

# GOVERNANCE

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## Embossed Number Plates: Government Push Without Proper Preparation

WEEKLY

The government has been repeatedly pressuring citizens to install embossed number plates in their vehicles. However, the government's own [preparations](#) on implementing the digitized system remain incomplete. The preparations had been formalized through a 2016 contract agreement between the Department of Transport Management (DoTM) and Decatur Tiger IT. The agreement had included the installation of ten Radio Frequency Identification (RFID) gates across major checkpoints to track vehicles using embedded chips in embossed plates. Similarly, it promised 2.5 million embossed plates within five years but delivered only 25,000 in six years.

However, even after nearly a decade, only 90,000 vehicles have been fitted with these plates. Similarly, only two RFID gates—at Nagdhunga and Nagarjun—have been built, and neither is fully operational. The initial plan was ambitious, covering four entry points to the Kathmandu Valley—Nagdhunga, Nagarjun, Pharping, and Jagati—and six key checkpoints outside the Valley: Itahari, Pathlaiya, Pokhara, Butwal, Kohalpur, and Attariya. Work is ongoing in Pharping and Pathlaiya, but other sites remain pending. The system was envisioned to form a comprehensive network to ensure scientific vehicle management, enhance road safety, and minimize accidents. Yet, delays and partial implementation have left the system incomplete, raising questions about the government's efficiency.

In 2014, the Commission for Investigation of Abuse of Authority (CIAA) initiated an [inquiry](#), suspecting that more than half of the Rs 4.79 billion contract may have been handled irregularly. The steep costs imposed on citizens—Rs 4,000 for four-wheelers and Rs 2,500 for two-wheelers—alongside a non-transparent procurement process, have intensified concerns over mismanagement of public funds and the possibility of vested interests benefiting from the contract.

Globally, embossed number plates with RFID chips are recognized as effective tools for modern traffic management, enabling real-time vehicle tracking and improved enforcement of traffic rules. Nepal's adoption of this technology is a positive step toward digital governance in principle, but poor execution has shifted the burden onto citizens without demonstrating government readiness. Similarly, the latest decision to delay enforcement highlights a recurring pattern: ambitious policies announced without sufficient groundwork, followed by public pressure and eventual backtracking. By demanding compliance while failing to meet its own responsibilities, the government undermines its credibility. Citizens' resistance to install the embossed plates reflects skepticism toward poorly planned initiatives, especially when procurement focuses primarily on revenue collection rather than thorough, citizen-centric planning.

## POLICY WATCH

**Bill to amend and consolidate the laws relating registration, regulation and management of organizations**

The draft on bill on Association and Organization merges the existing legal framework of Association-registration act, social welfare act and related national directives into a unified act to replace fragmentation and overlapping of statutes into a single act that defines registration, management, oversight, and penalties. The unified act will clarify federal, provincial and local government's roles, address oversight gaps and irregularities at the social welfare council.

Civil Society leaders have expressed concerns of the bill being structurally centralizing - a ministerial directive committee without NGO representation undermines participatory governance, practical knowledge and experiences CSOs have. Any oversight or coordinating body must include CSO voices to ensure fair decision making. The bill fails to streamline procedural and bureaucratic procedures as provisions like re-registration whenever operational areas shift treat CSOs like administrative suspects more than development partners, this opens space for bureaucratic delays and corruption. They claim this will weaken grassroots movements critical in holding the government accountable. [Read The Draft](#)

## Governance Issues of the Week

- 1. National Assembly passes federal civil service bill:** The Legislative Committee of the National Assembly has approved the Federal Civil Service Bill, deciding that reservations will apply only at recruitment, not during promotions. The bill reserves 49% of posts for inclusion across women, Dalit, Madheshi, Indigenous, Tharu, Muslim, Khas Arya, disadvantaged regions, and people with disabilities. The committee also revised promotion rules, removal of the additional secretary post, retained a two-year Chief Secretary term, and raised the retirement age to 60. [Read more](#)
- 2. Nepal to ban unlisted social media in 7 days:** The government has given social media platforms seven days to register in Nepal or face a ban, in line with the 2080 Social Media Directive and a Supreme Court order to ensure accountability. Once registered, blocked platforms will be reactivated through the Nepal Telecommunications Authority. Despite repeated calls from the Ministry of Communication and Information Technology, companies like Meta, X, and Alphabet have shown little interest in registering, though they remain listed in Nepal's tax system and regularly pay revenues. [Read more](#)
- 3. Sugarcane farmers protest subsidy cuts:** More than 1,000 sugarcane farmers have been in protest at Maitighar, Kathmandu after the government slashed subsidies from NRs. 70 to NRs. 37 per quintal on July 7, citing treasury pressure. Farmers say the state owes them NRs. 1.6 billion and warn of highway protests if the demands aren't met by August 30. Meanwhile, sugar import duty was halved to 15 percent, yet retail prices remain Rs. 100–110, fueling farmers' claims that policies favour traders over producers. [Read more](#)
- 4. SC orders relocation of industries near Lumbini:** The Supreme Court has directed relocation or closure of over 60 industries operating in Lumbini's heritage zone due to pollution and preservation concerns. Affected sectors include cement, brick, steel, paper, plywood, and food production, with a two-year deadline to move or shut down. The ruling bans carbon-emitting factories within 800 meters of the Lumbini–Bhairahawa corridor and a 15 km buffer zone. The order impacts Rs 70 billion in investments and 10,000 jobs, amid warnings of severe air pollution threatening UNESCO heritage status. [Read more](#)
- 5. 93 people in Birgunj tested positive for cholera:** 93 people have tested positive for cholera in Birgunj, with the disease now spreading at the community level. The source of infection remains unidentified. Hospitals have reported cases as follows: Narayani and Tarai Hospitals (32 each), National Medical College (12), and smaller numbers at other facilities. So far, 344 patients with cholera or similar symptoms have sought treatment, including 27 in ICUs, six in HDCUs, and 122 in general wards. [Read more](#)

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 Political economic governance and policy issues from the perspective of accountability.

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