



Commercial sexual exploitation of children in Nepal: shifting forms of abuse

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Introduction

The commercial sexual exploitation of children (CSEC) is a well-known problem in Kathmandu. Having seen a decade-long proliferation in the number of venues making up the adult entertainment sector (AES), frontline organisations – including the Freedom Fund and its local partners – made this the focus of their battle to eradicate the commercial sexual exploitation of minors. Through a combination of prevention and protection interventions, alongside advocating to government for better regulation of the adult entertainment sector, significant progress has been made. The Freedom Fund wound down its CSEC program in 2020, on the basis that the numbers of minors being exploited in the Kathmandu AES had decreased and local groups had the capacity and experience to continue working effectively in this space.

However, there has been anecdotal evidence that some of the observed CSEC reductions in the AES may be accompanied by shifting forms of abuse online and to other locations. Therefore, The Freedom Fund commissioned a team of local experts, led by Dr Govind Subedi¹, Professor of Population Studies at Tribhuvan University of Nepal, to assess what the emerging forms of CSEC are and the locations where they take place. The findings of that study are summarised in this report, which is intended to serve as a resource for government and civil society actors working in the space, and to help them adjust their approaches and programs to a broadened and diversified landscape of abuse in the Kathmandu Valley.

¹ The full research team includes: Dr Govind Subedi, child rights and survey expert; Mr Rudra Prasad Nepal, Senior Advocate and legal expert; Mr Vinaya Kumar Jha, criminologist and community policing expert; Mrs Radha Devi Dhakal, gender, children and migration expert

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Key findings summary

Based upon interviews with 121 key informants, field observations and document analysis, evidence has emerged that commercial sexual exploitation of children is taking place in a range of venues, which at present receive little attention from the police and policymakers and are more difficult for NGOs to access.

Street children are highly vulnerable to commercial sexual exploitation. In interviews with 18 children with experience of living or working on the streets, all reported that they had 'a friend'² who had been offered money in exchange for sexual activities. What's more, 89 percent of the children interviewed said this happened 'all the time'.

Guesthouses were frequently disclosed as locations where CSEC takes place. Ninety percent of the street children interviewed said that after contact was made by a perpetrator, sex acts took place at a guesthouse.

Private apartments were also reported as CSEC locations by a wide range of interviewed participants. Intermediaries including traffickers, AES managers and 'agents', such as street vendors and taxi drivers reportedly profit from exploitation of children taking place in private residences. Respondents, including the police and NGOs, thought this trend was driven by increased police monitoring of adult entertainment venues, where minors are now prohibited by law.

Homestays (offering traditional homestyle food and accommodation, usually in rural settings along trekking routes) were found to be frequently used as venues for CSEC. In some instances, managers of homestays were reported to facilitate and profit from child exploitation.

Catering houses that host private parties and functions have grown in popularity in recent years in Kathmandu. The study found that the industry was highly unregulated and primarily drew its workforce from students, creating opportunities for exploitation. Interviews revealed that some owners of newly opened catering houses had previously owned venues in the adult entertainment sector, leading some human rights activists to suspect trafficking and sexual exploitation may take place at these venues.

Online child sexual exploitation is another growth market for CSEC – a trend that was likely exacerbated by the pandemic. The study found evidence of children being used in the production of child pornography and indecent imagery, the use of explicit images to blackmail children and perpetrators and the use of the internet to facilitate exploitation.

Child abuse at the hands of tourists is a further under-investigated problem in Nepal. The study found some evidence of CSEC taking place within the tourism sector. The issue has received little attention from government and could benefit from further research to determine the scale of the problem.

² The question had been deliberately phrased to enquire about 'a friend' rather than asking children directly the very sensitive question of whether they themselves had experienced sexual exploitation.

While not exhaustive, the findings of our review clearly suggest that the forms and locations where CSEC takes place is evolving and further research and policy responses are needed to determine the extent of those changes. To help curb this worrying trend, we propose a range of measures to be pursued by relevant authorities, NGOs and researchers. These recommendations, which are outlined in greater detail towards the end of the document, include the following:

- **Legal measures:** Clearer definition in law of all the varying forms of CSEC, not limited to specific types of locations; harmonisation of national laws, including the Human Trafficking and Transportation Act 2007, to align with the newly ratified Palermo Protocol.
- **Monitoring and surveillance:** Better regulation and clearer operational guidelines for all relevant venues; surveillance and monitoring of these by local authorities and police; adaptation of strategies employed by authorities and civil societies fighting CSEC in AES to better address abuse in non-AES venues, which are typically harder to access through existing outreach models.
- **Capacity building and awareness raising:** Specialist training and tools for the Central Cyber Crime Bureau to identify and investigate online sexual abuse; training of law enforcement agency staff on CSEC, trauma-informed care and child-friendly rescue techniques; education of school children, parents and teachers regarding the manifestations of CSEC, including online safety, through awareness programs, IEC materials, radio programs, TV programs, social media etc.
- **Further research:** Assessment of the effectiveness of Nepal's 'Street Children Free' campaign with specific attention to aftercare; study of CSEC in the travel and tourism sector, particularly along trekking routes, to enable stronger monitoring systems to protect children from exploitation in the sector; research into the short- and long-term effects of the covid-19 pandemic on levels and patterns of abuse, particularly online exploitation and abuse.

Background and context

In 2015 the Freedom Fund began working with 14 local NGO partners to implement a comprehensive strategy to combat internal trafficking and commercial sexual exploitation of children (CSEC) in Kathmandu's adult entertainment sector (AES). When the program was launched, research conducted by Terre des Hommes estimated between 11,000 and 13,000 women and girls were working in the AES, with up to a third of the sector's workers estimated to be under 18 years old.³ Investing heavily in frontline organisations, partners were able to scale their efforts targeting minors and their communities and engage key government stakeholders as well as the AES owners/managers and customers who drive demand. The program not only supported thousands of victims and at-risk children, but also successfully raised public awareness of the issue and significantly contributed to stricter legislative frameworks and more proactive government interventions.

