



POLITICAL ECONOMY ANALYSIS  
OF EMERGING EDUCATION  
GOVERNANCE AT LOCAL  
GOVERNMENTS IN NEPAL

**NEPAL ADMINISTRATIVE STAFF COLLEGE**

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## Executive Summary

The new Constitution of Nepal, promulgated in 2015, devolved the power and jurisdiction on school education to the local governments. They are tasked to take up the function on education, when its quality in Nepal's schools remain dismal (World Bank, 2018), despite some impressive progress, especially in net enrolment (National Planning Commission [NPC], 2015). Accordingly, the onus of improving access and quality of education amongst Nepal's children and young population now rests on the local governments. But, how are the local governments preparing themselves for this mandate? How are they envisioning the take-over of this mandate? What blockages and opportunities do they have in hand, and how are they navigating through challenges, given their electoral and other commitments regarding education? This study aims to highlight how the local governments are preparing to take on and deliver their constitutionally recognized responsibilities and functions on education, and how the actors and institutions facilitate and constrain this process. This paper looks into the process of transfer of power in education, the barriers experienced by the local governments and strategies for going forward.

Nepal Administrative Staff College (NASC) conducted this study in collaboration with The Asia Foundation, as part of a groundwork to strengthen sub-national governance in Nepal. It adopted a political economy approach by identifying actors and institutions and their incentives in facilitating or constraining the transfer of power on education from the central level to the local governments. The approach also provided a framework to map the relationships across actors, and to look through conflicts and contestations that characterize the resistance to transfer of power.

This study was conducted during a period when the jurisdiction on education was being transferred to the local governments as part of the implementation of restructuring of Nepal. The local governments started taking charge of the local jurisdictions after a long vacuum of elected leadership from 2002 to 2017. The newly elected government officials recognize education as a critical responsibility but their primary concern at present is to bridge the gap in quality of education imparted in private and public (community) schools. They recognize the effort required to improve the quality of education and to ensure enrolment of every child in a school.

This study first examines education in terms of fundamental right, the division of power in the new Constitution, and outlines the trajectory of its devolution through political regimes. Nepal's "modern" education began as a centrally-planned and nationalized system in the 1950s. This gave way to modest devolution of education in early 2000s under the local governance laws. The new Constitution, however, provided unprecedented rights to the local governments on school education as enumerated jurisdiction. As this transfer of authority unfolds there is cooperation in some areas and conflict in others and this study dwells upon the challenges that the local government officials encounter in this process.

The immediate challenges are concerned with the responsibilities which are transferred to the local governments, such as, merger of schools, transfer of staffs, textbook distribution, management of teachers, and conducting school examinations. Some of the additional hurdles for the local governments were the continued assertion for centralization of power, and slow devolution of authority to the local level officials. Filling the void of local governments for 15 years after the political instability is indeed proving to be difficult for them.

Overall, local governments in Nepal are taking over the constitutional jurisdiction on education. In this process, they are facing resistance and hurdles in the transfer of power, in addition to the problems lingering in the education sector for years. Thus, in order to address these issues, the local governments need to negotiate with the federal and provincial governments and with multiple local actors; enhance their capacity with technical backstopping and support on planning, execution, and accountability.

## Acronyms

DEC	District Education Committee
DEO	District Education Office
EDCU	Education Development and Coordination Unit
LGOA	Local Governance Operation Act
MEC	Municipal Education Committee
MoE	Ministry of Education
NASA	National Assessment of Student Achievement
NASC	Nepal Administrative Staff College
NPC	National Planning Commission
PTA	Parent-Teacher Association
SMC	School Management Committee
TAF	The Asia Foundation
VEC	Village Education Committee

## 1. Introduction

### 1.1 Background

The new Constitution of Nepal, promulgated in 2015, devolved the power and jurisdiction on basic and secondary education to the local government. The devolution took place after 6 decades of largely centralized education system. Despite the progress in terms of school enrolment or increasing literacy rates, learning achievement amongst Nepal's children is dismal (World Bank, 2018). With the constitutional change and corresponding inter-governmental sharing of power, the onus of serving the country's commitments on education for the basic and secondary levels now falls on the local governments. In this process, they are facing challenges to evolve into a competent and committed actor, by asserting power and political will into the educational planning, execution and accountability, owing to its recent restructuring in 2017, and the 15 years of void of locally elected representatives. Additionally, local governments are encountering problems due to the contradiction that has plagued the education sector of Nepal for a long time, which is, the lack of adequate follow-through measures and resource allocation in the local context to achieve the formal commitments of the national level which align with the internationally recognized priorities. At the national level, quality education and equitable access to it are announced as the two principal goals of education in Nepal (Ministry of Education [MoE], 2016).

Although the benefits from public spending on education is under critical trail<sup>1</sup>, such commitments are important in order to highlight the role of education for a nation's development and well-being. Education is considered to be one of the key aspects to empower citizens with necessary life skills, analytic abilities, civic consciousness and moral ethos that contribute in an individual's personal well-being as well as the collective good of the society. The challenge here is to translate these commitments into action, as it demands the willingness and capacity of the government to deliver quality education for all.

