

# W GOVERNANCE E K L Y

Issue 177 | JULY 4, 2025

## Nepal's Civil Service Bill: Progressive Reforms Overshadowed by Legislative Controversy!

On June 29, 2025, Nepal's House of Representatives endorsed the long-awaited Federal Civil Service Bill, a key legislation intended to institutionalize federalism by defining roles and jurisdictions of the civil servants across all three tiers of government. While hailed by some as a historic policy reform necessary for effective functioning of federalism, the bill has also sparked intense controversy for some of the last-minute changes in the provisions.

The bill introduces several notable provisions, including the removal of open competition for the position of joint secretary, now limited to promotions from undersecretary (gazetted second class) and below. The age limit for women entering the civil service has been reduced to 39. In a progressive shift, the reservation system has been restructured—positions unfilled under reserved quotas will no longer be reassigned to the general category. Additionally, the overall reservation quota has been increased from 45% to 49%, with a mandatory provision that 50% of these reserved seats be allocated to women. The retirement age has also been increased to 60 years of age.

However, the bill's passage has drawn widespread criticism for procedural violations, particularly the controversial addition of Clause 82(5), which allows civil servants to bypass the standard "cooling-off" period before being appointed to public positions. Shockingly, this clause was inserted without the knowledge or consent of members of the parliamentary committee or other stakeholders. The clause only came to light after the bill had been endorsed, raising serious concerns about transparency and legislative integrity. Lawmakers from both ruling and opposition parties were left stunned, calling it an attack on parliamentary process.

Moreover, the bill also appears to centralize power, undermining the spirit of federalism. While provincial service commissions are mentioned, real authority over postings, promotions, and transfers remains with the federal government. Civil servants will be required to serve at least ten years in their initial posting before becoming eligible for transfer to provinces, reinforcing central control.

Ultimately, while the bill makes some forward-looking provisions, especially on inclusion, its passage has exposed deep flaws in Nepal's legislative process. The last-minute changes on key controversial clauses and the absence of due parliamentary diligence hints at a weak parliamentary integrity. It also reflects a deeper reluctance among bureaucratic and political elites to embrace genuine reform and give away the privileges that limit their future access to power.

Read More: [The Kathmandu Post](#), [House of Representatives](#)

### Governance Issues of the Week

- 1. Writ against 52 constitutional appointments dismissed:** The Supreme Court has overruled a writ petition challenging the appointment of 52 incumbents of constitutional bodies. The petitioners claimed that the appointments, made four years ago during PM KP Sharma Oli's tenure, bypassed the required parliamentary hearing process. The majority of justices on the five-member constitutional bench voted to dismiss the petition, thereby validating the appointments. However, two justices, including the chief justice, expressed dissenting opinions.

Read More: [The Rising Nepal](#)

- 2. Shortage of therapeutic food puts thousands of children at risk:** Over 40,000 children suffering from acute malnutrition are at risk due to critical shortage of life saving therapeutic foods like F-75, F-100, and RUTF. Nutritional Rehabilitation Homes in Butwal, Rajbiraj, and remote areas like Bajura are forced to rely on nutritionally inadequate homemade alternatives. Despite the crisis, the authorities at provincial and federal levels have continuously denied shortages or remain unaware of the issue, exposing systemic coordination failure in the health sector.

Read More: [The Kathmandu Post](#)

- 3. Fourth extension sought for Narayangadh-Butwal road project:** With only 69% of the work completed, the Narayangadh-Butwal road expansion project is seeking a fourth deadline extension just weeks before the current one ends on July 24, 2025. Executed by China State Construction Pvt. Ltd., the project now requests an additional year to finish the work. This prolonged construction has caused major traffic disruptions along the route, affecting commuters and transporters due to incomplete and poorly managed road conditions.

Read More: [The Himalayan Times](#)

- 4. Former President Bhandari quits state facilities and rejoins mainstream politics:** Former President Bidhya Devi Bhandari has formally renounced all state-provided facilities as she prepares to reenter active politics through CPN-UML. Five days after announcing her political comeback, she submitted a letter to the Home Ministry. While the final decision is pending, Bhandari becomes the first former head of state to voluntarily give up such privileges. Other leaders, including former prime ministers, continue receiving state support while holding party positions.

Read More: [Naya Patrika](#)

- 5. 2 CPN-UML leader arrested for defrauding depositors:** The CPN-UML central committee member and former Karnali Development Bank Chairperson (2008 - 2018), Pashupatidaya Mishra has been arrested in connection with embezzlement of around NPR 2.69 billion. The Central Investigation Bureau (CIB) found forged balance sheets and borrower details used to embezzle depositors' funds- some of which also used for Mishra's 2022 Nepalgunj mayoral campaign. Another UML leader and the bank's founding chair and CEO, Rajendra Bir Rai, was also arrested as the scheme's mastermind.

Read More: [NayaPatrika](#)

- 6. Air Quality Monitoring Center installed in Jomsom:** An Air Quality (AQ) monitoring center has been set up in Jomsom, Mustang by the Department of Environment. This is Nepal's 31st AQ monitoring centre and the one of only five worldwide located above 3,000 meters above sea level. The solar powered AQ monitoring center has been built at a cost of over NPR 10 million. Initial readings have shown an Air Quality Index (AQI) of 3, indicating exceptionally clean air.

Read More: [Kantipur](#)



This edition was possible with technical support of **Open Co Hub**

Nepal Governance Weekly is an analytical update of Nepal's current affairs based on media and real sources mining, to sensitize the communities on hot news on various governance issues from the perspective of accountability.

Presented by



Copyright © 2021 Accountability Lab Nepal, All rights reserved.

Our return e-mailing address is:

[nepal@accountabilitylab.org](mailto:nepal@accountabilitylab.org)