In 2018, to obtain more comprehensive and up-to-date data, the Freedom Fund commissioned the most statistically rigorous prevalence study of minors working in Kathmandu's adult entertainment sector to date. The study estimated that the population of minors working in AES venues was now only 1,650⁴ - significantly fewer than earlier studies had found. An external evaluation conducted by Progress Inc in 2019 concluded that the key factors driving down the number of minors in AES had

³ Frederick, J. (2009). Terre des Hommes Foundation. Situation Analysis.

⁴ Dank, M. (2019). Prevalence of minors in Kathmandu's adult entertainment sector.

been the increased frequency of workplace inspections by government officials and stricter provisions in the Children's Act (2018) and Labour Act (2017) prohibiting minors from working in AES venues and improving conditions for adult workers.⁵

The reduction in minors working within the AES is a positive outcome and certainly represents progress in the right direction. However, questions remained about whether some of the observed reduction was owing to a displacement of exploitation to other locations and taking new forms. To test this hypothesis and identify new areas in need of government and NGO attention, the Freedom Fund commissioned this study. It identifies emerging manifestations of CSEC taking place in Kathmandu outside of the AES, and provides recommendations for further research, frontline organisations and policymakers who continue their vital and tenacious efforts to end this crime.

Definition of Commercial Sexual Exploitation of Children (CSEC)

The ILO sets out that commercial sexual exploitation of children (CSEC) is *the exploitation by an adult with respect to a child or an adolescent – female or male – under 18 years old; accompanied by a payment in money or in kind to the child or adolescent (male or female) or to one or more third parties.*⁶ The term is used to refer to: the use of children in sexual activities in return for cash or kind; trafficking for sex trade; child sex tourism; the production, promotion and distribution of pornography involving children; and, the use of children in sex shows (public or private).⁷

Noting that sexual exploitation of children increasingly takes place via the Internet or with some connection to the online environment, ECPAT provide the following definition of Sexual Exploitation of Children which is consistent with the recommendations of the Terminology Guidelines for the Protection of Children from Sexual Exploitation and Sexual Abuse.⁸

*A child is a victim of sexual exploitation when they take part in a sexual activity in exchange for something that either they or third parties receive. Different forms of SEC include exploitation of children in prostitution, online child sexual exploitation, sale and trafficking of children for sexual purposes, sexual exploitation of children in the context of travel and tourism and some forms of child, early and forced marriage.*⁹

We have used these concepts to define the scope and limitations of the study.

Scope and limitations

The Freedom Fund commissioned Dr Govind Subedi and his research team to understand how children are being sexually exploited for commercial gain in Kathmandu, outside of the AES. The study was limited to the geographic area of Kathmandu Valley and did not cover locations and forms of exploitation in other parts of Nepal.

⁵ Progress Inc (2020) Evaluation of the Central Nepal hotspot project using the process tracing methodology.

⁶ International Labour Organization. Commercial sexual exploitation of children. Available at: <https://www.ilo.org/ipecc/areas/CSEC/lang-en/index.htm#:~:text=Commercial%20sexual%20exploitation%20of%20children%20is%20the%20exploitation%20by%20a%20one%20or%20more%20third%20parties.&text=Child%20sex%20tourism>.

⁷ Ibid.

⁸ Greijer, S and Doek, J. (2016) Terminology Guidelines for the Protection of Children from Sexual Exploitation and Sexual Abuse. Adopted by the Interagency Working Group in Luxembourg.

⁹ ECPAT International (2020) Sexual Exploitation of Children in Nepal.

Similarly, it has not covered all forms of CSEC, as some are clandestine in nature and occur in inaccessible venues. Also, the purposive sampling method adopted could not avoid certain biases. The government body, the National Child Rights Council, supported the research team to interview former street children who were residing in a rehabilitation shelter.

At the time of the study, a total of 39 girls and 28 boys were residing in the rehabilitation centre. Eighteen children were selected at random to take part in the interviews.

It is noteworthy, that more than half of the children residing in the rehabilitation centre were girls (58 percent), and these proportions were then used for the selection of participants (55 percent girls and 45 percent boys). However, it should be noted that this sample is not representative of the overall population of street children, which is overwhelmingly comprised of boys (see section below, vulnerability of street children).

The study looked at children used in sexual activity in return for cash or kind, which can take place in range of private and public venues. It can occur as part of the tourism sector, in the form of online sexual exploitation and for the production, promotion and distribution of pornography. The study did not look at child abuse/paedophilia (in the absence of a transaction), nor at child marriage or abuse of child domestic workers. As mandated, it excludes venues operating in the adult entertainment sector (AES), which, for the purposes of this study, includes Khaja Ghar restaurants, dohori, cabin restaurants, dance bars, guest houses and massage parlours (all of which were included in the 2019 study on prevalence of minors in Kathmandu's adult entertainment sector commissioned by the Freedom Fund and conducted by John Jay College of Criminal Justice).

Although AES venues were purposefully excluded from the primary study population, guesthouses and Khaja Ghar restaurants were frequently cited through the key informant interviews as locations where street children were abused. This highlights the diversity of venues included within the umbrella term 'AES' and also that there is a significant degree of overlap between exploitation in the AES and outside of these venues.

This report is predominantly based upon research carried out between September 2019 and January 2020, i.e., before the covid-19 pandemic. It does take into account some additional information sources published after the fieldwork took place. However, further research is needed to properly assess the short- and long-term impact of the pandemic on child vulnerability and abuse patterns and locations.