A case in point is the allocation of resources for the education sector. Compared to other sectors, the government allocates larger part of the annual budget for the education sector. But the share of educational budget has been declining from as high as 19% of the total budget to less than 10% in recent years. In the year 2018-19, for instance, the sectoral budget allocated for the Ministry of Education, Science and Technology is NPR 134.5 billion, which is 10.23% of the national budget. Of the given amount, the local governments will receive 63%, while the federal and provincial governments will receive 35%, and 2% respectively.<sup>2</sup> The trend of relative decline in budget allocation and decreasing priority accorded to education over this decade was probably recognized in the constitution-making process. As a result, the

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<sup>1</sup> [http://www.actionaid.org/sites/files/actionaid/nepal\\_policy\\_paper.pdf](http://www.actionaid.org/sites/files/actionaid/nepal_policy_paper.pdf)

<sup>2</sup> Ministry of Finance. 2018. Detail of Expenditure Estimate (including expenditure headings and

sources) for fiscal year 2018-19. Kathmandu: Ministry of Finance. p.564

new Constitution commits to increase public funding in education.<sup>3</sup> Still, the government expenditure in education does not cater to the entire school sector. The fund from public coffers is spent only on the government-funded community (public) schools. There are around 35,000 public schools and 5000 privately-owned<sup>4</sup> in Nepal. The private schools operate and sustain through fees paid by school children. Despite the lack of support from the government, the number of private schools has drastically increased after 1990 and has attracted significant number of students.

## 1.2 Education Sector in the New Constitution

The new Constitution makes important departure in the education sector, especially in terms of allocation of jurisdiction. School education falls within the jurisdiction of the local governments, as basic and secondary education is enlisted as local government jurisdiction in Schedule 8 (No. 8). This function underpins the constitutional commitment of the State to guarantee “right to education” as one of the fundamental rights. The Constitution recognizes that every citizen is entitled to “compulsory and free basic education and free education up to the secondary level” (see Box 1). Accordingly, the responsibility of delivering the fundamental right to education lies primarily with the local governments.

### Box 1: Education as Fundamental Right in the Constitution of Nepal

#### Right to Education in Constitution of Nepal

- Every citizen shall have the right to access to basic education.
- Every citizen shall have the right to compulsory and free basic education, and free education up to the secondary level.
- The physically impaired and citizens who are financially poor shall have the right to free higher education as provided for in law.
- The visually impaired person shall have the right to free education with the medium of brail script.
- Every Nepali community living in Nepal shall have the right to acquire education in its mother tongue up to the secondary level, and the right to open and run schools and educational institutions as provided for by law.

Source: Constitution of Nepal, Article 31.

In addition to Article 31, the Constitution further reinforces educational rights through other articles, which seek to ensure the access of different communities. For instance, Article 39 “Rights of the Child”, Article 40 “Rights of *Dalit*” and Article 42 “Rights to Social Justice” commit to confirm education to all by holding the family and the State responsible. “Policies of the State”, “Policies Relating to Basic Needs of the Citizens” under Article 51 indicate that State has to be responsible in management of education. Article 51h (2), for example,

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<sup>3</sup> Constitution of Nepal, Article 51h (2)

<sup>4</sup> [http://www.doe.gov.np/files/Files/Final\\_Flash%20Report%20I%202069\\_V%20Print\\_1373799566.pdf](http://www.doe.gov.np/files/Files/Final_Flash%20Report%20I%202069_V%20Print_1373799566.pdf)

commits to change the profit-orientation in private investment to make it “service-oriented [...] and enhance the State’s investment in the education sector”.

These Constitutional commitments are now primarily a responsibility of the local governments after the transformation of a centralized unitary governance system into a federalized system. As school education has been assigned as local government’s responsibility, they will be managing schools and school education system. Therefore, it is important to understand how the recently formed local governments with constitutional mandates to manage school education exercise their authority so that the rights of citizens on equitable access to quality education is realized.

### **1.3 Aim and Objectives of the Study**

The aim of this study is to generate understanding of how the transition of power from the central to local governments in Nepal unfolds in the delivery of education service. It does so by analyzing the political economy of the education sector at the local level. The analysis helps to understand and address barriers to effective devolution of education sector for quality and equitable education in the country. This study is expected to provide inputs for capacity development interventions for elected officials, civil service personnel and demand-side actors to provide quality and equitable education.

### **1.4 Approach and Methods**

This study employed a political economy approach. This approach is “concerned with the interaction of political and economic processes in a society: the distribution of power and wealth between different groups and individuals, and the processes that create, sustain and transform these relationships over time” (DFID, 2009, p. 4). It focused on the actors within a sector or jurisdiction, their incentives, and their relationships that shape their decisions and subsequently affect the outcomes. Political economy approach is often employed in diagnosing sectoral or reform problems, identifying solutions to them or developing strategies to address the challenges in favor of attaining reform goals (Edelmann, 2013; Harris, 2013; DFID, 2009). In this study, the approach provides a framework to understand the actors involved in governing education services at the local level, their interests and incentives, and their attitudes towards cooperation and contestation as the local governments take up the constitutional responsibility in education sector.

This study has applied two methods, interviews and diagnostic workshops. Diagnostic workshops<sup>5</sup> were conducted in eight local governments<sup>6</sup>, two from Province 3 and one from the remaining 6 provinces. The workshop-cum-training was attended by Mayors/Chairperson,

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<sup>5</sup> These workshops comprised of the “crash course” that NASC provided to local governments as part of NASC-TAF collaboration. The workshops focused on planning and making of education policy.

<sup>6</sup> The workshops were conducted in Triyuga Municipality from Province 1, Lahan Municipality from Province 2, Namobuddha Municipality and Roshi Rural Municipality from Province 3, Putalibzar Municipality from Province 4, Sandhikharka Municipality from Province 5, Narayan Municipality from

Province 6 and Amargadhi Municipality from Province 7.

