

# GLOBAL INFORMATION SOCIETY WATCH 2012

THE INTERNET AND CORRUPTION  
*Transparency and accountability online*



# Global Information Society Watch

## 2012



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# NEPAL

## EMPOWERING CITIZENS THROUGH APPROPRIATE TECHNOLOGIES



**Kishor Pradhan**

### Introduction

In early October 2011 an incident took place at Tribhuvan International Airport in Kathmandu, Nepal, which succinctly illustrated how information and communications technologies (ICTs) such as mobile phones and the internet can be best used to curb corruption. The case in point was of a Nepali Sherpa woman who was travelling to the United States from Kathmandu with legitimate travel documents and a US visa, but who was not cleared for travel by immigration officials. The officials allegedly suspected the legitimacy of her passport and visa and demanded 150,000 Nepalese rupees (about USD 2,000) to allow her to travel. The Sherpa woman eventually succumbed to the immigration officials' demand, bargained the amount down to 100,000 rupees (around USD 1,500), paid it, and boarded the plane to the US.

Amazingly, when the young Sherpa woman was being questioned and harassed at the airport and asked for money to get immigration clearance, she had the presence of mind to secretly record her ordeal using the video camera on her mobile phone. A week after reaching the US, the Sherpa woman, with the help of local journalists in Kathmandu, organised a press conference through Skype and narrated her ordeal. Her story was covered extensively by the media in Nepal and was made available all over the web. The Prime Minister's Office (PMO) eventually reacted by looking into the matter, and ordered the Commission for Investigation of Abuse of Authority (CIAA) to investigate and punish the culprits. The CIAA, the apex constitutional anti-corruption body of the government in Nepal, immediately terminated the employment of the corrupt immigration official, and the case was further investigated.<sup>1</sup> In the past few years government agencies and civil society organisations in Nepal, such as the CIAA,<sup>2</sup> the PMO and Transparency International Nepal, which all work to fight corruption in the country, have adopted ICTs to solicit complaints and promote zero tolerance to corruption. Most of the anti-corruption government agencies and civil society organisations

have been providing public services that allow citizens to complain by email, SMS or telephone when they are subject to corruption.

### Institutional and policy provisions

According to Transparency International's annual report, Nepal is the second most corrupt country in South Asia. The Corruption Perception Index (CPI) 2011 ranked Nepal in 154th position on the list of the least corrupt countries.

Nepal signed the United Nations Convention against Corruption (UNCAC) in 2003 and ratified it recently in September 2011. Nepal has also recently enacted an Anti-Money Laundering Act, Procurement Act, Right to Information (RTI) Act and Good Governance Act to fulfil the legislative prerequisites for UNCAC. The country is drafting further legislation including the Mutual Legal Assistance Act and Witness and Whistle Blower Protection Act to comply with the prerequisites of UNCAC. The RTI Act was enacted in Nepal in 2007 and to uphold it the National Information Commission was formed in 2008.

The CIAA website has an online complaint handling system which states that its objective is to make the complaint process more convenient, easy, efficient and secure for the general public.<sup>3</sup> Similarly, if one visits the official website of the PMO, one will come across a menu item with the title of "Complaints/Suggestions". Clicking the link leads to a page where one can give feedback to the PMO online by filling out a submission form.<sup>4</sup>

Besides the CIAA, other institutional anti-corruption authorities or agencies in Nepal include the National Vigilance Centre (NVC). The NVC has been established to help raise awareness of corruption and engages in activities that will help prevent corruption. Its main purpose is to conduct oversight functions to ensure that public offices adhere to the principles of good governance and transparency. The NVC is responsible for monitoring income and asset disclosure by public officials. However, according to the Global Integrity 2008 report, the NVC has not been able to effectively monitor these disclosures due to the lack of strong political will and the inadequacy of governing rules and regulations.

