

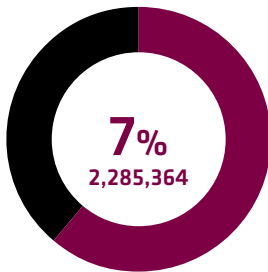


Diaspora engagement mapping NEPAL

Facts & figures

Emigration

% of emigrants in total population

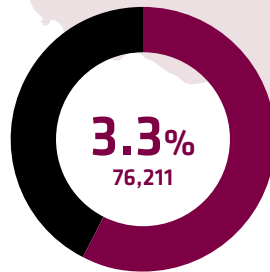


♂ 61.2%
♀ 38.8%



Remittances as a share of GDP: 22.8%
Remittances inflow (USD million): 9,293

% of which in the EU



♂ 57.7%
♀ 42.3%



Top countries of destination

Malaysia	578,082
India	533,646
Saudi Arabia	490,965
Qatar	254,340
United States	114,120



Political rights



Dual citizenship¹



Right to vote in national elections for citizens residing abroad²



Terminology: Nepal terms their diaspora as 'Non-resident Nepalis' (NRN).

This refers to a person who acquired citizenship of a foreign country and who resided in a country outside the South Asian Association for Regional Cooperation (SAARC) and who was previously a citizen of Nepal or his/her parents/grandparents were citizens of Nepal.

1 https://www.multiplecitizenship.com/wscl/ws_NEPAL.html. Amendments were approved to allow for dual citizenship, but as of 2023 procedures had not been updated to facilitate this change.

2 Nepal's Supreme Court ruled, in 2018, that legal and constitutional provisions did not make it mandatory for citizens to remain in the country to exercise their voting right. The court ordered the government to ensure external voting rights for all Nepalis living abroad either through postal or electronic means. However, it is yet to be implemented <https://thehimalayantimes.com/nepal/ensure-voting-rights-for-nepalis-living-abroad-supreme-court-tells-government/>

2008: Non-Resident Nepali Act³



Provides legal provisions to motivate non-resident Nepalis to take part in the all-round development of Nepal. The Act includes the rights to open a bank account or invest using convertible foreign currency, to repatriate money, to purchase land or property, and to run any industry or business that they have invested in. It also exempts non-resident Nepalis (NRN) from tax on any amount which is sent to social religious, academic, cultural, charitable, sports or natural calamity rescue-related institutions. The Act also facilitates diaspora engagement through the issuance of NRN Citizen cards. Cardholders do not need to obtain visas and can receive many of the same benefits as citizens in social, cultural and economic aspects. As of 2021, NRN are allowed to open foreign currency savings accounts in commercial banks in Nepal. In addition, a company promoted by NRN will also be able to open such an account in a bank in Nepal.

Overview of the policy and legislative framework



- 2012** ● **The Foreign Employment Policy⁵** was formulated to give direction for the effective management of foreign employment and to make the process of migration safe and accessible in addressing problems related to foreign employment. It promotes the use of resources acquired abroad for investments in Nepal through a favourable policy environment, promoting investment of workers' remittances in the industrial sector, community development projects and local infrastructure development programmes, with co-financing and investment from the Government of Nepal.
- 2016** ● **NRN Citizenship Provision⁶:** In 2016, the Constitution of Nepal was amended to include an NRN Citizenship Provision. This enabled NRN to enjoy the economic, social and cultural rights as provided for by federal law.
- 2016** ▼
2019 ● **Fiscal Year 2016/17-Fiscal Year 2018/19:** The Fourteenth Development Plan⁷ addressed foreign employment, its contribution to the economy and development of the country, internal and cross-border movement, private sector engagement in broad areas of economic development, the role of the diaspora in the promotion of Nepali products, and economic diplomacy. The Fifteenth Development Plan, endorsed in March 2020, will cover FY2019/20 to FY2023/24.

» Trends

For over 10 years Nepal has acknowledged the contribution that diaspora can make to development. Remittances contribute to nearly 30% of the country's GDP. NRNs have been making important contributions to Nepal's development process and the creation of the Brain Gain Centre in 2019 has helped institutionalise this. The promulgation of the new constitution and successful holding of elections have ushered in a new era of peace and stability. As a result, Minister for Foreign Affairs, Pradeep Gyawali, said in 2018 that it was essential to have "an enhanced level of economic partnership with NRNs, diaspora and private sector".⁸ Nepal also plans to send more skilled migrants abroad to meet international labour market demand.