Deputy Mayors/Chairpersons, Ward Chairs, members of Municipality/Rural Municipality Executive, Education Officers, resource persons for schools, and school Principals. More details on the participants is available in Annex 1. The workshops were conducted with 159 elected leaders (Mayors/Chairpersons, Deputy Mayors/Vice Chairpersons, Ward Chairpersons, and executive members), 50 teachers or teaching representatives, and 48 civil service staffs in the local governments. The exercises in the workshop identified actors of education governance, their interests and the ways the local governments would use to address actors' concerns. The participants also deliberated on their vision in delivering constitutional assignments in education. The key learnings from this exercise has been extremely informative for this report.

In-depth interviews were conducted with education stakeholders at the local level, comprising of the elected Mayors/Chairpersons and Deputy Mayors/Chairpersons, teachers or their representatives, and local government staffs in one or two local governments in all the provinces. The interviews were based on a checklist (available in Annex 2), which lists down the key discussion points with the stakeholders. The Annex also provides a checklist for reviewing documents on policy, legal and institutional measures relevant to this study.

## 2. Policy and Legal Framework for Devolution in Education

This chapter delves into devolution of education in Nepal as it transitions from the centralized system of the past into the new federal set-up established after the promulgation of the Constitution in 2015. It explains how the modern education planning was previously centralized, but with modest initiatives on devolution by allowing community's participation in the school management. But the new Constitution and subsequent legislation and budgetary provisions mark a significant departure in education governance; now, that local governments have the exclusive jurisdiction on school education. This departure calls for an understanding of the local dynamics between actors in the education sector, comprising of elected leaders, teachers and Teachers' Unions, parents, civil servants and the private school operators and others in the private sector.

### 2.1 Historical Overview of Education Policy in Nepal

Education system in Nepal for most part of its history was community-based and autonomous, but the process of its centralization began with the advent of democracy in 1951. Until 1951 there were few schools in the country – education and learning were limited to Buddhist and Hindu-Sanskritic centers and the modern English education system was introduced by Jung Bahadur Rana in 1854 by engaging an English tutor. During the Rana autocracy (1846-1951), the rulers were averse to establishing schools owing to their belief that education of the masses would pose a threat to their rule. By mid 1950s, only 300 children completed school education annually (National Education Planning Commission, 1956). There were mainly three types of schools then - Government Schools, which were fully supported and administered by the central government; Government Aided Schools, which were independently established but later on supported by the central government; and Independent Schools, which managed the financial and administrative cost and operations on their own (National Education Planning Commission, 1956).

In this backdrop, the government engaged Dr. Hugh B. Wood, an academic from the United States of America, as the Education Advisor in 1953. He subsequently worked in the National Education Planning Commission in 1954. The Commission recommended that a) education will be universal; b) education will be national, and c) education will be free. The Commission emphasized the need of having a centralized, unitary education system,

There will be only one system of public, government-supported education, an integrated, unitary programme adapted to the needs of our people and our society. It will evolve from the existing isolated types of education [...], but will meet the ideals of our national life. We propose that the plan be known as the National Education Plan, that new schools be known as National Schools, the new curriculum as the National Curriculum, etc. (National Education Planning Commission, 1956, p. 77)

Thus, one of the measures in education planning that was initiated after the advent of democracy in 1951 was the nationalization of education. This required, among other things, establishment of schools, training of teachers, and development of a curriculum. At the beginning of the first periodic plan in 1956, the government provided training to around 400 teachers every year (Government of Nepal, 1956), which was followed by a steady expansion of education – in terms of school establishment, teacher recruitment and institutional development on a national scale. The nationalization drive gained momentum after promulgation of the National Education Plan in 1971 (Ministry of Education, 1971). The Plan aimed to,

Produce citizens who, with full faith in the country and the Crown, will conduct themselves in accordance with the Panchayat System and to meet the manpower requirements of the development through the spread of scientific and technical education (MoE, 1971, p.1).

While emphasizing the need for technical education, the Plan also sought to appropriate the education system to strengthen compliance and conformity to the Panchayat Rule. It also sought to promote a particular version of nationalism, it was envisaged to “convert the geopolitical entity of Nepal into emotionally integrated nation” through standardization of text books and assimilation of different languages into Nepali (Mohsin, 1972). To do so, centralized institutions were established or strengthened as per the need; for instance, a National Education Committee was established to work directly under the King for formulating policies and issuing directives. The Government in Kathmandu and its functionaries made all the decisions on school education and their implementation, such as the establishment of schools, appointment of educational officials and teachers, the curriculum, school monitoring etc. This system prevailed through the Panchayat Rule, which was ultimately overthrown by the People’s Movement of 1990.

With the restoration of multi-party democracy in 1990, the Government introduced changes in education policy and education law. These changes envisioned certain powers and roles for locally elected representatives and parents of the students in some aspects of the school management. While the Education Act already had provisions for the District Education Committee (DEC), its seventh amendment in 2002 included provisions for the participation of representatives of local governments at the village or municipal level. These local and district level committees were envisaged to serve as trustees of the public schools.

An overview of the key functions and powers related to the management of school education provisioned in Education Act is given in Table 1. These formed the basis for education governance in this system. The table enlists the new provisions introduced in the Education Act especially in the years following the promulgation of Local Self-Governance Act in 1999,

which seemed to encourage changes in the provisions of Education Act. These changes in the Education Act provisioned the participation of local people and elected representatives in school management and education affairs at the school, local government and district levels.

