

# Formulation and Implementation of Anticorruption Policies and Strategies in Nepal



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## Background

Corruption is a widespread phenomenon which is one of the trans-boundary organized crimes. It presents a challenge for all countries. It must be fought with a holistic approach. No single agency and no single country can tackle it alone. Nepal is committed to fighting corruption at all levels. Continual reform in all sections of the society and government strengthens to combat corruption is the main agenda of Nepal. Nepal strongly supports key regional and international anti-corruption instruments and activities.

## Concept

The understanding of the term “corruption” varies between societies and over time. Corruption may for instance be regarded as any act of vice or misdeed that violates the social norms and legal provisions and results in harassment, loss, and deprivation to a person, society, or country. All immoral, unethical, and unlawful acts lead to corruption. Corruption is also defined as the sale of power for personal gain at the expense of the society’s larger interests. An economist would tend to define corruption as an informal process of exchanges involving the manipulation of public resources for private gain. It is a single greatest obstacle to socio economic development and it also undermines development by compromising rule of law. The World Bank defines corruption as the misuse of public services for private gain. In Nepal, corruption is considered a form of abuse of authority, which is classified into two categories: “improper conduct” and “corruption”. In this paper, corruption and abuse of authority are used synonymously.

As with many poor developing countries, Nepal a small developing country with 147,181 square kilometer and population of 25 million bears the burden of wide-ranging corruption and inefficient governance. Poor economic development, poverty and economic disparities, lack of opportunities, and exclusion are the main challenges of the country. Corruption and mismanagement of the Government are main causes of the problems. According to the Transparency International Corruption Perception Index, Nepal was ranked 121st in 2008 and its negative rank has gone up to 143rd in 2009, which indicate that corruption in Nepal is an increasing trend and it is the worst performing in South Asia. Political instability and

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lack of commitment, weak enforcement of laws at central as well as local level, and absence of elected local bodies could be some of the factors contributing to increasing corruption in Nepal. Given the extent of the problem, an all-out war against the threat of corruption is the only option.

## Historical prospective

Anti-corruption activities in Nepal go back several centuries. About 235 years ago, King Prithvi Narayan Shah the Great declared that “those who take bribes and offer bribes are both enemies of the State.” Several legal and institutional provisions have been established since long back. In 1851, the general code of the country, known as *Muluki Ain*, included some provisions for controlling corruption. Later, such provisions were incorporated in the sectoral laws. It was only in 1953 that the Prevention of Corruption Act consolidated the provisions on the prevention of corruption in the government bureaucracy. The law was replaced in 1960 by a new act, which established the Special Police Department. This Department worked as an anti-corruption body and had a special cadre of officers. As time went by, it became evident that this institution could not work effectively, because its placement under the authority of the Ministry of Home Affairs limited its independence. Any attempt to encourage ethical behavior was compromised, as political influence was attached to corrupt bureaucracy, impunity for corruption, favoritism and mediocrity. The Department turned out to be a burden rather than an effective government department.

In 1978, the Second amendment to the constitution established the Commission for the Prevention of Abuse of Authority as a constitutional body, thereby guaranteeing its independence. The Commission had a wide ranging authority with numerous tasks: it was an advisor, investigator, prosecutor, and decision maker at the same time. Eventually, it deteriorated under this heavy burden, weakened by the lack of reforms in the bureaucracy. In 1990, the restoration of a multiparty democracy entailed the framing of new Constitution of the Kingdom of Nepal and established the Commission for the Investigation of Abuse of Authority (CIAA). While also a constitutional body, the CIAA differs from its predecessor in many ways: in particular, its tasks are limited to investigation. However, so far it is not involved to that extent in investigating policy decision-making processes.

After the historic April movement ‘Janaandolan II’, in 2006 the country went into a process of transition and change. Seven political parties and the Maoist reached into an agreement power sharing, peacebuilding and elections of the Constituent Assembly. They dismissed old constitution and declared Interim Constitution of Nepal 2063 BS (2007) to manage transitional period. After two repeated postponements, in June and November 2007, elections to the Constitution Assembly were finally held on 10 April 2008. The election result made CPN Maoists the largest party in the Assembly and the first meet of the 601-member Constituent Assembly, held on 28 May 2008, declared Nepal a Federal Democratic Republic, abolishing the 240 year-old Monarchy.