1 A complete TV report on the incident can be viewed at [www.youtube.com/watch?v=VBEOhTij7vA](http://www.youtube.com/watch?v=VBEOhTij7vA)

2 For further details on the CIAA visit [ciaa.gov.np](http://ciaa.gov.np)

3 For further details visit [ciaa.gov.np/OC/index.php?language\\_type=1](http://ciaa.gov.np/OC/index.php?language_type=1)

4 The PMO's website can be accessed at [www.opmcm.gov.np/en/](http://www.opmcm.gov.np/en/)

During the political transition in Nepal from a kingdom to a republic the Commission to Investigate the Wrong-doings of the Royal Government (CIWRG) was formed in May 2007. According to the Transparency International Report 2008, the CIWRG heard testimony from 200 ministers, senior civil servants, and army and police officers, including former vice-chairs and members of the Royal Cabinet. Other cases involving financial irregularities and corruption were further investigated by the CIAA.

The Office of the Auditor General (AG) as an anti-corruption authority carries out audits of accounts of all the public offices and public corporations, including government and ministerial agencies in Nepal. The constitution ensures the AG complete independence. The staff of the AG's office is recruited through the civil service commission. Audit reports are required to be made public. The audit institution is also engaged in advising on improvements of institutions and procedures within public administration. However, critics of the AG argue that audits are generally ineffective, that state auditors lack expertise, and that the AG's findings and recommendations rarely generate a prompt response from the institutions concerned.

In addition, the Public Accounts Committee (PAC) is a parliamentary special committee that was constituted in 2007 to provide oversight of public funds. The PAC's role is to conduct independent investigations of audit objections. However, according to the Global Integrity 2008 report, due to a lack of efficient staff and political will, its functionality is largely ineffective and the government often ignores the PAC's directives and seldom implements the reform measures suggested by it.

### Provisions and practices

The case of the Sherpa woman using a mobile phone to record the corruption incident and later organising a press conference through Skype from the US is definitely an impressive example of how ICTs can be used for curbing corruption and making the authorities accountable. However, such an incident is an exception. It cannot be generalised that every Nepali citizen who is prone or subject to corruption would be smart enough to do the same, and there have not been that many similar cases which illustrate the use of ICTs in Nepal to curb corruption.

According to Iswori Prasad Paudyal, the spokesperson for CIAA, the commission's online complaint system has been operational for the past five years. On average about 100 complaints have been filed a year, which he feels is few given the volume of corruption incidents in Nepal. Of these about 20% to 30% are complaints made by individual citizens

subject to corruption. However, the complaints filed are seldom followed up by the complainants. Iswori says the ineffective use of the online complaints system could be because of a lack of awareness; a low level of access to computers and internet or online systems; fear of lodging complaints; and a lackadaisical attitude towards corruption, amongst others. He says that the CIAA has organised more than 300 workshops to raise awareness on using anti-corruption provisions like the online complaints systems, targeting more than 40,000 government officials, teachers, students and civil society groups. But the results have not shown the desired impact. He says the overall fundamental problem is political. The higher authorities in the government such as ministers, secretaries, political parties and other power players in Nepal should be proactive and serious about corruption control so that the provisions can be effective. The social mindset itself regarding corrupt practices also needs to change.<sup>5</sup>

As far as the complaints/suggestions link on the PMO's website is concerned, the IT Division at PMO informed me that people do use the feedback system to lodge complaints or provide suggestions to the government. However, how frequently it is used to lodge complaints or suggestions in a month could not be objectively ascertained, as the submissions by the public get forwarded directly to a configured email at the PMO secretariat and the data is not made available to public.

Another service called Hello *Sarkar* (Hello Government) – a hotline telephone service provided by the PMO to address various public grievances – has been operational since January 2012. A person can dial a number to lodge a complaint, fax, email or send a text message, or visit the PMO's website to receive the service. During the first four months after its launch, people lodged more than 4,600 complaints, of which 30% were effectively sorted out, according to Lila Mani Poudel, a PMO secretary who supervises the hotline service.<sup>6</sup>

The impact of the Hello *Sarkar* service has been noteworthy. Since it was started the media reported: "The impact of the much-talked-about Hello *Sarkar* public complaints hotline is being seen in one instance after another. Some 41 bus passengers in Itahari were able to recover Rs 6,150 fleeced from them by the bus owners on Saturday thanks to timely intervention by the Hello *Sarkar* team."