**Table 1: Functions and Authority around School Management**

S.N.	Function	Authority and Article in Education Act
1.	Opening of a New School	<i>Primary/Lower Secondary:</i> Approval from DEO upon recommendation of Village Education Committee (VEC)/Municipal Education Committee (MEC). <i>Secondary School:</i> Recommendation from VEC/MEC, and subsequently from DEC and DEO, and approval from Regional Director. (Article 3)
2.	Conducting Examination	Primary level by DEO. Secondary level by National Examination Board. (Article 4)
3.	Feedback and Suggestion in policy of Education Development	National Education Council under Ministry of Education. (Article 7a)
4.	Audit of the Quality of Education	Education Quality Audit Center to be established, and Chief Auditor to be appointed by Government of Nepal. (Article 7b, from eighth amendment, in 2016)
5.	Oversight and Management of Schools within Districts	District Education Committee. (Article 11)
6.	Preparation of Necessary Policy for Educational Development in District	District Education Council. (Article 11a (1), from eighth amendment, 2016)
7.	Selection and Promotion of Teachers	Teachers Service Commission. (Article 11b)
8.	Teaching License	Teachers Service Commission. (Article 11m)
9.	Management, Supervision and Coordination of Schools within Rural Municipality and Municipality	Village Education Committee or Municipal Education Committee. (Article 11k, from 7 <sup>th</sup> amendment, 2002)
10.	Hand-over of Community School's Management	Approval from DEO. (Article 11q, from amendment in 2006)
11.	Additional Curriculum/ Redesign	Curriculum Development Centre. (Article 12 (7) and Education Regulations (Rule 6b)
12.	Management, Monitoring and Operation of Schools	School Management Committees. (Article 12(6))
13.	Appointment of Teachers	Community School: School Management Committee Institutional School: SMC after approval from Teachers Service Commission. (Article 12(7f))
14.	Transfer, or Merger or Closure of Community Schools	Government of Nepal or appointed official, upon recommendation of District Education Committee. (Article 15)
15.	Transfer of Teachers	DEO for transfers within the district; Regional Directors for transfer within the region, and DoE for transfer outside the region. (Article 16g)

The above table reveals that the devolution of the education sector over the past two decades was minimal and most of the powers related to school management rested on centralized agencies. However, the policy-legal changes envisioned a process for local people's participation and representation in school management and administration of education. This arrangement was instituted through the establishment of DEC, District Education Council, VEC or MEC and School Management Committees (SMC). These structures had the decision-making and oversight functions at the school, local government and district levels. Overall, although the significant power was vested on the centralized institutions, many of the provisions were not implemented.

Alongside the education law, the local governance legislation was an important legal instrument for education sector. The promulgation of Local Self Governance Act (LSGA) 1999 aimed at institutionalizing devolution and strengthening local governance, and anticipating corresponding changes in sectoral laws in the "devolved sectors". The LSGA itself enumerated seven functions for local bodies in education sector (details in Box 2).

### **Box 2: Responsibilities of Local Bodies in Education**

- To establish pre-primary schools with own source, to give permission to establish them and to operate and manage the same.
- To supervise and manage the schools being operated within the village development area.
- To assist in providing primary level education in mother tongue within the village development area.
- To make program on adult education and informal education and to carry out or cause to be carried out the same.
- To establish and operate or cause to be established or operated libraries.
- To formulate plans on the development of sports and to implement the same, and to extend support to the development of sports by constituting village level sports development committee.
- To make arrangements for providing scholarships to the students of oppressed ethnic communities who are economically backward.

Source: LSGA, 1999, Article 28(d).

The LSGA envisioned elected representatives to hold offices to implement its provisions, which could not be materialized due to the failure to hold local elections from 1998 to 2017. This, as a result, led to impediment for complete implementation of LSGA. Nevertheless, at the school level, the SMCs were established from 2002. The SMC existed as a multi-stakeholder decision-making body with local representation and held the responsibility to provide oversight over school management. This authority of the SMC attracted to local political cadres in many local jurisdictions and as a result, many local political cadres served in the SMCs. However, in the present context, as many of these local cadres have been elected

for local government/assembly positions, there is a confusion around the leadership position of the SMCs.

The current scenario, after the promulgation of the new Constitution, is encountering many confusions regarding the devolution of power in education. The confusions have stemmed from the lack of sufficient measures from the Ministry of Education to reflect the inter-governmental separation of powers under the new Constitution despite the amendments in the education law. The recent example is of the ninth amendment in the Education Act enacted in 2017 which did not recognize the transfer of powers to the local governments and retained it with the district level agencies and actors, which resulted in conflict and contestation for authority between District Education Officers and elected leaders of local government.

## **2.2 Transition of Authority and Functions on School Education**

Alongside the confusions and contestations of authority between central agencies and local government for several months after the local level election in 2017, the Federal Government commenced detailing the power and authority of local governments with the promulgation of the Local Governance Operation Act (LGOA) 2017. This Act was supposed to be in place before the election of local governments but it was introduced only after the completion of election. Nevertheless, the Act describes the role of local government in education. Its functions, in terms of duties, responsibilities and rights are listed in Annex 3, which provides a basis to look into the authority that has been legally transferred so far.

Below, Table 2 depicts how the LGOA 2017 allows the transfer of power from centralized agencies to the local governments. It lists out the important functions that have been transferred to local governments alongside other functions retained by the centralized agencies. Some of the functions demand coordination between local governments and other agencies which have been mentioned in the table. However, the LGOA seems to provide less power to local government in managing secondary education and teachers.

