

Full Text of Annual Policies and Programmes for the Fiscal Year 2007/2008 [2007-7-5]

The Rt. Honourable Speaker,

1. I am pleased to have this opportunity to present the Policies and Programmes of the Government of Nepal for the Fiscal Year 2007/2008 to this august Legislature-Parliament in the capacity of the Prime Minister of the Coalition Government of the eight political parties.
2. Having accomplished such historic tasks as the bringing to an end of over a decade long armed conflict, promulgating the Interim Constitution on the basis of negotiations and consensus and forming an Interim Government, today we are forging ahead for the election to the Constituent Assembly. On this occasion, first of all, I would like to offer my heartfelt tributes to all those martyrs, known and unknown, who attained martyrdom in the course of establishing Loktantra (democracy). Likewise, I wish speedy recovery to all those distinguished individuals who, having sustained injuries in this connection, are now recuperating.
3. I would also like to express the commitment that, while remaining active for the preservation of national independence, unity, integrity and dignity as well as for the promotion of the national interests and prestige, the Government shall move ahead with consensus on major national issues for the institutionalization of the universally accepted democratic values and ideals including competitive multiparty democratic system of governance, civil liberties, fundamental rights, human rights, press freedom and concept of the rule of law.
4. The Constituent Assembly polls slated for November this year is expected to make a major contribution to the institutional development of Loktantra (Democracy) that we attained by the sacrifice of the people through the historic people's movement and struggle. This election shall put an end to the old era and usher Nepal into a new beginning.

Mr. Speaker,

5. The law and order situation shall be improved significantly by way of resolving mutual differences of opinion on the basis of dialogues and negotiations. For conducting the Constituent Assembly election in a free, fair, and impartial manner, the peoples' right to cast their votes in a peaceful atmosphere, free from fear, shall be ensured. For the purpose, the commitments expressed in the understandings and agreements reached among the eight political parties shall be implemented. Violent and criminal activities shall be dealt with sternly. For the purpose of holding the Constituent Assembly election, a special work plan shall be prepared for consolidating the civil and police administrations and making them more effective.

6. Various governmental and non-governmental organizations, the civil society and the mass media shall be mobilized for the conduct of civil awareness programmes and for the protection of the right to information of all regions, genders, castes, creeds and ethnic and other community groups in connection with the Constituent Assembly election. The Election Commission shall be extended all necessary cooperation in this regard. The United Nations as well as other relevant national and international organizations shall be involved in the observation of the Constituent Assembly election.
7. A State Restructuring Commission shall be formed as soon as possible for the restructuring of the state along federal lines as per the spirit of the Interim Constitution. A task force of individuals including experts shall be formed for necessary homework for the proportional and inclusive participation of Mahesis, Dalits, indigenous communities, women, workers and peasants, the disabled and backward communities in all the organs of the state structure. A policy of making political appointments on the basis of inclusive participation shall be followed with immediate effect.
8. While implementing and complying with all agreements, accords and understandings, including the Comprehensive Peace Agreement, monitoring mechanisms shall be put in place at central and local levels for the institutionalization of sustainable peace and development.
9. A relief programme shall be launched for the families of those killed and for those who sustained injuries or physical impairment as well as those displaced by the conflict and movement. A special programme for the reconstruction of the physical infrastructure and rehabilitation of those affected or displaced by the violent conflict shall be formulated and implemented with high priority, thereby creating an environment conducive for goodwill, unity, and reconciliation in the society.

