

CLAWS Newsletter



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NEPAL

INTERNAL AFFAIRS

8 September (Associated Press): Flood response tests Nepal's new government

Associated Press examined the pressure on Prime Minister Balendra “Balen” Shah’s government after the devastating August floods. Shah had taken office in March following a period of political upheaval and public demands for cleaner government and better opportunities. The disaster required the administration to coordinate rescue, relief and reconstruction while addressing criticism of its preparedness and experience. The report placed the emergency within Nepal’s recent political transition, showing how the government’s ability to protect communities and restore essential services had become an immediate test of public confidence.

24 September (Nepal News): House agrees to consider the Free Legal Aid Bill

The House of Representatives unanimously approved a motion to consider the Free Legal Aid Bill, 2026, following a proposal by Law Minister Sobita Gautam. She said applicants would need official verification that they could not afford private legal representation. The proposed framework includes regional and district committees, records of participating lawyers, psychosocial counselling where required, and mobile assistance camps linked to municipal judicial mechanisms. The debate concerned widening access to justice for people with limited means. Approval of deliberations was a legislative step rather than final enactment of the bill.

29 September (Nepal News): Cabinet authorises submission of the Federal Civil Service Bill

The Council of Ministers approved submission of the Federal Civil Service Bill to Parliament. The same meeting endorsed legislation to amend the Animal Slaughterhouse and Meat Inspection Act, 1999, and the Rights of Persons with Disabilities Act, 2017. The decisions moved these measures into the parliamentary process for consideration and scrutiny. Nepal News reported the cabinet’s approval in its evening briefing; the account did not establish that the bills had passed both houses or received the assent needed to become law.

FOREIGN AFFAIRS

17 September (The Kathmandu Post): Finance minister visits India with reconstruction on the agenda

Finance Minister Swarnim Wagle arrived in New Delhi for a three-day visit at the Indian government's invitation. Post-disaster reconstruction and wider economic, political and diplomatic cooperation formed the agenda. His programme included scheduled meetings with Finance Minister Nirmala Sitharaman and External Affairs Minister S. Jaishankar, alongside engagements with business leaders and development economists. The visit came while Nepal was assessing disaster losses and mobilising resources for rebuilding.

25 September (The Kathmandu Post): Khanal sets out a development-centred foreign policy in New York

Foreign Minister Shisir Khanal addressed an Asia Society discussion with Kevin Rudd on 24 September, explaining Nepal's political transition and the new government's priorities. He linked diplomacy to investment, productive industries and higher-paying employment at home. Khanal described India and China as complementary economic partners and advocated improved roads, energy links, aviation and digital connectivity. He also sought deeper engagement with the United States and other development partners.

25 September (The Times of India): Shah proposes a Himalayan warning network with India and China

In his UN General Assembly address, Prime Minister Balendra Shah called for a trilateral Himalayan climate-resilience mechanism involving Nepal, India and China. The proposed arrangement would share satellite data, monitor dangerous glacial lakes, strengthen early-warning systems and coordinate disaster response across borders. Shah connected the appeal to the August flood emergency and argued that climate hazards require cooperation beyond national frontiers

ECONOMY AND INFRASTRUCTURE

30 August 2026 (The Kathmandu Post): Government begins assessing reconstruction needs after Bhotekoshi floods

Finance Minister Swarnim Wagle said reconstruction and rehabilitation could require between US\$4 billion and US\$5 billion, subject to a detailed assessment. The government's immediate priority remained search, rescue and relief, while officials examined damage to homes, roads, bridges, hydropower facilities and livelihoods. A rapid assessment by the disaster-management authority was intended to inform a comprehensive post-disaster needs assessment. Ministers said Nepal would subsequently approach international development partners for rebuilding support.

15 September (The Kathmandu Post): Finance ministry announces a 21-point capital-market reform plan

The government unveiled a 21-point package to strengthen the capital market after flood damage added pressure to listed hydropower companies and the wider economy. Measures include revised public-offering rules, restructuring of the Nepal Stock Exchange, development of bond and money markets, and legal frameworks for additional trading instruments. The plan also envisages opening the secondary market to non-resident Nepalis and encouraging specialised bonds, including green and disaster bonds. Different measures carried future implementation deadlines. The announcement set out a reform programme whose legal and operational changes still required further work.

21 September (The Kathmandu Post): Low borrowing costs fail to produce a strong investment recovery

The Kathmandu Post reported that abundant bank liquidity and low interest rates had not translated into strong business investment. Private-sector credit had grown by roughly six percent annually over the preceding three years, below the central bank's targets. Remittances supported reserves and deposits, but weak confidence constrained borrowing and job creation. Early fiscal-year figures showed improvements in revenue, investment and some transactions, alongside rising inflation. Economists argued that funds needed to reach productive activity and employment.