**Table 2: Transfer of Authority for Education Management in 2017**

S N	Function	Authority Under Education Act	Changed Authority Under LGOA 2017
1.	Opening a New School	<i>Primary/Lower Secondary:</i> Approval from DEO upon recommendation of VEC/MEC; <i>Secondary School:</i> Recommendation from VEC/MEC, and subsequently from DEC and DEO, and approval from Regional Director.	Approval up to Secondary Level: Village or Municipal Council
2.	Conducting Examination	Secondary Level by National Examination Board; Primary Level by DEO	Basic Level (up to Grade 8): Village or Municipal Executive
3.	Feedback and Suggestion in Policy of Education Development	National Education Council under Ministry of Education.	Local Education Policy: Village or Municipal Council
4.	Audit of the Quality of Education	Education Quality Audit Center to be Established, and Chief Auditor to be Appointed by Government of Nepal.	Quality Control of School Education: Village or Municipal Executive
5.	Oversight and Management of Schools within Districts	DEC	Education Committee at Village or Municipal to look-after education
6.	Preparation of Necessary Policy for Educational Development in District	District Education Council	Village or Municipal Executives to prepare education development policy
7.	Selection and Promotion of Teachers	Teachers Service Commission	-
8.	Teaching License	Teachers Service Commission	-
9.	Management, Supervision and Coordination of Schools within Rural Municipality and Municipality	Village Education Committee or Municipal Education Committee	Village or Municipal Council and Executives
10.	Hand-over of community school's management	Approval from District Education Officer.	-
11.	Additional Curriculum/Re-design	Curriculum Development Centre	-
12.	Management, Monitoring and Operation of Schools	School Management Committees	Village or Municipal Executive/School Management Committee
13.	Appointment of Teachers	Community School: School Management Committee	-
14.	Transfer, or merger or closure of community schools	Government of Nepal or appointed official, upon recommendation of DEC	Village or Municipal Executive and Council
15.	Transfer of Teachers	DEO for transfers within the district; Regional Directors - for transfer within Region, and DOE for transfer outside Regions	-

The transfer of powers on education made through LGOA indicates certain needs of the local governments. The primary requirement of the local government officials is the need for greater understanding of their rights and roles, which is currently lacking.<sup>7</sup> Local governments will be required to develop policies and legal instruments regarding the devolved powers as well as others where LGOA lacks to be explicit.

### 2.3 Federal Agencies and Devolution of Education

Following the transfer of power in education through legislative measures, the progress in institutional transition for power devolution has been significantly slow. After the formation of “Federalism Implementation and Administrative Restructuring Coordination Committee”, led by the Chief Secretary from the Cabinet decision on 8 April 2016, each Sectoral Ministry had to prepare functional analysis and administrative restructuring plan in line with the Constitution. The government produced the functional analysis report which unbundled roles and responsibilities for all the orders of the government in February 2017. The unbundling of functions is a major achievement as it recognizes the roles of local governments. The report identified 13 major responsibilities of the local government under “basic and secondary education”.<sup>8</sup> These responsibilities cover a significant number of functions of school level education, which was later endorsed by LGOA 2017.

This process, however, did not involve the Ministry of Education in the beginning. The Ministry officials chose to wait for higher level decisions from political leaders who were busy in elections and ignored the need for managing the transition. The Government is yet to introduce a comprehensive transition management plan to transfer the powers from unitary and centralized regime to federal system in education, and this negligence has delayed the local governments to take over their roles.

However, the Ministry has made few ad-hoc decisions for transferring functions to the local governments. For example, the decision to disburse the salary of teachers through local government came through budget speech of fiscal year 2017/18. Lately, the government also endorsed organization structure of local governments<sup>9</sup> and commenced arrangement of staffs for education sector among others. The central agencies still seem reluctant to recognize the role of local governments in managing school education which is implied through the lack of recognition of local government’s role in school improvement in a supplementary reference book, “School Improvement Plan Formulation”, issued by the

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<sup>7</sup> In our discussion with elected representative at local levels, most of them expressed their lack of understanding of constitutional provisions on managing education functions. They, however, reiterate their willingness and commitment to take responsibilities as mentioned in the constitution. They would require strengthening capacity on managing these roles.

<sup>8</sup> <https://www.opmcm.gov.np/federalism-admin/>

<sup>9</sup> The Cabinet on April 2018 approved a temporary organization structure for local government. The structure

would be final following the Organization and Management Survey.

Department of Education in November 2017. It failed to recognize that school improvement falls under the jurisdiction of local governments, although the LGOA 2017 was already in place. Moreover, this book does not hold local government accountable for improvement of quality of school and SMCs for submission of progress reports to the local government.

The federal government has made another decision which has contributed to strengthen the perception that it intends to retain power on education with the central agency at the “district” level. In April 2018, the Ministry decided to replace DEO by Education Development and Coordination Unit (EDCU). The EDCU was established to work under District Administrative Office to look after examination of Grade 8 and 10, keep records of teachers, and their pension. The decision retained a district-based structure for education, despite the fact that the “district” has very less salience under the new Constitution. This action is seen as the potential source of intervention on the work of local government, leading to potential conflicts in the future.

To elaborate, as the EDCU works under federal government structure and forestalls the role of provincial government it may impose its will on the latter due to the clarity in its relationship with the local government. This is reflective of the entrenchment of old structures and their resistance to change, as the EDCU paradoxically becomes accountable to federal government when education sector is devolved. Accordingly, the EDCU appears to be redundant in the long run and should remain only as a transitional arrangement. To prevent further conflict between federal and subnational governments, it should be dissolved after completion of transition of functions.

While some progress has been made in implementation of the federal set up through legislative and other measures, education officials at the federal level retain power despite the Constitutional changes in favor of its devolution. They are seen to be slow in acknowledging and responding to the new demands on institutional changes, which has further created bottlenecks for the new local leaders to take up initiatives in the education sector.