Mr. Speaker,

10. As regards the building of a New Nepal, a common national perspective concerning the economic and social transformation of the country shall be prepared and implemented.
11. To lay the foundation of a prosperous, modern, federal, inclusive and just Nepal, a 3-year interim plan shall commence implementation from the coming fiscal year, taking stock of the recommendations of the National Development Council among others.
12. Agriculture sector is the backbone of rural economy; Agriculture is also the principal source of income of the rural people. It is not possible to improve the economic condition of the poor communities without the development of the agriculture sector. The agriculture sector shall, therefore, be commercialized and be made the main pillar of economic growth. Stress

- shall be given to the mobilization of capital and technology for the diversification and modernization of the agricultural products. Necessary adjustments shall be made in Agricultural Perspective Plan on the basis of the evaluation of its implementation status and subsequent arrangements be made for its effective implementation.
13. The role of the private sector in the economy shall be encouraged. The Foreign Investment Policy and the Industrial Policy shall be improved with a view to developing Nepal as a secure, attractive and investment-friendly destination. Likewise, timely improvements shall be made in the existing trade policy for developing the country's export trade as a pillar of economic growth. The concept of Special Economic Zones shall be implemented from the next fiscal year. A policy shall be followed to utilize the skill, capital and entrepreneurship of Non-Resident Nepalese (NRN) for nation building. A Small Enterprise Policy shall be formulated for the purpose of promoting small entrepreneurs. For the smooth supply of petroleum products, a price adjustment policy shall be followed and the supply situation shall be improved with the participation of the private sector. Work shall be initiated for the establishment of an Industrial Security Force for the maintenance of law and order in the industrial sector.
 14. National interest should be paramount while mobilizing foreign aid. To speed up development activities, which contribute to the establishment of durable peace and meet the aspirations of the people, emphasis shall be laid on the mobilization of bilateral and multilateral assistance. A policy shall be followed for maintaining fiscal balance in the allocation of public expenditure.
 15. While preserving the languages and indigenous cultures of all ethnic and other communities, a new cultural policy shall be implemented for managing the works relating to the protection and promotion of cultural traditions.
 16. In order to develop Nepal into an attractive tourist destination, emphasis shall be laid on tourism infrastructure development, its diversification and promotional activities. Preliminary work shall be initiated for the development of a second international airport and other international airports of regional levels. The Nepal Airlines Corporation shall be operated in accordance with the policy of public-private partnership.
 17. Necessary infrastructure shall be prepared for scientific land reform and management. Emphasis shall be given on the development of the cooperative sector. The programme for the rehabilitation of freed bonded labour shall continue. Special attention shall be paid to the economic and social advancement of agricultural labourers and the landless squatters, and a special programme shall be launched for the landless squatters.
 18. Access to education shall be increased for children who have been

deprived of school education. The role of local communities shall be further enhanced in the management of schools. Access of rural communities to technical education and vocational training shall be increased by collaborating with the NGOs and the private sector. In addition to rendering university education research oriented and competitive, sports programmes shall be incorporated right from the school level. Preliminary work shall be initiated for the establishment of a university related to agriculture and forestry.

19. The health sector shall be restructured on the basis of geography and population with a view to establishing primary health service as the fundamental rights of the people and making quality health service accessible to the common mass. To this end, a policy of gradual up-gradation of sub-health posts to health posts shall be adopted and some sub-health posts shall be converted into health posts during the coming fiscal year. Special programmes shall also be launched for free medical treatment to and health maintenance of the poor, helpless and marginalized groups throughout the country.
20. Necessary legal and policy reforms shall be introduced in the women, children and social welfare sectors. All kinds of social discriminations, including untouchability, based on religion, language, culture and caste shall be brought to an end. Special arrangements shall be made for the protection, promotion and development of all ethnic communities, religions, languages and cultures.
21. Programmes designed for income generation, capacity enhancement and community infrastructure development shall be implemented through community mobilization aiming at those in abject poverty and those below poverty line from among the women, Dalits, Madhesis, indigenous communities and those from backward areas.
22. Emphasis shall be laid on the selection and implementation of new multipurpose projects with a view to utilizing, in the national interest, the abundant hydropower potential of the country. Rural electrification programme shall be expanded. For the development and expansion of the irrigated areas, continuity shall be given to the construction of large, medium and small irrigation projects as well as those based on new technology. Likewise, for providing year-round irrigation facilities by utilizing surface and ground water, necessary improvements and rehabilitation works shall be carried out in the irrigation systems. Participation of the local people shall be encouraged in the management of irrigation projects.
23. For the construction of physical infrastructure- the backbone of the economic development of the country- emphasis shall be laid on joint efforts of the Government, local bodies, consumer groups and the private sector. Five additional district headquarters, which have yet to be linked by road, shall be connected with the national highway network during the

coming fiscal year. The construction and up-gradation of roads including the postal tracks and accessory roads in terai, the highways of mid-hills and the north-south highways shall be pursued with priority.

