The Nepali media environment improved in 2011, as journalists and other media workers experienced increases in safety. The 2007 interim constitution guarantees freedoms of the press, opinion, and expression. However, it has been criticized for failing to meet international standards. According to the constitution, freedom of expression can be restricted in cases of defamation and incitement, as well as in the interest of promoting sovereignty, public decency or morality, and harmonious relations between different communities. Moreover, the government has struggled to uphold freedom of the press in practice. Certain clauses in Nepal’s draft permanent constitution feature opaque and malleable language. For example, Clause 2a within Article 2 grants every citizen freedom of opinion and expression, but goes on to state that authorities have the right to place “reasonable restrictions” on free speech. Article 12 promises citizens the right to access information, but stipulates that “any matter about which confidentiality is to be maintained according to law” shall be excluded from this provision. Article 4, if passed, could be prove to be a positive addition, as it provides a special charter of rights specifically for the mass media. The draft constitution was supposed to be finalized in 2010, but due to political gridlock and inefficient governance, it had yet to be completed by the end of 2011.

Although defamation can be treated as a criminal offense, the charge is rarely employed against journalists. The 2007 Freedom of Information Act was generally welcomed by press freedom groups, but it has been criticized for its requirement that applicants furnish reasons for their requests. In a positive development, there was greater access to public officials in 2011. The Nepali media are generally not subject to direct censorship. The Nepal Press Council and the Federation of Nepali Journalists have a code of ethical conduct, but it lacks effective enforcement mechanisms and support from media stakeholders, and many Nepali journalists continue to face obstacles to ethical practices. Various media and human rights organizations protested against the appointment of Agni Sapkota as minister of information in 2011 because of his alleged involvement in human rights violations. There is no independent regulatory body to oversee the broadcasting sector. Under the current arrangement, the government is the official licensing organization—a point of contention among independent and community broadcasters. According to a report published by the International Fact-Finding and Advocacy Media Mission to Nepal, there is an urgent need for policymakers to implement a comprehensive broadcasting law that would help to ensure fair standards and avoid political entanglements in the broadcasting sector.

Nepal had an active and vibrant media landscape in 2011, but the country remains a dangerous place for journalists. No journalists were killed during the year, and attacks against reporters by the state declined, although youth wings of political parties, government employees, and police and security forces continued to harass journalists. Journalists are also subject to frequent death threats as a result of their reporting. Many were threatened or had their equipment seized or torched as they attempted to cover street protests and other events, or as a consequence of their published work. In January 2011,
Himal Chaudhary of Himal FM Radio was stabbed in western Tarai by unknown assailants. In April, several journalists were beaten by the police while covering a story on vandalism and arson in Nepalgunj. In June, Khilanath Dhakal, a journalist for the national daily Nagarik, was attacked by members of the Youth Force, a wing of the ruling Communist Party of Nepal–United Marxist–Leninist (CPN-UML). In August, the chairman of the Youth Force threatened to shut down Nagarik and jail its editor.

Impunity for attacks on journalists has long been a problem in Nepal, but authorities made progress on this issue in 2011. During the year, the murderers of Birendra Saha (killed in 2007) and Uma Singh (killed in 2009) were sentenced to life in prison. The perpetrators of an attack on Kishor Budathoki in August were sentenced to five years in prison in December. In February, the Supreme Court ordered the authorities to revive a case implicating Maoist cadres in the 2007 disappearance of journalist Prakash Thakuri. A Maoist government had withdrawn the case in 2009, calling it political in nature. In September, the Committee to Protect Journalists expressed alarm over the government's proposal to grant amnesty to those accused of crimes during the Maoist insurgency, including convicted killers of journalists. Prime Minister Baburam Bhattarai stated that "politically motivated cases" would be pardoned, which could lead to the release of individuals convicted of human rights violations.

The government owns several of the major English-language and Nepali dailies, as well as the influential Radio Nepal and Nepal Television Corporation. There are several hundred dailies, many which are based in central regions of Nepal and the Kathmandu Valley, according to the Nepal Press Council. An increasing share of newspapers are owned by political parties, specifically the ruling CPN-UML. The party has started to publish newspapers in almost every region and district of Nepal, and the outlets are often heavily influenced by the CPN-UML's political views. Media ownership often lacks sufficient transparency, and it is not unusual for the selection of editors at national newspapers to be governed by dubious political deals and bargaining.

Because there are few barriers to market entry, radio remains the most popular news medium. At least 242 FM radio stations and 16 television channels were operating in 2011, and many more had acquired licenses. Community radio stations have become more common, partly as a means of protecting local cultures and languages from the dominance of Nepali-language media. However, community stations have difficulty competing with commercial stations for resources while paying the same fees and royalties. Despite the large number of outlets, the Nepali mainstream media lack effective cultural diversity. The news, analysis, and opinions of the mainstream media often either ignore or are heavily biased against the interests of Dalits, Madhesis, indigenous peoples, and Muslims, who collectively form around 70 percent of the population.

Many workers at Nepal's news outlets do not receive professional training, are informally employed, and are paid well below prescribed minimum wages. In November 2010, a committee was established under Nepal's Working Journalists' Act to review journalists' extremely low wages, as well as their lack of retirement benefits, medical coverage, and insurance. There was no tangible progress on this subject in 2011. Since the government is a major source of advertising, journalists are often forced to self-censor their reporting in order to avoid any conflict with the ruling party. During 2011, the government pulled its advertisements from the Himal group of publications in response to critical remarks published in the Nepali-language paper Himal Khabar Patrika.

There are some government restrictions on the internet, to which 9 percent of the population had access in 2011. In 2010, the Nepal Telecommunications Authority (NTA) warned all internet service providers that it would take serious action against them if they did not fulfill their conditions of operation, which include the filtering of pornographic content and of any material that "incites racial and religious hatred and is against the national interest."