Methods

The research team applied the following methods for the study:

1. A literature review of existing research studies and news articles from the last five years.
2. Semi-structured interviews were conducted with 121 key informants using purposive sampling. The research team applied to the National Child Rights Council for permission to interview street children. The National Child Rights Council connected the research team to a rehabilitation centre for children rescued from the street to take part in the study. This method was chosen to ensure that child participants were no longer in situations of exploitation and

had access to support services. Informed consent was given individually from all children to the researchers before interview. In order to minimise re-traumatising survivors, children were asked about the experiences of their friends rather than their own experiences of exploitation. Ethical approval was obtained from the National Health Research Council (NHRC).

The study population can be broken down as follows:

Sectors	Number
Primary study population	53
Former street children	18
Street based vendors/tourist locations	12
Taxi drivers	7
Small hotels/alcohol shops	10
Private apartment security guards	3
Owners/managers of party venues	3
Other study population	
1. Government sector	14
Nepal police	7
Line ministry/department/council	6
Local government	1
2. Legal actors	9
Court officials and government attorneys	7
Law professor/advocates	2
3. NGO sector	29
Freedom Fund partner organisation staff	25
Experts and other NGOs	4
4. Internet service providers	7
Nepal telecom authority	4
Private internet providers	3
5. Travel/tourism sector	9
Home-stay owners/workers	5
Travel agents/workers	4
Grand total	121

3. Analysis and triangulation of information for validity.
4. Identification of gaps in the existing national laws and policies ensuring the rights and protection of children.
5. Drafting recommendations to address the issue of CSEC prevalent in society outside of the AES.

Following the completion of the study, some additional document sources were included in this report to reflect the changing context.

Key findings

The research found that intersecting forms of CSEC are taking place in a range of venues outside what has traditionally been grouped as the adult entertainment sector. Based upon information collected from the interviews, the researchers estimate there are around 2,000 – 3,000 victims of CSEC outside of the AES, though it should be emphasised that this is a rough approximation relying on a range of assumptions rather than new primary research. Much of this exploitation is thought to take place online, in private apartments and guesthouses, and to a lesser extent through street-based exploitation, child sex tourism and homestays. These venues currently receive little attention from police, policy makers and NGOs. The majority of participants thought CSEC in areas outside of AES has increased in recent years. However, further prevalence research is needed to profile the particular child demographics being exploited across these new venues, and to make accurate estimations of the scale of emerging forms and the extent to which there may be overlap with CSEC within the AES.

This paper looked in detail at street children as one high-risk demographic (see section on street children below), but girls and boys are also likely to fall into CSEC via different routes – including those trafficked from rural areas or transferred from prior set ups in the traditional AES. This scoping was not conceived as a prevalence study or representative sample and therefore cannot draw any conclusions about the overall number, gender breakdown or social/ethnic profile of the CSEC victim population.

Locations of exploitation

Street-based sex work and guesthouses

The majority of participants suggested there has been an increase in sex-exploitation taking place or at least initiated in the street. Initial contact with the children is often made either directly by the perpetrator or through an intermediary such as bouncers of AES venues, street vendors and taxi or bus drivers. While some exploitation can take place directly on the street, 90 percent of the street children interviewed for this study said guesthouses were the more common place where exploitation happened. Researchers found that guesthouse rooms can be rented by the hour and are frequently used to sexually exploit children.

A shopkeeper in Gausala shared:

‘For the last two or three years, the movement of street children has declined but you can see an increase in street-based sex work in this area. Many of these sex workers are minor girls and they can be seen after 3 or 4 pm every day in and around here. Drivers, low paid workers and porters are the clients. They come from the slum areas. Guesthouses are definitely used for ‘sex work’ because rooms in the guest houses are frequently reserved for two or three hours.’

Catering houses

Hiring venues with catering services for weddings and parties has grown in popularity in recent years, with an estimated one hundred such venues now operating in Kathmandu.¹⁰ The industry is highly informal facing few inspections, and it primarily employs students who work without written contracts. This creates opportunities for sexual exploitation of minors to take place. Key informants from the

¹⁰Events and Venue Association Nepal. Available at: <http://www.partyplace.com.np/index.php?aboutus>

hospitality sector and NGOs confirmed that catering houses were emerging as CSEC venues, reporting that some former AES owners were known to have opened catering houses after their AES venues had been shut down.

A catering house owner said:

'I have never insisted or forced any girls to engage in sexual acts with the customers. But those girls who work in the catering services are needy girls, students, migrants and they need money. However, now there are many catering houses established with money borrowed from financial institutions at high interest rates. The owners want to earn a lot in a short period by any means. Some of the catering house owners have a track record of operating massage parlours or cabin restaurants [AES venues]. They have shifted to running a catering house because their former business was closed.'

Human rights activists from the National Human Rights Commission and National Child Rights Council also suspect that trafficking of girls for sexual exploitation may be taking place in catering houses.

Private apartments

A wide range of research participants including NGO staff, minors exploited through prostitution, street vendors and security guards reported that private apartments were increasingly being used as a location for CSEC. Intermediaries including traffickers, AES managers and 'agents' such as street vendors and taxi drivers profit from the exploitation of children. Respondents including police and NGOs suggested this trend was driven by increased police monitoring in adult entertainment venues where minors are now prohibited by law. Private apartments were viewed as the most difficult locations to monitor and regulate compared with other alternative venues such as hotels, making them attractive for organised crime.

While the former street children interviewed by the researchers were not directly asked about their own experiences, some shared that they themselves had chosen to work on their own from a private room to escape working under the control of AES managers.

One girl now living in the rehabilitation centre shared:

'In AES we must work under the managers, and we have to handle too many customers. The owners or managers are always looking at the profit for their business. They are not concerned about our individual health or concerns.'

