

## Nepal's fight against the second wave of COVID-19 pandemic

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The second wave of COVID-19 pandemic hit Nepal between April and July 2021 and was substantially more devastating than the first wave. As of 31 March 2021, Nepal had been cautious over the possibility of the second wave of COVID-19 pandemic. Surge in new cases in neighboring India was a cause of concern. Considering the frequent cross-border movement of people along the 1,800 km-long porous border, rising cases in India threatened to spill over into Nepal. This unfettered movement, together with continuation of political rallies, religious and social functions and other public activities where people congregate, in spite of repeated announcements<sup>2</sup> to curb such gatherings, resulted in the onset of the second wave in Nepal by mid-April 2021. Although the number of cases subsided from July 2021 onwards, there was uncertainty as to whether the infections have started to subside as of September 2021.

### COVID-19 in numbers

In mid-March 2021, the seven-day rolling average of new cases detected was about 71 cases, which quickly shot up to around 140

cases at the beginning of April 2021. The cases peaked in mid-May when the seven-day rolling average was as high as 9,000 cases. The number and the severity of the disease in the second wave were more intense. Overburdened healthcare facilities meant that the number of deaths owing to COVID-19 was also high. The number of deaths peaked in May 2021 with the seven-day average reaching up to 200 deaths, while a single-day death was as high as 246. During the first wave, the peak was reached in October 2020 with daily cases recorded at 5,743 infections. During the second wave, after peaking in mid-May 2021, the daily infection cases in late July declined to as less as 1,500 cases per day.<sup>3</sup> The cases have come down to 217 per day as of the third week of December. Between January 2020 and mid-March 2021, about 275,000 infection cases and 3,014 deaths were reported, while between mid-March and late July 2021 the number of cases reported was about 460,000 while the number of deaths reported was 6,699.<sup>4</sup> Since the pandemic began, a total of 922,463 people have been recorded infected with COVID-19, which has killed 11,579 as of 22 December 2021. Of the total deaths, 58 percent are recorded to have

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<sup>1</sup> This paper has been prepared with the objective of sharing information on some good examples in controlling the effect of COVID-19 pandemic. The views expressed are purely personal and do not reflect the views of UNESCAP.

<sup>2</sup> A press note issued by the Ministry of Health and Population urging people not to conduct functions that require the gathering of people (in Nepali) <https://www.facebook.com/mohpnep/photos/a.489825198172671/1119018268586691/>

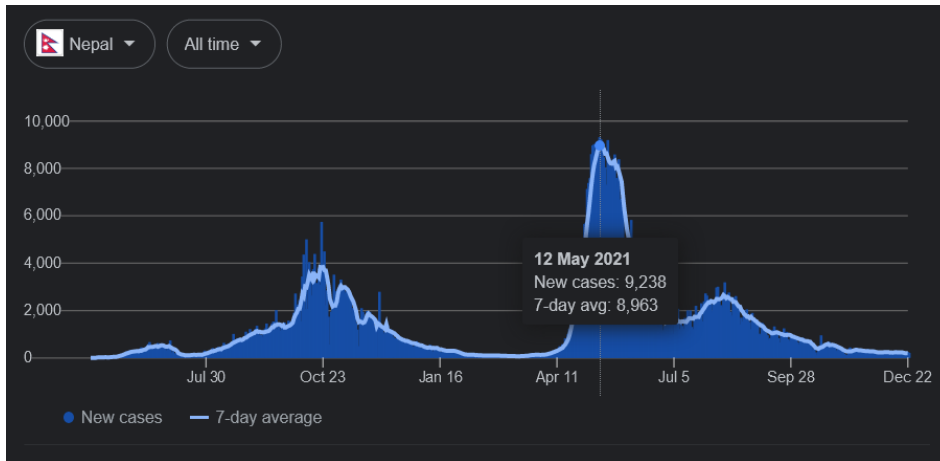
<sup>3</sup> Based on the information available at the COVID-19 dashboard on the Ministry of Health and Population's website <https://covid19.mohp.gov.np/> (as of 25 July 2021)

<sup>4</sup> Information available at <https://covid19.mohp.gov.np/>

happened during the four months of the second wave—mid-March to mid-July 2021.<sup>5</sup>

