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INTERVIEW: Ali Nawaz Memon

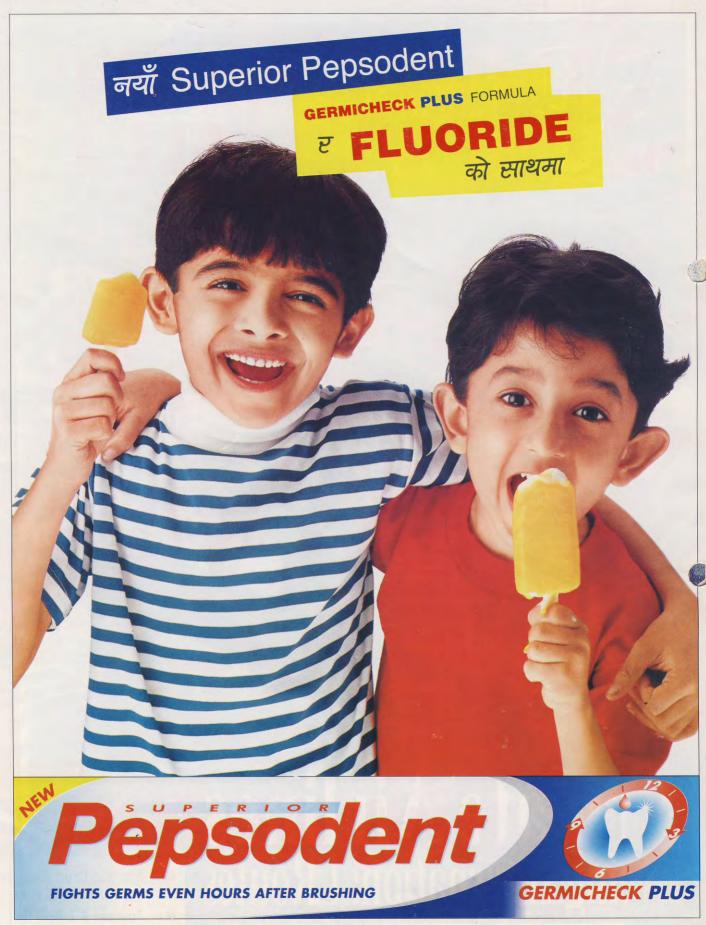
The National Newsmagazine 14-20 Dec, 2001





Private Airlines Eyeing International Routes

- Supreme Court Overturns
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 - NC Meet: Searching Roles



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At a time when much of the world's airlines have been losing money, civil aviation authorities in Nepal considering to issue international flight license.

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FORUM: Leyla Tegmo-Reddy

SPOTLIGHT

THE NATIONAL NEWSMAGAZINE

Vol. 21, No.22, December 14, 2001 (Mansir 29, 2058)

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Cover Design Wordscape

GPO 8975, EPC 5620, Kathamdnu Nepal, Ph: 263098, 261831, , Fax: 977-1-439386

Distribution

Bazaar International 228 Sanchaya Kosh Bldg. Kathmandu G.P.O Box 2480, Ph. 222983 Fax: 229437 e-mail: bazaar@mos.com.np

Printers: Kishor offset Press (P.) Ltd. P.O. Box 4665, Galkopakha, Thamel, Kathmandu, Tel: 351044 (Off), 351172 (Res.), Fax: 977-1-351172,

E-mail: kishor@groupktm.mos.com.np

C.D.O. Regd. No 151/039-40 Postal Regd. No 42/057/58 U.S. Library of Congress Catalogue No. 91-905060

EDITOR'S NOTE

n a little more than two weeks after the declaration of emergency, the Royal Nepal Army seems to be in command of the situation. Since there is no other source of information except whatever is leaked on by the official spokesman, we are not in a position to assess the exact situation. The incoherent reports that sometimes trickle in through the peoples living at the scene of incidents do not always conform to official reports. Still, there seems to be little doubt that the Maoists are at the receiving end. Even though most of Nepal's friends have supported the steps taken by the Deuba government to quell terrorism, their acquiescence to the imposition of emergency cannot be taken for granted. The suspension of the fundamental rights and the curbs on press freedom generated by the promulgation of emergency could hamper the normal development and maintenance of democratic norms and behavior, if continued for longer period. This kind of apprehensions were clearly voiced by an eminent visitor recently. Ronald Camp the U.S. Deputy Asst. Secretary in chaof South Asian Affairs was in the capital in connection with his three nation fact finding mission, and met a small section of Nepalese press. Although he did not spell it out in clear terms but his misgivings at the clamping of emergency in the country were quite evident. Since the imposition of emergency could also be politically motivated, apart from the requirement of the exigencies prevailing in the country, to imagine that the government might try to lengthen it as far as they can would not be totally out of context. It, of course, has direct bearing on the quelling of the violent and terroristic activities of the Maoists. Were it not for the topography, the porous border and the unqualified support the Maoists might be receiving from some forces in the South, the Royal Nepal Army is fully capable of crushing the rebellion is shortest possible time. Even though Nepal's southern neighbor has assured fullest cooperation to fight terrorism, the freedom the Maoist rebels are enjoying in their travel there is quite incomprehensible. H.M.G. of Nepal must address this issue expeditiously if they want quicker resolution of the vexing problem. Nepalese politicians should not only cringe for favor. They must also be able to stand up for their rights.

The capital recently witnessed a glittering conference of South Asia Foundation inaugurated by no less a person than the Prime Minister of Nepal, the redoubtable Shere Bahadur Deuba. The secular no profit and non-political youth movement for regional cooperation among SAARC countries, is the brain child of Madanjeet Singh, the UNESCO Goodwill ambassador. The Rainbow Partnership Organizations in the seven SAARC countries, guided by their respective chairmen and advisory boards, are responsible for funding and extending the needed support to SAARC governments working on IT related projects to promote education and development. The enthusiasm of Singh to found the Foundation is indeed, very commendable. But looking at the sorry scenario of its elder brother, the SAARC, there is very little possibility for the Foundation to generate big ardor in the peoples of the SAARC countries. Indeed, the few intellectuals associated with the RB organizations might be enthused. Would it not have been better had they pooled their efforts and contributed them to make SAARC more productive? Given the constraints and misgivings that are plaguing the earlier regional organization, how can one feel reassured that the child organization will bloom into a robust entity?

Many patriotic people very strongly believe that the promulgation of emergency in the country could be well utilized by the government not only to curb corruption but also to nab, investigate and punish the corrupt politicians, bureaucrats, businessmen and industrialists. The Prime Minister could never find a better opportunity to start serious action against his erring colleagues. Can he constitute a commission of honorable and honest non-political and non-bureaucratic citizens to look into all kinds of corruption and empower them with authority to punish even the chief executive? The commission's verdict must be final so that corrupt people might not escape the punishment. If he has no dirty linen to hide the Prime Minister must bring out the required ordinance and start action against corruption without delay. Will he prove his bona fide?

MathareRimal

Madhav Kumar Rimal Chief Editor& Publisher



Time To Deliver

Your cover story "Civil Service: Time To Deliver" (SPOT-LIGHT, December 7) provided a glimpse into the country's lethargic bureaucracy. It is true that development activities would remain stalled as long as the bureaucracy remains inert. Although the government has imposed a state of emergency, the bureaucracy is yet to move properly to meet the challenges faced by the country. SPOTLIGHT has rightly pointed out that the time has come for our civil servants to deliver.

Anjita Regmi New Baneshwor blowing the insurgency out of proportion. The Indian government has declared that they will take necessary action against Nepalese terrorists living in India. But Indian officialdom is allowing Maoist insurgent leaders to hide in India. It seems Indian officials are adopting double standards. In effect, they are not supporting Nepalese efforts to control the Maoist insurgency; instead, they are backing the Maoist. If the Indian government is really sincere about resolving the insurgency in Nepal, it must take more concrete efforts. It must back up its words with deeds.

rather strangely, have been

Sitaram Kattel Maharagunj

Change Style

I have been regularly reading your magazine for the last 15 years. However, I have not seen changes in the format, style and content. There is virtually no item related to entertainment and sports. How can you expect your magazine to be read by all sections of society unless you introduce some interesting columns. I hope you will come out with stories suiting the interests of the people in the days ahead.

Bandana K.C Chhabahil

Indonesian Lesson

I would like to thank you for highlighting the family planning experiences of Indonesia. After reading your article, I realized how people's participation and a decentralized approach have helped to reduce the annual fertility rate in Indonesia. I hope SPOTLIGHT will continue publishing such interesting stories.

Laxminath Dahal Thimi, Bhaktapur

Not Objective

Although your cover story ("Civil Service: Time to Derer", SPOTLIGHT, Decem-7) revealed some interesting facts about the bureaucracy, it failed to highlight the positive side of our administration. It is well known that ministers and other politicians have spoiled the civil service for personal gain. I don't think the civil service can escape responsibility for what has been going on. However, I would expect a national newsmagazine like SPOT-LIGHT to analyze all aspects of the issue with objectivity.

Nirmal Khadka Kalanki

One-sided Story

As a regular reader of your magazine for the last five years, I find your analyses on social,

economic and political issues objective and impartial. However, I was disappointed by your cover story "Civil Service: Time to Deliver" (SPOTLIGHT, December 7), which I found to be one-sided and subjective. It seems that SPOTLIGHT is taking the side of the government in condemning the civil service. As you know, a civil servant cannot act independently. He/ she has to go to the politicians to take major decisions. You cannot ignore this reality while drawing conclusions. I hope you adhere to your tradition of objectivity in future stories.

Dharma Shakya Mangalbazar, Patan

Words Not Enough

Although the Indian government has fully supported the move of the Nepalese government in dealing with the Maoist insurgents, the Indian media,

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China Reiterates Support For Nepal

Chinese Foreign Minister Tang Jiaxuan has reiterated his government's support for the measures, including the state of emergency, taken by the Nepalese government to maintain peace and stability in the country. According to the Foreign Ministry, Minister Tang extended his support during a telephone conversation with Prime Minister Sher Bahadur Deuba, who also holds the foreign affairs portfolio, Saturday morning.



PM Deuba

Minister Tang made it clear that neither the Chinese Communist Party nor the any entity of the Chinese government had any links with the terrorists of Nepal. Prime Minister Deuba informed Minister Tang about the compelling reasons leading to the declaration of the state of emergency despite sincere efforts of the government to resolve the problem through peaceful negotiations. Rajdhani daily reported that the Chinese minister was especially worried about the use of the word 'Mao' by the CPN (Maoist) of Nepal. The Nepalese government has declared the Maoists as terrorists. Leading dailies report Dec. 9.

'Nepal For Early Completion Of SAFTA'

Prime Minister Sher Bahadur Deuba has called for intensified efforts to give final shape to the South Asia Free Trade

Area (SAFTA). Addressing a function held here to mark the SAARC Charter Day Saturday, Premier Deuba said Nepal would like to deepen and accelerate regional economic cooperation. The prime minister said that during the 11th SAARC summit, due to be held in Kathmandu early next month, a review will be made to consolidate the gains made so far. He added that poverty alleviation would continue to remain a priority area. The premier said two conventions, on combating the trafficking of women and children for prostitution and on the promotion of child welfare in South Asia, will be signed during the Kathmandu summit. Leading dailies report Dec. 9.

Nepal Bandh Largely Peaceful

The Nepal Bandh (nationwide shutdown strike) called by the underground Maoists passed off largely peacefully Friday. An unprecedented heavy security was deployed in the capital valley. Army personnel could be seen manning the streets with small tanks. Armed soldiers were also patrolling and checking vehicles and passengers. Most of the shops remained closed in Kathmandu out of fear of violence, though no untoward incident took place. RSS news agency quoted Home Ministry spokesman Gopendra Bahadur



Khadka

Panday as saying that with the security personnel further activated, no untoward incident could take place during the strike. Meanwhile, reports from the western town of Pokhara said the Maoists killed two unarmed policemen in an attack at Dhampus village in Kaski district Thursday night. Three other policemen escaped the attacks. The Defense Ministry said Thursday that Royal Nepal Army personnel arrested 30 suspected Maoist terrorists from seven districts, including four from Bhaktapur in Kathmandu valley. Compiled from reports Dec. 8.