Nepal’s Interim Constitution 2063 BS (2007) has given continuity to the mandate of Commission for the Investigation of Abuse of Authority (CIAA) in investigating, prosecuting and filing lawsuits against corrupt government officials.

While CIAA is the premier institution to fight against corruption, there are a number

of other government institution with specific roles and mandates. Similarly, there are civil society organizations (CSOs) like, Transparency International (TI) – Nepal Chapter, Pro Public running anti-corruption and good governance programmes. The Federation of Nepalese Chambers of Commerce and Industry (FNCCI) has also committed to control the corruption through it's an anti-corruption 'Code of Conduct' for business community.

## **Policy measures**

### **Legal provision**

#### **1. The Commission for the Investigation of Abuse of Authority**

The Commission for the Investigation of Abuse of Authority (CIAA) is an apex constitutional body to curb corruption and its tentacles in the country. Interim Constitution of Nepal 2007 has empowered CIAA to investigate and probe cases against the persons holding any public office and their associates who are indulged in the abuse of authority by way of corruption and/or improper conduct.

CIAA is a distinctive anti-corruption agency in South-Asia, with the role of an ombudsman, investigator and prosecutor as well. It aims to crack down the corruption issues at a national level with system-based approach. It also focuses on detection and punishment of corrupt acts on the one hand and social, cultural and institutional reform on the other.

The Constitution empowers the CIAA to investigate and prosecute abuse of authority by individuals holding public office. The term "abuse of authority" includes both "improper conduct" and "corruption" While improper conduct results in departmental or other action such as a warning, calling attention to the conduct, or admonishment for the concerned public official, cases of corruption are brought before the Court of Law. The CIAA may also suggest the rectification and compensation of damages caused by abuse of authority. Furthermore, it may recommend amendments to relevant laws and procedures with a view to preventing abuse of authority in the future.

The CIAA is composed of a Chief Commissioner and a number of commissioners as needed. They are appointed by the President upon the recommendation of the Constitutional Council and may be removed only by a two-thirds majority in the legislative parliament, this provision ensuring the independence of the institution.

#### **2. The Prevention of Corruption Act, 2059 (2002 A.D)**

Commission for the Investigation of Abuse of Authority Act was enacted in 1991. A regulation thereof was also promulgated to lay down the procedural details for implementing the provisions of act.

The Prevention of Corruption Act, 2059 (2002 A.D) was formulated to conduct CIAA with efficient and effective way. It is expedient to make timely legal provisions relating to prevention of corruption with a view to maintaining peace, convenience, financial discipline, morality and good conduct among general public.

It shall be extended throughout Nepal and applicable to all citizens, public employees servants residing anywhere outside the country and to the non-resident Nepalese citizens residing in foreign countries having committed any act that may be deemed corruption under this Act. Specially this law has targeted to the “Public Servant” means the person holding a public office under the prevailing laws and the term also includes the following persons:-

- (1) Persons appointed, nominated or elected under an oath to the government or to public institution, or under the terms, contracts or agreements concluded with Government or with any public institution, or holding any office of public responsibility for salary or allowances or remuneration or benefit or position with or without any type of gain from Government or any public institution;
- (2) Person appointed as an arbitrator or any other person appointed in the same position pursuant to the prevailing laws to resolve or adjudicate any dispute;
- (3) Persons appointed, elected or nominated as liquidator, surveyor or any other person working in the same capacity in accordance with the prevailing laws;
- (4) Persons designated as public employees by the Government in a notification published in the Nepal Gazette.

According to law, following Provisions are related to offenses of Corruption and Punishment,

**A. Punishment to Giver and Taker of Graft:**

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| a. Up to twenty five thousand rupees.  | a. Imprisonment for a term not exceeding three months.               |
| b. More than twenty five thousand rupees to fifty thousand rupees.               | b. Imprisonment for a term of three to four months.                  |
| c. More than fifty thousand rupees to one hundred thousand rupees.               | c. Imprisonment for a term of four to six months.                    |
| d. More than one hundred thousand rupees   | d. Imprisonment for a term of six months to one year and six         |
| e. More than five hundred thousand rupees to one million rupees.                 | e. Imprisonment for a term from one year and six months to two years |
| f. More than one million rupees to two million and five hundred thousand rupees. | f. Imprisonment for a term of two years and six months.              |
| g. More than two million and five hundred thousand rupees to five million        | g. Imprisonment for a term of four to six years.                     |
| h. More than five million rupees to ten million rupees.                          | h. Imprisonment for a term of six to eight years.                    |
| i. What so ever amount above ten million rupees.                                 | i. Imprisonment for a term of eight to ten years                     |

