

News Update from Nepal

28 November 2006

Peace Process

The peace process in Nepal is steadily moving forward. The Peace Secretariat is coordinating with the district offices to set up all-party Local Peace Councils for peacebuilding. The government has approved Rs. 620 million for the reconstruction of district headquarters and the rehabilitation of internally displaced persons. The preliminary estimate reveals that Rs.1.10 billion is required. On November 14, the government has requested the international community to shoulder the financial burden of the ongoing peace process and sought an estimated \$ 75 million aid from them to bridge the existing financial gap. The money will support the establishment and operation of cantonments for Maoist rebels, reintegration of internally displaced families, conduction of the Constituent Assembly (CA) elections and strengthening of internal security.

On November 21, the Comprehensive Peace Agreement (CPA) was signed between the government and CPN (Maoist) in favor of democracy, peace and progress. Premier G.P. Koirala thanked, "the leaders and diplomats who played a significant role to materialize this." CPN (Maoist) chairman Prachanda said, "It is an end of the People's War the Nepali people had waged since 1996 against autocracy." The international community and King Gyanendra praised for this landmark CPA. As per the CPA, both sides agreed to: a permanent ceasefire and end of the armed conflict, no new recruitment of army, Maoists fighters will be confined to seven cantonments to be monitored by the UN, the Nepali Army (NA) will be confined to their barracks in proportion to the number of the Maoist fighters, inform each other about the location of landmines planted during the war within 30 days and remove them within 60 days, return private, public and government property seized during the war within 30 days, prohibit extortion and illegal taxation, make public the status of persons under their control and set them free within 15 days, and abide by the values of multiparty democracy, human rights and humanitarian laws. They also agreed to constitute a National Peace and Rehabilitation Commission, a High Level Truth and Reconciliation Commission, the High Level State Restructuring Recommendation Commission and other mechanisms to implement the agreement, allowed development agencies to work freely, etc.

The UN Role

The Associate Spokesperson of the UN Secretary-General Farhan Haq told that the deadline set by the November 8 pact between the government and CPN (Maoist) doesn't provide adequate time for the UN to get their personnel on the ground. Following a formal request letter from the Nepal on November 17 the UN Security Council will now meet and provide a mandate to deploy necessary personnel and logistics to support the peace process in Nepal. There will be about 100 experts, unarmed but having a military background for monitoring purposes. The UN Secretariat is setting up a "UN Trust Fund" where willing member states can contribute personnel and money to sup-

port the activities of Ian Martin's office. Norway has committed \$250 thousand to the fund while the UK committed 1million Pounds for the Fund and another 1million Pounds for the OHCHR.

The Tripartite Agreement between the government, Maoists and the UN on November 18 defined the modalities of arms management. The 12-page modality paper describes the details of arms management, registration, monitoring and verification process, logistics, etc. Maoist sought Rs. 56 million but got Rs. 7 million to run the camps of the People's Liberation Army (PLA). The UN representative to Nepal, Ian Martin, has said that no fresh recruits from PLA camps after the signing of the CPA will be recognized, there is no place for minors in cantonments, the UN Advance team is coming to monitor the arms management and CA election and the UN Secretary-General has written a letter to the UN Security Council on recent developments in Nepal.

Political Developments

On November 14, the High Level Probe Commission (HLPC) has implicated King Gyanendra in the atrocities committed during the April movement and embezzlement of state resources. It recommended to lay a murder charge against Kamal Thapa, the then Home Minister, and corruption charges against other ministers. Serious differences over the process of recommending action against the King and others led two members - R.K. Shrestha and Dr. K. Shrestha - walk away from the meeting when Chairman Ranyamajhi asked the members to recommend only corruption charges against the culprits. On November 27, the government formed a team led by Deputy Prime Minister K.P. Oli to suggest how to implement the report.

On November 26, the House of Representatives (HOR) passed the Citizenship Bill, which promised to provide citizenship to all Nepali people residing in Nepal from as early as April 13, 1990 or born before that date. Nepal Workers and Peasants Party (NeWPP) Chairman N.M. Bijukchhe was the only member to vote against the Bill. As per the new Bill, recommendation of three Nepali citizens residing in the applicant's ward will be taken as proof to grant citizenship. Those who need such a recommendation have to apply for citizenship within two years. It ensures the right to acquire citizenship certificates by birth as well as through a mother for the first time in history. It has eased the acquisition procedures for a child born of a Nepali father and a foreign mother but the children of a Nepali mother and a foreign father have to pass through tough measures. Women rights activists opposed this saying, "The Act is discriminatory in that it has excluded those women who are married to foreigners. It only grants the right to naturalized citizenship to children of those women." The HOR also claimed that the legality of its May 18 proclamation cannot be challenged on constitutional grounds.

CPN (Maoist)

At their recent meeting, CPN (Maoist) preferred to change their war-time party structure in view of the upcoming CA elections. The meeting termed the CPA a historic development and decided to implement its letter and spirit. It also decided to remain vigilant against any conspiracy against the agreement. It has not changed its policy on indigenous people, ethnic groups, Madhesi, Women and Dalits' rights to self-determination

and self-governance. Prachanda in his paper emphasized on approaching leftists and non-leftist republicans to form a new political polarization.

