## Joint submission for the Universal Periodic Review of Nepal, 23<sup>rd</sup> Session, November 2015

# Anti-Slavery International, Informal Sector Service Center (INSEC) & Backward Society Education (BASE)

Anti-Slavery International: Anti-Slavery International, founded in 1839, is committed to eliminating all forms of slavery throughout the world. Slavery, servitude and forced labour are violations of individual freedoms, which deny millions of people their basic dignity and fundamental human rights. Anti-Slavery International works at local, national and international levels around the world to eradicate slavery, for example by undertaking research on slavery practices; lobbying governments and intergovernmental agencies to take action to end and prevent the practice; and supporting local organisations that work to eradicate slavery through awareness-raising, advocacy and assistance to victims of slavery. Anti-Slavery International has consultative status at the United Nations Economic and Social Council (ECOSOC). http://www.antislavery.org/english/

**INSEC:** INSEC was founded in 1988 by inexorable human rights defender late Prakash Kaphley and prominent human rights activist Sushil Pyakurel. Started with the objective of protecting the rights of people engaged in informal sectors, it has significantly contributed in protecting and promoting the fundamental rights of people in virtually all sectors. The efforts made during its early days made effective contributions in institutionalizing the democratic polity in the nation from a rights-based approach, both at the policy and grassroots levels, especially after the restoration of democracy in 1990/91.http://inseconline.org/

**BASE:** In January 1985 BASE was founded as a pioneering movement (Charpate Club) to fight against human exploitation within some of Nepal's poorest communities. Mr. Dilli Chaudhary, founder President, practically forestalled the spirit of grassroots movement in a native model. Since the restoration of democracy in 1990 in Nepal, membership of BASE has grown bigger, boasting a membership of over 300000 people. BASE's continued commitment to fight against the exploitation of bonded labour and slavery, social and political discrimination, illiteracy and poverty of the Tharu people, and other marginalized communities, has inspired a grass-root oriented social movements focused within 17 districts in mid and far western regions of Nepal. BASE aims to bring about a transformation in the outlook of the downtrodden people, as well as those of their oppressors. BASE, with a motto of freedom and spirit of grassroots movement, was a shifting phase for bonded labor (Kamaiyas) and marginalized people in west Nepal. http://nepalbase.org/index.php

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#### Introduction

- 1. The following report is based on information gathered through a joint project run by Anti-Slavery International (UK), INSEC (Nepal) and BASE (Nepal). The project focuses on breaking the cycle of discrimination and bondage in Nepal by facilitating access to education for children of former and current bonded labourers. It operates in the hill districts (where there is a high prevalence of bondage under the *Haliya* system – approximately 95% of those affected are Dalits)<sup>1</sup> and the plain districts (where there was formerly a high prevalence of bondage under the Kamaiya system, mostly among ethnic Tharus).
- 2. Poverty, landlessness, discrimination and social exclusion underpin bonded labour in Nepal. A person becomes a bonded labourer when their labour is demanded as a means of repayment for a loan that their employer claims they owe. The vast majority are initially trapped in debt bondage because they have no other way of subsisting apart from taking a loan from a landlord or employer. They are then left with little choice but to offer their physical labour as a means of repayment for the loan. Bonded labourers are often not permitted to work for anyone other than the employer to which they are indebted and violence or threats are regularly employed to coerce the labourer into remaining with their employer. These debts can be passed on from one generation to the next. The widespread discrimination against the 'low' status castes to which bonded labourers usually belong prevents these groups from accessing justice, education and other means to alleviate poverty.<sup>2</sup>
- 3. The Haliya (or "tiller") system of bonded labour is practiced in the agricultural sector in the Western hills of Nepal. Haliya labourers are indebted to their landlords and as such receive no pay in return for the agricultural and domestic work that they carry out. When they become ill or are unable to work, they are compelled to send a substitute to the landlord or face a deduction from their wages. While some Haliya labourers are allowed to migrate to India during the off-season in order to earn money to pay their debts to their landlords, they are expected to be available throughout the remainder of the year should their landlord need them. Haliya bonded labourers are from low caste or minority ethnic groups. In 2008 the Government announced that it had abolished the Haliya system and cancelled the debts of *Haliya* bonded labourers.
- 4. In the western plains of Nepal, the traditional Kamaiya system of bonded labour affects mostly the indigenous Tharu community and Dalits. In its traditional form, the Kamaiya system consisted of an agricultural labourer becoming bonded by a loan given to them by their landlord at the beginning of

<sup>&</sup>lt;sup>1</sup> Bal Kumar KC, Govind Subedi and Bhim Raj Suwal, International Labour Office for Nepal, Forced Labour of Adults and Children in the Agricultural Sector of Nepal, 2013, p. 91.