Homestays

The concept of 'homestays' originated in the tourism sector, offering traditional homestyle food and accommodation, usually in rural settings along trekking routes. However, there are now 150 registered homestays¹¹ operating on the outskirts of Kathmandu Valley where rooms can be rented by the hour or for a whole night. The study found that homestays are frequently used as venues for CSEC. In some instances, managers of homestays facilitate and profit from child exploitation.

¹¹Ministry of Culture, Tourism & Civil Aviation. (2019). Nepal Tourism Statistics 2018.

A cook interviewed during the research team's site visit to a homestay said:

'If you are with a girl (partner), we can provide you a room and food. But, if you do not have any girl partner and you want us to manage it, we can do it for you. But you have to pay the money - the rate of a girl depends on her age and beauty.'

Student hostels

Hostels providing accommodation to students who come to Kathmandu for higher secondary or college education have also mushroomed in recent years. Run by private owners, educational institutions or recruiting agencies, they are largely unmonitored. Interviews with hostel residents indicate there is a risk of CSEC. There were claims of 'voluntary engagement' of girls and boys living in the hostels who engage in sex activities for 'pocket money'. One police officer interviewed said that he had learned from interactions with young people at the Police Rehab Centre that many had started using drugs in student hostels and some had reported to him that they engaged in sex work from the hostels. It was alleged that hostel managers occasionally act as intermediaries to set up exploitation.

Child exploitation in sex tourism

Before covid-19 decimated the travel industry, Nepal's Ministry of Culture, Tourism and Aviation reported a 25 percent increase in foreign tourists in 2017 and 2018.¹² While no data exists on child sexual exploitation in Nepal's travel and tourism sector,¹³ interviews with two representatives from the tourism sector suggested that this rise in tourism had been accompanied by an increasing demand for CSEC among foreign tourists, with some hospitality businesses reportedly facilitating the supply.

Police and NGO respondents reported rising levels of sex tourism in Kathmandu's popular tourist areas including Thamel, Soyambhu, Boudha, Patan Durbar Square and Bhaktapur. In some instances, travel agencies which operate from Kathmandu and workers within the travel sector were also implicated in facilitating exploitation.

A former executive board member of the Nepal Tourism Board shared:

'In many cases, the license holders of the travel agencies are Nepali, but the investors are foreigners. They have also invested in some reputed hotels. They travel to different rural mountain areas along the trekking routes and to other locations popular with tourists. Then, they influence the parents of children by giving money and other gifts. The owners of homestays may arrange for children to engage in sexual acts for their lavish profit.'

An employee who has worked as a porter for a trekking company since he was 12, shared this observation of a CSEC incident:

"Around four years ago, with five foreigners en route to Annapurna Base Camp, we had to stop for the night. One of the European men from the group, in his mid-fifties, had brought with him four Nepali

¹² ECPAT International (2020) Sexual Exploitation of Children in Nepal.

¹³ Ibid

boys, aged between 14 and 18. Even though we had set up individual tents, all four boys slept with this man in his tent as he was their guardian. At midnight, I heard someone wailing and I followed the noise to this man's tent. At that moment, I saw myself not only as a porter but also as someone responsible for the safety and protection of the team members. I was aghast when I saw this elderly man forcing himself on one of the boys for anal sex. I was so upset and angry but was compelled to keep quiet as our company advises us not to anger the customers. When I nonetheless complained to my boss, he shoved this away telling me to do my job and mind my own business. I later found out that this foreigner was not just a traveller but a travel agent in his country, and that he also used to supply these boys to other tourists in his group for their sexual gratification.”

Extreme vulnerability of children living and/or working in the streets

While the victims of CSEC in Kathmandu Valley are drawn from a diverse set of backgrounds and locations, and they can fall into exploitation in a variety of ways, it is worth highlighting street children as a particularly high-risk demographic. UNICEF distinguishes between ‘children of the street’, defined as homeless children who live and sleep on the streets in urban areas, and ‘children on the Street’, who earn their living or beg for money on the street and return to a home at night. There is a lack of reliable data regarding the number of children living and/or working in the streets of Kathmandu. NGOs working with street children have estimated there to be between 1200 and 1500.¹⁴

In 2016, the government launched a campaign ‘Street Children Free Kathmandu Valley’, which has resulted in high numbers of children being ‘rescued’, at times forcefully, from the streets and placed in rehabilitation centres. Data collected by the National Child Rights Council (NCRC) shows that from April 2016 to June 2019, a total of 1,011 children were rescued from the streets.¹⁵ However, these figures report rescue cases rather than individuals and experts interviewed for this study estimated that at least 10 percent of children were ‘re-rescued’, reducing the figure to around 900 individuals for the three-year period. An overwhelmingly majority of the total number of rescued cases were boys (89 percent) with the remaining 11 percent girls.¹⁶ The highest proportion of street children rescued were between 11 and 14 years old (48 percent). However, children below ten years of age were also found in the streets.¹⁷

Data from the NCRC found that rescued children came from 62 of Nepal’s 77 districts. However, the top 10 districts of origin included Kathmandu and its surrounding districts. While the majority of rescued children came from lower caste ethnic groups like the Janajati (44 percent) and Dalit (20 percent), a significant share (29.5 percent) came from higher Brahman/Chhetri castes.¹⁸ This suggests that caste disadvantage is only one of a number of drivers pushing children onto the streets.

The majority of children rescued (69 percent) reported that both of their parents were still alive, with 9 percent reporting both parents were deceased, and 20 percent reporting one of their parents was

¹⁴ Gauri Pradhan et al. (2015) Towards a Brighter: Future for Children. A Situation Analysis of Child Rights in Nepal. Annex C: Child Protection Indicators in Nepal. Royal Norwegian Embassy.