24. An integrated policy shall be implemented for the sustainable development and expansion of the drinking water and sanitation sector. For its timely completion, the implementation process of the Melamchi Water Supply Project shall proceed as early as possible.

Mr. Speaker,

25. A programme of establishing at least two public telephone booths in search in each village development committee shall be pursued by launching a special rural telecommunications expansion programme. For the development and expansion of telecommunications facilities, existing information highways (fibre optics lines) shall be fully utilized and initiatives shall be taken for the development of alternate information highways (fibre optic lines). The public broadcast and mass media, shall be made democratic, swift, reliable, professional and diversified and information and communication technology shall be developed and extended to the rural areas. Legal provisions shall be developed and extended to the rural areas. Legal provisions shall be made to ensure the right to information to the people.
26. Additional contribution shall be made to poverty reduction through sustainable management of the forest areas. For conserving bio-diversity and contributing to eco-tourism, various programmes such as community and leasehold forestry in the hilly areas and productive forestry in the terai and inner terai areas shall be launched.
27. Incorporation of environment, science and technology related issues in the national development process shall be consolidated. Information technology shall be utilized for the improvement of public sector service delivery.
28. For the consolidation of the labour and transport management, emphasis shall be given on legal and institutional reform and use of information technology. Attractive employment destinations shall be explored for the Nepalese workers and labour agreements shall be concluded with receiving countries for the protection of workers' interests. Provision of labour attaches shall be made gradually in countries where there are substantial numbers of Nepalese workers and the outreach and capacity of the Nepalese Embassies shall be enhanced in other countries. Social security programmes shall be launched in the benefit of the workers. The Government shall adopt the policy of conducting welfare programmes in the interest of the youths looking for foreign employment.

29. Necessary legal provisions shall be made in order to make arrangements for ensuring unhindered transport service along the East-West Highway and other national highways and not to allow any kind of obstruction to them.
30. Emphasis shall be given on building of infrastructure based on popular participation for resolving the problem of unemployment. The youths shall be encouraged to opt for self-employment and to engage in income generating activities through training, skill development and capacity enhancement. The coverage of the Poverty Alleviation Fund shall be expanded and additional opportunities shall be provided to the deprived families from the rural areas for income generation.
31. Special programmes shall be introduced for the development of and employment generation in the Far Western and Mid-Western Development Regions including the Karnali Area and the regions adjacent to them as well as the districts, which lag behind in respect of human development index.

Mr. Speaker,

32. Arrangements shall be made for running the Local Bodies on the basis of political consensus. In line with the democratic ideals, a policy of decentralization of authority, to the fullest extent possible, to the Local Bodies shall be pursued. In accordance with the norms of governance based on equity and inclusiveness, various employment and income generating programmes shall be launched for the empowerment of the acutely poor families, women, the deprived, the oppressed, Dalits, indigenous communities and ethnicities, Madhesis, the backward and marginalized and other communities residing in remote areas.
33. Punitive, preventive and promotional measures shall be adopted to make the country corruption-free and to make good governance felt. Efficiency of the Commission for the Investigation of Abuse of Authority and the Office of the Auditor General shall be enhanced.
34. The policy to respect the independence of judiciary, the rule of law and human rights shall be continued. The National Human Rights Commission shall be made more effective for the protection and promotion of human rights. Emphasis shall be given on the improvement of physical facilities for the courts.
35. The Civil Service shall be made more transparent, responsive, accountable and inclusive. Public servants shall be granted a salary increment. In order to develop the civil service as an attractive service by way of ensuring the opportunities of promotion and career development, timely improvements shall be made in the civil service laws. The Public Service Commission shall be strengthened and improvements shall be made in the examination system and evaluation methods.