<sup>&</sup>lt;sup>2</sup> Anti-Slavery International, *Bonded Labour*,

<sup>&</sup>lt;a href="http://www.antislavery.org/english/slavery\_today/bonded\_labour/default.aspx">http://www.antislavery.org/english/slavery\_today/bonded\_labour/default.aspx</a>.

their working relationship. The *Kamaiya* would subsequently be unable to pay back the loan because they were not paid for their work and because they were often compelled to borrow additional money from the landlord to cover expenses for food, medicines, and other unforeseen circumstances.<sup>3</sup> In 2000, the Government declared that the system of *Kamaiya* was illegal and all *Kamaiya* bonded labourers were to be liberated. <sup>4</sup> In 2002 the Bonded Labour (Prohibition) Act 2058 (henceforth referred to as the 2002 Act) was adopted, which prohibited bonded labour "in the name of *Bhaisawar*, *Gaiwar*, *Bardiwar*, *Chhekarwar*, *Haruwa*, *Charuwa*, *Hali*, *Gothalo kamalariya* or by any other similar name".<sup>5</sup> The Act further declared all loans taken as null and void, declared all persons working as bonded labourers free and established that the Government of Nepal "shall provide the facility of settlement, employment and income generation as prescribed to the freed bonded labourers."

### **Failure to Liberate Bonded Labourers in Practice**

- 5. Initially, progress was made for some *Kamaiya* bonded labourers in response to the 2002 Act; labourers who did receive adequate land and support for houses around urban centres were able to obtain a degree of economic autonomy, which reduced their vulnerability and likelihood of returning to bonded labour. Among *Kamaiya* specifically, the level of literacy, access to health care and clean water, and the number of children attending school has also increased.<sup>7</sup>
- 6. However, while the 2002 Act prohibits bonded labour "in the name of *Bhaisawar*, *Gaiwar*, *Bardiwar*, *Chhekarwar*, *Haruwa*, *Charuwa*, *Hali*, *Gothalo kamalariya* or by any other similar name" and can therefore be interpreted to cover forms of bonded labour other than that experienced by the *Kamaiya*, this has not been the case in practice. The implementation of the 2002 Act has focused on eradication of bonded labour in agriculture, and within agriculture, only on the identification, release and rehabilitation of *Kamaiya* bonded families. As a result, thousands of "liberated" former bonded labourers remain trapped in slavery today due to widespread often castebased discrimination, limited job opportunities and the government's failure to provide adequate compensation and land. For example, according to an International Labour Organisation (ILO) survey in 2013, there were a total number of 4,082 *Haliya* households in the five districts of far-western Nepal; these are households in which at least one member was at work as a *Haliya* at

<sup>&</sup>lt;sup>3</sup> Krishna Prasad Upadhyaya, *Poverty, discrimination and slavery. The reality of bonded labour in India, Nepal and Pakistan*, Anti-Slavery International, London, 2008.

<sup>&</sup>lt;sup>4</sup> GEFONT, Paying Back in Sweat and Tears: A Consolidated Report on the Studies of Kamaiya Liberation. Brick Kiln Workers and Domestic Labour in Nepal, for the Anti-Slavery International Bonded Labour in South Asia Project, 2007,p. 31

<sup>&</sup>lt;sup>5</sup> Bonded Labour (Prohibition) Act 2058 (2002), Article 2(b).

<sup>&</sup>lt;sup>6</sup> Ibid., Articles 3, 5 and 14.

<sup>&</sup>lt;sup>7</sup> GEFONT, Nepal Consolidated Report, 2008, pp. 46-8.

<sup>&</sup>lt;sup>8</sup> Bonded Labour Act, *Supra.*, n. 5, Article 2(b).