On November 18, addressing the *Hindustan Times* Leadership Summit, Prachanda said, "The political democracy raised over a monopoly capitalist economic base got reduced to a mere formal democracy, with the majority of the people only participating in election rituals. This is the common scenario of a farcical state of democracy in most of the developed capitalist countries today....One can observe this farce of electoral democracy better in South Asia than anywhere else." He said, "A socialist democracy" was being developed in Nepal with "multi-party competition." He appreciated India's moral support in Nepal's change, sought cooperation for CA elections and refuted that his party has any connection with India's Naxlites or Pakistan's Inter-Service Intelligence (ISI). On November 19, Maoists and the Maoist Retaliation Committee (MRC) have signed a mutual peace agreement promising no violence anymore. The National Human Rights Commission of Nepal (NHRC) mediated this agreement.

The construction of the 70 megawatt Mid-Marsyangdi project has been halted as a workers' union affiliated to CPN (Maoist) put demands to Dywidag-Dragados-CWE Jv (DDC JV), a German construction company, and the latter refused to fulfill their demands. The union has presented demands such as the promotion of laborers, gratuity for workers submitting their resignation, 300 percent salary for workers working on government holidays and bi-annual health check-ups and full treatment for workers. On November 18, the contractors of the construction site in Lamjung district evacuated. After an agreement was signed the works resumed.

To counter the Maoists, Rastriya Janashakti Party Chairman Surya Bahadur Thapa said, "a unified role, based on common thought among the democratic forces, is inevitable to establish people's sovereignty and political stability at present in the country." This idea was first broached by RPP Chairman Pashupti S. Rana to Premier Koirala. NC legislators urged the Premier to summon a special convention of the party or a general committee meeting immediately in order to decide the party's stance on monarchy prior to going for the CA. On November 17, handing over the 8-point memo to party president Sher B. Deuba, 68 district presidents of NC (Democratic) urged the party leadership to choose a republican line by calling the party's special general assembly meeting within a month. CPN-UML leadership also decided to go for a democratic republic during the CA elections and stressed the need for a "united left front." On November 19, the Civic Movement for Democracy and Peace (CMPD) organized a republican cultural program to support the ongoing peace process. Women's groups are demanding 33 percent of seats in the interim parliament and CA elections. On November 19, the Kathmandu Inter-Party Women's Network has been constituted with the objective of promoting women's participation in the policy and decision-making level.

Reactions to 6-Point Peace Pact

Ethnic organizations led by Nepal Tamang Ghedung and Nepal Magar Students' Association said, "There is no alternative except to fight for the rights of people by forming a front of nationalities, Madhesi and Dalits." On November 12, NC legislator Ram K.

Chaudhary said, "The CA is no solution to the Madhesi problem." Dilip Mharjan, advisor to CPN (Maoist) asserted, "I can revolt against the party leadership if the promised issue of ethnic autonomy is ignored." CPN-UML leader Rajendra Shrestha said the much-hyped peace pact is a "political cheating" of the indigenous people. The proposed mixed election system will ensure 205 seats to the Brahmins and Chhetris, while the rest of 204 seats will be given mostly to those who have a personal relationship with their leaders. Thus there is little chance of proportional representation.

India, China, Germany, the UK, Norway, Russia, Australia and Denmark, welcomed the peace deal. Indian External Affairs Minister P. Mukherjee said, "We hope these decisions will take Nepal on the path of reconciliation, peace, stability and economic prosperity. The people of Nepal must have the right to freely choose and decide their own destiny and future without fear of the gun." American Ambassador to Nepal James F. Moriarty cautiously welcomed: "We look at the development positively. The Maoists have to prove first that they are not terrorists." UN Secretary General Kofi Annan said, "This statement offers to the people of Nepal a historic opportunity to end the armed conflict in their country and to build sustainable peace within an inclusive and democratic state."

Foreign Affairs

The US Assistant Secretary of State for South and Central Asian Affairs Richard A. Boucher during his three-day visit to Nepal (November 15-17) said, "We will have to look at certain legal implications of the Maoists in the interim government, but certainly our desire is to continue the health program, good governance and peace process. But, there would be no US funding for Maoist-led ministries." The EU troika mission headed by Pekka Mesto, Director for Asia and Oceania in the Finnish Foreign Ministry, hailing the peace agreement noted, "The EU stands ready to work together with the interim government by providing all possible support" including help with voters' education, voters' registration and election observations. On November 25, the British Home Ministry stated that all the British Gurkhas who are serving or have served the British Armed Forces abroad can now gain UK citizenship.

On November 1, Finance Minister Dr. R.S. Mahat said that legal action is underway against 75 out of the 90 big loan defaulters and requested the Federation of Nepalese Chambers of Commerce and Industries not to act as a shield against them. Transparency International (TI) revealed that the level of corruption in Nepal has not gone down in comparison to the previous year. Nepal has scored 2.5 in the Corruption Perception Index (CPI) ranking 21 out of 163 countries. Nepal ranks 138th out of 177 countries in the Global Human Development Report 2006. The HDI is 0.527. The World Bank has approved a \$25 million grant to be utilized for the benefit of the "rural poor and vulnerable groups in Nepal." German government has committed to provide half a million Euros to the World Food Program to Nepal and has already spent 1.2 million.

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