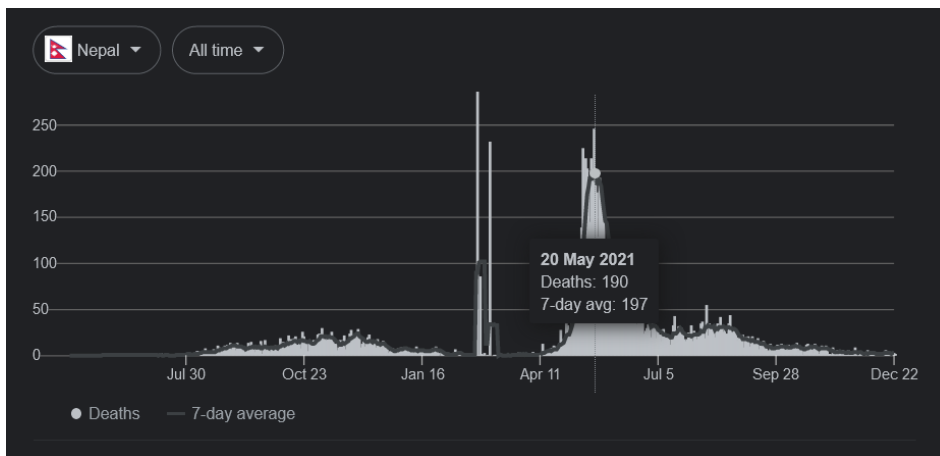
economic activities to a standstill had been economically undesirable. Nepal had been passing through a fragile recovery phase when

**Figure 1 New Cases**



Source: Google Covid Tracker

**Figure 2 Casualties**



Source: Google Covid Tracker

### Lockdown 2.0

Fearing the spread of coronavirus, Nepal had imposed a nationwide lockdown for about five months starting in mid-March 2020. The halt in the movement of people that brought

the second wave began. The rapid rise in the number of positive cases, and the devastating situation being reported in India, led to new rounds of lockdowns starting in April 2021. Instead of a nation-wide general lockdown, authorities opted to impose prohibitory orders

<sup>5</sup> Based on the information available at <https://covid19.mohp.gov.np/>

at the municipal level and at the district level based on the number of cases.

On 19 April 2021, a Cabinet meeting decided to close educational institutions, shopping centers, health clubs and recreational centers, and bar the public from entering places of worship, while hotels and restaurants were allowed to remain open between 8 AM to 8 PM in 25 major cities and towns.<sup>6</sup> There were issues with compliance with these orders. Also, the ongoing political unrest did not help in containing the spread with the ruling, while certain political factions continued to gather their cadres in massive numbers.<sup>7</sup> As of the end of April, the government empowered municipal bodies and district administrative authorities to impose prohibitive orders based on the number of positive cases. This caused almost all of the major cities and town centers to impose lockdowns. Both long- and short-distance travel were banned, and international commercial flights were suspended. People entering Nepal through air or land routes were asked to present COVID-19 negative test report and undergo a 10-day quarantine after entering Nepal.<sup>8</sup> Only medical shops were allowed to be open throughout the day, while grocery shops were allowed to open for a few hours in the mornings. As the cases increased, district authorities of the capital city decided to shut grocery stores for a few days. From 21 June

2021, authorities relaxed the lockdown allowing private vehicles to ply the roads and businesses to open. Public transports and domestic flights were also allowed to operate as of late June.<sup>9</sup> By the end of July, prohibitory orders in Kathmandu Valley districts were still in place. But except for educational institutions and recreational centers, such as movie theatres, almost all other establishments were allowed to open. There was a gradual ease in movement, but it was only on 1 September 2021 that the prohibitory orders were fully lifted.

The lockdown also affected cross-border movement as the border points were closed. The government issued a guideline in advance on ensuring smooth passage of freight to prevent disruption of the cross-border movement of cargo vehicles.<sup>10</sup> During the lockdowns imposed in 2020, cross-border movement of cargo was also disrupted in the beginning, but a large part of it was due to a nation-wide lockdown imposed in India.<sup>11</sup> The border closure also impacted cross-border flow of people between Nepal and India which was inching towards normalcy in the beginning of 2021.<sup>12</sup> But, as the disease started spreading in India, the return of Nepal migrant workers began and the governments—federal, provincial and local—were unprepared against an expected surge of returnee migrants from India. The federal government instructed

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<sup>6</sup> Decisions made by the Cabinet meeting on 19-26 April 2021 (in Nepali)

<https://mocit.gov.np/category/categoryDetail/2078-baisakh-6-9-13>

<sup>7</sup> <https://www.nepalitimes.com/banner/nepal-is-a-hotbed-of-virus-and-politics/>

<sup>8</sup> Information available in a press release issued by MoCIT (in Nepali),

