

NEPAL



AMY Map by Boyet Rivera III

A. Total Stock (Number) of Migrants, as of 2005

MIGRANTS ABROAD		
ESTIMATED STOCK: MIGRANTS OUTSIDE THE COUNTRY		
TOTAL		
a. By visa status	Documented migrant workers*	-
	Emigrants/residents	-
	Undocumented migrants**	-
	Refugees***	2,065
b. By sex	Male	-
	Female	-
c. Top destination countries****	1. India	6. Kuwait
(thousands)	2. Malaysia	7. Bahrain
	3. Saudi Arabia	8. South Korea
	4. Qatar	9. Hong Kong
	5. UAE	10. Brunei

MIGRANTS IN NEPAL		
ESTIMATED STOCK: MIGRANTS IN THE COUNTRY		
TOTAL		
a. By visa status	Documented migrant workers*	-
	Emigrants/residents	-
	Undocumented migrants**	-
	Refugees***	126,436
b. By sex	Male	-
	Female	-
c. Top countries of origin	1.	6.
(%)	2.	7.
	3.	8.
	4.	9.
	5.	10.

* Non-resident, temporary, or contract workers.

** Includes illegal entrants, overstayed or "jumped" visas, trafficked/smuggled people

*** As defined by the government, or in accordance with the UN refugee

convention.

**** Estimates only, based on official annual deployment statistics from 2002-2006, without taking account of returning migrant workers.

B. Annual Socio-Economic Data and Migration Flow

Annual indicators	2005	2004	2003	2002	2001	2000
Population (million; mid-year estimate)	27.676		25.2	25.9	25.3	24.7
% of population living in rural areas					87.8	
Economic growth: real GDP (%)	2.5	3.00			4.9	6.4
Per capita GDP (US\$)			237		236	
Per capita GDP: purchasing power parity (US\$)	1,500	1,500			1,310	
Inflation rate: CPI (%; annual ave.); urban/selected areas only				2.1	2.4	3.5
Exchange rate: (Nepalese rupee per US\$; annual ave.)		73.67	76.14	76.68	74.96	71.09
International reserves (US\$ billion; yearend)					1.04	0.99
Foreign direct investments: actual (US\$ million; yearend)						4.40
Trade balance (US\$ billion; yearend)						
Foreign (total external) debt (US\$ billion; yearend)					2.55	2.82
Foreign (total external) debt as % of GNP						49.6
Budget balance (US\$; yearend)						
Budget deficit as % of GDP						
Labor force (million)			12			
Women as % of labor force			40.0			
Number unemployed						
Unemployment rate (% of labor force)					47.0	
Underemployment rate (% labor force)						
Women unemployment rate (% of labor force)						
Average income (US\$/month)						
Average income: women (US\$/month)						
Adult literacy rate (% of age 15 & above who can read/write)			45.2		42.9	
Net migration rate (net # of migrants per 1,000 popn)	0.00			0.00		0.00
Annual outflow/deployment of MWs (thousand)						658.0
% women in the annual outflow						
Annual inflow of MWs						
% women in the annual inflow						
Annual migrants' remittance (US\$ million)						
Reported # of migrant deaths during the year						
Estimated # deported during the year						
Jailed/detained during the year						
HIV/AIDS adult prevalence rate (adult PLHA as % of adult popn)			0.50		0.49	
# People living with HIV/AIDS (thousand)			61		61	
# AIDS deaths during the year (adults+children)			3,100			
Cumulative #: HIV/AIDS cases among migrants (living+died)						

Sources: CIA World Factbook, UN/ILO/UNDP statistical yearbooks/websites.

AMC Information Bank



Photo courtesy of GEFONT

A wide range of civil society groups rally in celebration of International Migrants' Day. Dhangadi, Nepal.

NEPAL

This report was compiled with the assistance of WOREC, GEFONT and ANWA.