- B. Punishment to Public Servants Accepting Goods or Service, Free of Cost or at Lower Prices:
- C. Punishment for Taking Gift, Present, Award or Donation:
- D. Punishment for Taking Commission:
- E. Punishment to Public Servants for Leaking Revenue:
- F. Punishment to Public Servants for Getting Illegal Benefit or Causing Illegal Loss with Malafide Intention:
- G. Punishment to Public Servants Preparing False Documents:
- H. Punishment for Translating False Documents:
- I. Punishment for Tempering Government Documents:
- J. Punishment for Causing Damage to Government or Public Documents:
- K. Punishment for Disclosing Secrecy of Question Papers or Altering the Result of Examination:
- L. Punishment to Public Servants Engaging in Illegal Trade or Business:
- M. Punishment for Claiming False Designation:
- N. Punishment for Giving False Particulars:
- O. Punishment for Damaging Public Property:
- P. Punishment for Exerting Illegal Pressures:
- Q. Punishment for Giving False Report:
- R. Property Deemed to be Acquired Illegally:
- S. Punishment for Committing Attempts:
- T. Punishment to Accomplices:
- U. Principal official to be Deemed to have Committed the Offence in case a Corporate Body Commits Offence: In case any firm, company or corporate body commits any act that is deemed to be an offence under this chapter, the partners at the time of commission of the act in case of a firm and the person acting as the principal official in case of a company or a corporate body shall be deemed to have committed the offence.
- V. Provided that in case it is proved that such act has been committed prior to the appointment of the person acting as the principal official, the person who has committed the act shall be deemed to have committed the offence.  
**Explanation:** For the purpose of this Situation, the “the person acting as the principal official” means the Chairman, Board Member, General Manager, Managing Director or the Official of a company or corporate body working in the same capacity.
- W. Additional Punishment: In case the offences under this provision have been committed by an office bearer of a constitutional organ or body to be nominated or appointed by the government, special class officer of the Government or officers of equivalent rank; Head, General Manager or officer of a public institution of equivalent rank, such person shall be liable to the punishment of imprisonment for a term of three years in addition to the punishment prescribed for such offence.

## **Investigations, Inquiries and Filing of Cases of Corruption**

### **Investigations and Inquiries**

When the case comes to the knowledge of investigating authority, through any information, source or a complaint lodged by any person, that any person has committed or is going to commit corruption, it shall initiate necessary investigations, inquiries and other actions in this regard. In case the investigating authority has received an information from any source that any person has committed or is going to commit corruption, such authority may take immediate actions including raid, seizure of documents or goods and materials or arrest of person. For this purpose the investigating authority and inquiries can exercise the power of court for taking decision process and can use as the power of chief of police authority for the investigation purpose.

### **Appointment or Designation of Investigation Officer:**

The investigation authority may, in order to conduct investigation and inquiries into the offenses punishable under the Act, appoint or designate any officer under it or any government officer or any officer of a public institution as the investigation officer.

Provided that, while appointing or designating any government officer, or officer of a public institution as the investigating officer, consultation shall be made with the Government or with the Chief Officer of the concerned body, depending on circumstances. The investigation officer shall be used power as follows:-

- a) To arrest the offender immediately and to take necessary actions;
- b) To conduct or cause to conduct search at any office, house, building, go down, vehicle or any other places while conducting investigation and inquiries or while collecting evidences into offenses punishable under this Act;
- c) To exercise other powers conferred on the investigation officer.

While inquiring and investing under this Act, in case it appears that the alleged offense could not be proved on the basis of the collected evidences, the investigating authority may keep the complaint in postponement having published an order slip along with reasons there of and in case of decision of postponement, the information thereof shall be given to the accused person and the complainant. Moreover it shall be deemed to have an obstruction in to investigation and re-inquire on such complaint if any new evidence is found later on.

### **Filing of cases**

In connection with an accusation of commission of corruption, in case there is a reasonable cause to believe that the accused has committed the said offence, the investigating authority shall file a case before the authority having powers to hear the case under the prevailing laws.

## **3. Commission for the Investigation of Abuse of Authority Act, 1991**

The Commission for the Investigation of Abuse of Authority act came into force since 1991 and it has been amended three times. It is desirable to make provision relating to the functions, duties, authorities and working procedure of the CIAA.

