

## **News Update from Nepal**

8 November 2006

The peace talks between the seven-party government and CPN (Maoist), under way since the success of the April movement, have opened up possibilities for the transformation of Nepal's decade-old violent conflict. As per the 6-point agreement signed by SPA and CPN (Maoist) on November 7, 2006, the government and CPN (Maoist) have agreed to sign a Comprehensive Peace Agreement on November 16. On November 21, the Maoist's People's Liberation Army (PLA) will be sent to seven big cantonments and 21 smaller camps. Its arms will be separated from the PLA and put under a single lock system. The keys will be given to the CPN (Maoist) but the cantonments will be monitored by the UN through a Closed Circuit Television (CCTV) with siren alarm. An equal number of arms of the Nepali Army (NA) will also be put under a single lock system. A separate cabinet sub-committee is planned to take up the issues related to the restructuring of the NA, the integration of Maoist rebels into the army and the reform of the security system including its rightsizing. They have also agreed to form a commission on the modalities of state restructuring to make it more inclusive.

They will announce an interim constitution and set up an interim unicameral legislature with 330 members on November 26, in which all the sitting members except those nominated by the King and those who supported the "regression" will stay on as members. The proportion of seats for the Nepali Congress (NC) will be 75, the CPN-UML and the CPN (Maoist) will have 73 seats each and the NC (Democratic) 42. The remaining 48 seats will go to other SPA constituents and the civil society. An interim government will be formed by December 1 which will be led by Premier G.P. Koirala. The 'people's courts' and 'people's governments' run by rebels will be dismantled. Local bodies will be run according to the understanding between SPA and CPN (Maoist). They also agreed that those born in Nepal before mid-April 1990 or have been residing in Nepal since then are eligible for Nepali citizenship.

The CA will have 425 members out of which 205 will be directly elected from the existing geographical constituencies on the basis of first-past-the-post election system, another 204 members will be nominated by the political parties in proportion to the votes they score and the council of ministers will nominate the remaining 16 members. Every Nepali over the age of 18 will be eligible for voting in the CA elections. The UN will monitor the election process. A constitutional court will also be set up to settle the constitution related disputes. The members of the constitutional bodies will be appointed by the Constitutional Council headed by the Premier, Chief Justice and Speaker of the interim legislature. The fate of the monarchy will be decided at the first meeting of the CA in June 2006. CPN-UML preferred the proportional method. A high-level Truth and Reconciliation Commission will also be formed to foster reconciliation in society.

The CA will also function as a legislature for two years until general elections take place. They also agreed to constitute a 23-member interim cabinet, 5 ministers each to NC, CPN-UML and CPN (Maoist) and the rest will be divided among other parties. The CPN-UML, however, has dis-

agreed on two points. It wants the fate of monarchy to be decided through a referendum and favored proportional representation in the CA - by making the whole country a single constituency. But, there are many problems to be sorted out before CA elections: citizenship, registration of voters and their ID cards, electoral formula, redefining and delineating the constituencies, rehabilitation of internally displaced persons, migrants and external voting. Another vital aspect is that law and order is a precondition for holding fair elections.

### **Critical Bottlenecks**

Many sensitive issues impeding the pace of the peace talks are: deteriorating security, different views on the status of the monarchy and electoral system, laxity on the execution of previous pacts, package for socio-economic transformation, assumption of positional stands, excessive influence of external actors, continuity of recruitment drive, regular violation of the ceasefire code of conduct, abuse of human rights, activism of vigilante groups and communal forces and lack of clarity regarding the interim constitution. The government preoccupation at the moment is to clasp the CPN (Maoist) to the talk table by ignoring its activities.

The SPA's position to separate all weapons from the People's Liberation Army (PLA) before the Maoists join the interim government has been previously shared by India, the UK, the EU and the USA. Now, with the new consensus on the management of arms, India has expressed its willingness to cooperate with the peace process while the US has expressed its unhappiness and even condemned the Maoist intimidation of US nationals and its embassy employees. Both India and the US have, however, not removed the rebels from their "terrorist lists." As a confidence-building measure, the USA is trying to improve civil-military relations through regular interactions between army officials and SPA leaders. Haunted by a fear of the historical loyalty of the army to the monarchy, the CPN (Maoist), republican components within the SPA and civil society are pressing for its restructuring through security sector reforms, despite the fact that the Military Bill-2063 has officially cut off the 240-year-old relationship of the army with the monarchy. As per the agreement, the two sides have decided to put the late King Birendra and his family's property under a trust. King Gyanendra's ancestral property will be nationalized and he will be made powerless till the fate of monarchy is determined by the CA.

### **Maoist Alternatives**

The CPN (Maoist) ideologue Dr. Babu Ram Bhattarai argues that a section of the SPA leadership has moved close to the King to perpetuate what it calls a "comprador-bureaucratic class, monarchy, NA, existing land relations, unitary state and even seeking to break the consensus built on previous SPA-CPN (Maoist) pacts." To refurbish its image, it is apologizing with the people about the past mistakes, mobilizing party cadres in public relations, patrolling the streets of Kathmandu, collecting taxes and donations, stationing a Brigade in the valley, carrying out search operations to take into custody hooligans and holding intense consultations with political parties and the civil society for future talks.

The other strategic tools at its disposal are the retention of its armed forces, mobilization of social and ethnic organizations, creation of a republican front and formulation of a policy to "fuse class war, mass movement, diplomatic efforts and peace talk" to mark the opening of another phase of transition whereby parliamentary democratic and revolutionary forces will have primacy in politics. The CPN (Maoist) implicitly opposes the radicalism of the Revolutionary International

Movement (RIM) and the M.B. Singh group for their lack of faith in the peace talks who argue that it will not bring sustainable peace, democracy and forward-looking reforms. The CPN (Maoist) leaders prefer to speed up the peace talks believing that the longer they wait, the more costly it will be for all sides to compromise.