3 <http://www.nepalimmigration.gov.np/post/non-resident-nepalese-act-2064>

4 Collegenp (30 November 2021) Non Resident Nepali' (NRN) Allowed to Open Foreign Currency Savings Accounts in Nepal <https://www.collegenp.com/news/non-resident-nepali-nrn-allowed-to-open-foreign-currency-savings-accounts-in-nepal/>

5 https://www.ilo.org/wcmsp5/groups/public/---asia/---ro-bangkok/---ilo-kathmandu/documents/policy/wcms_539895.pdf

6 https://constitutionproject.org/constitution/Nepal_2016.pdf

7 14th Development Plan <https://www.npc.gov.np/images/category/14th-plan-full-document.pdf> (In Nepali) 15th Development Plan Approach Paper, 2019, https://www.npc.gov.np/images/category/15th_Plan_Approach_Paper2.pdf (in Nepali)

8 'Nepal Foreign Minister Pradeep Gyawali's Speech on 'Role of Nepali Diaspora for Development Policies'', 2018, <https://www.npi-nrna.org/2018/11/22/speech-by-hon-pradeep-kumar-gyawali-minister-for-foreign-affairs-on-the-theme-role-of-nepali-diaspora-for-development-policies/>



Achievements

Nepal plays an active role in the regional labour migration processes in order to advocate for its migrant workers and in doing so build trust in the destination countries. There has been an enabling environment for the diaspora since 2008, which has allowed initiatives like the Non-Resident Nepali Association to grow as well as resulted in the creation of the Brain Gain Centre. These have had an impact on policymaking and socio-economic development in Nepal.

In July-August 2022, amendments to the Citizenship Act 2006 were passed by a large majority in the House of Representatives and National Assembly. Almost a year later they were authenticated by the new President, having been rejected twice by the former President. The amendments include easing restrictions on access to dual citizenship for NRNs overseas (beyond South Asia), but they will not be allowed to vote, run for office or hold civil service jobs. In 2023 the Minister for Home Affairs informed the NRNA he had given instruction for procedures and regulations to be adjusted accordingly. However, there is criticism that the authentication was unconstitutional as the bill had lapsed and procedures had not been adjusted at the end of 2023.⁹

Obstacles



- **Government incentives:** Even though the government has been active in reaching out to NRNs, the diaspora mostly returns to Nepal through their own personal connections rather than because of any incentive from the government. They either come in through volunteering organisations, such as the Voluntary Service Overseas (VSO), through the NRNA, or through their own personal connections to their place of birth, ancestral town or district. There are also no formal government programmes for attracting Nepalese nationals who have emigrated to return or to facilitate the reintegration of returnees.
- **Government coordination:** There is still no proper coordination and initiative from the government to involve the diaspora in the development of specific sectors. As a result, most volunteers work outside of the government system with no proper mapping or clear process of identifying where the demand for the diaspora is. Migration governance and policymaking are often spread across several ministries and departments.
- **Channelling remittances:** The majority of remittances to Nepal - which constitutes roughly a quarter of its GDP - comes from labour migrants and is spent on consumer goods and not on investments that can generate employment and raise the standards of living. There is little incentivisation for remittances from higher-educated migrants despite the greater potential for such remittances for investment in productive sectors.¹⁰
- **Resentment:** Despite often celebrating its diaspora, public instances of criticism and occasional outcry from political leaders against the diaspora have angered many expatriate Nepalis and discouraged them from engaging in development. As Uttam Gaulee put it: “While successful diaspora members abroad are frequently viewed by the public as models, they are sometimes and ironically viewed as rivals by their Nepali counterparts.” Leaders need to approach diaspora relations with sensitivity and respect the sentiments and willingness to be involved in developmental efforts, rather than fuel issues of resentment.¹¹

9 <https://kathmandupost.com/national/2023/06/01/presidential-seal-on-citizenship-bill-courts-controversy>; <https://nepalitimes.com/here-now/nepal-s-citizenship-amendment-bill-explained>; <https://nrna.org/%e0%a4%8f%e0%a4%a8%e0%a4%86%e0%a4%b0%e0%a4%8f%e0%a4%a8%e0%a4%8f-%e0%a4%b0-%e0%a4%97%e0%a5%83%e0%a4%b9%e0%a4%ae%e0%a4%a8%e0%a5%8d%e0%a4%b0%e0%a5%80%e0%a4%ac%e0%a5%80%e0%a4%9a/> ; <https://kathmandupost.com/national/2022/07/25/everything-you-need-to-know-about-new-amendment-to-the-citizenship-act>