## 4. Rules

Commission for the Investigation of Abuse of Authority rules was promulgated in 1991 to regulate the act of CIAA.

## 5. Strategy

The government of Nepal formulated a new Anti Corruption Strategy in 2065 (B.S) where all the government institutions such as Ministries, other central level offices, the Commission for Investigation of Abuse of Authority (CIAA) and the National Vigilance Centre are working on combating corruption. The major provisions of the strategies are as followings;

- a. Review and Consolidation of Legislative Framework and institutional capacity
- b. Emphasize on promotional activities against corruption and for establishing ethical society.
- c. Transparent, competitive, strength and accountable public service and construction process.
- d. Reform in the performance appraisal system.
- e. To manage foreign assistance as required national interest.
- f. Encourage simple social behavior.
- g. To make effective public sector management by providing autonomy in operation.
- h. To make activities of political parties transparent.
- i. To maintain financial discipline through effective management of Bank and other financial institutions.
- j. Reform the local body/Local government to make development oriented and people friendly.
- k. To adopt zero tolerance policy in the crime of corruption.
- l. To adopt appropriate policy and legal instruments for controlling corruption of private sector.
- m. Proper monitoring and evaluation system for result oriented corruption control.

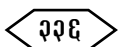
## 6. Code of conduct

As being specialized in nature, the responsibility of investigation and prevention of abuse of authority is itself a difficult task. Additionally, the dire need to assess the impact of both external and internal factors on the working environment of the organization and to address it properly has become more challenging. Keeping in view of the importance of setting certain standards of personal conduct, manners and behaviors consistent with the organizational and ethical principles, which determine the professional quality of CIAA, a Code of Conduct for the Commissioners and employees has been promulgated and implemented.

## Implementation of anticorruption policy in Nepal

### 1. CIAA in action

The Commission for the Investigation of Abuse of Authority (CIAA), plays the role of an ombudsman, investigator and prosecutor as well. It focuses both curative and preventative issues of corruption at a national level with system-based approach.



Article 120 of the interim constitution of Nepal, 2006 has specified the functions and duties of CIAA. The CIAA is focused on detection and punishment of corrupt acts and it also performs recommendatory services for the government. It may make suggestions or recommendations for amending a law or making certain improvements in the functions of the government or any policy or procedure with a view to enhancing and improving good governance in the country.

The engine that powers the CIAA is the full-fledged Secretariat. The Secretary appointed by Nepal Government heads it and supervises the administrative operation of the Commission. The Secretariat has a number of civil servants, police and special service officials, who are deputed to CIAA for a given period. All of them are under the command of the Secretary during the period, irrespective of offices they originally come from.

As per its mandate, the CIAA intensified its activities in 2001 and 2002, investigating, *inter alia*, several cases in the revenue and public works sectors and in the police and other branches of the government. Investigations continued and also targeted high-level officials, including political leader. The workload and output of the CIAA has increased and the number of prosecution cases has also increased. After the establishment of special court in 2002, 462 cases were filed, CIAA's prosecution was successful in 391 and 71 were unsuccessful. Recently CIAA has investigated a bribe case with the member of Constitution Assembly.

An example of successful case is as below:

*Case 1 : Case of constitution Assembly member (case consideration before the court)*

*Not only officials, It has recently conducted a special case investigation against a law maker D.B. karki who was the member of constitution assembly. Mr. Karki was arrested along with another person on August 30 from the capital while collecting Rs. 100,000 from a Nepal Police job aspirant as bribe .This case was investigated by the Commission of Investigation of Abuse of Authority (CIAA).While the case was filed in the special court with sufficient evidence the Constituent Assembly immediately suspended the CA membership of DB Karki a day after the country's graft watchdog moved the Special Court seeking action against him on corruption charges.The CIAA filed a case against Karki seeking a four- and-half year jail sentence.*

The clear improvement of the Commission's performance is essentially due to a number of legal reforms. The new 2002 act has shifted the burden of proof against charges of acquisition of illegal property to the accused; amendments to the CIAA Act extend the Commission's powers of investigation and establish a special court. Other factors contributing to the CIAA's enhanced performance include the CIAA staff's high level of commitment, cooperation from the Government and various sectors of society and the CIAA's efforts to strengthen its institutional capacity.

Furthermore, the CIAA has delegated its authority and duties of investigation to the chief district officer to control corruption at the district level.