India Declares PWG And MCC As Terrorists

In what may have come as a moraleboosting news for the Nepalese government, the government of India on Wednesday declared two Maoist outfits, the People's War Group (PWG) and Maoist Coordination Center (MCC) as terrorists and banned all the activities of their 25 affiliated organizations. The Nepalese Maoists have maintained close relations with the Indian Maoist groups and are said to be receiving training and supplies from them. Kantipur daily quoted Press Trust of India as reporting that these organizations have been declared as terrorists in Indian states of Andhra Pradesh and Bihar. Meanwhile, Indian State Police of U Pradesh have raided and sealed two shops at Gorakhpur on charges of supplying huge quantity of chemicals and weapons to Nepal's Maoists. The Indian police have also sent four people to jail who were arrested from near the Indo-Nepal border while carrying weapons, a news report in the daily said. Compiled from reports Dec. 6.

Operation To Continue: Gupta

Minister for Information and Communications Jaya Prakash Prasad Gupta has said the military operations against the Maoists are continuing successfully. Addressing a regular press briefing at his ministry Thursday, Minister Gupta said at least 250 Maoist terrorists had been killed since the army launched its operations on



November 26. He said over 100 terrorists had been arrested so far. The minister said the government has withdrawn its decision to free Maoist activists who were supposed to be released after the third round of government-Maoist talks. Responding to a question, Minister Gupta said the army did not need arms and ammunition but required helicopters. "Ground forces are facing difficulty reaching remote areas where terrorists are located. So we need helicopters with night on facilities so that troops can be transported easily into these areas," he added. The minister said Nepal would purchase the helicopters from whichever country that could provide them quickly and at a cheaper rate. Leading dailies report Dec.

'Market Economy Emerges As A Key Force'

Former US ambassador to India, Frank Wisner, has said as the command economy has failed the world over to deliver desired outcome, the market economy has become an important force in the global economy. Mr. Wisner, who is also a vice-chairman of the American Group (AIG), noted that corruption was tantamount to cancer in a democratic society. Addressing a talk program here

Tuesday, Mr. Wisner said success of privatization largely depends on the government's policies and response of trade unions or employees. He said the government should not invest in enterprises, rather it should mobilize its resources for the well being of the public. Mr. Wisner is currently in Nepal in connection with the launching of a local branch of American Life Insurance Company (ALICO), a subsidiary of the AIG Group. Leading dailies report Dec. 5.

Interkraft And IPC Competing For BPC

Even after three years, Interkraft and Independent Power Corporation (IPC-Nepal) are competing to procure the state-owned Butwal Power Company (BPC). Interkraft is a consortium of Nepali and Norwegian investors while British-US investors own the IPC. The government had scrapped the first tender bid in late 1999 to sell its 75 percent stake in the BPC to private buyers after the IPC pulled out of the fray, accusing the Finance Ministry of favoring its rival, the Interkraft. Nepalese officials rejected the allegations. The sec-



Ministry of Finance

ond tender bid in September 2000 was also scrapped as none of the bidders offered an appropriate price for the profitmaking company. *Compiled from reports Dec. 6.*

'Operation Will Be Over In Six Months'

Home Minister Khum Bahadur Khadka has said the operation launched by the security agencies against the Maoist terrorists would be over within the next six months. Talking to a private daily newspaper, Mr. Khadka said the army and police personnel maintained high morale and the operation so far was successful. When asked about the role of the army, the minister said the army was working under the government and was being coordinated by the government. Mr. Khadka said the talks with the Maoists could resume only if they surrendered all the weapons they had looted from Dang and other parts of the country and apologized for what they have done so far. "The talks cannot be held at their convenience," he asserted. Raidhani Dec. 4.

Four Public Enterprises To Be Closed

The council of ministers on Friday decided to close down four loss-making state-owned enterprises, reports said.

> Kantipur daily reported on Monday that the government has decided to close down the Nepal Transport Corporation (NTC), Sajha Yatayat, Cottage Industries and Handicrafts Emporium and Nepal Oriental and Magnesite Pvt. Ltd. Over 1,300 employees in the three entities, excluding NTC, will be laid off and would be compensated as per the regulations. NTC owes over Rs 20 million in salaries to its employees for the last 11 months. According to official statistics, the Sajha Yatayat has been incurring a loss of Rs 18 million per annum, Nepal Oriental and Magnesite Pvt. Ltd. incurred a net loss of over Rs 80 million last year. The government is planning to privatize these enterprises after

closing them down and laying off their staff, the report said. A total of 16 public enterprises have been sold to private management by the government since 1992.

Compiled from reports Dec. 5.



Crown Prince Paras with Crown Princess Himani attending the 29th Anniversary function of Budhanilkantha School

THE GOVERNMENT HAS FORMED A FOUR-MEMBER COMmittee to look into the matter of foreign investment in the media. Minister for Information and Communications Jaya Prakash Prasad Gupta told reporters Thursday that the committee will investigate how foreign investment is being made in the media in Nepal. The committee, headed by joint secretary at the ministry Hem Raj Poudel, will present its report within 15 days.

THE INTERNATIONAL FUND FOR AGRICULTURAL DEvelopment (IFAD) has agreed to provide a grant of US\$20 million for poverty alleviation in 11 districts in the mid-western and far-western regions of Nepal. According to the Ministry of Local Development, the grant is part of the total \$32.6 million for the program during the next decade in districts including Rukum, Rolpa and Jajarkot, which are among the worst hit by the Maoist insurgency. Besides, the World Food Program (WFP) has committed \$4 million for road maintenance. The remaining amount would be borne by SNV, the Dutch Cooperation Agency, and local beneficiaries. Technical cooperation would be sought from local self-governing bodies, the ministry said. The poverty alleviation program would be implemented in three phases in four districts. After assessment of the progress in the first phase, the next two phases of the program would be implemented under the flexible-lending program.

poverty and addressing the problem of unemployment is critical to maintaining peace in the country. Addressing a function organized to mark the 35th Anniversary of International Labor Organization (ILO)-Nepal partnership in the capital Thursday, Prime Minister Deuba said that the government is committed to create decent working conditions for the millions of Nepalis engaged in various sectors of economy. Director of ILO Office in Kathmandu, Leyla Tegmo-Reddy, said Nepal has over 2.5 million child workers out of which nearly 120,000 were said to be in worst form. During the function, Minister for Labor and Transport Management Palten Gurung launched the website,

A JOINT MEETING OF LOCAL ADMINISTRATIONS OF Nepal and India at Birpur of Supaul district in India has agreed to work out a strategy for curbing criminal and Maoist terrorist activities along the border. The meeting also agreed to formulate a joint program for curbing all types of criminal activities taking place in the border areas

by maintaining mutual coordination and cooperation between the local security bodies of both the countries.

MORE THAN 80 BUSES THAT TRAVEL BETWEEN DIFFERent eastern towns and Kathmandu during the night have stopped their operations citing security reasons, Kantipur daily reported. Some 1,000 transport workers and thousands of passengers have been affected by the disruption in the bus service. The transport operators are discussing the

possibilities of operating the buses during the day, Krishna Prasad

Subedi, a transport entrepreneur said.

receive undue pressure or threats.

THE GOVERNMENT OF AUSTRALIA HAS SUPPORTED the Nepalese government's efforts to bring an environment of peace and stability in the country. In a statement issued Wednesday, the Australian ambassador to Nepal, Crispin Conroy, said his government condemned the resumption of the armed campaign by the Communist Party of Nepal (Maoist). The Australian government has also called upon the Mac to cease hostilities and move to peacefully resolve the issues facing the country through dialogue within the democratic framework established by the constitution.

THE HOME MINISTRY HAS URGED THE PUBLIC TO CARRY photo ID (citizenship certificate, voters ID cards, driving license or other papers) while traveling in public places between 10 pm and 5 am in Kathmandu. The provision has been made with a view to strengthening security, the ministry said. The ministry has also urged people to dial telephone numbers 243715 and 243810 of the Home Ministry, 412780 of the police headquarters and 100, 110 and 120 of police control, if they

THE NUMBER OF TOURISTS VISITING NEPAL BY AIR IN November dropped by over 40 percent compared to the same period last year, officials said. According to the Nepal Tourism Board, 24,515 tourists arrived in November this year compared to 43,130 the same period last year. In the first 11 months of this year, total tourist arrivals declined by nearly 17 percent compared to the same period last year. The sharp decline in total tourist arrivals is due mainly to the 30 percent plunge in the number of Indian tourists visiting Nepal.

THE LOCAL ADMINISTRATION HAS RELEASED 37 OUT OF 38 journalists and other people taken into custody after five days in western town of Butwal, Kantipur daily reported. Police had arrested them from a reception organized by the High-Tech Publication Pvt. Ltd., which publishes Jana Sangharsa daily. According to Bal Krishna

Chapagain, editor of Jana Sangharsa daily, who was also arrested, the whereabouts of consultant editor of the daily, Basanta Pokhrel, is still unknown. The authorities had taken into custody even the local representatives of the state-owned Nepal Television and National News Agency who were later released.

THE PROBLEM OF CHILD PROSTITUTION IS BELIEVED TO be spreading all over the country, predominantly in the urban areas and along highways, said a survey conducted by the United Nations Economic and Social Commission for Asia and the Pacific. It estimated that around 800 minor girls are engaged as sex workers in the Kathmandu Valley alone. The statistics were presented at a press briefing on the proceedings and outcomes of the recent South Asia Consultation for second World Congress against Commercial Sexual Exploitation of Children held in Dhaka. The South Asia Strategy adopted at the consultation will be presented at the Second World Congress in Yokohama to be held from December 17 to 20.

www.labornepal.org.

don't want to comment on the political situation, but I, too, was victimized by politics."

Nayan Bahadur Khatri, chairman of National Human Rights Commission, speaking on International Human Rights Day, in Himalaya Times.

'Yes, our party is demanding fresh elections. The government must dissolve the House of Representatives and seek a fresh mandate after the situation is normalized."

Gajendra Narayan Singh, president of Nepal Sadbhavana Party, in Bimarsha.

The government was wrong in sending the civil police to fight against the Maoist terrorists."

Retired Major General Raghu Chandra Bahadur Singh, in Janabhawana.

We have requested India and the United States for night vision helicopters, army training and weapons."

Home Minister Khum Bahadur Khadka, in Nepal Samarcharpatra

By killing innocent people and destroying public property, the Maoists have



proved that they are terrorists. Their actions justify the deployment of the army."

Khem Raj Regmi, former secretary, in Janastha.

While I am facing abuses, the UML is enjoying the most."

Prime Minister Sher Bahadur Deuba,

Army is not a solution to the problem. It's like taking Brucet when you have a headache."

cal scenario, in The Capital.

Dr. Prakash C. Lohani, Vice President, Rastriya Prajatantra Party, in Aparanha.

commenting on post-emergency politi-

The prime minister has said he will disarm the Maoists within three months, but the geo-strategical position of Nepal may stand in the way."

Bishwobandhu Thapa, former minister and leader of the Rastriya Prajatantra Party, in Deshantar.

No one told me that the international film festivals were going on, so I missed them."

Bijaya Thapa, young Nepalese film director, on whether he had attended the Sri Lankan and French film festivals in the capital, in Space Time Daily.



SPOTLIGHT/DECEMBER 14, 2001

Premier & The Press

Prime Minister Sher Bahadur Deuba is known as a "media friendly" politician. Wherever he may be on his career graph, Deuba has always responded to journalists' queries. After the imposition of the state of emergency, Deuba has organized a couple of press conferences for Nepalese and foreign reporters. Interestingly, he made similar statements in all of his meetings. The prime



Deuba: Media friendly

minister seems to be cautious about the red lines he must not cross and knows when he has to keep things between the lines. This may be a lesson Deuba learned from his previous mistakes.