The saga of how the disgruntled passengers were able to recover their money is interesting. According to Narendra Gywali, an officer at the Hello

5 Based on personal conversation with Iswori Prasad Paudyal.

6 [www.asianewsnet.net/home/news.php?id=28400&sec=1](http://www.asianewsnet.net/home/news.php?id=28400&sec=1)

*Sarkar* control room, one Tirtha Adhikary phoned up around 7:30 p.m. one Friday to say that “[a] passenger bus – Na 3 Kha 7140 – had forcibly collected an additional Rs 140 from each of the 41 passengers. The bus owners and conductor did us an injustice. We need your instant action and support.” The officials then discussed whom to contact to sort out the problem. They ended up contacting a police control room, asking them to address the problem through the local police without delay. The bus was en route to Kathmandu from Birtamod, Jhapa. Local police went into action following instructions from the central level and stopped the bus at Itahari. During an inspection, it was found that the bus owners had indeed collected additional money from the 41 passengers. Police had the Rs 6,150 refunded to the passengers and the bus driver was arrested. Immediately after that incident, there was another phone call at the Hello *Sarkar* control room, this one stating that another bus en route to Kathmandu from Jhapa was also collecting extra money from passengers. Officials again instructed police to punish the bus people. Police tried to identify the bus but it never came via that route. “The bus disappeared suddenly,” said an official.<sup>7</sup>

The executive director of Transparency International Nepal, Ashis Thapa, says that in their experience, a telephone hotline corruption complaint service that they have been providing is more popular than their online complaint system under their anti-corruption advocacy and lobbying programme. The cost for using the hotline service is covered by Transparency International. He says that 99% of corruption complaints that they receive are through the telephone hotline. Transparency International started the hotline service in 2009 and the online complaint system in 2010. However, Thapa does not rule out that the online complaint system can be effective. He says that with more campaigning, advocacy and awareness raising on the availability of the online complaint system, it can result in the desired impacts, since the number of people with access to the internet has been rapidly increasing in Nepal.<sup>8</sup>

In the case of RTI, a report published by the World Bank in January 2012 entitled “Implementation of the Right to Information in Nepal: Status Report and Recommendations” states that the “[i]mplementation of the right to information in Nepal – where the right has been guaranteed both in the Constitution since 1990 and by an act of Parliament

since 2007 – has so far been weak. On the supply side, public bodies have done little to meet their extensive obligations under the law: many have not even appointed dedicated information officers and most of the information subject to proactive disclosure under the law remains unpublished. On the demand side, the number of requests from both civil society groups and the general public has been low and there has been little pressure on public bodies to be more open. The National Information Commission (NIC), formed in 2008, has until recently been under staffed and under resourced, although that is starting to change.”<sup>9</sup>

## Conclusions and action steps

There have been mixed experiences regarding the use of the internet in fighting corruption in Nepal.

As this report has suggested, telephone services are currently preferred by citizens when reporting on corruption. However, currently 50% of Nepali citizens have access to mobile phones. Because of this, together with the rapid growth of internet users and access to online services, it cannot be ruled out that in the near future the internet will play a substantive role to make a dent in curbing corruption in the country.

The following action steps can be suggested:

- Government and non-governmental agencies which are responsible for fighting against and acting on corruption should create effective links with internet service providers, telecom service providers and others to provide more user-friendly, accessible online services for online complaint systems.
- There should be more effective campaigns and awareness-raising efforts by both the government and civil society regarding the use of the internet to fight corruption.
- Public Internet Centres, like the Public Communication Offices, could be set up by the government in collaboration with non-governmental organisations to facilitate access to the internet at a subsidised cost to the general public.
- Donors and civil society in Nepal need to proactively lobby for formulating a proper e-governance policy that incorporates the use of ICTs for good governance and fighting corruption. ■

7 [texasnepal.com/news/hello-sarkar-restores-rs-6150-to-fleeced-bus-passengers](http://texasnepal.com/news/hello-sarkar-restores-rs-6150-to-fleeced-bus-passengers)

8 Based on personal conversation with Ashis Thapa.

9 The complete report is available at [www.freedomforum.org.np/content/attachments/article/114/RTI-Report-Nepal%20World\\_Bank.pdf](http://www.freedomforum.org.np/content/attachments/article/114/RTI-Report-Nepal%20World_Bank.pdf)