Political and Economic Update

King Gyanendra's coup to concentrate power in his own hands shaped the political events that occurred in Nepal throughout 2005. The coup was staged in February 2005, when King Gyanendra disbanded Parliament and declared a state of emergency. He justified the action by saying that the political parties' attempts to resolve the conflict with the Maoist rebels had been ineffective, thus he would take action himself.

In a way, his action did help to bring the divergent groups together – against him. The harsh, draconian measures he inflicted on his kingdom incited civil society to massive protests, while the Maoist rebels approached political opposition parties to work together to bring down the King.

The coup and restrictions on freedom of the press kicked off a series of protests, some that involved up to 30,000 and 40,000 people, that were held throughout the year – and which led to the arrests of hundreds, if not thousands of protesters. Although the King lifted the state of emergency in April under heavy pressure, he continued his attempts to maintain control while become increasingly isolated. The King passed a series of unpopular measures in an attempt to clamp down on social and personal freedoms.

He shut down radio stations, mobile phone service, and even the Internet when he called the state of emergency, and also suspended basic rights including freedom of assembly and right against preventive detention. During the protests for democracy and freedom of the press, many of the protesters who were arrested were held in detention for several months. Reports of the government quelling protests with tear gas and violence such as baton charges were common.

Repression of the media continued throughout the year, which culminated in October with the passing of a law that made it a crime to criticize any member of the royal family, banned private radio stations from broadcasting news, and increased the maximum fine on journalists tenfold. In November 2005, the Nepal police shut down a radio station and arrested five staff members for a controversial broadcast; police charged the radio staff for an act of terrorism. The attempted broadcast was a BBC interview with Maoist leader Prachanda.

In November, the Maoist rebels forged an agreement with the country's major opposition political parties to join forces against the King, coming up with a 12-point common agenda. Prior to that, Nepal's two largest political parties had abandoned their allegiance to constitutional monarchy, while the Maoist rebels called a unilateral three-month ceasefire. Although the government ignored the ceasefire and did not reciprocate, the Maoists kept their side of the bargain. By December 2005, Nepal's National Human Rights Commission reported that violence-related deaths dropped significantly since the ceasefire was called.

Nepal's Supreme Court issued a number of rulings that advanced women's rights in 2005, including orders for the government to scrap discriminatory practices. The forms of discrimination included a rule that women must ask permission of family members before selling inherited property, a practice of keeping women in cow-shed for four days of their

menstrual cycle, and a law that required women under 35 years old to obtain the permission of their husband or parents in order to apply for a passport. Also in 2005, the Supreme Court ruled that all Nepali children are entitled to citizenship certificates, even those whose parents are unknown.

The August 2004 kidnapping and murder of 12 Nepalis held hostage in Iraq garnered international outrage, and further attention to the issue of migrant workers in conflict areas. The 12 hostages were workers who had been taken to Iraq despite the Nepali government's ban; it was alleged that a local recruitment

SHARE OF REMITTANCE TO GNP (RS. IN MILLION)

Year Mid-July	Workers' Remittances	GNP at current price	Share of Remittance to GNP
2000	36818.1	392613	9.38
2001	47216.1	427447	11.05
2002	47536.3	441182	10.77
2003	54203.3	472869	11.46
2004	58587.6	509700	11.49
2005	12496.4	543902	12.03

Sources: Economic Survey (various issues), Ministry of Finance, Government of Nepal. Main Economic Indicators (May-July), 2005, Monthly Report, NRB: Research Department, Kathmandu. From "Remittance Income in Nepal: Need for economic development", full reference in Endnote 1.

agency in Nepal promised them jobs in Jordan in collusion with a Jordan-based agency, who then sent them to Iraq. Similar practices are reported to have occurred in other countries in the region, such as Kuwait and Saudi Arabia. There are said to be around 17,000 Nepali migrant workers in Iraq, despite the dangers.