Tea-Party Meet

With the restoration of democracy, political leaders have memorized the mantra of all-party meetings. Whenever there is a national crisis or any serious political problem, our leaders know that the first thing they have to convene all-party meetings. Following the imposition of the state of emergency, the main opposition CPN-UML called an all-party meeting to discuss the emerging scenario. From CPN-UML leader



Nepal: Tea-party or all party?

Madhav Kumar Nepal to Rastriya Prajatantra Party leader Pashupati Sumshere Rana, leaders of all hues were in attendance. During the two-hour meeting, the leaders drank about a hundred cups of tea before finally agreeing to monitor the state of emergency.

Singh's Affirmation

Nepal Sadbhavana Party leader Gajendra Narayan Singh has publicly declared that he would not contest the forth-coming elections in the party. This is not the first time the leader of the Terai-based party has made such an announcement. Four years ago, he voiced similar words but suddenly withdrew them, stating he was under pressure from party workers. If a hundred workers



Singh: Noble announcement

make a similar display of loyalty this time, what do you think his response would be? Keep your fingers crossed.

Identity Crisis

Among the problems Prime Minister Sher Bahadur Deuba's jumbo cabinet has presented is the challenge members face in making personal introductions. With the council of ministers packed with so many faces, it is hard to keep track of who represents which ministry. From the minister of without portfolio to the three ministers some ministries have, Deuba's lieutenants are compelled spend time in public gatherings reminding the audience of their names and titles. Giving the fluidity of the political climate, who knows how many ministers may have to leave office without getting a real opportunity to introduce themselves?

Relief & Anxiety

After the announcement of additional security measures at the entrances to the Singh Durbar

Other SAARC

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secretariat, ministers and their aides have finally breathed a sigh of relief. When the secretariat gates were flung open to all, the offices inside resembled the premises of the ruling party. Although the rush of party workers in the ministries has slowed for the time being, few are confident that it would remain that way.

SAARC Scenery

Kathmandu had seen some dramatic changes when hosted the third summit of the South Asian Association of Regional Cooperation in 1987. This time, too, the organizers want to bring some more changes in the capital's face. With less than a month remaining for the grand gathering, the organizing committee seems to be preparing a massive program to build a fitting monument to the 11th SAARC summit. The government has announced a plan to develop a park and widen some streets in Kathmandu. No matter how impatient Kathmanduites may be to find out the details, they will have to wait.

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CONGRESS MEETING

Deuba's Offensive

Despite some criticism, the Nepali Congress backs Prime Minister Sher Bahadur Deuba's decision to impose the state of emergency

By A CORRESPONDENT

t a time when the country's security forces are fighting insurgents, the major political parties seem to be more rested in internal squabbling than in backing the government in its quest to restore normalcy to the country.

The criticism of the CPN-UML and other opposition parties is understandable, as they are expected to point out the lapses and weaknesses of the government. But it

minister and Nepali Congress president Girija Prasad Koirala suddenly called a joint meeting of the party's central committee members, members of parliament and ministers. In the daylong meeting, Prime Minister Deuba's adversaries made every effort to criticize his government.

Koirala himself was said to have remained quiet, allowing members of parliament and central working committee to discuss various aspects of the emergency and their possible implications. Taking part



PM Deuba: How safe?

is strange to see dissension growing within the ruling Nepali Congress at a time of grave national crisis.

Despite rifts in opposition ranks, Prime Minister Deuba has been able to secure support from the main opposition CPN-UML and other parties. But the situation in his own party appears volatile. The truce among various interest groups in the ruling party seems to have reached breaking point.

This was reflected when former prime

in the debate, Congress members urged the government to take swift and decisive action against the Maoist insurgents and regain control of remote parts of the country.

Some members complained that even after the imposition of the emergency and the mobilization of security forces, the Maoists were continuing to kill innocent people and Nepali Congress workers. The participants stressed the need to mobilize the security forces more effectively.

With backing from former prime minister Krishna Prasad Bhattarai, Deuba was able to defend his decisions. Although the meeting was summoned to discuss the state of emergency and its effects on the day-today life of the common people, senior Congress members spent most of their time criticizing one another.

Die-hard Koirala followers attacked Deuba for not fully mobilizing the security forces against the Maoist insurgents and claimed that the rebels were still unleashing death and destruction. Assistant general secretary of the Nepali Congress, Govinda Raj Joshi, who resigned as home minister several months ago after accusing the Royal Nepalese Army of not supporting the police to repulse the Maoists' deadly assault in Dolpa, was said to be particularly vocal in criticizing Deuba.

Joshi demanded massive mobilization of all security forces to curb the Maoist insurgents. Prime Minister Deuba, however, was said to have refuted the charges and urged his party workers to wait a few more weeks before drawing any conclusion. "The security forces have been making every effort to contain the Maoists and have put them on the defensive," said the prime minister.

Although Nepali Congress members expressed dissatisfaction with the performance of the government, the meeting backed Deuba and his efforts to mobilize the security forces to quell the Maoists. The meeting also called on Congress members to take a lead role in the villages to generate awareness against the rebels. "The character of Congress members and leaders is always unpredictable and nobody can say how long they would stand with Prime Minister Deuba," said a political analyst.

Many critics of the prime minister during the meeting were the same people who accused him of being soft on the rebels during the peace talks. However, as a large number of grass-root level Congress members were killed by the rebels in the past, it is not easy for leaders and members of the ruling party to speak against Deuba's latest actions. Despite efforts from within the party to undermine his position. Deuba appears to feel secure for at least another two months, after which the emergency declaration comes up for approval in parliament.

WAR AGAINST INSURGENCY

Long Haul

As the army continues its 'cordon and search' operation, Maoist rebels target communication facilities despite suffering huge losses

By BHAGIRATH YOGI

undreds of Maoist insurgents attacked a group of soldiers manning a repeater station of the Nepal Telecommunications Corporation (NTC) at Raatmate in Rolpa district Saturday. Armed with semi-automatic guns they had looted from the Royal Nepalese Army (RNA) barracks in Dang last month, the rebels were attempting to destroy the communications network of the army, which has launched a massive operation

A day later, RNA personnel also foiled Maoist attempts to damage a repeater station of the NTC at Kapurkot in the neighboring district of Salyan, killing at least 11 rebels. Kantipur daily reported that the casualty on part of the Maoists could be as high as 40. Two soldiers from an army reinforcement team

forces and the insurgents after the imposition of a nation-wide emergency. The army also recovered few weapons including light machine guns (LMG) after the encounter.



An ambulance ambushed by Maoists: Innocent victims

Photo: Kantipur

against the guerrillas.

After a nearly seven-hour-long battle, dead bodies of over 50 terrorists lay scattered at the perimeter of the NTC tower. The insurgents also took away dozens of their fallen comrades, dead and injured. Four soldiers were killed and eight others injured in what is seen as the fiercest battle between the security

fell victim to an ambush laid by the Maoists.

As the army intensified its 'cordon and search' operation in the second week of the emergency, huge damage was inflicted on the rebels, authorities said. As the total number of casualties so far is yet to be calculated, security personnel have taken into custody hundreds of suspected

Maoist cadres from

different parts of the country.

In a major encounter, security personnel gunned down 11 Maoist activists at Sehari village in far-western district of Kailali during nearly eight-hour-long battle Sunday. In its two weeks long operation, the Royal Nepalese Army has already busted a number of training centers of the Maoists in different parts of the country and tried to destroy their communications and supplies network. But due to lack of adequate intelligence and in order to avoid more causalities to the troops, the army's operation may phave gained pace, analysts said.

"In such an operation, intelligence gathering has a vital role to play," said Krishna N.S. Thapa, a retired Lt.-General of the Royal Nepal Army. "The army has launched its operation in a right way and is superior to the Maoists on every front, including training, arms and ammunition and supply of logistics."

The people at large are still finding it hard to unearth the rationale behind Maoists' decision to walk out of the peace talks and go on with what many see as 'suicidal' strategy to take on the army. Sources close to Maoists, however, said the Maoist attack in Dang and other parts of the country was part of their strategy to give 'shock' to the government an negotiate from a position of strength.

But the tables may have turned on them. With the government using all its force to contain the insurgency and mobilizing international support against terrorism, it will soon be in a position to dictate its terms. "The state of emergency will continue until all the Maoists are disarmed," declared Prime Minister Sher Bahadur Deuba Monday. Earlier, Home Minister Khum Bahadur

Khadka had said the Maoists must surrender their arms and apologize for their actions if they wanted to resume talks.

The prospects of talks look very remote at the moment as the army is in full swing to completely destroy the terrorist network of the Maoists that had sprawled all over the country over the last few years amid least or no resistance from the



Rally on Human Rights Day: We want peace

government. The government is supplementing its efforts by procuring more arms, ammunition and logistics including night-vision helicopters. Officials said it would take a couple of weeks how the war will have its impact on this year's budget. "The government is considering providing an additional Rs 4 billion to meet growing security expenses," said a senior government official.

For Prime Minister Deuba, there has been little resistance from the opposition his own faction-ridden ruling party. A joint meeting of the ruling Nepali Congress parliamentary party and central working committee on Sunday extended its 'full support' to the government in its fight against Maoist insurgency. The meeting also asked the government to introduce a special package to give relief to the people and take measures to enforce fiscal discipline. Members of Parliament said to be close to NC President Girija Prasad Koirala, however, came down heavily upon the government and said it was failure on part of Premier Deuba to find a peaceful settlement to the Maoist insurgency as professed by him.

Congress legislators, however, seemed to ignore the fact that things have moved quite far since Mr. Koirala resigned early this year after the 'Holeri episode.' The opposition parties too said

REPEATER STATIONS

Under Fire

Maoist insurgents target NTC terminals in the remote hills

The state-owned Nepal Telecommunications Corporation (NTC) hired the services of the Royal Nepalese Army nearly two years back after the Maoist insurgents tried to blow away its repeater stations in their strongholds. There were no more attacks on NTC towers since then, as the Maoists avoided confrontation with the army. But as soon as the Maoists started targeting the army last month, the NTC towers found themselves on the Maoist firing line again.

According to technicians, Tulsipur in mid-western district of Dang, for example, has a telephone exchange, which can provide telephone lines only within a 7 km radius. Now there is demand of say, 10 telephone lines in Libang. What the NTC does is collect 10 telephone lines in Tulsipur exchange, bundle them together in one stream and using the microwave tower, transmit to Libang. In this process, Tulsipur's tower needs to see the Libang tower directly. This is called Line of Sight (LOS) propagation of microwave signal.

As we can't see the Libang station directly from Tulsipur, NTC has to choose one or more places in between Tulsipur and Libang to place a repeater station, say two places at A and B. Now, Tulsipur's tower sends signal to repeater station at A and A again re-transmits the signal to B and then B finally transmits to Libang station.

In this process, Tulsipur is in Line of Sight (LOS) with A, A is in LOS with B and B is in LOS with Libang. If the Maoists

blow up repeater A, then B and Libang will be down completely. In case B is serving some other districts as well, then all of them will be down too. Radio broadcasts on the AM and short wave bandwidths do not require LOS. Those signals can bend as they propagate depending on the type of terrain.

These repeater stations do not have any military significance, unless they are modified to install some military surveillance system, said experts. However, for the purpose of maintenance, there is always one extra telephone line on the repeater station so that a technician can talk to another technician from one station to any other station.

The repeater station at Raatmate in Rolpa is located at a height of 9,000 ft. above sea level and is crucial in providing telephone connections to three district headquarters, including Rolpa, Rukum and Jajarkot. "There have been minor damage in the Maoist attacks at this repeater station and we can maintain it soon," an NTC official told SPOTLIGHT.

Installing of a repeater station costs up to Rs 2 million depending on how many links are going out from it. The NTC has an extended network of telephone communications in up to 1800 VDCs of the country and has more than 600 terminals to support its MARTS facility. But recent terrorist attacks at the NTC have not only added to its security expenses, they have also hampered its expansion plans, said officials.

they wanted the emergency to be over as soon as possible. Human rights activists, on their part, were concerned that violation of human rights be avoided as much as possible. "The government must restraint itself from carrying on indiscriminate killings," said Krishna Pahadi, Presi-

dent of Human Rights and Peace Society.