## **2. Office of the Auditor General (OAG/N)**

OAG is a constitutional body headed by the Auditor General that audits the books of accounts of the government organizations and government owned public enterprises. It

also appoints auditors for the audit of books of accounts of district development committees. It submits report to the president that ultimately goes the parliament and public account committee. It provides trustworthy, effective and independent audit for the efficient management and utilization of public resources that helps safeguard public treasury and enhance good governance through accountability and transparency in the public sector. In particular, OAG conducts audit of regularity, efficiency, effectiveness, propriety and appropriateness of the public expenses and revenues collected.

### 3. Special Court (SC)

Special Court is a separate bench of the judiciary mandated to effectively and quickly dispense corruption cases that are filed with it. In particular, the Commission for Investigation of Abuse of Authority (CIAA) prosecutes cases of corruption in this court. The Court is also mandated to consider cases of crimes against the state, and to hear appeal against the rulings of the CIAA. This Court also conducts hearings on anti-money laundering related cases. The Court has single bench of Chairperson and two more members. Chairperson and members are interchangeable with the Chief Judge and Judges of the appellate courts respectively. Following case explains how special court decides against corruption.

#### *A Case of Former Manager (Successful Case)*

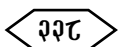
*The Commission for Investigation of Abuse of Authority (CIAA) had filed a corruption case against Madan Raj Sharma in 2003. He was former general manager of Nepal Oil Corporation (NOC) The anti-graft body had accused him of amassing Rs 43 million during his tenure in NOC. Sharma, who joined the corporation in 1974, held the top post from October 2000 to October 2002. In his case the Special Court in September 2010, slapped a one-year jail sentence and a fine of Rs 20.2 million on former general manager Sharma after finding him guilty of corruption while in office. A three-member special bench of the court comprising judges Gauri Bahadur Karki, Om Prakash Mishra and Kedar Prasad Chalise found Sharma guilty of amassing property worth millions of rupees. The "Investigations found no credible income source for property worth Rs 20, 241000,". There was clear evidence of wrongdoing against him. The total value of property registered in the name of Sharma, his wife Rupa Dhungel, and daughter Priti Dhungel (Bhandari) exceeded Rs 3.16 million. His excess property will be confiscated.*

### 4. Public Accounts Committee (PAC)

PAC is one of the highly active committees of the Legislature-Constituent Assembly. Its main function is to examine the Public Accounts and the Report of the Auditor General to reduce misuse and abuse of public funds. It is empowered to direct concerned ministries and departments to explain financial irregularities, and also to pursue the clearance of arrears, that might have been specified in the Report of the Auditor General.

### 5. Department of Revenue Investigation (DRI)

DRI is an important department under the Ministry of Finance tasked with making the control of revenue leakage in customs, excise duty, VAT and income tax more effective, and



also to control the misuse of foreign exchange. It also carries out investigation in tax revenue leakage and initiate action against those contributing to such leakages within the limits of the prescribed laws and regulations.

## **6. International solidarity**

Nepal has signed the United Nations Convention against Corruption in 2003 and it is in process of ratification and Anti corruption day is observed in December 9.

## **Provisions Relating to Prevention of Corruption**

### **National Vigilance Center-**

Government established a National Vigilance Center under the direct control and supervision of the Prime Minister in order to effectively control corruption-oriented acts and to promote people's awareness against corruption. Government designated special class officer of the civil service as the chief of the center and other officials of the services of Government in the center as may be necessary.

### **Functions, Duties and Authorities of the National Vigilance Center:**

The National Vigilance Center established under sub-Section (1) of Section 37 shall have following functions, duties and powers:-

- a. To collect information on whether or not the functions to be carried out by the Ministries, Departments, offices of the Government and public institution are being regularly carried out;
- b. To alert Ministries, Departments, Offices of the Government, or public institution in case the functions to be carried out by them are not found to have been carried out;
- c. To monitor the statement of property and income given by persons assuming the office of public responsibility as per the prevailing laws;
- d. To make necessary provision for regular surveillance, surprise check and investigation in corruption prone places or works;
- e. To make necessary recommendations to the Government with regard to the policies, strategies and reformation on laws to be adopted for corruption control;
- f. To make provision of a complaint box in the Ministries of the Government, Departments, Offices or public institution;
- g. To provide any suggestion or direction to the concerned bodies with the objective of preventing corruption as may be necessary;
- h. To collect necessary description or information concerning corruption from the body or authority working for investigation into offenses of corruption and to maintain them updated;
- i. To forward any information concerning corruption received to it to the concerned bodies;
- j. To carry out or cause to carry out other incidental functions with regard to corruption control;
- k. To carry out or cause to carry out other functions prescribed by the Government.