21 September 2026 (Radio Nepal citing RSS): Tourism response team estimates losses of Rs52.67 billion

A tourism-sector rapid-response team submitted an assessment estimating Rs52.67 billion in losses from the August Bhotekoshi floods. The report covered damaged hotels, transport access, trekking routes and tourism-management systems, particularly in Rasuwa, Nuwakot, Dhading and Gorkha. It identified the hotel sector as the largest loss component. Tourism Minister Khadak Raj Paudel promised coordinated action with the Nepal Tourism Board and private businesses to restore safety, communication and access before the tourism season. The team recommended rebuilding a safer tourism system that incorporates future climate risks rather than only replacing damaged infrastructure.

23 September (The Kathmandu Post citing ADB): ADB lowers Nepal's growth forecast to 4.1 percent

The Asian Development Bank's September outlook reduced Nepal's projected growth for the fiscal year ending in mid-July 2027 to 4.1 percent, compared with its July forecast of 4.5 percent. The bank attributed the revision to the effects of the Bhotekoshi floods on economic activity and infrastructure. It raised the inflation forecast to 5.3 percent and expected rebuilding expenditure to widen the fiscal deficit. The projections highlighted the economic consequences of disrupted production and reconstruction needs.

27 September (Reuters): Fresh flooding damages a 40-megawatt hydropower project

Reuters reported renewed flooding and landslides after heavy late-September rain. Energy Minister Biraj Bhakta Shrestha said flooding of the Rahuganga River damaged the structure and transmission towers of a 40-megawatt hydropower project. Authorities warned of possible flash floods in 49 of Nepal's 77 districts as river levels rose. The account demonstrated the continuing exposure of power infrastructure to monsoon hazards while the country was already responding to the August disaster. Damage and casualty information represented the situation reported that day and remained subject to later revision.

DEFENCE UPDATES

1 September (The Times of India): Indian and Nepali armies conduct joint tunnel rescue work

Indian Army technical teams supported the Nepali Army at the Chilime and Langtang hydropower tunnel sites following the floods. At Chilime, personnel established access to the entrance and installed safety ropes; the joint team explored 185 metres into the Langtang tunnel. Poor weather, difficult terrain and unstable conditions limited progress. India deployed specialised personnel at Nepal's request, and its ambassador visited the staging base at Bidur for a briefing. The operation illustrated military cooperation in humanitarian assistance and disaster relief, with engineering and confined-space search skills central to the response.

15 September (The Rising Nepal): Security agencies build temporary crossings after bridge destruction

The Nepali Army, Nepal Police and Armed Police Force continued restoring temporary access after floods swept away bridges along the Rasuwa–Mugling corridor. The Rising Nepal reported that more than 21,000 security personnel remained engaged in rescue, relief and restoration work. Temporary footbridges and cable crossings helped reconnect communities in Rasuwa and Nuwakot, including Betrawati and Syafrubesi. Local residents welcomed improved pedestrian movement while calling for more durable bridges. These measures restored immediate access but did not amount to full reconstruction of the damaged road and bridge network.

29 September (Radio Nepal citing RSS): Proposed defence university would serve military and civilian personnel

Law Minister Sobita Gautam told the House of Representatives that the proposed National Defence University would be a national academic institution serving military and civilian personnel. Its envisaged areas of study include national security, defence, strategic leadership, international relations and diplomacy. Gautam emphasised research, strategic analysis and policy knowledge rather than simply adding another conventional university. The parliamentary discussion also addressed institutional credibility and academic autonomy.

BORDER UPDATES

2 September (Reuters): China reopens the road to the Gyirong disaster zone

China reopened the only road leading to the Gyirong crossing on its side of the Nepal border after catastrophic flooding damaged access. Restoring the highway allowed heavy machinery to enter the principal disaster area and supported the search operation. Before road access improved, relief had depended heavily on aerial delivery. The development concerned access for rescue and recovery on the Chinese side; it did not mean that normal bilateral trade or the destroyed border facilities had been fully restored.

15 September (The Kathmandu Post): Foreign minister reaffirms Nepal's position on the disputed border map

Foreign Minister Shisir Khanal told Parliament that Nepal's map incorporating Lipulekh, Kalapani and Limpiyadhura represented a shared national commitment. He was clarifying comments about approaching relations with India without inherited political burdens. Khanal said the map and the constitutional amendment endorsing it could not be treated as a burden, while maintaining that outstanding differences should be addressed through dialogue and cooperation. The statement reaffirmed Kathmandu's territorial position in areas disputed with India. It recorded a policy clarification rather than a boundary settlement or a change in control on the ground.