¹⁵ National Child Rights Council, NCRC (2019) Status of Children in Nepal 2076 (2019) P.28

¹⁶ Ibid

¹⁷ Ibid

¹⁸ Ibid

deceased.¹⁹ Over the 3-year period, 57 percent of children were reported to have re-integrated with their families while 23 percent were recorded as being in some form of institutionalised care²⁰, and 9 percent were recorded as enrolled in skills training. Eleven percent were counted as dropouts whose whereabouts were unknown.²¹

Interviews with street children

The National Child Rights Council supported the research team to interview children with experience of living or working on the streets who were residing at a rehabilitation centre in Kathmandu, where the interviews took place. Eighteen children took part – ten girls and eight boys. Thirteen of the children were in the 17-18 age bracket and five in the 14-16 range. As noted, this is not a representative sample of the street children population which is overwhelmingly male. Seven of the children had been living and sleeping on the street, and eleven were “children on the street” who earn their living or beg for money on the street but return to a home at night.

The children were asked about their friendship networks. When asked the number of friends they had living in similar conditions, respondents reported from 10 to 100 friends, with the median number of friends 50. Frequency of meeting with friends was high with 78 percent of respondents reporting they meet daily with their peers.

Subsequent questions which aimed to understand the level of exposure the children had to CSEC were framed by asking them if they knew if any of their friends had been offered money or gifts in exchange for intimate touching or sex acts. This was to allow children the space to answer in more general terms and avoid articulating their own experience and trauma, unless they chose to do so themselves. However, it can be reasonably assumed that most, if not all the interviewees were not only witness but subject to the abuse they described.

All 18 of the children interviewed reported that they had a friend who had been offered money in exchange for kissing, intimate touching and sexual acts (oral sex and sexual intercourse). From the sample of children interviewed, this appears alarmingly common, with 89 percent revealing that the phenomenon of money exchanged for kissing or intimate touching among the respondents’ friends happened ‘all the time’. The research team noted that there is potential bias in the sample as more girls took part in the interviews than would be representative of street children. Furthermore, many of the children interviewed had experience of living on the streets for several years (44 percent for five years and above and 28 percent for three to five years) which can increase the likelihood of them encountering instances of CSEC. Nonetheless the fact that *all* children reported knowledge of frequent experiences of sexual exploitation, including the 28 percent of children interviewed who had lived on the streets for less than two years, demonstrates the extremely high prevalence.

The interviewed girls generally reported working from the age of 13-14 at Khaja ghars (snack houses), where they recounted frequent sexual exploitation among their friends, usually by Nepali men. The girls told the research team that many of them had moved to the streets seeking more freedom and independence from AES venue owners. The interviewed boys reported that their friends were also sexually exploited by men. However, they were more likely to report the perpetrators being foreigners.

¹⁹ Ibid

²⁰ The report refers to children in drop-in-centres, socialisation centres, and child care homes. National Child Rights Council, NCRC (2019): Status of Children in Nepal 2076 (2019)

²¹ Ibid

Half of the interviewed children reported that their friends received cash in exchange for sex acts while 11 percent reported that their friends received food as a mode of payment. The remaining 39 percent reported a range of different modes of payment including cash, food or gifts such as clothes or mobile phones.

Issues with the existing government approach to tackling CSEC

Seventy-eight percent of the children who took part in the survey perceived the incidence of CSEC on the streets of Kathmandu to be increasing in the past 3-4 years. This sentiment was shared by a majority of other stakeholders including NGOs, police officers and street vendors. This is despite the government's campaign to remove children from the streets.

Some NGO personnel working with street children and interviewed as part of the study said that they had not seen a positive impact from the campaign. One NGO worker shared that use of police force (techniques similar to an arrest) to place children in rehabilitation centres had driven children underground to evade capture, making them harder for NGOs to access through outreach services.

One police officer also recounted distressing instances where children had harmed themselves to resist rescue, giving an example of a young boy who swallowed razor blades.

Observations from a night-rescue

The research team observed a night-time rescue operation led by the National Centre for Children at Risk (NCCR) and the police. Other participants included authorities of the National Child Rights Council, NGOs, former street children, volunteer students and media personnel. A total of 45 children were rescued during the operation, which took place on 25th September 2019.

The research team observed that most of the children were extremely distressed by the experience. In three instances, the rescue seemed to result in children being separated from their mothers.

Researcher A shared:

One girl was crying and saying 'you people cannot capture me. I also have a child to look after. Please do not do it. Let me go!'

When a boy aged about nine or 10 had been captured by the rescue team, he cried loudly saying that he would not go with the police. He claimed that he had a mother around the market who he stays with.

One woman was lying on the garbage hub with a girl. The child was around 15 or 16 years old. When the team attempted to rescue the girl, the woman cried very loudly that she did not want to lose her daughter. One of the police officers on the rescue team told us that the mother used her daughter in prostitution for their survival.

Of the 45 children rescued that evening, according to sources from the National Centre for Children at Risk, 20 percent were known to local agencies as having been rescued before. To date, there have been no studies into the effectiveness of the campaign and limited data tracking how many children remain in the childcare centres, how many have been reintegrated with their families and how many have returned to living and working on the streets. Based on discussions with the NGOs personnel

engaged in rescue operations and with NCRC authorities, the research team estimate that around a quarter of rescued children return to the street.

Pornography and online exploitation

The United Nation Office on Drugs and Crime (UNODC) defines online child sexual exploitation as the use of information and communication technology as a *means* to sexually abuse and/or sexually exploit children.²² Online sexual exploitation most commonly includes grooming, live streaming, consuming child sexual abuse material, and coercing and/or blackmailing children for sexual purposes.²³

Perpetrators using the internet to facilitate CSEC

Government sources and child welfare experts reported that traffickers and perpetrators use social media sites (Facebook, Messenger, Instagram, WhatsApp, IMO) to connect with young people, luring them with promises of jobs, money or a more glamorous lives in the city and then subjecting them to sexual exploitation. The police personnel working for Child Helpline 104 and an NGO staff member working for Child Helpline 1098 suggested that around 40 percent of children exposed to commercial sexual exploitation were first contacted online.