<https://mocit.gov.np/category/categoryDetail/2078-baisakh-6-9-13>

<sup>9</sup> <https://english.onlinekhabar.com/kathmandu-lockdown-relaxed-with-public-vehicles-allowed-on-odd-even-basis.html>

<sup>10</sup> Safety guidelines to be followed at the border points

<https://drive.google.com/file/d/1Prz1sPcQv04O9ToqIWkTsf7txsnROhNo/view>

<sup>11</sup> Information available in [https://www.sawtee.org/Research\\_Reports/sectoral-impact-study\\_consolidated-report\\_May%202020.pdf](https://www.sawtee.org/Research_Reports/sectoral-impact-study_consolidated-report_May%202020.pdf)

<sup>12</sup> <https://www.hindustantimes.com/india-news/nepal-opens-border-for-indians-registration-and-covid-19-report-must-for-entry-101613998431681.html>

municipalities bordering India to arrange for quarantine facilities and antigen tests to be conducted for returning Nepali citizens at land border points. However, returnees' skirting of the main border points has increased the risk of spreading infections.<sup>13</sup> As the number of cases subsided, the workers began to return to their workplaces in India.<sup>14</sup> Furthermore, 2021 saw a repeat of 2020 in the circumvention of Nepal government's restrictions on the entry of Indian nationals through land border crossings, as they took to entering Nepal via other points along the porous border.<sup>15</sup>

### Preparedness

Learning from the experiences with lockdowns in 2020, the government has been relatively better prepared to tackle the second wave. The federal government asked local and provincial authorities to prepare service contracts with hospitals to undertake COVID-19 treatment even before lockdowns were announced.<sup>16</sup> The government also announced reimbursement of the cost of such treatments based on the severity of the cases. Despite these attempts, Nepal's healthcare system remained ill-prepared to tackle the surge in hospitalizations. Hospitals were found short of beds and intensive care units during the peak of the second wave. They were also faced deficits in supply of oxygen as the number of COVID-19 patients increased. Similarly, given the scale of the spread of the

disease, existing resources in healthcare—both physical and human resources—appeared inadequate.

According to the Economic Survey 2020-21, Nepal has 7,221 health care institutions, including hospitals and health posts, 11,640 hospital beds and about 90,000 healthcare personnel.<sup>17</sup> There are reportedly about 1,595 Intensive Care Units and only about 840 ventilators across 194 hospitals in Nepal.<sup>18</sup> Considering the population of nearly 30 million, availability of health care facilities per capita appears grossly inadequate. Moreover, as the daily demand for medical oxygen shot up to around 35,000 cylinders, the total generation capacity was about 20,000 cylinders.<sup>19</sup> In rural areas, access to healthcare met with more difficulties as patients were succumbing to infections even before getting the results of their COVID tests, as it sometimes took as much as five days for the swabs to be collected and tested and results to reach the patients in rural areas.<sup>20</sup>

However, despite capacity limitations, government was more effective in communications during the second wave, by creating portals to disseminate information on hospital-bed availability and other such essential information. In addition to government efforts, the UN, international non-governmental organizations, domestic civil society organizations and volunteer groups

<sup>13</sup> <https://www.bbc.com/nepali/news-53620124>

<sup>14</sup> <https://www.newindianexpress.com/world/2021/jun/06/nepali-migrant-workers-start-returning-india-in-search-for-jobs-amid-covid-pandemic-2312600.html>

<sup>15</sup> <https://www.nayapatrikadaily.com/news-details/52901/2020-10-12>; <https://kanakaionline.com/2021/05/01/14812>

<sup>16</sup> Decisions made by the Cabinet meeting on 19-26 April 2021 (in Nepali) <https://mocit.gov.np/category/categoryDetail/2078-baisakh-6-9-13>

<sup>17</sup> Information available in Economic Survey 2020-21 at <https://bit.ly/3lel5qP>

<sup>18</sup> [https://www.who.int/docs/default-source/nepal-documents/novel-coronavirus/health-sector-emergency-response-plan-covid-19-endorsed-may-2020.pdf?sfvrsn=ef831f44\\_2](https://www.who.int/docs/default-source/nepal-documents/novel-coronavirus/health-sector-emergency-response-plan-covid-19-endorsed-may-2020.pdf?sfvrsn=ef831f44_2)

<sup>19</sup> <https://www.nepalitimes.com/latest/why-is-there-still-an-oxygen-shortage/>