<sup>&</sup>lt;sup>9</sup> Asian Legal Resource Centre, *Nepal: Council should exert pressure to abolish Haliya practice, a form of slavery,* written submission to the UN Human Rights Council Twenty Seventh Session, 3 September 2014, para. 7.

the time of the survey. The same survey found that out of 69,738 *Haruwa-Charuwa* households in seven Tarai districts, 66,000 (95 per cent) were affected by forced labour. <sup>10</sup> This is despite several recommendations during Nepal's previous UPR to eradicate labour exploitation altogether. <sup>11</sup>

- 7. Moreover, there are also still traces of the *Kamaiya* system remaining, particularly in interior parts of the country where Government action to identify, release and rehabilitate *Kamaiya* bonded labourers has not reached those affected. To this end, the Government must carry out a survey in interior parts of the country to identify former *Kamaiya* bonded labourers and ensure that they access their rehabilitation entitlements. According to BASE's records, 18 per cent of former *Kamaiya* bonded labourer families remain unable to claim their rehabilitation entitlements, increasing the chances that they will return to some form of bonded labour.
- 8. Some parts of the 2002 Act, such as the provisions that provide for monitoring through district Freed Bonded Labourer Rehabilitation and Monitoring Committees (hereafter the Committees), have not been implemented. <sup>13</sup> The 2002 Act stipulates that the Committees should be composed of government officials, headed by an elected Chairperson, with the responsibility of identifying bonded labourers who were entitled to rehabilitation assistance and facilitating their rehabilitation. <sup>14</sup> However, the law did not prescribe any particular method of identification of bonded labourers, and the Committees relied on surveys carried out in the late 1990s. Although committees have been established at the district level, and one at the central level, some of the district-level committees are not sufficiently active. The activities of these Committees were severely hampered by the armed conflict in the country between 1996 and 2006. <sup>15</sup>
- 9. In light of the 2002 Act, bonded labourers were urged to come out and settle in temporary camps because facilities, including food and shelter, did not meet subsistence needs. There was no systematic distribution of support materials to the former bonded labourers and, when they were being settled permanently, job market access and land fertility were not taken into consideration in determining their location. Weakness in the rehabilitation process, including the length of time between release and the receipt of rehabilitation and the fact that bonded labourers were released without empowerment support, has increased the chances of former bonded labourers entering into new forms of exploitative work practices, including other situations of bonded labour.<sup>16</sup>

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<sup>&</sup>lt;sup>10</sup> Bal Kumar KC, Govind Subedi and Bhim Raj Suwal, Supra., n. 1, pp. 76-77 and 95.

<sup>&</sup>lt;sup>11</sup> Report of the Working Group on the Universal Periodic Review (Nepal), A/HRC/17/5, 8 March 2011, para. 106.40 (United States of America) – which enjoyed the support of Nepal; and paras. 107.19 (Spain), 107.20 (Poland) – which enjoyed the support of Nepal, which considers that they have already been implemented or are in the process of implementation.

<sup>&</sup>lt;sup>12</sup> Anti-Slavery International, *Supra.*, n. 2.

<sup>&</sup>lt;sup>13</sup> GEFONT, *Supra.*, n. 7 p. 50.

<sup>&</sup>lt;sup>14</sup> Bonded Labour Act, *Supra.*, n. 5 Articles 8 and 9.

<sup>&</sup>lt;sup>15</sup> Krishna Prasad Upadhyaya, Supra., n. 3, p. 24.

<sup>&</sup>lt;sup>16</sup> *Ibid.*, pp. 23-24.