Poverty dropped by 11% in less than a decade, from 42% in 1996 to 31% in 2004. Part of this drop was attributed to migration in two ways. Migrants' remittances, which amounted to USD1.2 billion in 2005 according to the

COMPARISON OF REMITTANCES AND FOREIGN DIRECT INVESTMENT (RS. IN BILLION)		
Fiscal Year	FDI	Workers' Remittances
1995/96	0.39	4.28
1998/99	0.58	10.31
2002/03	0.96	54.2
2004/05	0.14	65.42

Source: Government of Nepal, Economic Survey (various issues). From "Remittance Income in Nepal: Need for economic development", full reference in Endnote 1.

World Bank, are often heavily relied upon by the family to meet daily expenses for housing, schooling, and other essentials to keep them out of extreme poverty.¹ On the other hand, the internal conflict between the Maoists and government was also a great contributor to displacement and migration, which may have forced many poor families to flee the country,

often migrating to India, for their survival.

Nepal's economy continued to struggle, affected by the ongoing conflict with the Maoists in the countryside and the political strife in Katmandu. The fall 2005 ceasefire led to a 20% increase in tourism, but experts reported that the uncertain and temporary nature of the unilateral ceasefire was not long enough to allow industrial reforms. Agriculture in 2005 was hurt by a bad monsoon, followed by winter draught that inflicted heavy losses on wheat production. The termination of the MFA in December 2004 affected Nepal's garment industry, causing production of garment exports to decline sharply. Remittances increased in 2005, estimated at NPR65.416 billion, due in part to rising numbers of Nepalis migrating to Malaysia and the Gulf states.² Some experts estimated that unofficial remittances to Nepal are twice as much as official figures.



Photo courtesy of GEFONT

This march to raise awareness on migrants' rights and issues faced while working abroad includes union members of GEFONT as well as local organizations.

ANNUAL DEPLOYMENT OF DOCUMENTED MIGRANT WORKERS FROM NEPAL TO SELECTED COUNTRIES 2002-2006

Country	2002	2003	2004	2005	2006	Total
Saudi Arabia	21094	17990	16875	13366	18261	87,586
Qatar	19895	26850	24128	42394	58266	171,533
UAE	8411	12650	12760	12726	15441	61,988
Bahrain	695	818	606	536	554	3,209
Kuwait	378	907	3194	1789	655	6,923
Oman	96	44	73	330	28	571
Hong Kong	482	564	672	523	151	2,392
Japan	26	28	55	152	0	261
Malaysia	52926	43812	45760	66291	82798	291,587
Macau	50	41	68	83	150	392
Singapore	16	7	1	2	0	26
Jordan	150	10	33	0	0	193
Korea	131	712	1324	327	132	2,626
Brunei	132	239	131	27	0	529
Israel	16	55	433	815	916	2,235
Afghanistan	0	72	327	0	32	431

Source: Ministry of Labour, Nepal

Migration Update

Deployment figures for 2005 indicate that Malaysia, Qatar, Saudi Arabia and the UAE were the most popular destinations for Nepali migrants, other than India, which hosts the largest Nepali population. While statistics from the Ministry of Labor indicate that a total of 182,141 migrant workers went abroad in 2005, it is generally known that the number of irregular migrant workers is much higher.

The Nepal government actively sought out labor markets for Nepali migrant workers in 2005; it was reported that Japan, Australia and New Zealand were among the countries initially contacted through diplomatic channels. According to the Minister for Labor and Transport Management, Ram Narayan Singh, Japan was interested in recruiting workers through its trainee system³, which

has been heavily criticized by NGOs as exploitative, while New Zealand was looking to accept skilled workers.

A lengthy report on Nepali migrant workers was published in *AMY2004*; many of these issues and needs remained unchanged in 2005.

