Over the span of just a week in September 2025, Nepal was shaken by one of the most dramatic political upheavals. What began as a peaceful call for accountability by the Gen-Z movement has spiraled into nationwide turmoil, causing the resignation of the Prime Minister, triggering power/security vacuum, and the appointment of the country's first female Prime Minister.

## On September 8, thousands of youths gathered outside the Parliament

How did the uprising begin?

quickly escalated when demonstrators tried to enter the Parliament premises. Police opened fire with rubber bullets and live ammunition, leaving 19 dead on the very day and hundreds injured. The government neither accepted responsibility nor lifted the ongoing social media block, fueling further outrage. By the next day, the protests grew more violent. The government lifted the ban on social media, and the Home Minister resigned, but anger only deepened. Demonstrators vandalized state institutions including Singha Durbar, the

demanding an end to corruption and greater accountability. The protests

Supreme Court, and provincial and local level offices. Residences of political leaders, as well as private businesses linked to them—such as Bhatbhateni Supermarket, Hilton Hotel, Chaudhary Group Village and Chandragiri Cable Car-were attacked. Several police stations were torched, leading to the escape of more than 14,000 prisoners. In total, <u>more than a thousand</u> As chaos escalated, the Prime Minister came under intense pressure and

resigned. The Nepal Army and President Ram Chandra Paudel declared a nationwide curfew, moved to restore order, and began dialogue with Gen-Z <u>representatives</u>. Although the Gen-Z movement didn't have one single leader, its demands quickly culminated around four key points: dissolution of Parliament, an independent interim government supported by experts, fresh elections within six months, and accountability for the deaths of protesters.

## declared a state of emergency, and appointed former Chief Justice Sushila

**Formation of Nepal's Interim Government:** 

Karki as interim Prime Minister, making her the first woman to hold the office. Karki's cabinet was carefully designed to signal reform. Om Prakash Aryal, a

On September 12, President Paudel dissolved the House of Representatives,

lawyer and senior advocate, was appointed to head the Home Affairs and Law Ministries. Kulman Ghising, former Managing Director of the Nepal Electricity Authority, appointed to Energy, Infrastructure, and Urban Development Ministries and Dr. Rameshwor Khanal, former Finance Secretary and economist, to the Finance Ministry. The new government quickly announced key priorities and measures,

including declaring the protest victims as martyrs, providing NPR 1.5 million compensation to each family, and promising free medical treatment for the injured. It also pledged to establish a high-level investigation committee to investigate the brutality against Gen-Z protestors on September 8 and vandalism the following day. **Economic toll of the uprising:** 

One of the major governance agendas has now been on the economic toll of the devastation - which experts suggest could surpass the losses of the 2015

## earthquake. The hospitality industry alone has reported damages worth NPR

25 billion, with more than 2,000 jobs immediately affected. Bhatbhateni Supermarket has vowed to retain its 22,000-strong workforce, but nearly 5,000 jobs remain at risk. Private sector insurance claims already amount to NPR 20.7 billion, while government revenue collection has collapsed as tax, survey, and land revenue offices were destroyed across the country. The interim government has begun looking for ways to cut costs and redirect resources toward recovery. As a first step, the Ministry of Finance has formed a taskforce to review and minimize politically motivated small-scale projects.

The aim is to scrap unnecessary programs and free up an estimated NPR 10

billion, which will be redirected toward rebuilding efforts and conducting elections. Beyond this, Nepal is preparing for graduation from Least Developed Country status in 2026, a transition that will reduce access to grants and increase reliance on higher-interest loans. Moreover, with the economic and political instability observed in the last few days, it is also evident that attracting foreign investments wouldn't be easy anytime soon - which will also directly

impact job creation. Citizens, especially the youth who demanded change, have placed very high hopes on the interim government. While it may not be possible to meet them all, the government must act quickly on the promises it has already made,

## **Way Forward:** starting with the formation of the high-level judicial committee to look into the September 8 and 9 violence.

In the short term, priorities should be restoring law and order, preparing for elections, and ensuring relief and recovery. At the same time, the government cannot afford to ignore longer-term reforms like building institutional capacity and tackling corruption. Focusing only on one side whether short-term fixes or

big reforms will not count as a win for this protest.

**Governance Issues of the Week** 1. Government plans ordinance to ease voter registration: The government is preparing to issue an ordinance to allow new voter

registration and pave the way for out-of-country voting. As per the existing Voter Registration Act. Article 4(2)(2), no new names can be added once the election date is declared, limiting voting rights to those registered before September 12, 2025. Acting Chief Election Commissioner Ram Prasad Bhandari confirmed that discussions are underway with the government, which has expressed readiness

**UAE Halts Visit Visas for Nepalis:** The United Arab Emirates has stopped issuing visit visas to Nepali nationals, though no official notice has been released. Agencies handling visa services have confirmed they are no longer accepting applications. The UAE is among the largest destinations for Nepalis on visit visas. The suspension comes after Nepal's interim government announced investigations and prosecutions against those involved in the September 9 vandalism, arson, and looting. Read More 3. Police flooded with emails with evidence: More than 30,000 emails with photo and video evidence related to arson, looting and other

to amend the provision through ordinance. Read More

Aviation Authority of Nepal (CAAN) and other government and private organizations have filed complaints with CCTV footage. The police have asked for civic engagement in the process of identifying and finding perpetrators of the unprecedented violence. Read More 4. 30 bills left inactive after house dissolution: With the dissolution of the House of Representatives, 30 bills currently under consideration have been left in limbo. Among them were 21 government and 2 non-government bills in the HoR, and 6 government and 1 non-government bills in the National Assembly. Of these, 20 were

under discussion in various parliamentary committees. Read More

illegal activities that unfolded in the Gen-Z movement. Ncell, Civil

5. Civil Society urges President to restrict government's role to elections: Civil society leaders have called on President Ram Chandra Paudel to limit the interim government's role strictly to holding free and fair elections. They urged the President to ensure the government does not exceed its mandate by targeting political parties or undermining constitutional agencies. Leaders including Mahesh Kumar Maskey, Malla K. Sundar, Kanak Mani Dixit, Gita Tripathi, and Bindu Sharma stressed that the focus must remain on preparing for credible polls rather than extending political influence.

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

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