education, and access to medical services for women. A heavy domestic workload aggravated by the COVID-19 crisis could leave women and girls further behind in Nepal. Also, evidence from earlier epidemics suggests that girls are at particular risk of dropping out and not returning to school in the aftermath of the pandemic.

The World Bank issued a warning to nations in South Asia being hit hard by COVID-19, with women suffering the foremost. Women are expected to face the brunt of the pandemic more than men as finding employment opportunities is already tougher than that of men causing mass economic insecurity. COVID-19 has caused a profound impact on the job market and many women are left unemployed due to the closure of businesses and it is uncertain if those employers will be able to withstand the pandemic and those jobs will be available again. It is also highly likely that women who had entered non-traditional roles before the pandemic may roll back to traditional roles in the post-COVID-19 era. Pre-existing gender inequality may be a fundamental explanation for the reproduction of gender-related vulnerability during crises. The patriarchal system remains prevalent and is reflected within the Nepali marriage system, class structure, inheritance system, and a few discriminatory legal frameworks, all of which limit gender equality. Also, other social factors place women and girls in fragile situations, like lack of education, lack of employment opportunities, income insecurity, and the glass ceiling in entering politics.

In conclusion, the government needs to focus on improving the integration of gender issues into disaster preparedness and crisis response plans which will help to advance the women's agenda. Policies that work to strengthen women's leadership and participation in post-COVID and post-pandemic governance structures to support women and the vulnerable to improve livelihood and in rebuilding communities "resilient to gender issues".

The facts and evidence show that women and girls are severely affected by COVID-19 in Nepal. However, it has not drafted any specific gender policy measures in place to address women and girls' and marginalized peoples' urgent needs concerning crisis and pandemic. Extensive discourses, social dialogue - consultation and collaboration among governments, policy experts, and women organizations and their representatives are most essential to address the emerging issues in marginal and gender aspects.

Recommendation

There is a dire need for a record of gender-disaggregated data on COVID-19 which must be created and maintained including the distribution of care and domestic duties, both unpaid and paid; incidents of gender-based violence; gendered impacts on education as well as economy; and gender employment status, as well as other social impacts.

Need to develop/draft more gender-responsive policies and improve gender equality which will compel the state and society to value the extraordinary work of health workers, domestic workers, and the unpaid care of women, who have worked at the frontlines in this pandemic and saved lives while the whole world was under lockdown /during the crisis.

Due to the differences among women and diverse gender categories, the intersectional gender equality and social inclusion approach lens must be applied while formulating gender policy and programs amid the COVID-19 crisis to ensure that everyone gets the support and services as their need and priority.

Women and girls must be involved in the policymaking of the COVID-19 era, as, in agenda-setting, formulating policy options, program planning budgeting, implementation and monitoring, decision making, and policy implementing. In this new normal or time, women must not only be at the table as a passive actor but serve as a leader of the table as a change-maker to respond to women and girls' urgent needs after the pandemic.

Reference

WHO Study Report. Coronavirus Lockdown Surge in domestic violence, May 2020

Nepal, UNFPA. Study on Gender-based violence, April 2020

WOREC Nepal. Cases of violence against women and girls during the lockdown, May 2020 <https://kathmandupost.com/valley/2019/05/02/only-22-percent-of-working-age-women-are-employed-in-nepal>

Nepal Human Development Report, 2020. The next

Frontier- Human Development and the Anthropos, 2020

World Bank. The South Asia Economic Focus Report, 2020

Poudyal, Kritika and Subedi, Pramod: Impact of COVID-19 Pandemic on Socio-Economic and Mental Health Aspects in Nepal, July 2020

K.C Luna. How COVID-19 Worsens Gender Inequality in Nepal, June 2020

Nepal. National Labor Force Survey 2017/18