Added Sudip Pathak, President of Human Rights Organization of Nepal (HURON), "There is no alternative to peace. So, sooner or later both the sides have to sit together to find a negotiated settlement through peace talks."

SUPREME COURT

Restraining Order

The apex court declares the Commission of Investigation of Abuse of Authority's actions unconstitutional

By KESHAB POUDEL

ver the last year, many decisions of the Commission of Investigation of Abuse of Authority (CIAA) have come under the scrutiny of the Supreme Court. With characteristic restraint, the court has been interpreting the constitution and clarifying the role and duties of the CIAA. While interpreting the constitution, the apex court has maintained utmost consciousness.

In a case filed by former minister of education Govinda Raj Joshi, who challenged the CIAA's recommendation against him on the issue of the teachers' examination results, the court nullified the order of the anti-corruption agency.

According to Article 41(1), conduct of government business, the allocation and transaction of business of His Majesty's Government shall be carried out as set forth in rules approved by His Majesty.

Article 41(2) says no question shall be raised in any court as to whether or not rules made pursuant to Article 41(1) have been observed. Many were taken by surprise by way the CIAA decided to make its recommendation against the minister,

> who took his decision under the provisions of cabinet regulations.

"In such a decision, even the Supreme Court cannot intervene. How did the CIAA think it had to power to intervene?" asked senior advocate Mukunda Regmi. It seems that the CIAA has intervened without even knowing the basic provision of the constitution. "Under this article, the executive enjoys prerogative power which even the court of law including the Supreme Court cannot question," said Regmi.

Along with the recommendation to take action against Joshi, the CIAA also issued a directive to the government to cancel the results of the examination taken by the Teachers Selection Committee. The examination conducted by the committee under the minister of education's decision as per

the prescribed procedure and existing provisions of law and the consequent result could not be overturned except by the Supreme Court in exercise of extraordinary power under the Article 88(2) of the constitution.

But the CIAA, it seems in ignorance and total disregard to the rule of law, had intervened and issued the order directing the commission and the Ministry of Education to nullify the results of 84,000 teachers.

The CIAA seemed to fail to understand and appreciate the correct legal position as per the interpretations given the Supreme Court in similar cases in past. Had it respected the law, the CIAA should not have intervened in the results of the teachers.

"Once again the court has rightly and strongly overruled the action, opinion and decision taken by the CIAA. It must serve as a final blow to CIAA's proclivity to take arbitrary decisions in future," said a senior lawyer. A bench comprising Chief Justice Keshav Prasad Upadhyaya and Judge Kedar Prasad Giri took the decision.

The apex court has clearly said that the CIAA has no right to issue directives akin to the order of mandamus, which is the prerogative of the Supreme Court. "It is surprising why the CIAA time and again takes such kinds of actions which are prima facie and beyond its jurisd," the lawyer said.

The Supreme Court declared unlawful the decision of the CIAA to open the case a year after the action in question had been taken. Under the existing CIAA Act, no complaint can be accepted and entertained beyond the one-year time limit from the date of the commission of the act. The CIAA seemed to ignore the clear provision of law, which could amount to abuse of authority by the CIAA itself.

According to 98(1) of the constitution, the CIAA may in accordance with the law, conduct or cause to be conducted inquiries into, and investigations of, improper conduct or corruption by a person holding any public office. It is high time parliament evaluated the performance of the CIAA itself.



Supreme Court: Guardian of the constitution

SAARC

Final Preparations

The South Asian Association for Regional Cooperation celebrates 16 years of existence amid little concrete success

By A CORRESPONDENT

fter a nearly three-year postponement, members of the South Asian sociation for Regional Cooperation (SAARC) are finally preparing for their 11th summit. But the meeting is mired in the kind of unpredictability the region's monsoon season is known for. As relations between the two largest and most work is under way on the draft of a final declaration.

"The SAARC leaders will discuss a number of issues, including terrorism, free trade, poverty alleviation, during the 11th summit," said Prime Minister Sher Bahadur Deuba, addressing a program marking the 16th anniversary of the signing of the SAARC charter.

Although the government is yet to finalize the agenda, the summit is ex-

> pected to witness the signing of a number of agreements, including those against the abuse of women and children for facilitating free trade in region.

"The 11th summit will open the way for greater regional cooperation in South Asia," said Prime Minister Deuba. "SAARC leaders will discuss issues of mutual concern, including terrorism in South Asia, as almost all countries in the region have been facing similar types of problems," he said.

The government has already started expanding the capital's roads and refurbishing other in-



Nihal Rodrigo: Successful

powerful members, India and Pakistan, are yet to normalize, one cannot rule out the possibility of another postpone-

Whatever the situation, the Nepalese government is making every effort to successfully hold the 11th SAARC summit in Kathmandu. Invitations have already been delivered to all the heads of the state/government of the region and

CHINESE SUPPORT Meaningful Message

Chinese Foreign Minister Tang Jiaxuan called Prime Minister Sher Bahadur Deuba to reiterate his government's support for the measures, including the state of emergency, taken by the Nepalese government to maintain peace and stability in the country. According to the Foreign Ministry, Minister Tang extended his support during a telephone conversation with Prime Minister and Foreign Minister Sher Bahadur Deuba Saturday morning.

The Chinese Minister made it clear that neither the Communist Party nor any entity of the Chinese government had any link with the terrorists of Nepal. Though he did not specify any particular organization, it was obvious that the senior Chinese official was referring toward the Maoist guerrillas in Nepal whom the Nepal government has already termed as terrorists.

Prime Minister Deuba informed Tang about the compelling reasons leading to the declaration of the state of emergency despite the sincere efforts of the government to resolve the problem through peaceful negotiations. Meanwhile, RAJDHANI daily reported that the Chinese Minister was especially worried about the use of the word 'Mao' by the CPN (Maoist) of Nepal. Recently, some Indian media reports had tried to link the Maoist movement in Nepal as being supported by China. By dissociating itself from the so-called Maoist movement in Nepal, China has stood firmly in favor of peace, stability and development in Nepal.

Earlier, a Chinese foreign ministry spokeswoman had said the Chinese government was concerned about the events in Nepal and was watching the latest developments here carefully. The Chinese are also said to be concerned that no foreign power tries to put Nepal under its so-called 'security umbrella' taking benefit of the unwarranted developments in Nepal. Unfortunately, the "Maoist insurgency" has given fertile ground to such ill designs.

frastructure, apart from beautifying the city. It has also beefed up security in and around the capital. The government heaved a sigh of relief on the security front after the imposition of the state of emergency, especially since it gives enor-

> mous power to the executive to hold the summit peacefully.



New insurance company: Insured enough?

LIC NEPAL

For An Insured Future

A new company starts operations in the life insurance sector with new packages

By A CORRESPONDENT

In Srimadbhagavad Gita, Lord Krishna told his disciple, friend and relative Arjuna, "Yoga Kshemam Bahamyahem," (that is, your welfare is my duty). With the same mission, Life Insurance Corporation (LIC) Nepal Limited has formally launched its operations beginning this week.

A joint venture between the Life Insurance Corporation of India and the Vishal Group of Nepal, the LIC Nepal has a capital base of Rs 250 million in which the LIC India owns a 55 percent stake, while the Vishal Group owns 25 percent. The rest will be sold to general public.

The company has introduced two policies, Money Back and Endowment policy, to begin with. According to the company, the Endowment policy is a low-cost insurance policy, which provides high protection to the family of the policyholder and a large sum for happy retired life. Loan facility provides adequate liquidity in case of urgent needs.

The Money Back policy, on the other hand, enables policyholders to receive periodic lumpsum payments to provide for needs such as purchase of automobiles, booking of house property, etc. besides providing life insurance to the family.

While the Endowment policy has a

minimum term of five years and minimum sum assured is Rs 10,000, that of Money Back policy is 15 years and the minimum sum assured is Rs 20,000. Both the policies offer bonuses and provide accident benefit at the rate of Rs one per thousand sum assured. The company also offers non-medical scheme and term rider benefit to its policyholders.

Inaugurating the company amid a function Monday, Minister of State for Finance Bharat Kumar Shah said the government had decided to open the life insurance sector to make it competitive and thereby ben-

efit the people. LIC Nepal is the fourth life insurance company, which got its operating license in August 2001.

N.C. Sharma, managing director of LIC India, said LIC India was the biggest company in the world in terms of the number of policies sold (over 110 million) in a single year. With a network of 800,000 agents and over 2,0 branches, LIC India sells settles one claim every second, he said.

For Nepal, the insurance market is still in infancy with the insurance premium standing at less than one percent of the total GDP. "There is a vast virgin land for a life insurance company in Nepal," said Dr. Prafulla Kafle, chairman of the Insurance Board. "Besides benefiting local people, the insurance provides for long and short-term funding required for infrastructure project and private sector development." Chairman of the Vishal Group, J.P. Agrawal, said the new company would strive for bringing social stability and prosperity in Nepal. A commitment that the new company needs to fulfill in the days ahead.

TOURISM

Confronting New Challenges

Kathmandu and Bali are situated in two different geographical locations on the globe but they have some economic similarities

By KESHAB POUDEL in Bali (Denpasar)

ary Thinkabij, 26, cannot find anyone willing to rent his surfboards the month of November, which is condered among the peak tourist seasons in Bali. As the normal crowds on the Indian Ocean beachfront are nowhere to be found this year, almost all hotels in Bali are reporting less than 30 percent tourist occupancy.

"There are only 10 percent of the normal number of tourists we should be having right now. I have never seen such a low number of tourists in the beach area," said Hary, who making a living out of renting surfboards. "Tourism is the mainstay of our life, and the low tourist arrivals have already triggered a plunge in our income."

Tourism officials agree. "We received more than 70 percent booking cancellation in October and November," said the rketing manger of Hotel Sahid of Bali. After the September 11 attacks, the tourist arrivals have been drastically reduced." According to the Tourist Information Center at Bali, the government expects at least a 60 percent decline of tourist arrivals in the last four months of 2001.

Although Kathmandu, too, has been swamped with cancellations, tourist arrivals are still better than in Bali. Despite the surge in internal and external violence and consequent fall in tourist arrivals, many private airline companies are eager to operate international flights.

"This is a good indication that Nepalís tourism industry will recover in the coming years," says a tourism entrepreneur in Kathmandu. "Even today, Nepal is still safe for tourist, and I believe the tourism industry will boom once again."

After Nepal and China signed an agreement on tourism, the hopes of busi-

ness entrepreneurs and private investors have soared. In the aftermath of the new agreement, the Nepal Tourism Board (NTB) and other entrepreneurs have been preparing vigorous marketing campaigns to draw tourists from around the world.

"Nepal Tourism Board is trying to project internationally that Nepal is a safe venue for tourists, as no tourist has ever the officials have already given their opinion regarding the licenses.

If the government wants to protect the tourism industry, say some tourism analysts, private parties should be allowed to operate international flights as early as possible. However, aviation experts do not agree with that argument and urge the government to evaluate the firmis overall performance and infrastructure before taking any decision on the issue.

"We need to have more private participation in the aviation sector to increase the number of tourists but the government must evaluate the performance of private airlines before taking any decision," said a leading aviation expert, on condition of anonymity.

Bali, a popular tourist destination of



Bali beach: Where have all the tourists gone?

been attacked by terrorists," said Tek Bahadur Dangi, marketing manager of the NTB.

In the last four months, total tourist arrivals by air declined by 30 to 40 percent. "If some more private airlines are allowed to operate international flights, they will bring in additional tourists," said a private airline operator. "The government must move swiftly to grant licenses to private parties waiting to start international flights."