### 3. Actors in School Education

After the transfer of power under the new federal set-up, the local governments have become the primary authority for education. Despite initial resistance to power transfer, district based agencies under the federal government have handed over the functions and resources to 753 local governments which will serve as the main unit for exercising the state authority. The local governments will have direct interface with the parents and teachers and their associations, provincial government, private schools as well as others. This chapter examines the actors involved in school education system, their incentives, and their engagement with each other as they vie for power and resources. This will be followed by a detailed discussion on the way these actors' interests and incentives are asserted or contested in the context of power transfer.

#### 3.1 Key Actors of Education Governance

At the local level, the students, parents, teachers, school management and local government are the key actors in education. Under the new Constitution, school education in Nepal will be run under the leadership of local government officials, instead of educational officials who were centrally appointed functionaries, accountable to the Ministry of Education. Table 3 illustrates the actors involved in this sector, their stated or implied interests and incentives. The subsequent paragraphs will re-group these actors to discuss their interests and concerns.

**Table 3: Actors in Education Sector at the Local Level**

Actors	Interests	Incentives
Teacher's Union	Serving political interests and collective bargaining, flexibility in job responsibility, role in teacher management.	Social credibility, political loyalty, flexible employment, compensation/benefits.
School Management Committee	Holding power in managing schools and resources.	Social credibility, political loyalty, control over teachers and resources.
Parents	Access to quality education and employment opportunity.	Reduced cost of education.
Provincial Government	Not clear yet.	Not clear yet.
Federal Government	Maintaining standards, hold in education governance, protecting fundamental rights.	Control over resources and schools, loyalty towards federal government.
Private Schools	Profit earning and attracting students.	Weak performance of public schools, poor governance, lack of social responsibility.
Political Parties	Control over school teachers and resources, job offer to party's loyal cadres.	Expansion of party base, political loyalty, participation in decision making, employment for party loyal
Students	Quality education, employment opportunities	Better education, student politics (as many student unions have their branches at the school level).

Local Governments	Holding control in education governance, improving quality and control over resources and school teachers	Control on education governance, performance and resource mobilization.
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### **3.1.1 Local Governments and Leaders**

The local governments have been set up in the country and the new leaders have assumed their offices after the three phases (May 14, June 28, and September 18) of local elections held in 2017. These local governments came into being after a vacuum in local democratic system for around 15 years. Most of local jurisdictions are new as their territorial boundaries were prescribed by Local Level Restructuring Commission in early 2017 by reorganizing two or more local government jurisdictions. They therefore faced an entrenched legacy of accountability void and a persistent lack of concern for performance in the delivery of education, brought about by the confluence of teachers and local politicians.

As the local governments started implementing their mandate, they commenced their works through a limited number of government staffs as the DEOs failed in swift transfer of staffs to the local governments. The local government leaders continue to share that the central agencies are not prepared to respect and practice the transfer of power with trust on the local governments, one of the leaders opined,

We feel that central agencies have doubts in our capacity. We agree that we are learning, which the central agencies did for several decades, and developing our capacity. Central agencies should understand that we are answerable to the public, parents, students and teachers. We have to be dedicated to improve quality of education. But we feel that central agencies want to devolve their inefficiency and assert power and control resources.<sup>10</sup>

Local government leaders expressed realization of their responsibility to take up the Constitutional mandate on education although they had few or no education officials at their disposal. They have started the process with minimum technical-administrative knowledge and data on scholarships or other support provided to the schools, which increases the risk of making inappropriate decisions. They are working through a method of trial and error which breaks the consistency in their performance. For instance, only few local governments were independently able to conduct the examinations for Grade 8. Despite such issues, most of the local governments are attempting to create their profiles in order to be efficient at education planning. Some local level officials have been actively engaged in the education system and trying to transfer teachers for the betterment of schools, however, the decisions lack support from the DEO.<sup>11</sup>

There is undoubtedly conflict between the district and local level officials, but the latter seem to have a shared vision in terms of the definition of quality education; the local representatives defined it as, teaching in English and students to have uniform like that of

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<sup>10</sup> In discussion with Mayor of Bhimeshwor Municipality, Dolakha, he seemed to be more critical on role of central agencies and distrust towards local governments.

<sup>11</sup> See next chapter for major initiatives of local governments.

private schools. They plan to introduce curriculum and text books in English to improve quality of education (based on the perception of parents who believe that the public schools will be as good as private school if English is used as a language of study). The emphasis given to English language by the parents and their ignorance of factors such as leadership development, ethical standards, skills enhancement, social values, interactive teaching methods, diverse extra-curricular activities for better education system however, puts the local government more at risk of deteriorating the quality of education. Instead of depending on the parents' perceptions to improve the education system, the local government officials must be engaged in critical thinking and training; alongside, they should be provided technical backstopping to strategically plan and executive educational activities to provide quality education.

### ***3.1.2 Teachers and Their Unions***

Many local government leaders indicated that the teachers employed in government-funded public schools have conflict of interest. They shared that majority of teachers commit more to private schools - either due to their ownership of private schools or for additional earning – than to public schools where they hold a permanent teaching position. Local leaders believe that it is imperative for teachers to spend their committed time in public school in order to support their students. The local government officials unanimously agreed on the fact that the performance of the teachers is better in private schools than in public schools. These teachers are seen to be reluctant to support, and sometimes even opposed to, this reform initiative.

However, there is another side to this allegation. The teachers complain of unfair treatment by the local officials. They blame the government for discriminating them against the local government official in terms of recognition and facilities.<sup>12</sup> Most of the time the political affiliations of teachers and local government officials create the personal/political conflicts which impact their attitudes towards the other and their performance in schools.