- 10. After these initial efforts following the 2002 Act to identify, release and rehabilitate bonded labourers, progress appears to have stalled. An on-going programme of identification of bonded labourers has not been implemented and the Committees do not have adequate funds to carry out the functions necessary for identification. This means that currently the process of identification and release of bonded labourers is on hold. Furthermore, after their 2002 emancipation, many landlords simply evicted ex-*Kamaiya* and invited seasonal labourers from India to undertake farm work. Some landlords accused ex-*Kamaiya* of theft, leading to their arrest.<sup>17</sup>
- 11. Despite the Government's September 2008 announcement of the abolition of the *Haliya* system, as noted above the practice stubbornly persists in parts of the country and is particularly challenging to eradicate in interior areas. The Supreme Court has directed the Government of Nepal to introduce a law regarding the rehabilitation of Haliyas. 18 The Ministry of Land Reform and Management (MoLRM) did put forward a draft Haliya System (Prohibition) Bill in 2010 setting out the rights of the freed Haliya, establishing a rehabilitation fund, a case litigation and appeal process and provisions for punishment. 19 The draft bill included provisions for the establishment of central and district committees to gather information on the Haliya, implement Haliya rehabilitation programmes and coordinate education and income generation programmes<sup>20</sup> In May 2011, the Government issued "Freed *Haliya*" Rehabilitation and Monitoring Guidelines" which envisaged a six month period for district level taskforces to update information on freed Haliya and distribute ID cards to them.<sup>21</sup> The Guidelines also established a taskforce to examine rehabilitation modalities and review the draft Haliya System (Prohibition) Bill. However, in 2011 the Federation of National Haliya Liberation Societies (RHMSF) noted that government support for rehabilitation was limited.<sup>22</sup>
- 12. The importance of rehabilitation and compensation is illustrated by the case of a 17 year-old former *Haliya*. During a June 2014 meeting with INSEC and Anti-Slavery International staff she explained that although her father has an ID card identifying him as a *Haliya* and thus meaning that he is entitled to government benefits and compensation including land, he has not received either. He lives in a remote part of the district, hours from the nearest road and there is no way of him making an income without compensation. As a result he had to go back to the local landlord to take out a loan. To repay the loan he has to carry out agricultural work for the landlord indefinitely. He has returned

<sup>&</sup>lt;sup>17</sup> *Ibid.*, pp. 23-24.

<sup>&</sup>lt;sup>18</sup> Asian Legal Resource Centre, *Supra.*, n. 9, para. 9.

<sup>&</sup>lt;sup>19</sup> United Nations Resident and Humanitarian Coordinator's Office (RCHC), *Field Bulletin: Freed Haliya in the Far West and their land concerns*, 7 June 2011, p. 3; RCHC, Nepal interview with Legal Officer from the Federation of National Haliya Liberation Societies on 6 June 2011 in Dadeldhura.

<sup>&</sup>lt;sup>20</sup> *Ibid.*; See also *Haliya* System (Prohibition) Bill – Final Draft.

<sup>&</sup>lt;sup>21</sup> Ibid.; See also Freed Haliya Rehabilitation and Monitoring Guidelines (2011), p. 4.

<sup>&</sup>lt;sup>22</sup> Ibid.

to bondage.<sup>23</sup> As this story demonstrates, although some *Haliyas* do have ID cards, they lack proper rehabilitation and relief packages, while many others are yet to receive ID cards.<sup>24</sup> Even in cases in which compensation is provided, the amount of money has not been adjusted to reflect inflation and as such is inadequate. Without significant improvement in the process of identifying *Haliya* and the provision of compensation, the cycle of slavery will not be broken.

- 13. A survey conducted by Anti-Slavery International and INSEC in 2014 revealed that 57 out of 267 *Haliya* adults (parents of Haliya children that Anti-Slavery International and INSEC were assisting to access education) were still in bondage.
- 14. Additional monitoring carried out by INSEC has revealed that despite government proclamations that *Haliyas* are exempt from debts owed to their former or current landlords, the landlords have continued to demand money from the *Haliyas*, forcing many to go to India to pay back their so-called loans. The number of *Haliyas* expelled from work by their landlords has increased daily since the *Haliyas* were liberated in 2008. In some places, the house and land that the *Haliyas* have been using for generations are legally registered in the name of the landlords, who have exerted pressure on the *Haliya* to vacate the property since the 2008 emancipation. As such, *Haliyas* have been removed from the lands on which they were working and shelters in which they were residing without being provided with any land, accommodation or alternative employment opportunities.

## **Access to ID Cards and Entitlements**

15. One of the key problems facing former bonded labourers is the difficulty of obtaining identity cards from the Nepalese government. For example, 883 of the ex-*Kamaiyas* in the Bardiya district that are eligible for ID cards are yet to receive them, even though their ID cards are ready. According to the Land Reform Office, these ex-*Kamaiyas* cannot access their ID cards because they renounced their bonded life before the government abolished the *Kamaiya* system in 2000.<sup>28</sup> All identified bonded labourers should be provided with rehabilitation, education and compensation, regardless of when they renounced their bonded life. This would be in line with Nepal's Interim Constitution, which provides that "the State shall pursue a policy of providing basic land to the liberated bonded labourers for settlement, having determined their exact numbers."<sup>29</sup>

<sup>27</sup> Asian Legal Resource Centre, *Supra.*, n. 9, para. 19.