Because of the imposition of the state of emergency last month, the government has not issued licenses to private airlines to fly on international sectors. According to sources at the Civil Aviation Authority,

Indonesia, is sea-locked while Kathmandu is landlocked. But both cities are facing similar problems in tourism. After the September 11 terrorist attacks in New York and Washington, Bali's sea beach, which would normally be full of tourists this time of year, is virtually empty. Kathmandu, which enduring the fallout from international and internal terrorism, still is in a relatively better position than Bali. Despite the gloomy picture, private parties have shown an interest to invest in international aviation. At a time when tourist arrivals and the aviation business around the world are facing an uncertain future, private parties in Nepal are pressing for permission to operate international flights.

LICENSING FOR INTERNATIONAL FLIGHTS

A Costly Decision

At a time when much of the world's aviation industry is losing money and some have been bailed out by governments, civil aviation authorities in Nepal are considering whether to issue international flight license to private airlines. With virtually non-existent infrastructure, tough international competition and huge initial investment, nobody understands the rational behind the decision. Interestingly, the private sector is pressing its demand for the license at a time when major international airlines are cutting staff and other expenditure for survival. How have private operators in Nepal come up with the confidence to demand international flight licenses at this crucial juncture?

By KESHAB POUDEL

mong the first five private airlines that were allowed to fly in the international sector, only Necon Air has been operating flights. But Necon Air has suspended two scheduled Biratnagar-Calcutta and Kathmandu-Patna flights and is now op-

erating the Kathmandu-Varanasi sector by ATR-42 aircraft.

The other four airlines simply had to abandon their hopes of going international. The failure of private airlines to start jet services is a consequence of low profit margin, big capital investment and lack of technical capabilities. After the September 11 attack on the United States,

it has become very difficult for new airlines to operate international flights.

Just a few weeks before the attacks in New York City and on the Pentagon, the Nepalese cabinet directed the Ministry of Culture, Tourism and Civil Aviation to issue licenses to two private airlines to operate cargo and passenger service. The ministry, which invited appli-

There are many technical and financial aspects involved in the operation of international flights. How can airlines pay for aviation fuel? How will they arrange hotels at the time of cancellations? Who will be the guarantors of money? What are the marketing prospects?

"Once private airlines are allowed to operate, they will arrange everything. Failure of private airlines to start jet service is the consequences of double standards and lack of political will on the part of the government," says Maheshwor Bhakta Shrestha, an aviation marketing expert and vice-chairman of Alpine Air, which abandoned plans to launch international flights.

Some aviation experts argue that there is a huge opportunity for international flights, asserting that the market is still underutilized by RNAC. Those who disagree with this assessment hold the view that high-sounding words are not enough to operate on the international sector.

In any normal industry, the solution is obvious: consolidate. But the airline business is not a normal industry, as it needs to have fulfilled many terms and conditions before being ready to fly on the international sector. The international aviation system is guided by the 1944 Chicago Convention. Routes are negotiated between governments on behalf of their national carriers. A bilateral aviation agreement between Kathmandu and Dhaka, for example, stipulates the precise number of flights, the number of carriers and the number of destinations that can be served by the national airlines of each country. What that means, in effect, is that airlines must have a nationality and each nation must have a flag carrier.

International Airlines



Tribhuwan International Airport: Crowded!

cations from interested parties last year, is now said to be screening two airlines from five applicants. Nepal International Airlines, Aero Nepal, Sita Air, Cosmic Air, Air Shangri-La and Asian World International have submitted bids.

At a time when experienced carriers like Dragon Air have postponed plans to begin a new schedule in Nepal, on what basis are Nepalese business groups and iation authorities considering to operate international flights? When the private sector has seen little success in domestic flights, how do they expect to go international? In the last seven years alone, more than half of the private carriers have shut down after incurring huge losses.

Airlines need to consolidate if they hope to prosper during times of crisis. But Nepal's private airlines, which are struggling for survival, are pushing ahead with a new demand to fly on the international sector. With limited investment, lack of infrastructure, low technical capabilities, poor marketing and a weak financial base, operating in the international sector is almost certain to invite bankruptcy for these carriers and to push the country's national flag carrier to closure.

Unfriendly Market

With the increase in insurance premiums by 400 percent, the operation costs of Nepalese carriers have increased by many folds. The increase follows a 30-35 hike in the price of aviation fuel, a 400 percent cumulative rise in civil aviation charges, including parking, housing, landing and navigation, growing costs of spare parts, and rising taxes. The devaluation the Nepalese rupee against the US dollar in the past few months has pushed the domestic aviation industry into a very difficult position. The cancellation of visits by tourists from North America and Europe and the uncertain international situation will create more financial problems for the sector.

Already battered by the global recession, how can an industry that requires intensive capital investment expect to survive? The recent decision of RNAC to pull out from the European sector also underscores the challenges of operating international flights.

RNAC, which incurred millions of rupees in losses while operating in the European sector, survives by cross subsidies in various sectors. One of the advantages for RNAC is that it is a government-owned airline. Necon's experience with the Patna and Calcutta flights is a relevant example for private carriers.

Struggling even to survive in the domestic market, Nepal's private airlines will have to face fierce competition in the international sector. Almost all of the 15 international airlines that are currently operating international flights to and from Kathmandu have wide-body jet aircraft and strong financial and technical capabilities. The exception is Necon Air.

Aeroflot Russian International Airlines, Austrian Airlines/Lauda Air, Biman Bangladesh Airlines, China Southwest Airlines, Condor Airlines, Gulf Air, Indian Airlines, Necon Air (Nepal), Pakistan International Airlines, Qatar Airways, Royal Bhutan Airlines, Royal Nepal Airlines, Singapore Airlines, Thai

Lhasa, Calcutta, Varanasi, Bombay, Delhi, Karachi, Islamabad, Dubai, Sharjah, Doha, Bahrain, Abu Dhabi, Moscow, Vienna, Amsterdam, London and Munich (charter).

Nepal has signed air agreements with 32 countries, but Nepalese carriers are flying to fewer than 10 countries, including India, China, Thailand, Hong Kong and Japan. RNAC recently suspended flights to Dubai, Frankfurt, Paris and London.

Signing an agreement is not enough to operate airlines, as there should be firm financial viability. RNAC withdrew its flights to Colombo, Karachi, Dhaka and Yangon after it incurred heavy losses.



RNAC's Jet: Fighting for survival

Airways International, Transavia and Dragon Air are the airlines operating international flights to and from Kathmandu. Connecting directly to 24 cities, these airlines provide service through variety of jet and turboprop aircraft like ATR-42, BAe 146, Boeing 737, B757, B777, Airbus A 320, A310, A330 and A300.

These airlines now connect Nepal directly to 24 cities and offer 15,845 seats on 94 flight per week. International destinations connected directly from Kathmandu are Osaka, Shanghai, Hong Kong, Bangkok, Singapore, Dhaka, Paro,

Even Lufthansa pulled out from Nepal because of unsustainable losses.

Necon Air suspended its Kathmandu-Patna and Biratnagar-Calcutta flights and is now limiting its services to Varanasi. Necon Air, which is operating services with turbo-propeller ATR-42, has to face competition with Indian Airline's wide-body airbus.

Among the 29 domestic airlines granted air operator certificate in Nepal, Air Nepal International, Alpine Air and Nepal Transcontinental Airlines (Freighter), RNAC and Necon Air were given rights to international flights five

years ago. Except RNAC and Necon Air, other airlines gave up their claim.

Issuing licenses to private airlines to operate international flights would only help to destroy the well-organized RNAC. "In the existing situation, there is no alternative to strengthening RNAC. As private airlines are engaged in a price war in the domestic sector, operating in the highly competitive international sector will destroy them," says an aviation expert.

The price war among commercial private airlines in the domestic sector underlines how they might want to deal with the competitive international environment. The private airlines have reduced their fare by many folds. The official rate of a mountain flight is around US\$ 108, but airlines are now fetching in less than US\$ 50. The fares on other routes, including Pokhara, have also been reduced drastically due to competition.

"My two-decade experiences in RNAC show that private airlines cannot operate international flight with the existing investment situation, lack of technical capability and market know-how. In a single flight to Europe, an airline needs to spend more than five million rupees. If a new airline flies half empty to Europe and other sectors, it will go into bankruptcy within a month. How it will pay the costs of fuel, navigation and other things?" asks a senior RNAC executive.

Airlines cannot operate merely by leasing or purchasing aircraft. In the course of operation, an aircraft has to perform certain mechanical checks in different phases in a place certified by the aircraft manufacture. RNAC, which has been opening Boeing 757 for the last 10 years, sends its aircraft to Brunei for technical checks.

In the case of the Boeing 767, the aircraft has to be sent to Europe for compulsory checking. When RNAC leased Boeing 767 aircraft, it had certain technical problems. The aircraft was sent to Vienna from Bangkok, as the Thai capital does not have maintenance facilities. This means, for maintenance alone, the airline has to spend millions of rupees.

The private sector can operate airlines but how will it prove its credibility. "A private airline can buy two old Russian

aircraft, but the question is, who will buy tickets on it when US and other European airlines are adding additional facilities and upgrading security?" asks an expert.

There is a popular saying in the aviation sector that a single aircraft is no aircraft. In a situation when there is no possibility to invest in two aircraft, it would make little sense to allow new carriers to fly on international routes.

Ground Facilities

According to an estimate, Tribhuvan International Airport (TIA) has 107 flights a week, with a total seat availability of 20,223 per week (based on winter sched-Le year 2000\2001). Along with regular schedule, the airport handles more than 200 charter flights a year. According to the TIA, aircraft movement in 2000 was 66,513, including 8,105 international flights.

The international passenger movement was 1.061,343 and 853,006 in the domestic sector. The airport handled freight of 19,481.40 tons, including 2480.3 tons in the domestic sector.

The last ten years' comparative chart of passenger movement in the TIA shows an increase in volume. According to the TIA Office, 996,890 passengers were recorded, which includes 780,933 in the international sector. In 2000, passenger movement doubled, reaching 1,914,349. rcraft movement also increased by many olds. The TIA recorded 19,285 flights. The record of first five months of passengers and aircraft movement in the international sector is much higher. In January, 81,716 passengers and 733 aircraft movement were recorded at the TIA. In March, April and May, the movement of aircraft and passengers was much higher.

As the runway, terminal building, taxiway and other facilities become more congested, there is more pressure on aircraft and passenger movement. If new airlines are allowed to operate, the country's only international airport will have no place left. The seven aprons available in the international terminal are now almost half full. There is only one hanger and limited space for Buddha Air: Flexing wing maintenance facilities.



"A credible marketing study is needed to understand the potential before allowing the private airlines on international flights," says Keshav Raj Khanal, chief manager, corporate and terminal management, at the TIA. "The authorities must study how passengers can be brought in."

International Situation

The deadly terrorist attacks on the United States September 11 were unprecedented both in conception and in their consequences. According to the World Trade Organization (WTO), as the brutality of the events continues to haunt people, there may be more damage in the near future. Air transport companies have been affected, in general, and US air transport companies, in particular, cancelled domestic and international flights for several days. Air transport to North America came to a standstill until September 13. Although flights started again gradually, to and from the United States, it will still take months to recover. The IATA estimates that direct losses from that week alone will amount to US\$ 10 billion.

History of International Flight in Nepal

Himalayan Aviation Dakota DC-3 aircraft operated a charter flight on February 20, 1950 from Gauchar to Calcutta that lasted 2 hours 45 minutes, the first international flight. Later, the airlines started three weekly scheduled flights between Patna and Kathmandu. Indian National Airlines subsequently started flights between Calcutta and Kathmandu. The government nationalized the air transport system in Nepal to form Royal Nepal Airlines in July 1, 1958. Between 1960 and 1965, RNAC operated four international flights, including Dhaka, Calcutta, Patna and New Delhi. Nepal entered the jet area in 1978 when the RNAC acquired its first Boeing 727-100 and extended its flight to Bangkok and Hong Kong. In 1979, RNAC brought the second Boeing 727 aircraft and expanded to six new regional routes, Dhaka, Hong Kong, Yangon, Singapore, Karachi and Dubai. Between 1987 and 1988, RNAC acquired two Boeing 757s and extended its international service to Frankfurt, London and Paris.