Evidence continues to accumulate showing that increasing numbers of Nepalis are crossing into India for work as a result of the escalating troubles in Nepal, particularly the conflict between the Maoist insurgency and government forces. Refugees International interviewed a group of Nepalis in Delhi, India who reported a 50% increase in their numbers over the last few years.⁴ A 2005 study by Save the Children found that the outflow of child migrants from Nepal to India was significantly higher than the inflow, even during festival periods when it would traditionally be common for large numbers of children to return. It also showed there were more children migrating

MIGRANT WORKERS DEPLOYED THROUGH RECRUITMENT AGENCIES TO SELECTED COUNTRIES; BY GENDER AND TRADE (FROM JULY 2005 TO JUNE 2006)

Country	Trade	Total	Women
Malaysia	Production operators, general workers, security guards	82,798	162
Saudi Arabia	Drivers, laborers, mason, salesmen	18,261	-
Qatar	Drivers, laborers, electricians, plumbers, storekeepers, carpenters, steel fitters	58,266	33
Israel	Care givers	916	577
UAE	Salesmen, accountants	15,441	10
Bahrain	Laborers, steel fitters	554	6
Russia	Scaffolding	150	-
New Zealand	Carpenters	3	-
Macau	Security guards	150	-
America	Security guards	25	-
South Korea	General workers	132	-
Cyprus	Domestic workers	3	-
Kuwait	Drivers, laborers, security guards	655	-
Oman	Laborers	28	-
Hong Kong	Security guards, house keepers	151	26
Saipan	Drivers	13	-
Afghanistan	Security guards	32	-

Source: Ministry of Labour, Nepal

from conflict-affected areas than other regions. In addition, 24% of the children surveyed reported the armed conflict as their main reason for migration, while another 36% cited poverty, which could be linked to conflict.⁵

The children reported their jobs in India as general labor, hotel labor, porters, domestic workers, agriculture, security guards and shopkeepers. Nepali men primarily hold jobs as security guards and car cleaners, while women may work as domestic workers in India. According to one 2005 report, about 77% of Nepali migrants go to India due to both the long tradition of movement in the area as well as the open border between the two countries; estimates of the number of Nepalis in India range from 1.3 million to 3 million migrants.⁶

Government statistics of Nepali workers in other destination countries record that they hold jobs as security guards, domestic workers,

drivers, production workers and others. A large population, estimated between 200,000 to 400,000, works in the Middle East, where they face serious human rights abuses (see Gulf States country report, pp.115 for further details). Although Nepal has embassies in these countries, in comparison to the number of workers, the missions are short of resources and understaffed. Nepal pursued bilateral agreements to deal with labor migration, sending a government delegation to Saudi Arabia, Qatar and the UAE in late 2004, in part to provide more protection for Nepali workers abroad, but also facilitate deployment of more workers in the region. It was reported in October 2004 that recruitment of Nepalis to Gulf countries dropped nearly 50% after the execution of the 12 Nepali hostages in Iraq.⁷ By December 2005, however, the Department of Labor and Employment Promotion announced a 51% increase over the

Nepal Significant Events July 2004 - December 2005

2004

August

Twelve Nepali hostages captured in Iraq are executed by Iraqi militants.

November

Maoist rebels reject deadline for peace talks set by Prime Minister Sher Bahadur Deuba; the Maoists have insisted on talking directly with the King rather than the government.

2005

February

(1) King Gyanendra declares a state of emergency, dismissing the cabinet and assuming direct control of the government, purportedly because Nepal's government had not been able to establish peace with the Maoist insurgency.

March

Nepal and Qatar sign a Labour Agreement.

April

(29) King Gyanendra lifts the state of emergency, but maintains tight control of the government and continues to limit many personal freedoms.

July

Former prime minister Sher Bahadur Deuba is convicted

by the Royal Commission for Corruption Control established by the King, receiving a two-year sentence for embezzlement.

September

(3) Maoists declare a unilateral three-month ceasefire; the King does not reciprocate.

October

(9) King Gyanendra announces restrictive media laws, which bans private radio station from broadcasting news, restricts dissemination of news from foreign sources, and makes it a crime to criticize the royal family. Large protests follow.

November

Seven political opposition parties sign an agreement with the Maoist rebels regarding a 12-point plan against the King and to restore democracy.