### **The Government's Space**

The government thinks that the CPN (Maoist)'s final farewell to arms will wind down the insurgency while the latter does not believe that the loyalty of the NA has been shifted from the monarchy to the government. It has neither sufficient power nor leverage to force the Maoists to submit to its line. The authority of the government is shrinking in both rural and urban areas and the strong division within each component of the SPA has sapped its ability to become a decisive during negotiation. In contrast, the CPN (Maoist) is expanding its organizational power and authority and is seeking common grounds with left parties, republican components of other parties and civil society. Rule of law is weak, participatory institutions do not have representatives, delivery of basic needs to remote districts is not smooth and it is difficult to hold the government and opposition accountable on anything.

NC and NC (D) have initiated a dialogue for reunification and opposed the Maoist's offer to join their "republican front." Despite opposition from the CPN (Maoist), Premier Koirala asserted that the decision to appoint Rukumangad Katuwal as the army chief was right and argued that elections are impossible without the talks coming to a decisive end. The government has also decided to add 8,000 policemen in Kathmandu to control crime. Both the NA and judiciary have opposed their restructuring in the name of political neutrality and independence. The conservative elements within the SPA also fear that a structural change might undermine the social base of some political parties built on caste, patronage, patriarchy and family backgrounds.

On October 20, Premier Koirala said, "If the peace process is delayed it can be beneficial to the reactionaries." Efforts towards the creation of a "democratic front" by *Rastriya Prajatantra Party* (RPP), *RPP* (Sharma), *Rastriya Janashakti Party* (RJP) and pro-monarch groups and the King's reluctance to respond to the questionnaire sent by the High Level Probe Commission (HLPC) on his role during the movement have evoked apprehension in the minds of SPA leaders. Additionally, *Nepal Janatantrik Party* (NJP), with its headquarters in Kailali, has threatened to launch an armed struggle in support of the King from the far west against the SPA and CPN (Maoist). Similarly, *Janatantrik Tarai Mukti Morcha* (JTMC), a breakaway faction of the CPN (Maoist), has mounted violent attacks against the CPN (Maoist) and the government for their anti-Tarai bias. The RPP, conflict victims, women, ethnic groups, human rights groups, Dalits, Madhesis and indigenous people's organizations are demanding their inclusion in the governance and peace process. On October 28, human rights activist Padma R. Tuladhar blamed the current leadership including CPN (Maoist) for not taking an interest in the proposed federal system, with ethnic autonomy, in the peace talks and warned them of "another phase of armed revolution if the ruling class does not listen to the demands of *Janajatis*, *Madhesis* and other oppressed communities." These trends have made the resumption of peace talks a necessity. Both sides demonstrate little enthusiasm for broader national reconciliation and inclusion of left-out and potential forces into the social compact, in spite of their high pitched slogans of inclusion.

## **The UN Role**

Earlier SPA-CPN (Maoist) pacts sought the role of the UN in four areas: monitoring of human rights, monitoring of the ceasefire code of conduct, management of arms and armed personnel of both sides and observation of the CA elections. Currently, the UN team headed by Ian Martin, the personal representative of the Secretary General, is eagerly waiting to assume its role along with his team members - Jan Eric Wilhelm (military expert), Ecaterina Salvo (election expert), Samuel Tamrat, (political affairs expert) and John Bevan (ceasefire expert). On October 11, Martin said, "The negotiating parties' delay in settling political issues is affecting the arms management. They should sign comprehensive ceasefire and human rights agreements to expedite the peace process." He added that the UN can coordinate international support and be a part of "objective monitoring" during the peace process. The ceasefire draft needs to be beefed up to get deeper into the peace process, make the violators accountable to the Nepalese public and international community and commit both sides to democratic principles. It is also linked to the DDR process, security sector reforms and national security. The UN High Commissioner for Human Rights (OHCHR) is monitoring the human rights situation in Nepal and has asked the Maoists to end parallel law-enforcement and observe its human rights commitments. The UN has been providing a constitutional expert and focusing on transitional justice, reintegration of children in priority areas and promotion of women in peace building.

## **Miscellaneous**

On the voting in the UN Security Council for non-permanent members in Asia, Indonesia received 158 votes - guaranteeing its election - while Nepal received only 28 votes. Foreign Minister K.P. Oli blamed the Maoist activities for this poor show while the Maoists blamed Oli for his lack of preparation. The visiting British Foreign Office Minister Dr. Kim Howells appreciated the role of the UN, called for transparency in the activities of the government and Maoists, suggested the Maoist to become a democratic party and asked the government to implement decisions reached at the political level. The British government's annual support to Nepal stands at \$ 62.7 million. On October 4, the US Assistant Secretary of the State for Refugee Affairs Ellen Sauerbrey said Australia and Canada have indicated that they would be willing to resettle 60,000 Bhutanese refugees out of 106, 000. India provided a grant of Rs. 1.3b to build unified, modern check posts along the Nepal-India border and Rs. 1.08b for the establishment of a trauma center. The EC has allocated 2.8m euros to assist victims of drought in the western region of Nepal.

A Millennium Development Goals (MDGs) needs assessment report unveiled that the government should mobilize double the current level of foreign assistance (\$16.6b) for the next decade if the MDGs are to be achieved for the period 2005-2015. Half of that money needs to be invested to reduce hunger, improve education and rural infrastructure. "A poor transport network, lack of market access and limited electricity is hindering growth in rural areas where most Nepalese live." On October 20, the government decided to request the IMF to renew the Poverty Reduction and Growth Facility (PRGF) agreement for one more year with the hope to receive \$24.6 million.

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