"The figure shows that new bookings have fallen. This behavior by tourists is normal and has been observed in similar situations in the past. How long it lasts will depend on how the conflict develops and on the reaction of tourist services providers," says the WTO...

Life isn't getting any easier for most Nepalese private airlines. Three years of consecutive disturbances following the hijacking of an Indian Airlines flight to New Delhi have laid bare the stark realities and challenges facing the industry ó not just domestic but also international. Simply put, there are so many private airlines flying too many aircraft. Interestingly, they still want to add more aircraft in the international sector, particularly in regional areas.

The solution is as simple as it is apparent: The industry must consolidate if it is to prosper. In the West, airlines are ready begging to experiment with radical change through international alliances and cross-border investments. But in Nepal, the situation is different. The government is considering whether to issue a couple of more licenses to private-sector carriers to fly on the international sector. At stake are billions of rupees in losses, bankruptcy and even air safety.

How far are officials and entrepre-

The 1944 Chicago Convention

Each contracting state grants to all other contracting states the following freedoms of the air in respect to scheduled international air services:

- 1. The privilege to fly across its territory without landing;
- 2. The privilege to land for non-traffic purposes;
- The privilege to put down passengers, mail and cargo taken on passengers, mail and cargo destined for the territory of the state whose nationality the aircraft possesses;
- The privilege to take on passengers, mail and cargo destined for the territory of any other contracting state;
- 5. The privilege to take on passengers, mail and cargo destined for the territory of any other contracting state and the privilege to put down passengers, mail and cargo coming from any such territory.

neurs willing to go? Opening the sky to the private sector does not necessarily increase tourist arrivals. In fact, it will cause more damage to the national economy. Even a country like India, where more than a couple of private companies have strong fleets of modern aircraft and the capability to manage all kinds of international flights, does not allow private carriers to fly on the international sector. Domestically, airlines can consolidate fairly easily because domestic aviation is driven mainly by market demand, not international aviation law. But across borders, it's a different story. If RNAC, for

example, were to take majority control of other airlines, it could lose it rights to fly between Kathmandu and, say, Thailand because it would no longer be regarded as a Nepalese-flagged airline.

But, for now, even investors are pressing for the license to fly the aircraft, ignoring the evident compulsions. The 1944 Chicago Convention still governs international aviation law. It stipulates five basic freedoms that each country should respect. However, the fifth freedom, the right of a carrier to pick up passengers outside its homeland and fly them to a third country, remains largely unrecognized.

Despite its apparent glamour, airlines business is pretty unattractive. The International Air Transport Association reported that its 268 members' combined profits was about US\$ 2 billion, about as much as Japan's biggest carmaker, Toyota, earns in six months.

For a capital-intensive industry, where a single asset like a Boeing 757 costs millions of dollars, the return is pathetic. After the terrorist attacks in the United States, all big airlines in Asia have had to suffer.

For almost eight years, profit margins and passenger yields have been on a steady mark — a trend matched around the world as more airlines fly more flights. In the last five years, the number of private commercial aircraft in service has grown by more than the growth in traffic. Gone — perhaps for good — are the years that helped lift Nepal's aviation industry in the 1990s.



International Airlinees: Less passengers

MEDIA

Bad News?

As it flourishes under democracy, the press is also coming under greater public scrutiny

By AKSHAY SHARMA

s the nation reviews the accomplishments and failures of 12 years multiparty democracy, the media has been discussing the performance of state institutions and the individuals that run them. Less onspicuously, however, more and more Nepalis appear to be monitoring the media. Are today's newspaper headlines helping or harming the country's long-term interests? Variations of this question are being asked more frequently in recent months at public forums and looking foreign media start picking up your poorly sourced and hole-ridden stories?"

Such caustic castigation of the press may not have become the norm yet. Nevertheless, it does signal a significant shift in public attitudes. The euphoria generated by the restoration of multiparty democracy in Nepal in 1990 soon gave way to deepening dejection amid political infighting. "This mood of cynicism is best reflected in the media, which still believe the biggest news of the day is the sordid state of the nation," says a security expert.

The pressures on Nepal's nascent in-



Newspapers: Questioning cteadibility

social gatherings alike.

"Are you people in the media trying to starve the country's only booming industry, tourism, by printing stories like these?" an entrepreneur challenged a reporter recently. "What image will Nepal have abroad if the far bigger and brighterdependent media to make their mark are immense. Publications are in a heated competition for public attention and are experimenting with style and content. Critics, however, say the key casualty of this contest has been quality of journalism. "News of a Nepali caught at a US

airport was on the front page for days but few readers actually understood the complexity of the issues involved," he says. "Then there was news about Osama bin Laden's men being spotted in the capital, which turned out to be little more than crude rumor and speculation."

Tourism entrepreneurs are particularly worried by the media's coverage of national events and ideas. "The tourism industry is barely able to limp along, which could have disastrous consequences for the national economy. And what do newspapers do? They are out to get us," says a travel entrepreneur. "Something like the bird hits at Tribhuvan International Airport, which is a common scenario in many airport around the world, is blown out of proportion."

Ashraf Shah, who owns a garment shop in Thamel, says the negative press coverage has hit the wider business community very hard. "We used to depend on Indian tourists, whose numbers have been dwindling ever since the Hrithik Roshan episode."

Media coverage of certain issues seems to have troubled some common people as well. "All the papers played up that story on how Nepal was likely to be hit by a massive earthquake soon," says 50-year-old Amrit Sherchan, who postponed his plan to add a floor to his house in Chabahil. "Few in the media cared to qualify that the term ësoon' meant anything between now and 50 years."

Reporters and editors insist they are just doing their job of informing the people. But some readers think the information they are getting is of the wrong kind. "I was going through a national daily which had a picture of children grinning at the camera holding AK-47s and handguns in their hands. Imagine what message such pictures could convey to Nepalis of that age," says Shah.

Analysts agree that the issue contains great sensitivity. They say the state cannot enforce its will on the press under any pretext but cannot stop expecting greater cooperation from the media. "A propaganda war is waged to paralyze the enemy," says a security expert. "But look at who's holding the dagger against whom in Nepal." THERE ALL PHILES

'Private-Sector Participation Vital To Energy Restructuring'

— ALI NAWAZ MEMON

ALI NAWAZ MEMON, a senior financial and institutional consultant, worked with the World Bank for 29 years before retiring in 1996. He also served as a chairman of the Power Commission of Pakistan for 15 months. Memon was recently in Kathmandu to address a seminar on "Energy Restructuring and Private-Sector Participation" organized under South Asia Regional Initiative\Energy (SAR\E) and Academy of Education Development and USAID. Memon spoke to KESHAB POUDEL on various energy-related issues. Excerpts:

How do you define energy restructuring and private-sector participation?

It is important that consumers who are very important stakeholders should know exactly what is happening in the energy sector. Consumers should understand the pros and cons of different things so that they can act accordingly. We are looking at worldwide experiences of power structuring. People from different countries have had an opportunity to exchange the views on their own. We know that there are problems in electricity in particular and the energy sector in general. The energy we are talking about includes petroleum, electricity and many others forms. But it particularly focuses on electricity.

Why do we need to reform the energy sector?

We know that nobody is satisfied. The government is not satisfied because it hasn't been able to ensure hundred percent coverage of the population. In the case of Nepal, it is 15-20 percent. Sri Lanka has 60 percent, Pakistan 50 percent, India 50 percent and Bangladesh has 15-20 percent coverage. So the public is not served properly. Despite the low coverage, the cost is already high as the prices of electricity are going up on the component basis of the international market price. The price of oil and machinery goes up, whereas consumers' income in developing countries remains low. They are supposed to pay for international output, but their own income reflects local conditions. So affordability is a problem.

Will reform bring beneficial changes in the present structure?

There are many specific issues to address. Power losses are very high and the system is not very reliable. Rural electrification and cost recovery are lacking. The loss of the system is so high that the governments are in no position to recover it. Investment requirement is so much that the government doesn't have the

financial viability to borrow money. International lending agencies have changed their policies and they want to involve private parties in this business. All these factors necessitate reform in the energy sector. In order to get financial resources, one has to admit these problems and see how each of them can be solved.

What does restructuring mean?

It is looking at the basic structural system and to see what are the ways to address it. That can be internal restructuring where the state enterprises will be simply restructured from inside to make it more acceptable. Regulatory agencies, which can be introduced to protect the interest of the consumers, are needed. The state-owned companies, investors and government demand restructuring.

What are the tools for restructuring?

There are different tools for restructuring. Private-sector participation is one. In the United States, Europe and Japan, electricity is generally handled by the private sector. Why are they performing better than bodies in developing countries? If the private sector has something to offer, we must develop a plan to derive benefits. We are looking at each of the options we have and are trying to find ways of addressing the issue.

What are the challenges of the energy sector in countries like Nepal and what are the options avaable?

Although I have had the opportunity to look at the experiences of different countries, I am not very familiar with the issues of the energy sector in Nepal. I was here about 18 months ago to look at the Melamchi Water Supply Project on behalf of the Asian Development Bank. I can say the issue here is more or less similar to that in many developing countries. You have state-owned enterprises that are not performing well. I hear that only 15 percent of the population have access to electricity, which is shameful. The world has gone quite far ahead. If you don't have electricity, how can you have industry and commerce, schools and colleges? Increasing electricity supply is important for development. Quality and system reliability, stable voltage, reducing power loss, relying more on internal cash generation are among the major issues.

In Nepal, it is said that multilateral donor agencies often force the government switch structures. The government nationalized the private power sector to get foreign aid. Then it set up the Nepal Electricity Authority to seek another loan.

Quality and system reliability, stable voltage, reducing power loss, relying more on internal cash generation are among the major issues.

How do you look at these changes?

As I have already said, I don't have first-hand experience of Nepal. But I can understand what you say. There are other countries that have switched from one system to another. For instance, Jamaica privatized the electricity sector. Then the government and people became unhappy that private sector did not make adequate investments. The dispute ended after the government bought back the companies. The stateowned enterprises later showed similar problems. Now the people are returning the companies to the private sector. I think this is a natural problem. Certain policies rejected five years ago may be more acceptable today. When the world had two super powers, there was competition between the United States and the viet Union to win friends. Since the collapse of mmunism, there is only one super power now. Sonobody is competing to give aid. Since new independent states have been born, the demand for capital has grown. Germany is spending a lot of money to improve infrastructure in the eastern parts of the country. Poor countries like Nepal have to find resources on their own. There is also a philosophical shift in the world. Now everyone is talking about the private sector.

After the energy sector was opened to private participation, many Independent Power Producers (IPPs) have come up in South Asia. What are the new challenges for a country like Nepal?

IPPs are commonly known as a group of private investors including national and international investors. IPPs are investing capital hoping for a very high level of return. They feel that greater the risk, greater should be the rate of return. IPPs want their money to be protected in US dollars. Documentation of this saction is very complicated as you may find 20\30 enferent agreements ranging from power purchasing to transfer of technology and management. The challenge is to negotiate with these IPPs in such a way that you are not giving away your house.

What are your experiences with IPPs in Pakistan?

In the case of Pakistan, there were a few fundamental errors in signing the technical agreements. The agreements were not reviewed properly. After all, the IPPs have lawyers who are getting five hundred times more money than the government lawyers of Pakistan. Because of high salaries, the quality of IPPs' lawyers is higher than that of government lawyers. In signing the agreement, those who represented Pakistan did not safeguard the interests of the country. Some may have had a personal interest. Many of the people are facing jail terms. IPPs that are willing to set up companies know the ins and outs of the work. Countries like Nepal, which are using IPPs for the first time, don't know about their capabilities. International agencies have an obligation to guide developing countries. But the burden is on the part of developing countries. It is



the responsibility of Nepal to make sure it signs agreements that suit its interest.

What suggestions do you have for Nepal in terms of private-sector participation?