<sup>20</sup> <https://kathmandupost.com/health/2021/06/08/even-as-virus-reaches-rural-nepal-results-of-pcr-tests-take-up-to-five-days>



came forward to help fill the gap in health services and relief delivery. Some International organizations helped in information dissemination, raising funds to buy emergency medicines and equipment, providing reproductive health services and psycho-social counselling, and in providing cash transfers to the vulnerable groups for loss of livelihoods due to the pandemic.<sup>21</sup> Volunteer groups mobilized themselves to provide meals to people in need, especially in urban areas, arranged for isolation centers and oxygen, and also created web platforms to aggregate information on available spaces in quarantine centers and hospitals.<sup>22</sup>

### **Economic impact**

Nepal's economy contracted for the first time in two decades. The gross domestic product (GDP) for fiscal year<sup>23</sup> 2019-20 saw a decline of 2.12 percent as the pandemic and its containment measures hit economic activities hard in the last four months of that fiscal year.<sup>24</sup> In the fiscal year 2020-21, GDP was projected to grow by 4.01 percent, but the second wave that started from the middle of

the third quarter of the fiscal year has posed uncertainties over this projection.<sup>25</sup> Two multilateral financial institutions have lowered Nepal's growth rate for the fiscal year 2020-21 to 2.3 percent (Asian Development Bank)<sup>26</sup> and 1.8 percent (World Bank)<sup>27</sup>. Earlier, the National Planning Commission had estimated that due to COVID-19, 924,000 individuals lost employment and that headcount poverty might have increased by 4 percent, with an additional 1.2 million people were likely pushed below the poverty line.<sup>28</sup> Despite the lockdown, in 2021 trade and logistics chains were not disrupted as much as in 2020. Exports from Nepal during the lockdown months were better than the figures reported during of the corresponding period in 2020.<sup>29</sup> The lifting of the lockdown resulted in a gradual rise in travel sector income, reaching the levels of 2020, but still a fraction of what Nepal was earning during normal times. The complete and partial closure of about seven months in 2021 has affected livelihoods and its impact has become visible in macroeconomic indicators. The growth outlook for the fiscal year 2021-22 has been lowered to 4.1 percent and 3.9 percent by ADB and the World Bank

<sup>21</sup> <https://reliefweb.int/sites/reliefweb.int/files/resources/Nepal%20C19%20SitRep%2030%20July%202021.pdf> and <https://actalliance.org/wp-content/uploads/2021/06/NPL211-Covid-Crisis-1.pdf>

<sup>22</sup> <https://www.nepalitimes.com/banner/nepals-life-or-death-o2-quest/> and <https://thehimalayantimes.com/covid-connect/covid-connect-nepal-portal-connecting-two-ends-seeking-and-providing-covid-19-assistance>

<sup>23</sup> Nepal's fiscal year runs from mid-July of one year to mid-July of another.

<sup>24</sup> Information available in Economic Survey 2020-21 at <https://bit.ly/3le15qP>

<sup>25</sup> Information available in Economic Survey 2020-21 at <https://bit.ly/3le15qP>

<sup>26</sup> ADB News Release "Nepal's Economy to Modestly Grow in FY2022" published on 22 September 2021.

<https://www.adb.org/news/nepal-economy-modestly-grow-fy2022>

<sup>27</sup> World Bank Press release "Services-led Growth Key to Nepal's Green, Resilient, and Inclusive Development" published on 7 October 2021. <https://www.worldbank.org/en/news/press-release/2021/10/06/services-led-growth-key-to-nepal-s-green-resilient-and-inclusive-development>

<sup>28</sup> NPC (2021) "Annual Report 2076-77". Kathmandu: National Planning commission, Government of Nepal.

<sup>29</sup> Nepal's export value stood at NPR 14 billion, NPR 13.7 billion and NPR 12.8 billion in mid-March-mid-April, mid-April-mid-May and mid-May-mid-June 2021, respectively, while the values were NPR 10.7 billion, NPR 9.1 billion and NPR 10.9 billion in mid-December 2020-mid-January 2021, mid-January-mid-February and mid-February-mid-March 2021, respectively. In the months following the gradual lifting of the lockdown, exports increased substantially before starting to plunge in October-November 2021. One reason for the plunge could be India's change in policies on imports of palm and other edible oils that have become the top export items for Nepal in the past couple of years. These data are based on Nepal Rastra Bank's monthly data, available here: <https://www.nrb.org.np/>

respectively, against the government's projection of 7 percent.