## Current challenges

Like other developing countries Nepal is facing a numbers of challenges in corruption control. Some of them are follows,

- a. Restricting the anti corruption institutions as well as state restructuring .
- b. Increasing the scope and authority of the CIAA .
- c. Fulfill the member of main constitutional bodies specially CIAA and Auditor General.
- d. To create social solidarity against the all kinds of corruption and administrative irregularities.

## Outlook

All the institutions mentioned above are working against corruption in Nepal. The CIAA has both preventative and curative authority to control corruption and remaining others has limited authority in this area. So Strengthening the CIAA is one of the major agenda at present.

The CIAA of Nepal is well aware of its responsibility and role in exposing and penalizing corruption, inducing good governance and stabilizing democracy that has been undermined by indiscriminate corruption. However, many obstacles still need to be overcome and improvements made. For instance, the CIAA strives for continuous improvement of existing legal provisions, policies, practices and organizational structures. For this purpose, it continues to develop corresponding recommendations and suggestions to the Government.

To fulfill its demanding tasks and responsibilities effectively, the CIAA must also rely on partners: in particular, the media and civil society are crucial in boosting the CIAA's morale and in urging the Government to provide sufficient resources for the fight against corruption, reward honest officials and businessmen and alert the judiciary.

The time has come to take concrete action against this great threat that impedes social and economic advancement in our societies. Most likely, the case of Nepal is not very different from the situations in many Asian and Pacific countries. National commitment, Strong regional cooperation, international solidarity and joint action are therefore important to further advance our respective anti-corruption efforts.

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# How to make a good use of foreign policy Advisors in Nepal

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## 1 Background

### 1.1 Meaning and definition of policy

Policy may have different connotations depending upon the political- social- economic realities. A policy is a deliberate plan of action to guide decisions and achieve rational outcomes. However, the term may also be used to denote what is actually done, even though it is unplanned. Presidential executive orders, corporate privacy policies, and parliamentary rules of order are all examples of policy. Policy cycle has many stages, some authors says that policy cycle have 5 standard stages such as - agenda setting (Problem identification), policy Formulation, adoption, implementation, evaluation and some says that there are 8 stages such as - issue identification, policy analysis, policy instrument development, consultation, coordination, decision, implementation, evaluation. Policies are typically promulgated through official written documents. Policy documents often come with the endorsement or signature of the executive powers within an organization to legitimize the policy and demonstrate that it is considered in force. Such documents often have standard format that contains certain standard such as statement, applicability and scope, effective date, responsibilities, policy statements, background, definitions etc. Policies can be classified in many different ways such as - distributive policies, regulatory policies, constituent policies, fiscal Policy, social policies etc.

## 2. Foreign policy advisors in Nepal

### 2.1. Issues of policy advisors

Foreign policy advisors are those advisors who have advices to developing countries through technical assistance. There is often some confusion about the difference between an advisor and a policy analyst—and for good reason, because the two jobs often have significant amounts of overlap. However an advisor usually works on the periphery of actual policy making, and may have a more operational focus. They are normally more concerned with the functional and operational side of policy, as opposed to the analytic ‘nitty gritty’ of policy. Generally the role of a policy advisor is to inform policy analysts on the various issues involved in policy making. For example, the policy advisor might give advice on a particular program run by the government— was it effective? Were there problems?—which the policy analyst can then use to make their decisions. A team of advisors may assist a single policy analyst to create a policy. Day to day, an advisor could also expect to be involved in a similar range of responsibilities as a policy analyst—they may be expected to write reports, consult with various stakeholders, and spend a great deal of time reading and analyzing information

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relating to their sector. They would normally be expected to have tertiary qualifications in relevant areas. Policy advisors are based on -

1. Sending country side and,
2. Receiving country side,

Sending side is that where the policy advisors sending to make a good policy it could be sending by the donor agency and donor countries. Similarly, receiving side is that which the country has received the policy from advisors. Mainly developing countries are receiving countries and developed countries and multi national agencies are the sending parties. There are two facets of donor country's objectives of economic aid-

1. To improve the welfare of recipient country people and
2. To pursue the donor country's national interests.

These show that the common interests and conflicting objectives are exists between the donor and recipient countries. The term technical assistance also referred to as development aid, development cooperation, foreign aid etc. Aid may be bilateral given from one country directly to another or it may be multilateral given by the donor country to an international organization. Some governments include military assistance in the notion "foreign aid". Official Development Assistance is a measure of government-contributed aid that has been compiled by the Development Assistance Committee of the Organization for Economic Co-operation and Development (OECD) since 1969.