The national economy is not different from the household economy. We have to see what income level we have, what expenses we have, and which expenses need to be given priority and which need to be curtailed. If there is shortage of resources, we have to borrow money. If we have relatives, we will go those who will not charge interest. How much can the national economy afford? The government has to invite private participation by judging its needs. There is a huge loss of electricity in almost all developing countries. Because of high losses, you are paying the price for the energy you are not using. This has to be reduced. Electricity is sold but bills are not collect properly. So many consumers owe money and no one takes initiative to recover it. There is corruption in the system and the government procurement is fairly high. If the government improves the system, the procurement may change. Foreign investment is still needed. For this, one has to go shopping. First, one has to get one's house in order. Use internal capital if it is available. If not, private parties have to go to foreign countries. If funds are available with donors, go there.

Is there any reason to split generation, transmission and distribution into different systems?

Again, it is a world trend to break a large integrated company into small and manageable companies. The reason is to increase competition between different entities. Let there be competition between the generation, transmission and distribution sides. It will show who can be more efficient. It will also help us to know the cost of producing the electricity and the costs of transmission and distribution.

Use internal capital if it is available. If not, private parties have to go to foreign countries. If funds are available with donors, go there.

RAM PRATAP THAPA

Commitment To Action

A German of Nepali origin has been engaged in projecting the cause of Nepal in his adopted land

By A CORRESPONDENT

ntil a decade ago, there was few Nepalis permanently living in other parts of the world. In recent years, the number of Nepalis living as citizens of other countries has increased by many folds. When you add the number of permanent

residents, the size of the Nepali community abroad shoots up. This situation helps Nepal to introduce itself overseas.

A large number of Nepalis abroad spend time worrying about what has gone wrong in their country of origin. However, only a few are doing something to change things.

Every individual needs to maintain his or her identity in a particular society. Many people find social work particularly engaging. From his home in Germany Ram Pratap Thapa has always been committed to doing something for the betterment of his country of origin. Thapa, who was born in Nepal in 1950, went to Germany in 1984 to settle there permanently. A masters degree holder from Tribhuvan University, Thapa did his postgraduate in 1984 from University of Bamberg, Germany.

Having started his career as research assistant of Joint Evaluation Project of Peace Corps\National Planning Commission, Nepal in 1975, Thapa worked as an assistant lecturer at Saraswati Campus from 1975 to 1976. After going to Germany, Thapa joined as a reader in VHS (Adult Evening School in Bamberg and Nuremberg).

During his career, Thapa has worked in different offices in Germany, including free-lance-staff at GTZ, Eschborn, adviser to the Asia Desk at the Asia-Pacific Center in Cologne, and corporate analyst at Stadtsparkassse Koln (Savings Bank of Cologne).

Thapa has written books on the development of Nepal and issues confronting Nepal's foreign trade and several articles on a wide range of issues. He is interested in Nepalese economic and trade development. From his days in college, Thapa has



Thapa: Man with a commitment

been interested in writing on various economic and development issues.

o support different activities in Nepal, Thapa formed several organizations in Germany. Thapa is also president of German-Nepal Friendship Association, Cologne since 1999 and board member of German Asia Foundation, Essen since 1997. He is also a founder member of Montabaur, an organization of Nepalese youth.

Along with other social organizations, Thapa is also interested to promote trade between Nepal and Germany. As part of his effort in this direction, Thapa has worked as the resident representative of Nepal-German Chamber of Commerce and Industries since 1992.

He has also contributed to popularizing the cause of nature conservation in Nepal. For his contribution, Thapa was nominated member secretary and founder member of the German Chapter of the King Mahendra Trust for Nature Consvation in Cologne (1989-1993).

In recognition of his contributions to promoting German-Nepal friendship,

Thapa received the Prabal Gorkha Dakshin Bahu. Thapa has also received the NGCCI Achievement Award for Valuable Support for his contribution to enhancement of the image of Nepal conferred by the Nepal-German Chamber of Commerce and Industry, on its eighth Annual General Meeting in 1999.

Thapa received the Visit Nepal 98 Appreciation Award as Friends of Nepal for the outstanding contribution rendered towards the promotion and development of tourism in the Kingdom of Nepal.

One of the major contribution of Thapa is organizing activities in the areas of trade, tourism, social works and NGOs. Thapa has also worked toward promoting Nepalese exports to Germany. Organizing various trade-related activities, Thapa initiated the First Nepal Day Celebrations for the German-Nepal Friendship Association in Bonn. He coordinated the trade and investment delegation of Nepalese industrialists under the aegis of the Federation of Nepalese Chambers of Commerce

and Industry, Nepal Industrial Development Corporation, the Ministry of Industry of Nepal and the United Nations Industrial Development Organization.

Thapa's contributions not only prove how much people abroad can actually do for their country of origin but also serve as an inspiration to others.

KATHMANDU VALLEY

Traffic Travails

Congestion and pollution have created all kinds of road-management challenges

By AKSHAY SHARMA

any streets of Kathmandu valley are being widened for the upming South Asian Association for Regional Cooperation summit scheduled for early next year. However, the enduring question of whether the valley is capable of handling traffic-related problems is far from being answered.

"I despérately needed a car," said Sunil Shrestha, a computer professional. He bought a Red Santro as a Dasain surprise for the family. But the roads he drives on are full of vehicles dating all the way back to World War II. The availability of cheaper car models through installment and loan programs has increased pressure on the streets.

Barely two months later, Shrestha is already complaining. "I am tired of finding and paying for safe places to park. Pereover, I'm sick of having to pay for parking in places where I'm not supposed to."

Chabi Lal Joshi, the superintendent of police at the Central Traffic Office, says the number of vehicles in Kathmandu Valley has grown exponentially. "There are more than 11,000 motorbikes and over 5,000 cars. The number of micro vans has crossed 1,500. Counting the tempos, which are to replaced by newer models, you can add another 1,500."

This is much more than the 800 km of narrow roads inside the valley are capable of carrying. "You'd be better off with five cigarettes a day," says a health expert. "Kathmandu's roads carry ten times the number of vehicles they are supposed to."

Some experts are trying to combat the pollution problem by using empirically based models like the Land Use and Land Cover Chang, a core project of the International Geosphere-Biosphere Program and the International Human Dimension Program. The project focuses on creating a simulation that can be used to predict land use and carbon baseline at the national level and to explore policy scenarios.

Benefits from projects like that are a long way off. Sub-Inspector Kusum Poudel, who directs traffic in front of Singha police. We have to argue and some people can be very nasty at times. The traffic police can lift motorbikes and lock cars. The owners have no other choice but to go to the Baggikhana (traffic police head-quarters) to pay the fine and get back their vehicle."

Sometimes the pressure of work gets absurdly hilarious. Sub Inspector Dal Bahadur Rana Magar remembers something funny. "I suddenly woke up in themiddle of the night and saw [fellow sub inspector] Raj Kumar blowing very hard in his sleep. I was a little afraid and shook him up. When he got up, it turned out that he was dreaming he was frantically blowing his whistle to handle the chaotic traffic at Kalanki, where he is posted."

Although the government has suc-



Traffic: No where to run

Dubar, looks at his uniform. "At the end of the day, it looks like it's covered with soot. He whistles at a passing car that has made a wrong turn. "You see that fellow, he thinks I'm a big baboon ó something inhumane." The dense traffic poses serious health hazards to traffic police officers, who are barely equipped with masks.

It's a different story in Ratna Park. Kamal Ghimire works at the parking area run by the municipality. "It's harder for us to collect money than it is for the traffic ceeded in phasing out diesel-run tempos, the introduction of micro vans, gas-run and Safa tempos and older modes of transportation has created its own set of problems. A developing country like Nepal needs to come up with its own solutions, instead of emulating experiences of other countries. The country needs the right kind of political, social and economic arrangements that foster such innovations.

But what might these be?

BOOK

Creative Caution

A fictional narrative powerfully portrays how today's corrosive politics could weaken the nation's long-term interests

By A CORRESPONDENT

any books and articles have been written on the pros and cons of the controversial Citizenship Amendment bill, which is in limbo after the Supreme Court ruled it unconstitutional earlier this year. As the government works its way out of what has become an embarrassing tangle, Nepalis of all backgrounds have had the opportunity to weigh the issue in all its stark dimensions.

While constitutional experts are divided on the form any legal resolution of the matter should take, politicians are still

Bikram Sambat 2080 Simanantar Written by Dhruba Kumar Deuja Published by R.H. Bajracharya Bagbazar, Kathmandu 84 pages Price: Rs. 100

engrossed in an endless exchange of blame. The philosophically minded see the problem as another affirmation that constitutional governance is as good as the intentions and motives those entrusted with it are capable of demonstrating.

Dhruba Kumar Deuja, a veteran commentator known for his incisive analyses on contemporary national issues, has employed his literary imagination and creativity in dealing with the citizenship issue. In his short but highly readable novel, Deuja has brought to the fore the long-term significance of an issue that has acquired great sensitivity in Nepalese minds.

In his book, "Bikram Sambat 2080 Simanantar", Deuja describes the situation Nepal would have faced had the bill become law. The powerful narrative,

where fiction intermingles with fact, is replete with a range of characters and emotions that help to amplify the urgency of the issue. Deuja has projected a future very few, if any, of the political protagonists involved in the framing of the bill must have envisaged in the midst of passion that has gripped the issue.

Deuja is particularly worried by the bill's provision that would have paved the way for many foreigners to get Nepalese citizenship. The author makes a powerful case that the bill is against the long-term interests of Nepal.

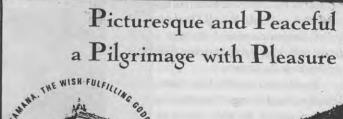
Despite strict legal safeguards, many non-Nepalis have over the years acquired this country's citizenship by taking advantage of loopholes or through outright underhand dealings.

While placing justified emphasis on the need to deter foreigners from getting Nepalese citizenship, the narrative appears to have overlooked an equally vital point: the plight of genuine Nepalis who have not received citizenship certificates.

As a conscious citizen of a small country sandwiched between the world's two most populous countries, Deuja has filled his plot with the full fervor of pa-

triotic concern. He also warns against how the corrosiveness of the political machinations of the moment go on to cause irreparable harm to the nation. By zeroing on the citizenship issue, Deuja makes a fervent appeal to the political class to desist from such action and rhetoric that would push the nation closer to the abyss of ruin.

Often, the sensitivity of such vital national issues is diminished when writers present arguments just for the sake of putting them on the record. Moreover, the use of literary devices to project concerns laced with grave national implication risks trivializing the point the author seeks to make. To his credit, Deuja carefully avoids that pitfall. In doing so, he makes a commendable contribution to opening the eyes of an audience that lacks both the opportunity and incentive to take that vital long-term perspective on critical national issues.





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TRANSITION

NOMINATED: Queen Komal Rajya Laxmi Devi Shah, Crown Prince Paras Bir Bikram Shah Dev and Crown Princess Himani Rajya Laxmi Devi Shah and Princess Prerana Rajya Laxmi Devi Shah to the Raj Parishad by King Gyanendra.

Crown Prince Paras as chairman of the King Mahendra Trust For Nature Conservation by King Gyanendra.

ARRIVED: Ambassador of the United States of America to Nepal Michael E. Malinowski.

RETURNED: Finance Minister **Dr. Ram Sharan Mahat** and Minister of Cooperatives and Agriculture **Mahesh Acharya** after completing visits to South Asian countries.

HONOURED: Laureate Dhuswana Sayami (Govinda Manandhar) by Byathit-Sindhu Award.

DIED: Congress leader and former

MP Surya Bhakta Adhikary at the age of 81

LEFT: Mayor of Madhyapur Thimi Municipality Madan Krishna Shrestha to Athens, Greece.

Ganesh Raj Lachi, president of the All Nepal Prajapati National Coordination Committee, to New Delhi to take part in the International Potters Conference.

APPOINTED: Dr. Shankar Krishna Shrestha as a secretary of the Human Rights Commission

SIGNED: Tribhuvan University and Kathmandu University, memorandum of understanding for exchanging teacher, officials and conducting joint research and seminars.