<sup>&</sup>lt;sup>23</sup> Meeting between Anti-Slavery International, INSEC and 17 year-old former Haliya, Doti district, Nepal, June 2014.

<sup>&</sup>lt;sup>24</sup> Asian Legal Resource Centre, *Supra.*, n. 9, para. 10.

<sup>&</sup>lt;sup>25</sup> INSEC, Nepal Human Rights Yearbook 2014, p. 11

<sup>&</sup>lt;sup>26</sup> *Ibid.*, pp. 11-12

<sup>&</sup>lt;sup>28</sup> INSEC, Nepal Human Rights Yearbook 2015, p. 13.

<sup>&</sup>lt;sup>29</sup> Interim Constitution of Nepal, 2063 (2007), Article 35 (15).

16. During Nepal's previous UPR, several recommendations were made to the Government of Nepal to take further efforts to reduce poverty, particularly in rural areas and for marginalised and vulnerable groups. 30 However, without ID cards, bonded families remain unregistered with the local authorities and are unable to access entitlements and benefits, such as compensation and land, which would alleviate poverty. Without these entitlements, former bonded labourers are unlikely to obtain the necessary means of livelihood to break away from situations of slavery and break the cycle of bonded labour for themselves and their children. As it stands, only the Freed Bonded Labourer Rehabilitation and Monitoring Committees can take the final decision on whether or not to provide ID cards to bonded labourers. However, as local bodies have remained without elected representatives for over one and a half decades, this provision is currently ineffective. The Government should hold elections for local bodies in order to facilitate the distribution of ID cards.31

### **Access to Education**

- 17. The former UN Special Rapporteur on contemporary forms of slavery, including its causes and consequences, Gulnara Shahinian, noted how difficult it is for former *Haliyas* to join the labour force "as they have little to no education or technical skills and 97 per cent do not own land". Several recommendations during Nepal's previous UPR also noted the need for the Government to ensure access to education for all and provide employment and income-generating opportunities, particularly for the rural population, Dalits and ethnic minorities. According to the ILO, the adult literacy rate (15 years old and above) among *Haliyas* is about 31 per cent and the percentage of the *Haliya* population aged 15 years old and above that have completed primary education is about 19.4 per cent. 4
- 18. The distribution of ID cards would facilitate the acquisition of appropriate data, which would assist in identifying out of school children and ensuring the distribution of scholarships to children of former and current bonded labourers. Both INSEC and BASE have found that the scholarship amount provided by the Government is not sufficient to cover all education related expenses for the year. Families often struggle to afford books, stationary, uniforms and other school essentials. As such, it is essential that children's basic needs are met through the granting of scholarships and the provision of support in purchasing stationary and school uniforms.

<sup>&</sup>lt;sup>30</sup> Report of the Working Group on the Universal Periodic Review, *Supra.*, n. 11, paras.106.43 (Algeria, Morocco and Bolivia), 106.45 (Azerbaijan and Russian Federation), 106.46 (Malaysia) – all of which enjoyed the support of Nepal.

<sup>&</sup>lt;sup>31</sup> INSEC, *Supra.*, n. 28, pp. 13-14.

<sup>&</sup>lt;sup>32</sup> Report of the former UN Special Rapporteur on contemporary forms of slavery, including its causes and consequences, GulnaraShahinian, A/HRC/24/43, 1 July 2013, para. 17.

<sup>&</sup>lt;sup>33</sup> Report of the Working Group on the Universal Periodic Review, *Supra.*, n. 11, paras. 106.46 (Malaysia), 106.52 (Norway and Cuba), 106.53 (Finland) – all of which enjoyed the support of Nepal; and paras.108.31 (Malaysia), 108.33 (Turkey) – which Nepal agreed to examine and consider.

<sup>&</sup>lt;sup>34</sup> Bal Kumar KC, Govind Subedi and Bhim Raj Suwal, *Supra.*, n. 1, p. 99.