10 <https://kathmandupost.com/columns/2024/01/16/diversifying-diaspora-and-remittances> ; Adhikari, Ambika P. (ed). 2023. Current Developmental Challenges in Nepal: How Can The Diaspora Help? Summary of ANA Denver Nepal Forum. July 2023 https://digitalrepository.unm.edu/nsc_research/108/]

11 <https://www.tandfonline.com/doi/full/10.1080/25741292.2022.2139951>

SPOTLIGHT: effective practices



Non-Resident Nepali Association (NRNA), 2003

NETWORKS

The NRNA is an association committed to creating a global network of Nepali migrants and streamlining their energy and resources to make the diaspora a catalyst of economic and social transformation in Nepal.¹² Over time, the NRNA has emerged as the central organisation for Nepali migrants. The NRNA has established National Coordination Councils (NCCs) in 80 countries with 70,000 members as of 2019. The NRNA has also launched a global ID campaign to build a unified system to register members and provide services/discounts to them.¹³ Key sectors of engagement include economic development, foreign direct investment, human capital formation and development, technology transfer and climate change financing. In October 2023, the NRNA came into turmoil following contested elections due to technical issues with the online voting system. This resulted in two factions which somewhat mirror partisan politics at national level.¹⁴

Nepal Policy Institute (NPI), 2016

NETWORKS + RESEARCH

The NPI is an international think-tank and knowledge platform dedicated to the people-centred and sustainable development of Nepal and Nepali people, including diaspora Nepali. In 2019, the NPI and NRNA organised an event in Thailand where diaspora professionals, experts, academics, entrepreneurs and NRN leaders interacted with the National Planning Commission (NPC) team on identifying the role of diaspora in transforming development planning and policies of Nepal. During the programme, a comprehensive Memorandum of Understanding between NPC and NPI was proposed; this is likely to be signed soon.¹⁵

Ujyalo Nepal, 2017

INFRASTRUCTURE + ENERGY

This scheme has been promoted by NRNA and is aimed at replacing traditional electric bulbs in Nepal with LED lights, which could have a significant impact on energy savings. The NRNA has teamed up with the Nepal Electricity Authority and its target is to replace 10,000,000 traditional bulbs with LED lights.

Brain Gain Centre, 2019

SKILLS TRANSFER

The government opened a unit in the Ministry of Foreign Affairs aiming at fostering partnership with Nepali experts and professionals overseas. Prior to the centre's opening, Nepali professionals abroad were invited to register with the centre's database; more than 450 registered within a month.

12 NRNA Vision 2020 and Beyond Final Report, 2017, NRNA, <https://nrna.org/Portals/0/Vision%202020final%20report.pdf?ver=2018-02-01-104845-657>

13 https://nrna.org/Portals/0/id_card_global.pdf.

14 <https://myrepublica.nagariknetwork.com/news/nrna-election-sharma-faction-claims-serious-errors-in-online-election/> ; <https://english.khabarhub.com/2023/28/328215/> ; <https://myrepublica.nagariknetwork.com/news/partisan-politics-and-the-non-resident-nepali-association/?categoryId=opinion> ;]

15 'MoU between NPC and NPI in the Offing', 2019, <https://www.npi-nrna.org/2019/06/04/mou-between-npc-and-npi-in-the-offing/> <https://www.npi-nrna.org/2019/06/04/mou-between-npc-and-npi-in-the-offing/>

Annual science & technology review

In 2022, the Nepal Science Foundation Trust, Skill Knowledge & Technology Transfer (SK&TT) Department and Non-Resident Nepali Association began a new initiative of producing an annual magazine to highlight and share research and development work from the diaspora and highlight potential application in development projects in Nepal. The first edition includes sections on Environment, Agriculture, Food and Health to Infrastructure.

The publication is linked to SK&TT's memorandum of understanding with the Nepal Academy of Science and Technology and Research Center for Applied Science and Technology to promote research and development collaboration between Nepal and diaspora scientific and professional communities.

KNOWLEDGE
TRANSFER

Connecting with second-generation through sport

Since 2018 efforts have been made to include NRN through sports. The National Sports Council (Rakhep) has sought to attract Nepalis living abroad, including second generation, to engage in Nepalese sports. NRNA has taken teams to the 8th and 9th National Games in April 2019 and October 2022 respectively. The NRNA team in 2022 consisted of 181 athletes – half second generation – from UK, USA, Portugal, Malaysia, UAE and Qatar, competing in 20 sports.

