

NEPAL

GOVERNANCE

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21 Ministries without Ministers - A State of Uncertainty

WEEKLY

Photo from Kathmandu Post

Political instability has once again shaken Nepal only two months after the formation of a new government. The seven-party coalition that came to power after the 2022 elections has now split, leaving a power vacuum in several government bodies and ministries. The Communist Party of Nepal (UML), Rastriya Swatantra Party, and Rastriya Prajatantra Party have withdrawn from the government, leaving only five out of 21 ministries with a minister in place.

Critical ministries, including Finance, Home Affairs, Health and Population, and Foreign Affairs, are now the responsibility of Prime Minister Prachanda. However, with the power vacuum, ministries are limited to performing only their daily tasks and are prohibited from making policy-related decisions. The finance ministry has been unable to make any decisions, despite a backlog of budget approval requests.

The lack of leadership in key ministries raises concerns about pending decisions and bureaucratic complexities. The ministries lack a head with authority to make policy decisions, leaving the government in a state of uncertainty. It is unrealistic to expect the Prime Minister to handle all of these ministries simultaneously. The situation will likely continue until the presidential election and possibly a few weeks afterward.

The severity of Nepal's political instability and the consequences of frequent changes in government are often overlooked. The current situation highlights the urgent need for a stable and effective government that can address the country's challenges and meet the needs of its people.

Read more : [Kantipur](#)

Governance Issues of the Week

1. The Asia Pacific Group (APG) under the Financial Action Task Force (FATF) has recommended placing Nepal on the "grey list" for illicit financial activities. This decision could raise Nepal's risk of receiving financial aid and grants from organizations such as the World Bank, International Monetary Fund, and Asian Development Bank.

Read more: [Kantipur](#)

2. Province 1 has been officially named Koshi by a two-thirds majority of the assembly members, following the previous assembly's failure to name the province during their five-year tenure. However, protests against the proposed name continued in the provincial capital, Biratnagar.

Read more: [Online Khabar](#)

3. The Dairy Development Corporation (DDC) owes NRs. 500 million to two hundred thousand farmers involved in milk producer cooperatives nationwide due to managerial weakness resulting in failure to collect milk. The institute has lost 87 crores due to anomalies, a large number of employees, and a lack of leakage control.

Read more : [Kantipur](#)

4. Nepal has received below-average rainfall since the dry season began in early October, with central and eastern Nepal experiencing 100 percent drought. Some other areas witnessed light snowfall in January and mid-February. According to data from the past 17 years, 11 out of 17 winters have had less than average rainfall, and 7 winters have been drier than this year.

Read more: [Naya Patrika](#)

5. Nepal's House of Representatives meeting has been postponed until March 19 as both the Nepali Congress and the Communist Party of Nepal (UML) have claimed the role of the main opposition. Nepali Congress did not participate in the government but gave a vote of confidence, while UML withdrew from the government. The meeting has been postponed until March 19 to await further clarity on the dispute.

Read more: [The Kathmandu Post](#)

6. A total of 128,319 foreign tourists entered Nepal in the first two months of 2023, indicating a strong recovery in the country's tourism sector. This represents a 254% increase from the number of arrivals during the same period in 2022. However, arrivals have not yet recovered to the pre-pandemic levels, which reached up to 177,855 people in the first two months of 2020.

Read more: [The Himalayan Times](#)

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