Production of child pornography and indecent imagery of minors

The widespread use of smartphones in Nepal has made it easier to produce pornographic material and online content. Police officials interviewed reported that minors who were already victims of CSEC are also the most likely to be coerced or tricked into the production of pornography. From the study's interview with street children, 33 percent reported that their friends (and it is to be assumed, themselves) had engaged in making pornographic films involving touching, kissing, oral sex or sexual intercourse.

An officer from Nepal's Cyber Crime Bureau informed researchers that perpetrators often target children who are already known to them and offer them money, sweets and snacks. Once filmed, the children can be blackmailed and forced into making more material or acting as agents to recruit other children.

One 18-year-old boy with experience living on the streets recounted:

'I was filmed during anal sex by a perpetrator (a foreigner) on his camera, and the perpetrator sold the film to clients. I was just 13 years old at that time and now I am 18 and staying in this rehabilitation centre.'

A senior police official interviewed reported that he led prosecution work which resulted in two foreign nationals being convicted on sexual exploitation in Nepal for filming child abuse for sale online:

²²United Nation Office on Drugs and Crime. Module 12 Interpersonal Cybercrime, Online child sexual exploitation and abuse. Available at: <https://www.unodc.org/e4j/en/cybercrime/module-12/key-issues/online-child-sexual-exploitation-and-abuse.html>. Accessed February 2021.

²³ ECPACT International (2016) Online child sexual exploitation. Available at: <https://www.ecpat.org/what-we-do/online-child-sexual-exploitation/#:~:text=Online%20sexual%20exploitation%20most%20commonly,blackmailing%20children%20for%20sexual%20purposes.&text=Behind%20every%20image%2C%20video%20or,child%20victim%20being%20sexually%20exploited.>

'In both cases, the perpetrators sought out countries like Nepal, which is poor and has weak implementation of laws. Then, they prey on poor rural families or street children. [...] Once they get the chance to have sexual intercourse with the minors then they make videos and put these videos on their websites. There is a big network of websites, which they know how to access from any country, and they sell these videos and earn money.'

Non-consensual dissemination of intimate images

A key informant from Nepal's Cyber Crime Bureau said that the trend to sell intimate images of Nepali girls has grown in recent years. Analysis of 60 court cases of cyber-crime from Kathmandu's district court in 2019 by scholar Nirmala Acharya found that 63 percent of cyber-crimes registered in Kathmandu district court were related to non-consensual dissemination of intimate images (NCII) such as sexting, posting obscene images and videos, and sending unwanted vulgar SMS and online messages.²⁴ Several key informants from NGOs who work directly with children expressed grave concern over the vulnerability of children whose parents are not knowledgeable about modern technology and are unable to guide or supervise their children's online presence.

Consumption of pornography in Nepal

The rapid growth of Internet access in Nepal - from 21 percent of the population in 2012 to 57 percent in 2017²⁵ - enables perpetrators to share indecent images widely. In 2018, the Kathmandu Post reported that Google trends in Nepal consistently showed over 70 percent of internet users having searched for 'porn' on the Google search engine every week of the previous 12 months.²⁶

During the key informant interviews, a police official working for Nepal's Cyber Crime Bureau estimated that 75 percent of cases they received involving minors were related to the production of online child pornography.²⁷

In an effort to counteract this trend, the government of Nepal banned all forms of pornography in 2018 and blocked around 24,000 websites with both adult and child content.²⁸ However, the measure has proved almost impossible to enforce. According to an official from the Nepal Telecom Authority, the government lacks the technology to detect and restrict pornographic content. Perpetrators easily circumvent government attempts to prevent people accessing pornography online through a cache server by using international IP addresses which cannot be traced. The police officers interviewed from the Cyber Crime Bureau shared that the department lacked the technology to intercept perpetrators' covert methods.

²⁴Acharya, N. (2019) Nepal's rape culture has gone online – and our laws dismal', the Record. Available at: <https://www.recordnepal.com/wire/features/nepal-rape-culture-has-gone-online-and-our-laws-are-dismal/> (Accessed on August 31, 2019).

²⁵Ministry of Communication and Information Technology (2018) Digital Nepal Framework: *Unlocking Nepal's Growth Potential*.

²⁶Paudel, N. (2018) Kathmandu Post, 18 September. Available at: <https://kathmandupost.com/national/2018/09/24/government-bans-raunchy-content>

²⁷ Number of complaints of cyber-crime recorded in Nepal Police reported as: FY 2016/17 - 1,318, FY2017/18 - 1,694, 2018/19 – 2,209 reported in the Himalayan Times, 27 August 2019. Available at:

<https://thehimalayantimes.com/kathmandu/cyber-bureau-receives-320-plaints-in-three-months>

An official from the Cyber Crime Bureau estimated half of the complaints registered related to minors.

²⁸ Al Jazeera, New Agencies (2018) Nepal bans porn sites to curb sexual violence. Available at

<https://www.aljazeera.com/news/2018/10/4/nepal-bans-porn-sites-to-curb-sexual-violence>

In addition to low detection rates, legal experts interviewed noted that there is very little chance of being convicted for pornography related offences, so no real legal deterrent exists. Investigating authorities must seek permission from courts to trace phones which leads to lengthy delays in the investigation process. Furthermore, as social media content is not permissible as first-hand evidence in the Nepalese legal system, it is very difficult to secure a conviction. Perpetrators who operate from outside Nepal fall outside their police jurisdiction altogether, forcing the Cyber Crime Bureau to engage in lengthy coordination processes with Interpol.

These difficulties, combined with the increasing presence of the public online, creates a pressing need for children and their parents to be educated about safe digital practices.