FORMED: Under the chairmanship of former prime minister Lokendra Bahadur Chand, a committee to perform Yagya. The committee formed another seven subcommittees to perform another religious work.

SUPPORT FOR DISABLED

Cycle Of Courage

Defying his physical disability, Wichian Pinkesorn has embarked on a world tour on his bicycle

By A CORRESPONDENT

If a man has courage and determination, it is often said, there is nothing that can stop him. Wichian Pinkesorn, a disabled Thai citizen, provides vivid testimony to that reality as he prepares to complete a world tour on his bicycle.

Pinkesorn lost a hand in 1990 in an accident with explosives. His right hand was amputated when his doctors could not see any other course of treatment. "It took me many months to recover from the psychological trauma of discovering that I would be permanently disabled," says Pinkesorn. He has done much more than recover from that shock. He is travelling around the world on his bicycle with the aim of generating awareness about the problems and potentials of the disabled.

Determined and courageous, Pinkesorn is interested in cycling, swimming and athletics. He has participated in various international tournaments for the disabled and

won more than 15 gold medals. Before embarking on his world tour, Pinkesorn participated in a cycle tour from Bangkok to Vienchan of Thailand during which he traversed a distance of 897 km.

The tour has also proved to be an exploration of the natural wonders of the world and a journey across diverse cultures. Starting his journey on September 22, 2000 in Bangkok, in the tropical region of the world, 41-year-old Pinkesorn has passed through the more than 3,000-meter-high Tibetan Plateau on the way to Kathmandu.

In 14 months of riding, he has crossed Laos, Vietnam, Japan, South Korea, Hong Kong, China and Neal. He will go to India and Pakistan and then proceed to Europe and United States to complete his world tour.

"I simply want to show that a disabled person is as strong as normal people. My aim is also to generate among the people about the plight and difficulties of the disabled person," said Pinkesorn shortly after



Pinkesorn: Cycling for a cause



Wichian Pinkesorn

he arrived in Kathmandu crossing the high mountains.

Since he does not have his right hand, it is some time very difficult to ride the bicycle, he says. But Pinkesorn has not lost his patience and remains committed to complete the world tour whatever the time and physical cost he has to pay. "In the Tibetan plateau, I faced many physical problems, including high-altitude sickness," said Pinkesorn, who says he was thrilled by the way the people in remote parts of the world supported him and gave him shelter.

Pinkesorn says he would like to keep on providing moral support for the disabled people around the world. "In my world tour quest, I have not faced any difficulties, as I am like any other ordinary people in ter physical strength," says Pinkesorn.

Pinkesorn says he has been enthused by the warm welcome he has received in Nepal and other destinations. "I did not realize that people would be so helpful and would treat me like their brethren," says Pinkesorn. "I have to go a long way before completing the world tour."

He believes that the disabled need constant support and encouragement from the state and society in order to achieve success. "Although we are disabled, we can work as well as other people. We want equal treatment and justice in society," says Pinkesorn. "I have met other disabled during my tour and I have seen that they have been enjoying equal opportunities in society."

Although Pinkesorn is a Thai citizen, his aim is to generate awareness among the people of different strata across the world. "My aim is to support the cause of disabled."

Now In Town

BOOK

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Ashoka

Rehna Hai Tere Dil Mai

Abhay

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Indian

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"With faith man can achieve anything, faith is the foundation for the realisation of God"

— SATYA SAI BABA

HAGAR THE HORRIBLE



GARFIELD



LUANN







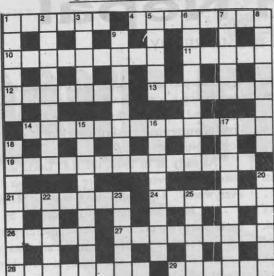


MOMMA





CROSSWORD



ACROSS

- Come up and address officers in a court
 (6)
- Double helping of food for dog (4-4)
- Conflict settled by introduction of the horse (6,3)
- 11. Reject watch committee's brief (5)
- Determined to come in to silence bagpipe (7)
- 13. Justification of barrier against the lower classes (7)
- He argues against any addition to the calendar (6,8)
- 19. Result of canvasser's spontaneous expression? (6,8)
- Order to dig around ñ put on hard hat (7)
 Command to speak slowly (7)
- 26. Any number classically dressed in island (5)
- 27. No degrees at this newish university? (9)
- 28. Entering central part, monitor temperature in vessel (8)
- 29. Bishop's passion for old car (6)

DOWN

- . Fall down mutually held up, to some extent (6)
- 2. Is jubilant, sent out in high naval post (5,4)
- 3. Sort of card sharp (5)
- Raced strenuously, but conserving energy (5)
- 6. Airy advance in dangerous battle-zone (4,5)
- 7. Be very busy with article, so likely to err? (5)
- 8. Willow shoot a bright color, like Keat's sedge? (8)
- 9. American shrub given fresh soak (8)
- 15. Would I clean out to prevent infection (9)
- 16. Sinks died, clam just before the end (8)
- 17. Heading London district, girl is getting tough (9)
- 18. Contemptible sort of fallacy (8)
- 20. Does he look lasciviously round church?(6)
- 22. Police district staff, men of junior status(5)
- Leg of lamb with first of gravy given to me? (5)
- 25. Final adjustment made to river dance (5)

23. Gigot 25. Conga

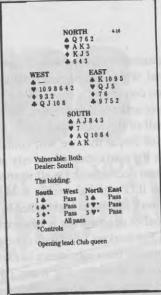
DOWN: 1. Autumn 2. Crows nest 3. Smart 5. Hared 6. Warm front 7. Human 8. Withered 9. Sweetsop 15. Inoculate 16. Dwindles 17. Annealing 18. Pathetic 20. Lecher 22. Manor

28. Corvette 29. Banger

ACROSS: 1. Accost 4. Chow-chow 10. Trojan war 11. Remit 12. Musette 13. Defence 14. Devils advocate 19. Action painting 21. Homburg 24. Dictate 26. Tonga 27. Greenwich

NOILLION

BRIDGE



"If all misfortunes were laid in one common heap whence everyone must take an equal portion, most people would be contented to take their own and depart."

- SOCRATES

Believe it or not, we all get an equal share of bad trump breaks. Lucky players get theirs when playing a partscore; the unfortunate when playing a slam. Adequately forewarned, how would you play the trumps in today's spade slam?

In a typical game, South wins his club ace and is happy with what he sees. With no side-suit losers, he can focus on how best to play the trump suit.

An unsuspecting South will lead a heart to dummy's ace to take a trump finesse. His jack wins, but the slam doesn't. East must score two trump tricks, sending the slam one down.

The only danger threatening the slam is a nasty 4-0 trump break. If West has them all, South cannot prevail. However, if East has them, a safety play is available.

To succeed in today's layout, South should lead a low trump to dummy's queen at trick two. (Low to dummy's six will also work.) East wins his king, but South retains control, picking up East's 10-9-5 by repeated finesses. He crosses to dummy twice in the red suits to lead through East's trumps, limiting his losses to only one trump trick.

ILO in Nepal

By LEYLA TEGMO-REDDY

We are extremely honoured by the presence of the Prime Minister of Nepal, which demonstrates the value His Majesty's Government has continuously shown to the ILO and our work during the past three and a half decades in this beautiful country. In return, on behalf of the ILO, I can assure the Prime Minister and the people of Nepal that we will continue to dedicate our efforts towards the eradication of poverty and the promotion of social justice and decent work for all women and men in Nepal.

The ILO's global agenda is to promote the realisation of decent work for all. As highlighted by the ILO Director-General. "The goal of decent work is best expressed through the eyes of people. For workers faced with extreme poverty, decent work "is about moving from subsistence to existence" and is "the primary route out of poverty. For many others "it is about realizing personal aspirations in their daily existence and about solidarity with others." "Everywhere, and for everybody, decent work is about securing human dignity." Decent work means adequate employment opportunities, social protection, rights at work and social dialogue. But, without work, there can be no decent work*

. While over two and a half million children in Nepal work, including over 120,000 in the worst forms of child labour, many adults do not have access to productive employment. Young adults, the future of the country, are unable to find jobs.

This is precisely why we arranged an interactive Round Table Discussion this morning on Employment, Poverty Reduction and Social Justice in Nepal. Eminent researchers, policy planners and our tripartite partners provided their views to guide the ILO, and the country, in facing up to the challenge of eradicating unemployment, poverty and social injustice in Nepal.

What is fundamental for development, is that efforts are targeted at job creation for poverty alleviation. An environment should be created to ensure that businesses are secure and able to grow. New enterprises should be set up and supported. Economic efficiency should be combined with social efficiency. Promoting and securing fundamental rights of workers, especially those from the most vulnerable and disadvantaged groups, should be an overriding principle. The ILO, along with its tripartite partners in Nepal * government, employers and workers has developed a series of activities to support such areas.

The ILO's partnership is a special one as you can see from my partners on the dias. We bring together - in this partnership - the key actors in the world of work. And we encourage a genuine spirit of partnership through social dialogue. The foundation of our partnership is based on mutual respect, mutual trust, transparency and accountability that we are proud of.

This partnership is not only special - but it is essential - in this world in which all countries, even the richer ones, face very serious threats to the livelihood and security of their people in the first global world recession - and in which Nepal has also been affected.

This partnership needs to grow stronger, to move forward in developing a common vision on decent work for the people of Nepal and to pursue efforts to make it a reality, so that everyday lives of women and men in the world of work and their families and communities will improve.

As early as in 1946, the ILO Declaration of Philadelphia stated that "Poverty anywhere constitutes a threat to prosperity everywhere". I think this still stands out blatantly today.

We have been strongly encouraged by the commitment expressed by the Prime Minister to place employment as a pricinitiative on the national agenda. We are, thus, convinced that the Tenth Five Year Plan will highlight the role of employment in poverty alleviation.

(Excerpts of a speech by Ms Leyla Tegmo-Reddy, Director, ILO-Nepal, at the 35th anniversary of ILO in Nepal)

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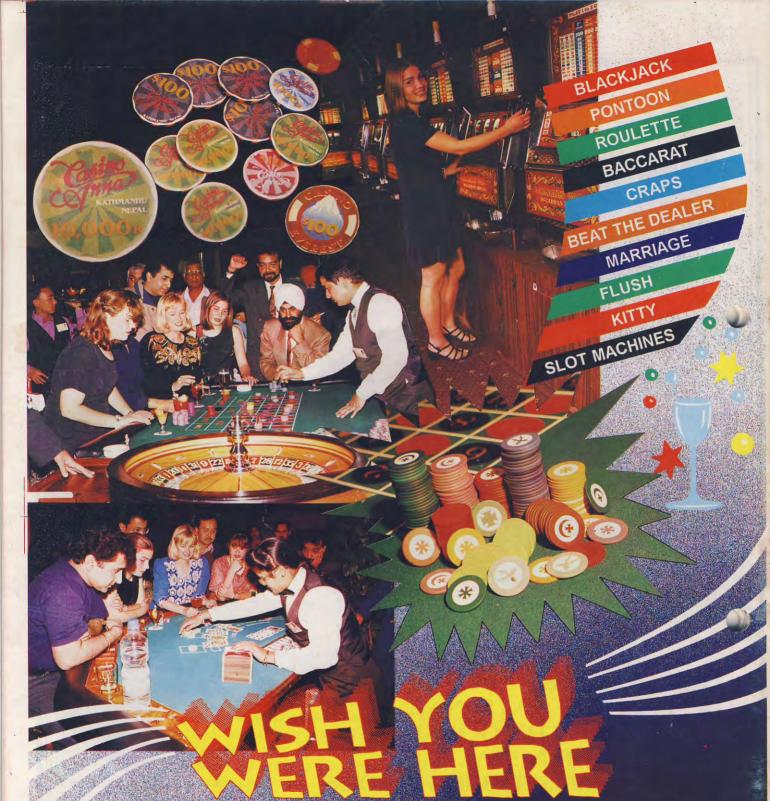
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