36. To ensure smooth law and order situation and to make the police force capable and competent, the Nepal Police, the Armed Police Force and the National Intelligence Department shall be modernized and made well equipped.
37. A comprehensive work plan shall be formulated for the democratization of Nepali Army, an appropriate number, structure and inclusive national character shall be decided for it, and its personnel shall be trained with human rights values. At the same time, their involvement in the development and construction activities shall be increased.
38. Attention shall be paid to the appropriate management of cantonments housing the combatants of the Communist Party of Nepal (Maoist) and the work relating to their integration and rehabilitation shall proceed as per the recommendations of the special committee formed in accordance with the Interim Constitution.
39. A process forming a trust shall be initiated for the utilization of the properties of late King Birendra, late Queen Aishwarya and their family members in the interest of the nation. The task of nationalizing such properties as palaces, forests, parks, heritages of historical and archaeological importance etc. possessed by King Gyanendra in that capacity shall proceed with priority.
40. Diplomatic service shall be made more efficient for the effective implementation of Nepal's foreign policy, which is based on the ideals and values, enshrined in the United Nations Charter and the principles of non-alignment.
41. A policy attaching high priority to the friendship with neighbouring countries- India and China shall be pursued. Likewise, the national relations with other friendly countries shall be further deepened.
42. The Government believes that the Bhutanese refugees sheltering in the refugee camps in Eastern Nepal for more than one and a half decades now should be allowed to return to their homeland in a dignified manner and in an atmosphere free from fear. Without prejudice to their inherent right to return to their homeland, should they choose voluntarily the option of third country resettlement, the Government of Nepal shall follow a policy of accepting it as a provisional arrangement.
43. While expressing my confidence that the goodwill and cooperation of friendly countries, donor agencies and the international community for the success of the peace process, consolidation of democracy and the socio-economic development efforts of the country shall continue in future, I, on behalf of the people and the Government of Nepal, would like to thank all those who have been extending such cooperation.

Mr. Speaker,

44. Pursuing the culture of consensus and collaboration for resolving the differences through dialogue and negotiation is the present day reality. The Government is aware of this reality and remains effortful in meeting the demands of all kinds through dialogues. The government has appealed to everyone for putting an end to all kinds of violent acts and seeking solution to the problems at the negotiating table, and has kept the door open for dialogues. In spite of all this, violence still continues in certain parts of the country in the name of different groups. Such violent criminal activities shall not be tolerated and those responsible shall be dealt with sternly. The Government, once again, calls upon all concerned to take this seriously and seek solutions to problems through dialogues and negotiations. At the same time, for creating an environment favourable to holding the election to the Constituent Assembly, I, on behalf of the Government and on my own, make an earnest appeal to everyone not to organize any closures, transportation strikes, other strikes, lockouts, etc. that disrupt the law and order situation.

45. The best interests and prosperity of Nepal and the Nepali people depend on our unity and noble efforts. I believe the election to the Constituent Assembly shall not only resolve the manifold problems, but also does it consolidate people's power thus contributing to the framework for the creation of a new Nepal. Therefore, institutionalizing the democratic system of governance through the election to the Constituent Assembly, we all should be more active in creating an atmosphere for participation in the all-round development of the country by having mutual goodwill and understanding among all Nepalese people. I, therefore, sincerely appeal to all political parties and their sister organizations, journalists and media persons, the civil society, intellectuals, social workers, industrialists and businessmen, various occupational and professional organizations and all Nepalese sisters and brothers to contribute to the task of successfully holding the Constituent Assembly election by their positive and active participation.

Jai Nepal !