- 19. One of the greatest obstacles to accessing education for ex-Kamaiya and ex-Haliya children has been the high level of caste-based discrimination, with segregation between Dalit children and children from other castes taking place within schools. During Nepal's previous UPR in recommendations were made that the Government make efforts to overcome discrimination, including on the grounds of caste.<sup>35</sup> During the same year, the Government introduced the Castebased Discrimination and Untouchability (Offence and Punishment) Act, 2068 but thus far implementation has not been effective.<sup>36</sup> According to the Act, any person involved in an offense under that Act can face imprisonment for a period ranging from three months up to three years or a fine ranging from Rs 1,000 to Rs 25,000, or both. However, monitoring by INSEC District Representatives has revealed that most incidents that should have been addressed under the Act were settled in the village in question or at the police office through reconciliation. In some cases, action was taken under the Public Offense Act, as opposed to under the Caste based Discrimination and Untouchability (Offence and Punishment) Act, as it should have been.<sup>37</sup>
- 20. Both BASE and INSEC have established Child Rights Awareness Groups (CRAG) within schools, which have made significant progress in tackling caste-based discrimination and have seen Dalit children sitting on the same bench as children from other castes something that would not have happened previously. Nonetheless, in order to expand education services for children belonging to castes traditionally associated with bonded labour, more must be done to tackle caste-based discrimination. Only by tackling this discrimination will poor and excluded members of Nepalese society access jobs and benefit from economic growth.
- 21. Anti-Slavery International, INSEC and BASE's project has revealed that in some cases scholarships intended for the children of current and former bonded labourers are instead used for other expenses, such as teachers' salaries. This illustrates a problem with corruption, in which schools are receiving scholarship funds but failing to distribute the money to the children for whom they are intended. In one such incident, the Kanchanpur Watchdog Committee discovered mismanagement of scholarship funds and took the issue up with the headmaster of the school in question. He acknowledged that he was not disbursing the funds, but still did not agree to do so; his willingness to admit misusing the funds illustrates a high level of acceptance of this practice. The headmaster only released the scholarship money to the children after the case appeared in the media and he was threatened with legal action.

<sup>&</sup>lt;sup>35</sup> Report of the Working Group on the Universal Periodic Review, *Supra.*, n. 11, paras. 106.21 (Japan, Pakistan and Argentina), 106.24 (Denmark, Bolivia and Czech Republic) – all of which enjoyed the support of Nepal; and paras. 107.4 (Algeria), 107.11 (Netherlands), 107.12 (Germany), 107.13 (Austria) – all of which enjoyed the support of Nepal which considers that they have already been implemented or are in the process of implementation; and paras. 108.10 (UK), 108.11 (Norway), 108.12 (Czech Republic) – all of which Nepal agreed to examine and consider.

<sup>&</sup>lt;sup>36</sup> INSEC, Supra., n. 28, p. 19.

<sup>&</sup>lt;sup>37</sup> *Ibid.*, p. 19.

The District Education Office has subsequently given written notice to schools that these funds should not be used for any other purpose and that scholarships should not be given to non-Dalit children. The Government of Nepal must continue monitoring the distribution of scholarships to ensure that the full amount reaches the children of bonded labourers.

- 22. Without access to education, the children of former bonded labourers are vulnerable to falling back into a situation of bonded labour. One 16-year-old ex-*Haliya* living in Chainpur, Bajhang district, was forced to leave education when he was in class 8 and to work as a bonded labourer in order to support his family. During seasonal time he used to work in an agricultural field and as a porter during the off-season. "I want to be an educated person but due to poor economic condition I have to give up my studies and my dreams couldn't be fulfilled". Through a notice posted on a public wall, he came to know about the vocational training programme provided by INSEC to ex-*Haliya* children. He took part in sewing training along with ten other children aged 16-18 and upon completing the training he started to work at the New Ideal Tailoring Centre, earning enough to no longer have to work under bondage systems. He hopes to be able to open his own tailoring shop one day. He is now keen that his younger brothers and sisters continue to study and will support their educational expenses through his earnings.
- 23. Identifying the children of ex-*Haliya* and ex-*Kamaiya* who are out of school is a major challenge as the government definition of out of school children is children that have never enrolled in school, meaning that the government records do not identify children who have initially enrolled but don't attend school. This problem is exacerbated because many schools enrol children on paper that have never attended, in order to access more scholarship funds. As such, the Nepalese government must alter its definition of "out of school" children from those who have never attended school to those who do not regularly attend school, in order to discourage schools from focusing solely on the enrolment of children who have never attended school simply in order to obtain as many government scholarships or Per Child Funds (PCF) as possible.