## 2.2 foreign Policy advisors in Nepal

So far Nepal is one of the dependent countries with developed countries in the world arena. According to Nepal's political and protocol consideration we are taking a lot of advisors since 1951 as a technical assistance of foreign aid form different countries and Agencies such as India, China, USA, JICA( Japan), EU( European union), SAARC, ADB, UNO and its agencies like IMF, IBRD, IFC, UNDP, UNICEF, WHO, UPU etc. Most of the developing countries characteristics are similar because they have to receive policy advisors as part of technical assistance from developed countries and agencies. In modern globalization and open market era foreign aid is necessary for all as well as Nepal. Actually, Nepal has huge natural resources itself like water resources (world's second largest potentiality of the electricity production) and biological resources, mountains (Mt. Everest 8848 meter highest peak of the world) for tourism development even though mobilizing capability are very weak. So, In Nepal, many cases policy advisors had been came from different countries and agencies to enhanced the national capacity and institution building for example in 1952 A.D. M.N. Buch had been come from India for administrative reform purposes, He had been drafted very important policies as a administrative reform -2009 B.S. of Nepal. In 2000 A. D. IMF had sent policy advisors for banking reconstruction and structural adjustment purpose. Many times Nepal has taken policy advisors from different countries and agencies. They have reported very importantly to address the national issues and its effective development. Sometimes policy advisors could be provided their policy as their interest it could be happened due to the weakness of the Nepal and sometimes power exercising by sending country. However, a slogan says that "there is no free breed without cost". Hence somehow developing countries are exploited from developed

countries. If the sending advisors have good ideas, clear cut vision, perfect knowledge about regarding policies, experienced professionalism, competitiveness, multi languages skills, good communication skills then he could be succeed in policy advice and if they haven't any vested interest then policy could be helpful to the receiving countries.

In Nepal, policy advisor comes after the bilateral and multilateral agreement with the sending countries and agencies. Some of them are long term resident experts, some are short term experts, and TA missions like 1/2 week. They have provided many advice but some of them are in effectively implemented and most of them are in just as advice they are inside in the box or library.

## **2.3 Present Policy framework of policy advisors as technical assistance of Nepal**

Policy advisors are continues to play an important role in Nepal's development. Even in freestanding technical assistance, there is a tendency to depend excessively on foreign expertise instead of tapping local technical capacities, with a view to upgrading local institutions. According to Nepal's interim constitution-2063, article number (35) State Policies- state that "(12) The State shall, for the purpose of national development, pursue a policy of attracting foreign capital and technology, giving priority to the national investment". Similarly, following the constitution the three years Interim plan has focuses that (a) the system will be established to receive foreign aid only according to national necessity and priority. (b) Effective and skillful management of development programs/projects carried out through foreign aid will be emphasized. (C) In order to remove duplication in foreign aid and for effective management of foreign assistance, a coordination and partnership mechanism will be developed between donor agencies. (d) By mapping areas of assistance, all kinds of foreign assistance available to the country will be reflected in the national budget. (e) Foreign assistance will be mobilized for reconstruction, restructuring, reintegration and inclusive development. (f) The opportunity to use and promote new and successful technology and processes adopted by various groups, individuals, industrialists, professionals and researchers. Policies and programs for the fiscal year 2066/067 focused that the policy of mobilizing foreign assistance in accordance with national need, interests and priority as well as utilizing foreign assistance in a transparent and effective manner will be adopted by reviewing "foreign aid policy- 2002". The treaties and agreements inconsistent with national interests will be reviewed. Paris declaration on "Aid Effectiveness – 2005", more than 100 partner governments, bilateral and multilateral banks and donor agencies participated endorsed the following five basic principles that could be promote Nepal's future development:

1. Ownership,
2. Alignment,
3. Harmonization,
4. Managing for results,
5. Mutual accountability.

Recently, on the basis of these principles "result based management" (RBM) system has emerged as a new concept to improve entire aid effectiveness in developing countries. It focuses on reforms in budgeting, improving human resource management, improving projects' quality