IDENTITY

Diaspora diaries 2023

The Nepali Times collected and published 50 stories from the diaspora “to bring out the human side of migration, and how it touches nearly all Nepali families in both positive and negative ways”. After regularly publishing the stories on its website, NT created an e-book on the occasion of International Migrants Day, 18 December 2023.

COMMUNICATION

Annex:

List of Actors

Diaspora related institutions



- **At regional level**

International Organisation for Migration <https://nepal.iom.int/>

Established in 1951, the International Organisation for Migration (IOM) is the UN Migration Agency and the leading inter-governmental organisation in the field of migration. Nepal became an IOM member state in 2006. In 2007, the Government of Nepal and IOM signed a cooperation agreement to encourage cooperation and the delivery of services to Nepal, which is a country of origin, transit and destination of migration.

- **National institutions**

- At ministerial level

Ministry of Labour, Employment and Social Security https://moless.gov.np/?page_id=218

The Ministry formulates, plans, implements, monitors and evaluates labour and employment related policies.

Ministry of Foreign Affairs <https://mofa.gov.np>

The Ministry has a dedicated division for diaspora engagement to organise diaspora-related activities.

- At sub-ministerial level

Department of Consular Services <https://nepalconsular.gov.np/en/>

The department liaises with Nepali missions abroad to coordinate on issues pertaining to the Nepali working there. They work together on the provision of legal assistance, compensation and insurance. Established under the Ministry of Foreign Affairs, the department also deals with diaspora-related matters.

Department of Foreign Employment <http://www.dofe.gov.np/Home.aspx>

Established under the Ministry of Labour, the department conducts work related to the labour agreements with foreign employers in destination countries, cooperates with national and international organisations, and coordinates on foreign employment and international immigration. It also tracks and maintains data on Nepali migrants.

Diaspora organisations in Europe



Diaspora engagement is mostly through the NRNA's NCCs in various parts of the world, including Europe. NCC Germany, NCC Switzerland and NCC Italy are among the more active. In the NRNA's current executive committee, two vice-presidents are from Europe.

British Gurkha Welfare Society UK 2003 <http://www.bgws.org/>

Development activities

The society campaigns for those Gurkha veterans who retired before 1997 to receive pensions equal to the British and Commonwealth Soldiers they fought alongside. The BGWS seeks to improve the situation of Gurkhas in both the UK and in Nepal.

Greater Rushmoor Nepali Community UK 2004 <http://grncommunity.com/>

The principal objectives of the organisation are to address any welfare issue related to the Rushmoor Borough Nepali Community, maintain Nepali culture and actively involve the Nepali community to integrate with the wider community.

Kirat Rai Yayokkha (KRYUK) UK 2004 <http://kryuk.org/>

Development activities

The Kirat ethnic group founded this organisation of Gurkhas. At present, several ethnic groups in Nepal, including the Rai and Yakkha, claim that they are Kirat. However, most of the documents regarding the activities of the organisation are in the Nepali language.

Naya Yuva UK <https://www.facebook.com/Nayayuva.org>

Development activities

This is a voluntary organisation in the UK established with the aim of helping Nepali youth and implementing development projects in Nepal.

Nepal Samaj e.v., Germany 2007 <http://www.nepalisamaj.org/index.html>

The Nepali Samaj association was founded in Darmstadt and has been located in Frankfurt since 2007. It is an association that unites Nepalis in the Rhine-Main area through culture and tradition. At the same time, it supports Nepalese who come to Germany to make it easier for them to settle in and also aims to bring the tradition and culture of Nepal closer to German citizens.

Pasa Puchai Guthi UK (PPG UK) 2000 <http://www.ppguk.org/> <https://www.facebook.com/groups/ppguk/?fref=ts> <https://twitter.com/guthiuk>

Development activities **Integration activities**

PPG UK is a charitable organisation representing the Newah community. It seeks to preserve and promote Newah culture and tradition in the UK. It has 5 chapters and is governed by a board of trustees. It also works to prevent or relieve poverty through grants, services and provisions. In 2021 it undertook significant work to respond to the Covid-19 crisis, including advocacy, awareness raising, fundraising in response to the Ambassador for Nepal to the UK's plea for support.

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