#### **Conclusion**

- 24. In recent years the Government of Nepal has shown commitment to tackling bonded labour. Large numbers of *Kamaiya* bonded agricultural labourers were freed as a result of 2000 Declaration and 2002 Act, which prohibited bonded labour and declared all loans taken as null and void. A labour and employment policy adopted in 2005 includes the elimination of bonded labour among its objectives and in September 2008, the Government announced that it was abolishing the *Haliya* system of bonded agricultural labour.
- 25. Nevertheless, there are outstanding issues that the Nepalese Government must tackle. It is clear that forced and bonded labour continues to exist in different

forms and across different sectors in Nepal despite legal provisions prohibiting it. After efforts to identify, release and rehabilitate *Kamaiya*, progress appears to have stalled. The Government has yet to set out how it intends to implement its September 2008 announcement of the abolition of the *Haliya* system and ensure the identification, release and rehabilitation of *Haliya* bonded labourers. There has been insufficient government effort to date to identify other groups of bonded labourers, and an on-going programme of identification of bonded labourers has not been implemented.

### **Recommendations to the Government of Nepal**

- i. Recognise the applicability of the 2002 Act to all bonded labourers, as specified by the legislation itself. To this end, take steps to ensure that the Freed Bonded Labourer Rehabilitation and Monitoring Committees are able to work effectively in all areas in which bonded labour persists and that the Committees have access to the necessary funds to identify, emancipate and rehabilitate all former and current bonded labourers, ensuring that children have equal access to education and adults are fully integrated into the labour market. Revitalising the Committees will require holding elections for local bodies:
- ii. Accelerate the process of passing the draft Haliya System (Prohibition) Bill into law, ensuring that the legislation protects the rights of the freed *Haliya*, establishes a rehabilitation fund, a case litigation and appeal process and provisions for punishment of those who violate the prohibition on bonded labour. The Freed Bonded Labourer Rehabilitation and Monitoring Committees should gather information on the *Haliya* and all other bonded labourers, and should implement rehabilitation programmes and coordinate education and income generation programmes;
- iii. Ensure that those using bonded or forced labour are prosecuted, with sentences that act as a real deterrent to the use of forced and bonded labour;
- iv. Undertake surveys to identify bonded labourers and provide all former and current bonded labourers with ID cards, in order to facilitate the process of granting compensation, benefits and entitlements. Ensure that compensation for bonded labourers increases commensurate to inflation;
- v. Undertake training for law enforcement and labour officials on the identification of bonded labourers and the implementation of laws relating to bonded labour;
- vi. Establish a national action plan for the eradication of all manifestations of bonded labour. The plan should include a permanent national mechanism to monitor and co-ordinate the action of the multiple stakeholders involved in bonded labour eradication: government departments, local governments, trade unions, businesses and civil society (including representatives of bonded

- labour organisations). The ILO should be actively involved in the design and implementation of the action plan;
- vii. Identify remaining released *Kamaiya* bonded labourers who did not receive any State support; in particular, those who did possess land; and provide the necessary assistance;
- viii. Actively implement minimum wage provisions within the law to ensure that labourers earn a sufficient living wage;
- ix. Tackle the root causes of bonded labour in Nepal, including by addressing issues of poverty, discrimination against people from 'low' castes or ethnic minority groups, and landlessness. To this end, ensure effective implementation of the Caste based Discrimination and Untouchability (Offence and Punishment) Act and expand education services for children belonging to castes traditionally associated with bonded labour;
- x. Continue monitoring the distribution of scholarships to ensure that the full amount reaches the children of bonded labourers and expedite this process so that scholarship funds reach children in sufficient time before the end of the financial year. Increase the scholarship amount so that it is sufficient to cover all education related expenses for the year;
- xi. Alter the definition of "out of school" children from those who have never attended school to those who do not regularly attend school, in order to discourage schools from focusing solely on the enrolment of children who have never attended school simply in order to obtain as many government scholarships as possible;
- xii. Instigate group farming initiatives for former bonded labourers and provide vocational training to develop livelihood opportunities. Interest-free loans and credit should also be made available to former bonded labourers in order to mitigate the risk of falling back into bonded labour;
- xiii. Support initiatives to organise and empower bonded labourers through trade unions.