29 September (The Kathmandu Post): Monsoon disruption affects all three major Nepal–China crossings

Floods, landslides and road erosion disrupted Rasuwagadhi–Kerung, Tatopani and Korala ahead of Dashain. Rasuwagadhi remained closed following the August disaster, while China had kept its side of Tatopani closed for about a month. Damage along the Kali Gandaki corridor cut access to Korala. Traders reported stranded consignments and difficulty delivering vehicles booked for the festive season. The simultaneous interruption constrained overland movement and imports from China at a high-demand period. Earlier reopening of a rescue-access road on the Chinese side had not restored normal functioning of the northern trade routes.

BHUTAN

INTERNAL AFFAIRS

2 September (Bhutan Ministry of Health): Bhutan completes WHO's malaria-elimination assessment mission

Bhutan completed a WHO independent mission for malaria-elimination certification conducted from 24 to 31 August. Experts reviewed surveillance, diagnosis, case management, laboratory quality assurance, vector control and preparedness, with visits to health facilities and risk areas. The health ministry said Bhutan had maintained zero indigenous malaria transmission since November 2021. Continued monitoring remained necessary to prevent imported infections from re-establishing local transmission. Completion of the assessment brought Bhutan closer to certification; the ministry's announcement did not itself state that WHO had granted malaria-free certification.

9 September (Bhutan Broadcasting Service): Punakha communities practise evacuation for glacial-lake flood risks

More than a thousand residents along the Phochhu and Punatsangchhu rivers participated in awareness activities and an evacuation drill. The Department of Local Governance and Disaster Management, Bhutan Red Cross Society and Punakha administration explained safe locations, transport arrangements and communication procedures. Officials highlighted risks from glacial lakes in Lunana, including the possibility of cascading outbursts. The programme aimed to translate monitoring and warnings into practical community action.

30 September (Bhutan Broadcasting Service): Thimphu reports fines and plans wider surveillance against littering

Thimphu Thromde reported 47 littering and illegal-dumping cases and more than Nu88,000 in fines since CCTV enforcement began in 2025. Of these cases, 22 were recorded between January and September 2026. The city had expanded the system to 50 cameras and planned further coverage. Residents raised concerns about the availability of waste bins, while officials

described designated disposal sites and sought greater community participation. A compost plant at Memelakha was operational and a material-recovery facility was planned. The initiative forms part of the city's stated zero-waste ambition for 2030.

FOREIGN AFFAIRS

27 August (Bhutan Broadcasting Service): Thimphu hosts regional parliamentarians on Himalayan climate action

More than 50 lawmakers and experts gathered in Thimphu for the second Hindu Kush Himalaya Parliamentarians' Meet. Participants examined adaptation, mountain resilience, climate finance and the legislative and budgetary responses needed to address regional hazards. ICIMOD Director General Pema Gyamtsho emphasised the use of scientific evidence in parliamentary decisions. Discussions also considered institutionalising the forum and strengthening cooperation among countries facing interconnected climate challenges.

8 September (Bhutan Ministry of Foreign Affairs and External Trade): Japan's state minister visits during the diplomatic anniversary year

Japan's State Minister for Foreign Affairs Kunimitsu Ayano met Bhutanese Foreign Minister D. N. Dhungyel during an official visit scheduled for 8–10 September. The two ministers discussed bilateral friendship, matters of mutual interest and opportunities for further cooperation. The visit coincided with the 40th anniversary of diplomatic relations between Bhutan and Japan. The ministry described it as part of the tradition of senior exchanges between the countries.

18 September (Bhutan Ministry of Foreign Affairs and External Trade): Jaishankar's visit reviews the India–Bhutan partnership

Indian External Affairs Minister S. Jaishankar visited Bhutan from 16 to 18 September, meeting the King, Prime Minister Tshering Tobgay and Foreign Minister D. N. Dhungyel. The ministers reviewed bilateral cooperation and regional issues. India reiterated support for Bhutan's development priorities, including programmes under the 13th Five Year Plan for 2024–29. The joint release reaffirmed close political and development cooperation.

18 September (Bhutan Ministry of Foreign Affairs and External Trade): Six ambassadors present credentials to the King

Ambassadors from Pakistan, Kazakhstan, the Republic of Korea, the Philippines, Germany and Mongolia presented credentials to the King at Dechenchholing Palace. The representatives were accredited to Bhutan while based in Dhaka or New Delhi. An audience with the King followed, and the ambassadors were scheduled to meet senior government officials. The ceremony maintained Bhutan's international representation through non-resident missions and included the Philippines, with which diplomatic relations had been established in October 2025. The announcement concerned diplomatic accreditation and engagement rather than new commercial or security agreements.