Impact of covid on consumption of pornography

Recent studies suggest an unprecedented increase in Internet use and consumption of online pornography during the pandemic,²⁹ with one study indicating a particularly significant rise in countries with stay-at-home orders.³⁰ Furthermore, a study by the India Child Protection Fund found that demand for child sexual abuse material nearly doubled in India, early in the pandemic.³¹

While there is still a lack of data regarding the impact of covid-19 on the demand for child pornography in Nepal, the Cyber Crime Bureau reported a significant increase in cyber-crime complaints during the national lockdown in 2020.³²

Orphanages/childcare homes

The study did not directly interview anyone from orphanages or children's care homes. However, a number of participants from the tourism and NGO sector highlighted the need for further research in this area.

In 2019, there were 533 registered Child Care Homes (CCH) in Nepal, home to 15,045 children.³³ Yet there are many more institutions which are not registered. The US Trafficking In Persons Report 2020 stated that more than 200 children in exploitative and abusive situations were removed from unregistered orphanages by the government with NGO's assistance.³⁴ The same report highlights the increasing risk of sexual exploitation of children linked to emerging tourism destinations and foreign volunteers.

"Since 2016, police have identified and arrested at least 12 tourists or international volunteers, all men older than 50 mostly from Western countries (Austria, Canada, Denmark, France, Germany, India, Netherlands, United Kingdom, and the United States), for sexual abuse of Nepali children, including

²⁹ Hashir, A. (et al) 2021) Internet and Pornography Use During the COVID-19 Pandemic: Presumed Impact and What Can Be Done, *Frontier in Psychiatry*. Available at: <https://www.frontiersin.org/articles/10.3389/fpsy.2021.623508/full>

³⁰ Zotoni, F. (2020) The impact of COVID-19 pandemic on pornography habits: a global analysis of Google Trends, *International Journal of Impotence Research*, available at: <https://www.nature.com/articles/s41443-020-00380-w>

³¹ Pandit, A. (2020) ICPF report warns of sharp increase in demand for child pornography during lockdown, *The Times of India*, April 2020. Available at: <https://timesofindia.indiatimes.com/india/icpf-report-warns-of-sharp-rise-in-demand-for-online-child-pornography-during-lockdown/articleshow/75127399.cms>

³² Aryal, A. & Dhungana, S. (2020) With everyone forced indoors and online by the lockdown, cases of cyber crime are increasing, *The Kathmandu Post*, 28 April. Available at: <https://kathmandupost.com/national/2020/04/28/with-everyone-forced-indoors-and-online-by-the-lockdown-cases-of-cybercrime-are-increasing>

³³ National Child Rights Council (NCRC). (2019). *The State of Children in Nepal*, 2019

³⁴US Department of State. (2020). *US Trafficking In Persons Report 2020*. P.374

*child sex trafficking. NGOs reported some owners of exploitative child institutions, including fake orphanages, use political connections to thwart child protective agencies and prosecution.*³⁵

Existing laws and policies relevant to tackling CSEC in Nepal

Nepal has shown commitment to protecting child rights by ratifying the UN Convention on the Rights of the Child (CRC) and the Optional Protocol to the CRC on the Sale of Children (1990) and Child Prostitution and Child Pornography (2006). Nepal's constitution (2015) has a provision for the fundamental rights of children,³⁶ and its sub articles provide protection against various forms of violence, sexual abuse and exploitation. Similarly, the Penal Code (2017), amongst other pieces of legislation,³⁷ has sections to protect children from commercial sexual exploitation including defining sexual intercourse with someone under the age of 18 as a crime,³⁸ prohibiting sexual harassment³⁹ and child sexual exploitation.⁴⁰

In a historic milestone, the government of Nepal also ratified the Palermo Protocol on the 16th of June 2020. Ratification enshrines the rights of victims and survivors and their protection from human trafficking, in line with international standards, closing gaps in Nepal's legislation. Critically, this means that cases of child sex trafficking no longer need to demonstrate force, fraud or coercion to constitute a child trafficking offence.

NGOs have successfully advocated to strengthen laws and policies that protect children from CSEC in the adult entertainment sector specifically.⁴¹ The procedural directives⁴² issued by the Supreme Court in 2008 introduced monitoring to protect women and girls against economic and sexual exploitation in the AES. More recent gains include sector-specific articles within the Act Relating to Children 2076 (2018), which prohibit minors from working in or entering AES venues, protect children from child pornography⁴³ and enshrine the right to protection from violence, including sexual exploitation. NGOs also successfully campaigned for the Ministry of Labour, Employment and Social Security's Master Plan on Child Labour (2018-2028)⁴⁴ to include 'sexual exploitation in AES' as one of the target areas.

Finally, Nepal is in the process of developing a National Action Plan on Child Sexual Abuse and Exploitation and Online Safety, based on the South Asia Initiative to End Violence Against Children (SAIEVAC) Regional Action Plan to End Child Sexual Abuse and Exploitation including Online Exploitation. However, this plan has not yet been finalised.

³⁵US Department of State. (2020). US Trafficking In Persons Report 2020. P377.

³⁶The Constitution of Nepal (2015) Article 39, Rights of the child.

³⁷Other relevant laws related to combatting CSEC include Criminal Procedural (Code) Act, 2017; Electronic Transition Act, 2008; Child Labor (Prohibition and Regulation) Act, 2056 (1999); Sexual Harassment in the Workplace (Prevention) Act, 2015, among others.

³⁸The National Penal Code (2017) Section 219.

³⁹Ibid. Section 224.

⁴⁰Ibid. Section 225.

⁴¹Progress Inc (2020) Evaluation of the Central Nepal hotspot project using the process tracing methodology

⁴²Supreme Court Procedural Directives for Protection against Economic and Sexual Exploitation to Women and Girls in the Entertainment Sector, such as Dance Bars, Cabin Restaurants, 2008 (B.S. 2065).