In case of the Teachers' Union, it seeks an authoritative position by demanding discussion/consultation with it before making any decision by the local government. They threaten to call a strike in case of failure to do so. The Union does not accept being a subordinate to the local government. Being under the local government seems to be a problem for some teachers as it comprises of less educated leaders and junior officials. The teachers also shared their worry over their promotion and skills development.

The conversations with local government officials, teachers and others stressed on the centrality of the role of school teachers in providing quality education, but despite being an

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<sup>12</sup> During the interview with teachers in Dolakha, they stated that they are discriminated by the government. "We faced all types of threats during (Maoist) conflict and any other political change despite staying back in the village and doing our duty. The state however refuses to recognize our pain. Instead, it demoralizes us and accuses us for all problems in education governance. This is unfair".

important resource, they could also be a potential impediment in this process due to the aforementioned reasons. In case the local government officials try to assert authority on teachers there is a high possibility of failing to garner their support; but in case of proposal of cooperative leadership, the teachers are likely to be supportive to the priorities of local governments.

### ***3.1.3 Parents and Local Community***

The engagement and participation of the guardians of the students in the education system were envisioned through two mechanisms – SMCs and Parent-Teacher Associations (PTAs). SMCs, so far, have been active and powerful but PTAs have not been formed or failed to have been taken seriously by the teachers and parents. In case of SMCs, the revised Education Act (ninth amendment in 2017) did not make any changes. Local government officials were ambivalent about SMCs – particularly about whether SMC is to be headed by elected officials or independent persons.<sup>13</sup> Local government officials have expressed their interest to lead SMCs as they believe that they will be evaluated partly on their performance in education sector. However, some of the ward leaders claimed that position to be their right.

### ***3.1.4 Federal Agencies and Education Officials***

While the central agencies are said to have common understanding and formal commitment to strengthen local governments, the local government officials are skeptical about the former's intentions due to the lack of transfer of authority and functionaries even after almost three years of the promulgation of Constitution. Central agencies have not been able to address the issue of managing staff, creating working procedures and formulating a plan for managing the transition, which has resulted in discontinuity of services.

## **3.2 Conflict and Contestations**

The above discussion explained that the assumption of new role by the local governments redefines roles and relationships of actors in the education system. This process will impact and sometimes disrupt the established order and modus operandi in education governance.

The interviews frequently raised the possibility of conflict between teachers and local government officials in case the latter asserted power on the former and tried to forcefully institutionalize order and discipline. The potential of conflict rises in case they have a history of working together in the same political party. This is one of the major challenges that needs to be strategically addressed.

Another conflict may arise from the central level due to the resistance of centralized education administration to transfer power. There has been institutional delay in power transfer and lack of steadfastness in supplying trained human resources to local governments which has consequently affected latter's performance – for instance, delay in building

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<sup>13</sup> The Sailung Rural Municipality passed education law with a provision of SMC chaired by one of the parents and a representative from local government executive.

institutions<sup>14</sup> due to conundrum on aspects of exercising authority; there is a risk of impacting the reform process in case of failure to build correct institutional practices in time. There are existing cases where some local governments have started wrong practices,<sup>15</sup> sometimes due to the lack of knowledge and other times for their personal benefits. The lack of knowledge about the process is delaying the creation of necessary instruments such as the policy, act, or guidelines to govern education sector that is provisioned in the Constitution.

The conflict among stakeholders of education will be dealt in detail under the section “Dynamics on Power Devolution” in the following Chapter of this study in order to understand how cooperation and coordination can be forged at the local level, and at inter-governmental scales, in order to institutionalize and improve educational governance in Nepal.

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<sup>14</sup> <http://kathmandupost.ekantipur.com/news/2017-12-30/local-govts-find-it-hard-managing-education-sector.html>

<sup>15</sup> <http://archive.nepalitimes.com/article/editorial/trickledown-corruption,4176>

## 4. Dynamics of Transfer of Power to the Local Government

The local governments are confronting numerous challenges in the process of transfer of power from central agencies. On the one hand, there is resistance to transfer power to local governments and on the other hand, the local governments presently lack the capability to manage education in case of larger geographical area and diverse population. Although education sector was partially devolved in 2002, the current local leaders have responsibilities for the expanded and exclusive mandate on education, which demands effective political leadership as well as adequate capacity. Therefore, the challenge for local governments is to set things right in order to be able to translate their political commitments into credible policy measures and concerted action.

This chapter discusses the main issues that local government officials will confront as they take up their role in the education sector. The resistance from the central agencies to transfer power and the inadequate capacity of the local governments are the root causes behind their challenges. The discussion will then lead to some of the initiatives taken by the local governments which will be followed by identification of broader issues on education devolution.

### 4.1 Key Aspects of Devolution in Education

There are numerous issues in transfer of education functions to local governments, however, the ensuing section will discuss more urgent and salient issues within the range of functions devolved to local governments.

#### 4.1.1 *Merger of Schools*

The merger of schools is one of the important issues faced by the local government officials. As some schools were established without enough planning, or through lobbying or connections, it has resulted in rapid increase in their number and disproportionate distribution of students. Each local government territory has around 40 schools, and the officials shared about the merger of approximately 10% of the schools in the interviews. One of the main reasons behind this decision was the decreasing number of children in public schools of some rural areas due to their attraction towards private schools which have been established without proper planning.