24 September (National Assembly of Bhutan): Bhutan and European parliamentarians discuss climate and governance

Bhutan's National Assembly hosted its ninth inter-parliamentary meeting with a five-member European Parliament delegation led by Serban Dimitrie Sturdza. Discussions covered democratic governance, climate, energy and sustainable development, alongside cooperation under the EU's 2021–27 programme. Members considered water-resource management, renewable energy, resilient infrastructure, youth retention, education and student exchanges. The European delegation also highlighted human rights, demographic trends, skills and digital transformation. The meeting reaffirmed parliamentary cooperation and the exchange of policy experience, with adaptation finance and energy resilience among the issues identified for further engagement.

27 September (National Assembly of Bhutan): Bhutan participates in the Asian Parliamentary Assembly in Dushanbe

Members Sonam Dorji and Sangay Thinley represented Bhutan at the Asian Parliamentary Assembly's Standing Committee on Social and Cultural Affairs in Dushanbe from 24 to 27 September. Delegations considered 16 draft resolutions and discussed sustainable development, mutual understanding and women's participation in parliamentary decision-making. Bhutan's representatives also met Bahrain's delegation to discuss parliamentary visits, exchanges and engagement among women legislators. The programme combined multilateral debate with bilateral outreach.

DEFENCE UPDATES

25 September (Gyalsung Headquarters): National-service volunteers sought for cadet medical screening

Gyalsung Headquarters invited applications from trained Gyalsups to support medical screening for the 2027 national-service intake. It planned to select 56 volunteers for 27 screening centres, with reporting scheduled for 15 October. Duties include guiding enlistees, supporting documentation, coordinating with hospital staff and explaining procedures. The notice set a stipend of Nu300 per day and recognised completed duty through National Service Duty points. Applications were due on 2 October.

28 September (Gyalsung Headquarters): Gyalsung opens vocational training opportunities at JWPTI

Gyalsung Headquarters announced training opportunities with the education and skills ministry at Jigme Wangchuck Power Training Institute in Sarpang. The offer comprised 20 tile-laying places, 40 masonry places, 20 mechanical-fitter places and 15 robotics places. Courses were scheduled to start on 11 October, with durations ranging from one to 13 months. Government funding covers training, food and accommodation, with allowances for participants. The programme links skills for National Service Duty to employment opportunities. The announcement opened applications; it did not report completed training or guaranteed subsequent employment.

30 September (Gyalsung Headquarters): 2,847 cadets complete the second 2026 Gyalsung cohort

The King attended the passing-out parade at Khotokha, while ceremonies took place simultaneously at Pemathang, Gyalpozhing and Jamtsholing. A total of 2,847 young men and women completed training, including 25 who returned from abroad to participate. Gyalsung Headquarters said the 2026 intake was the largest since the programme began in 2024, bringing the number of Gyalsups to 12,707. The King emphasised competence, adaptability, coordination and shared national responsibility. This entry concerns completion of Bhutan's national-service training; it should not be read as an announcement that every graduate joined the regular armed forces.

BORDER UPDATES

4 September (The Bhutanese): Jaigaon gold investigation involves a Bhutanese national

The Bhutanese reported that a Bhutanese national and two Indian nationals arrested in Jaigaon on 30 August were placed in further police remand on 4 September. Police said they recovered six suspected gold biscuits and Nu2 million linked to an alleged sale near the Bhutan Gate. The gold's authenticity remained under examination. Jaigaon police said Bhutanese authorities, including Phuentsholing police, had been informed. Investigators were examining whether the transaction formed part of a wider network. The allegations were preliminary and the report did not establish guilt or a completed prosecution.

18 September (Bhutan Ministry of Foreign Affairs and External Trade): India reiterates Hatisar immigration-facility commitments

India reaffirmed plans for an immigration check post at Hatisar in Assam to support investor and visitor access to Gelephu. Bhutan welcomed a special temporary facility for third-country nationals participating in Project 108 on 1 November. The joint release recorded commitments for future access arrangements rather than declaring the permanent post operational.

18 September (Bhutan Ministry of Foreign Affairs and External Trade): New Samrang customs station supports cross-border connectivity

The two governments welcomed the recent operationalisation of a land customs station at Samrang in Assam. They also noted progress on the proposed Gelephu–Kokrajhar and Samtse–Banarhat rail links and continuing talks to renew the trade, commerce and transit agreement. The release distinguished an operating customs facility from rail connections still under development



About the Author

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