Amidst the second wave, the government announced its annual fiscal plan and budget estimates for FY 2021-22 and announced relief measures similar to those announced in the previous fiscal year. The provisions that were continued included rebates on electricity bills for households, exemption of electricity demand charge for manufacturing enterprises, hotels and movie-theatres, a waiver on license and renewal fees for enterprises in the affected sectors, and refinance facility to affected businesses.<sup>30</sup> Similarly, the government exempted customs duty on the imports of medicines required for the treatment of COVID-19. The government also announced customs duty exemption on the import of machines and equipment required for setting up oxygen plants. Community and private hospitals were to be provided with a 50 percent subsidy to set up oxygen plants.<sup>31</sup> The monetary policy for the fiscal year 2021-22 extended the refinance facilities, along with simplified restructuring of loans, for a year to help the affected businesses cope with the financial impact of the second wave.

Following the change in government in July 2021, the Ministry of Finance also saw a change in leadership and the new minister introduced some changes to the fiscal plan for the year 2021-22. The new government announced a one-time distribution of NPR 10,000 each to 500,000 extremely poor households having members engaged in the

informal and unorganized sector who lost their jobs due to the COVID-19 pandemic.<sup>32</sup>

### **Vaccination status**

As of the last week of December 2021, Nepal has fully vaccinated 32.7 percent of its population against COVID-19. Nepal has received 38.5 million doses of five vaccines through bilateral donations, purchase or COVAX arrangement. Although vaccine availability has significantly improved towards the end of 2021, during the peak of the second wave there was uncertainty regarding the availability of vaccines. About two months before the second wave struck, in January 2021 Nepal had received 1 million doses of the Covishield vaccine (vaccines formulated by Oxford/AstraZeneca and produced by Serum Institute of India) from India under the latter's Vaccine Maitri initiative. With this batch of vaccines, Nepal's vaccination campaign was launched.<sup>33</sup> However, owing to the second wave in India, vaccines produced by India were prohibited from being exported. Things improved as Nepal started purchasing vaccines from China and COVAX too started to deliver vaccines. Nepal has also started administering Pfizer and Moderna vaccines to children above the age of 12. Nepal government hopes to fully vaccinate its adult population by April 2022.<sup>34</sup>

### **The way forward**

Now that a third major variant of the coronavirus is spreading globally and the world braces for a third wave, vaccination is now considered even more vital. Even as the developed world rolls out booster doses, Nepal

<sup>30</sup> Ministry of Finance (2021). Budget Speech 2021-22. <https://new.mof.gov.np/site/publication-detail/2340>

<sup>31</sup> Ministry of Finance, Budget Speech 2021-22. <https://new.mof.gov.np/site/publication-detail/2340>

<sup>32</sup> As announced in "Bill for Replacing the Financial Ordinances (Fiscal Year 2021/22)"

<https://mof.gov.np/site/publication-detail/3117>

<sup>33</sup> <https://www.orfonline.org/expert-speak/nepals-vaccine-conundrum-the-quest-for-national-stability/>

<sup>34</sup> As reported in <https://www.aljazeera.com/news/2021/11/11/nepal-covid-vaccination-adults-mid-april-health-minister> on 11 November 2021

has vaccinated only a third of its population. One of the lessons from the second wave is that complacency on vaccination could be costly. The low vaccination rate and a mutating virus mean that the threat of a third wave remains acute. Some of the key policy lessons from the two waves of the pandemic are as follows:

- More concerted effort is necessary to acquire vaccines, relying on all available sources. Besides vaccine acquisition, focus should be trained on getting all the eligible population vaccinated by making vaccine distribution efficient.
- Preparedness is key to fight any disaster, and this holds true also in the case of the ongoing pandemic. Although during the second wave the government formulated a plan for mobilizing local and provincial governments, implementation in key areas such as maintaining quarantine facilities, especially in border municipalities, is critical for the success of the plan. Similarly, efforts must be made to estimate the requirements of oxygen, ventilators, and other medical supplies.
- Better supply chain management was experienced during the second wave, building on learning from past experiences. Facilitative policies care needed to ensure that lockdown measures result in minimal disruptions to supply chains.

- Effective communication is key to managing the aftermath of any disaster. In the second wave, the government ensured that information was more easily available—about quarantine, hospital-bed availability, etc. Channels of communication for public awareness must be maintained effectively.
- Addressing inequality in access to healthcare services is an urgent need. Higher fatality rates in less developed provinces demonstrates the level of unequal access to healthcare services. The federal government has decided to construct hospitals in each province to address these needs. It must also be ensured that qualified healthcare professionals are deployed in sufficient numbers in the most affected localities.

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The South Asia Network on the Sustainable Development Goals (SANS) has been developed by ESCAP to foster subregional cooperation by sharing good practices towards achievement of the SDGs amongst the government agencies, think-tanks, CSOs and other stakeholders in South Asia to build back better.

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