⁴³The Act Relating to Children 2076 (2018), Section 7 (5).

⁴⁴Government of Nepal, Ministry of Labour, Employment and Social Security (2018) Ten-year National Master Plan on Child Labour 2018-2028. Endorsed by Cabinet on July 08, 2018.

Gaps in existing laws and policies

The Act Relating to Children (2018) was a significant step forward, providing a comprehensive legislative and institutional framework for the rights of the child in Nepal.⁴⁵ However, the Act has a number of shortcomings. While to *'engage in child sexual exploitation'*⁴⁶ is made a criminal offence, there is no definition of what *'sexual exploitation'* actually is. Legal experts interviewed for the study reported that this resulted in CSEC cases regularly being filed as cases of rape, paedophilia and/or sexual abuse, which is narrower than the forms of exploitation covered in the Act Relating to Children.

'Commercial Sexual Exploitation of Children' (CSEC), 'child trafficking', 'child sex tourism', 'and online child sexual abuse' are also not well defined in law.⁴⁷ Other gaps include the absence of statutory rape provisions for male victims⁴⁸ and the failure to criminalise live online streaming of abuse, online grooming and unwanted sexting or sexual extortion.⁴⁹

Finally, the Act Relating to Children has no specific provisions to tackle child sex tourism as recommended by the UN Committee on the Rights of the Child 2012 for Nepal.

Nepal's Human Trafficking and Transportation (Control) Act of 2007 has long been regarded as unfit for purpose by the anti-trafficking community.⁵⁰ It does not include sexual exploitation of a child nor online grooming. Furthermore, the Act criminalises prostitution, without any reference to the exploitation of children in prostitution, which results in children being considered as offenders rather than victims of exploitation.⁵¹

Hence, while recent gains have been made in law and policy recognising CSEC within the adult entertainment sector, there is a risk that this has been at the cost of more holistic provisions to protect children from CSEC in other forms and locations.

Key recommendations

Based on the findings of the study, the following recommendations are put forward for consideration and action to eliminate CSEC in Nepal.

Legal Measures

1. The varying forms of CSEC need to be clearly defined in law. Definitions should be created in a way that is not location-bound and therefore covers the various manifestations of CSEC as discussed in this report.
2. National laws including the Human Trafficking and Transportation (Control) Act, 2007 must be harmonised to align with the newly ratified Palermo Protocol.

⁴⁵ ECPAT International (2020) Sexual Exploitation of Children in Nepal.

⁴⁶ The Act Relating to Children 2076 (2018), Section 66(3).

⁴⁷ The Act Relating to Children (2018) does not explicitly define these terms.

⁴⁸ ECPAT International (2020) Sexual Exploitation of Children in Nepal.

⁴⁹ Ibid.

⁵⁰ US Department of State. (2020). Trafficking in Persons Report: Nepal.

⁵¹ ECPAT International. (2020). ECPAT Country Overview: Nepal.

Monitoring and Surveillance

3. Guesthouses, homestays, student hostels and other public venues outside of the AES have emerged as venues for CSEC which remain largely unregulated. Operational guideline for these venues should be in effect and these establishments should be under the surveillance and monitoring of local authorities and police.
4. NGOs, police and the local government actors who have made gains in reducing CSEC within the AES should consider piloting new strategies to reach other types of venues emerging as locations for CSEC which are typically harder to access through existing outreach models.

Capacity building and awareness raising

5. Specialist training and tools should be provided to the Central Cyber Crime Bureau to identify and investigate all forms of online sexual abuse and ensure online safety of children.
6. Law enforcement agency staff should be trained on CSEC, trauma-informed care and child friendly techniques when rescuing vulnerable groups such as street children.
7. School children, parents and teachers need to be made aware of the manifestations of CSEC, including online safety through awareness programs, IEC materials, radio programs, TV programs, social media messages etc. Furthermore, succinct information should be shared on how to remain safe from perpetrators, both in person and virtual world, and how and where to register complaints when victimised or at risk.

Further research

8. Further research is required to understand the effectiveness of Nepal's Street Children Free campaign with specific attention paid to aftercare to support a sustainable recovery and prevent children returning to life on the streets.
9. Additional research into CSEC in travel and tourism sector, particularly in the trekking routes is highly needed to understand the magnitude and gravity of child sex tourism. As international tourism has plummeted with covid-19, there is an opportunity to 'build back better' and establish stronger monitoring systems to protect children from exploitation in the sector.
10. Prevalence research to establish the size, gender disaggregation and socioeconomic/ethnic profile of children being abused across all the identified underregulated and under-researched CSEC spaces outside the traditional AES.
11. Research to assess the impact of the covid-19 pandemic on child vulnerability to and demand for CSEC in Kathmandu Valley.

Conclusion

In recent years, encouraging progress has been made in the fight against commercial child sexual exploitation in Nepal – through effective frontline work by civil society, improved legal frameworks and a tightening of government restrictions and oversight. However, the narrow focus of existing interventions on adult entertainment venues and a lack of effective legal deterrents meant that exploitation could migrate unhindered and often undetected to new spaces. The vulnerability of children in those spaces is even greater due to a lack of oversight and adequate support. At the same time, new online and offline CSEC platforms create a multitude of risk-free opportunities for perpetrators. The result is a supply and demand landscape that enables CSEC to thrive and proliferate in new forms and locations.

While it was never the ambition of the study to deliver comprehensive prevalence data, the research team was able to document the existence of CSEC across a number of previously neglected venue types and to develop a set of concrete recommendations.

As the Freedom Fund has now concluded its multi-year engagement in the Kathmandu Valley, we hope this paper will serve other practitioners, researchers, policymakers and law enforcement as an initial roadmap to where more work and attention is needed.