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Nepal

BUSINESS & HUMAN RIGHTS MONTHLY UPDATE



A monthly analytical update on business and human rights in Nepal — labour and migrant rights, the National Action Plan, corporate conduct and the international standards that shape them.

1 NEWS ON BHR IN NEPAL

LEAD STORY · WORKER SAFETY

Hydropower Projects Linked To Continual Human Rights Abuses

Over the last few years, Nepali government executives have placed an emphasis on hydropower, naming the industry as "white gold" and pivotal for economic transformation and graduation from LDC status. Yet, as energy generation continues to ramp up to meet targets, questions regarding the industry's safety continue to circulate.

The Rasuwagadhi Hydropower Project in Timure is a prime example of this volatility, with three floods hitting the plants over the last 15 months. In addition to detrimental financial losses — an August 2026 incident alone is estimated to cost Rs150 billion, more than 90% of annual revenue from the Nepal Electricity Authority — there are significant costs to worker safety, with over 6,700 people declared dead or missing.

Needless to say, hydropower has brought many benefits to Nepal. In just a decade, the percentage of connected households grew from 62% to 97%. Despite current issues with connectivity, investment in hydropower seeks to bring a multitude of long-term benefits, both financially and in terms of quality of life.

The volatility of Nepal's landscapes and rivers make the hydropower industry increasingly volatile. Experts and official snow are revisiting goals, admitting the need to strike a balance between economic prosperity and worker safety. With 197 plants In operations and an additional 260 under construction, the hydropower industry is set to expand and continue to be in the public spotlight. It becomes increasingly important to set baseline human rights standards to protect workers from disasters to allow the Nepali economy to grow sustainably.

Kathmandu Post, 18 October 2026

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Migrant Workers Returning From India Report Unfair Treatment at Sudurpaschim Border Crossing

Despite over half a century of routine travel between India and Nepal, recent changes have caused Nepali migrant workers to face harassment when crossing from India back home. Reports of officers at the Sudurpaschim border charging Nepali migrant workers over five times the fare and increasing inspections make the crossing much more difficult. In addition, wages are not increasing to compensate for this loss of time and increase in fares. With little to no recourse available, employees find formal complaints to be a waste of time, and instead, continue to face these losses.

Kathmandu Post, 20 October 2026

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Health Service Operators Arrested After Nepal Investigation Into Fraud, Raising More Questions About Migrant Workers

Four health-service operators, responsible for conducting examinations for migrant workers heading to Malaysia, were arrested for fraud after they were caught charging additional fees under the guise of a "biomedical service charge" above the government-regulated fees. The arrests raise questions between the Nepal and Malaysia agreement after the recent controversy regarding Malaysia's selection of only 25 principal recruitment agencies. In addition, Malaysian employers are supposed to bear the cost of medical examinations, though in practice, recruited workers had to front the cost, raising more questions after the CIB's investigation.

Kathmandu Post, 15 October 2026

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OCTOBER 2026 HIGHLIGHTS

800+

Persons still missing from the August 2026 flood at the Rasuwaghdi Hydropower Plant

275 of 1,100+

Nepali recruitment agencies permitted under the new arrangement, against the number licensed

~400,000

Nepali workers currently employed in Malaysia

Rs 6,500

Government-set medical examination fee; the charge now being prosecuted sat on top of it

Rs 250

Average charge for border crossings into Nepal from India, up from the standard Rs 50

Sources: The Kathmandu Post, OnlineKhabar, Fiscal Nepal, October 2026.

2 RECENT GOVERNMENT INITIATIVES RELATED TO BHR

Nepal and Mauritius Approach Agreement to Protect Migrant Workers

The two countries are nearing a G2G agreement to expand employment opportunities for Nepalis across different sectors, including agriculture, construction, tourism, and IT. The proposed Memorandum of Understanding aligns with the Employers Pay Principle, promoting safe foreign employment by placing the burden on employers to bear recruitment costs. The agreement also outlines clear welfare and workers' rights provisions, ensuring migrant workers from both countries are afforded a basic level of rights.

Kathmandu Post, 31 October, 2026

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Nepal and Malaysia Renew Three-Year Deal on Migrant Worker Rights

A three-year agreement between the National Human Rights Commission of Nepal and Malaysia's Human Rights Commission renewed man agreement to monitor and enforce human rights provisions. Both commissions will investigate incidents invoving Nepali migrant workers, examining factors contributing to the high death rate among these workers. In addition, the deal involves advocacy for policy to reduce migration fees and improve access to welfare and social security benefits. The agreement hopes to capitalize on a long-standing partnership, lasting until the end of the decade.

Genocide Watch, 10 October 2026

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Twenty statutes opened for amendment

The Ministry of Law, Justice and Parliamentary Affairs sought public opinion on draft bills amending twenty acts, among them the Foreign Employment Act, 2064, the Contributory Social Security Act, 2074, the Employees Provident Fund Act, the Insurance Act, and — directly relevant to free, prior and informed consent — the Land Act, the Land (Survey) Act, the Land Use Act and the Forest Act. The comment window was one week. Separately, the government has been preparing substantive amendments to the Foreign Employment Act.

Ratification of ILO instruments on forced labour and labour inspection.

Nepal ratified two ILO instruments covering forced labour and workplace inspection, reported in August 2026. Ratification brings an external supervisory and reporting cycle that the National Action Plan does not itself provide — once the first reports fall due, Nepal acquires a monitoring mechanism for labour inspection and forced labour that it has not built domestically. Instrument numbers and the registration date should be confirmed with the ILO before being cited.

European Commission Deems Water, Human and Environmental Rights, and Long-Term Resilience as Priorities

46 new strategic projects announced under the Critical Raw Materials Act give projects involving water conservation, human and environmental rights, and long-term resilience a privileged status, emphasizing their vitality while considering future development. This status allows projects to have expedited timelines while also carrying greater visibility, allowing for more rigorous due diligence. However, this move was met with controversy, with critics questioning the transparency of the selection process for such "privileged" projects. Regardless, the move is indicative of Europe's move to attain raw materials in an environmentally sustainable manner.

EU Raw Materials Commission, 14 October 2026

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Landmark UN Agreement Supports Indigenous in Claims Against Environmental Crime

Participants at the United Nations Convention Against Transnational Organized Crime approved a resolution which explicitly delineates the role of Indigenous Communities in combatting environmental crimes. The resolution targets mining and trafficking of gold and other metals in South America, and the related protocol calls upon communities indigenous to the Amazon to safeguard ecosystems, closing a major gap in international law.

Amazon Watch, 23 October 2026

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Human Enhancement Opens the Door for New Domain of Employee Rights Considerations

New technologies allow for unprecedented advancements in the workplace, ranging from drugs that minimize fatigue to more sophisticated protective equipment and wearable trackers. While these advancements improve both productivity and occupational safety and health, a new frontier of ethical and risk violations. For example, while no official uses of performance enhancing drugs in demanding workplaces have been documented, experts claim their usage is not far-fetched; unregulated, these technologies can pose a threat to occupational health. Even more subtle technologies, like exoskeletons and biomedical trackers raise ethical questions regarding worker health and privacy.

UOC News, 28 October 2026

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Nepal Business & Human Rights Monthly Update

An analytical update on business and human rights in Nepal, based on media and primary-source monitoring, intended to inform policy debate on corporate conduct, labour and migrant rights, indigenous peoples' rights and access to remedy.

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