(29) Supreme Court orders the government to stop requiring women under 35 to obtain their parents' or husband's permission to apply for a passport; this will allow them to migrate for overseas employment more freely.

Sources: BBC News, Scalabrini Asian Migration News

same period in the previous fiscal year, reportedly due to increased intake of Nepali workers by Qatar, Saudi Arabia, the UAE, and Malaysia.⁸ In March 2005, a Labour Agreement was signed between Nepal and Qatar, where a large portion of Nepali migrants work.

Nepalis comprise the second largest group of migrant workers in Malaysia, with approximately 170,000 workers in the country in 2005. There are said to be around 70,000 Nepali workers in Malaysia's timber industry alone,⁹ while others work in the manufacturing or

services sectors, or as security guards. Although most Nepalis in Malaysia are documented, there was a small population threatened by Malaysia's crackdown on irregular migrant workers (See Malaysia Country Report pp.205 for further details). Nepal and Malaysia have entered into negotiations for a labor agreement in order to provide better protections for Nepali workers, but no MOU was signed in 2005. Malaysia did set up a 'One-Stop Center' at the airport in order to grant visas on arrival to Nepali migrant workers with specified documents



Photo courtesy of GEFONT

Groups carry out a cultural performance at a demonstration for increased protections for migrant workers overseas.

from their employers, in order to expedite visa processing.¹⁰

South Korea had stopped receiving the Nepali migrant workers for almost a year during its transition from its Industrial Training Scheme to its Employment Permit System (EPS). While the number of Nepalis working under the trainee system had increased from 2003 to 2005, the population was greatly reduced as the EPS was introduced and the trainee system phased out. The Nepal and South Korean government entered into negotiations on an MOU to bring Nepali workers to Korea under the EPS, but no agreement was finalized in the coverage period (the MOU was signed in 2007). According to one source, there are over 5,000 Nepalis in South Korea, around 1,000 of whom are irregular migrant workers.¹¹ These

are said to have formed small organizations based on caste, home regions in Nepal, and political ideology.

Responses

The General Federation of Nepalese Trade Unions (GEFONT), is one of the largest trade unions in Nepal, and has worked to provide a wide range of responses on the issues of Nepali migrants since 1996 through its GEFONT-Migrant Committee. This organization carries out pre-departure training, advisory consultation for skills training, advocacy for legal support, including advocacy and lobbying with the Nepali government to implement the New Foreign Employment Labour Act-

2063 and ratify ILO and UN conventions, and jointly working with other stakeholders and partner organizations on the issue of foreign employment. The GEFONT-Migrant Committee works to organize and mobile Nepali workers globally, and maintains support groups for Nepali migrants in Korea, Malaysia, UAE, Saudi Arabia, Israel, Hong Kong and India. GEFONT also publishes various educational materials on migration issues.

WOREC continued to provide assistance to migrant workers through its safe houses in five districts of Nepal: Udayapur, Morang, Dhanusha, Dang and Dhangadi. WOREC also maintains four information and counseling centers on safe migration, and publishes numerous handbooks on topics such as legal provisions on formal employment, information targeting women and children, and a training manual.

Since early 2004, an association of Nepali migrant women workers, together with the Nepal Institute for Development Studies (NIDS), has been broadcasting a radio program regarding migration called Radio Raurakhi. In addition to covering migration news and employment opportunities, it provides information on safe migration, shares experiences of returning migrant workers, and broadcasts interviews regarding migration policy.¹²

An NGO in Delhi, the South Asia Study Centre, provides responses for Nepali migrants, while Equal Access also operates a migration-related radio program for Nepali migrants living in Mumbai called At Home and Abroad, providing information on health and HIV/AIDS in the Nepali language.¹³

Endnotes

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- ¹¹ Mountain Research and Development (n5 above).
- ¹² Equal Access website, last accessed at: <<http://www.equalaccess.org/programs/india/index.htm>>.

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2. Scalabrini Asian Migration News