Merger of school, however, is a conflicting issue between local governments and school management committee, teachers and parents due to the difficulty it causes for students and teachers to go to a school distant from their locality. They believe that it is uncomfortable and time consuming to commute such a long distance. Similarly, there is another party at loss in case of merger of schools and it is the SMC. In case of merger, the SMC leaders lose their

political clout in the locality. Despite the efforts of local governments to manage student-teacher ratio, they have continued to strive to reach an amicable solution and succeeded to

an extent. Some of the local governments have passed Education Act<sup>16</sup> with provisions of merging schools which have imbalanced student-teacher ratio; and also commenced mapping of school and creation of their profiles to take informed decision. These decisions will be made depending on the context, for instance, in hilly and mountain regions, having sparse settlement due to geography, merging of schools is possible after creating an alternative solution. During discussion with representatives from Namobuddha Municipality, Kavrepalanchwok, they shared their plan to establish residential schools in order to support the merger of schools and relocate schools with lesser number of students.

#### **4.1.2 Transfer of Educational Staffs to Local Government Offices**

The decision of the central government on the organization structure of local governments required transfer of resource persons, school inspectors and other education staffs to the latter from the DEO. However, the former DEO has now been replaced by EDCU, a district-based unit which works as the agency of the federal government. The local governments have to rely on EDCU for managing education staff including teachers which undermines their autonomy.

The transfer of staff to local governments has commenced but its completion is likely to take more time as it also depends on the preference of the former. The local governments which are based around the district headquarters have received the staff whereas many local governments in rural or remote areas have not. Such circumstances and geographical placement of local governments have indeed hampered their resources and performance.

The obstruction in transfer of assignments along with financial and human resource has further impacted the work of local governments. The central agencies including the parliamentarians seem unprepared and reluctant to strengthen the local governments which was evident in the ninth amendment of the Education Act in September 2017 when the Ministry of Education failed to realize the importance of devolving functions to the local governments.

#### **4.1.3 Textbooks and Procurement**

The local government leaders have committed to provide quality education with the “globally competitive human resource”<sup>17</sup>, however, they are unaware about the process to materialize it. Their initial planning on this commitment concluded that they would introduce audio-visual or computer-assisted learning technology in schools and English would be the medium of learning. In order to make concrete decisions on the same, the local governments will have

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<sup>16</sup> Some others, such as Sunkoshi Village Municipality in Sindhuli, have been discussing on Education Manual (*Shiksha Karyabidhi*) as the promulgation of Act from municipal assembly requires, according to the Constitution, a provincial law beforehand to guide that process.

<sup>17</sup> Interview with a Mayor in Dolakha; this view was expressed by leaders in other Municipalities as

well.

to organize rigorous discussions focused on pedagogical tools and textbooks. Moreover, their authority to make choices in curriculum and text books is yet to be decided.

Another critical aspect in education governance is the supply of textbooks. Students in some areas have failed to receive their resources even by the end of academic year due to poor coordination between the suppliers and schools. Therefore, the responsibility of procurement and distribution of textbooks has been handed over to the local governments; in fact, some local governments have shown interest in textbook management. Chairperson of Likhu Tamakoshi Rural Municipality, Dolakha said, “it would be the local government’s responsibility to supply textbooks to students on time”; while the Namobuddha Municipality, Kavrepalanchwok, lets schools manage textbooks<sup>18</sup>. The Ministry of Education has been supportive in this aspect by releasing budget to local governments in the previous fiscal year. However, the transfer of these funds to the schools was delayed<sup>19</sup> which ultimately led to delayed purchase of textbooks. The blame-game in the inability to supply textbooks on time is a challenge that the local governments will have to address and solve.

#### **4.1.4 Teacher Management and Training**

The teachers and schools are seen to be closely linked with politics and the political parties. Most of the school teachers are seen to be affiliated with one political party or another; and the school premises for the last two decades have been a venue for political activities, such as party meetings, recruitment of students to political wings. In fact, many teachers aspire to have an influential political positions in the future, or at least expect their party connection to result in personal benefits such as their transfers or promotion. The local leaders too have the interest in maintaining a cordial relationship with the teachers as the latter hold a power of influence in the society. Given these circumstances, the local governments will encounter challenges in segregating teaching environment from politics and political parties.

The engagement of teachers in multiples school and in political activities were said to be hurdles in the local government’s effort to ensure regular attendance of teachers in school and accountability to their students. Alongside politics and education, some teachers are kept busy by their business and agriculture which further reduces their loyalty towards students and public schools. Most of the local government officials firmly believe that teaching and local politics have to be separated to increase teachers’ efficiency and improve quality of education. They stressed on the need to recruit new teachers who are devoted to educating children and shared that it is being planned.

The local government officials unfortunately did not consider training of teachers under their list of prioritized agenda. They failed to realize the importance of consistent training of teachers in order to improve the quality of education. They shared that the federal and

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<sup>18</sup><http://namobuddhamun.gov.np/en/news-notice>.

<sup>19</sup> <http://www.myrepublica.com/news/39853/?categoryid=81>

provincial government will be responsible to conduct these trainings in case it is necessary. However, there were some exceptions; local government officials of Sandhikharka Municipality, Arghakhanchi and Namobuddha Municipality, Kavrepalanchowk shared that they plan to train teachers with modern learning methods and technology.

#### **4.1.5 Conduction of Examinations by Local Governments**

The LGOA allows the local governments to hold basic level (Grade 8) examinations. Local government offices at district headquarters were found to be relatively comfortable in conducting examinations in comparison to officials who are based in the rural areas. They shared about the difficulty in setting questions, examining answer-sheets and maintaining quality of examination due to lack of educational staff and other technical limitations. When many local governments seem to struggling to disburse teacher's salary in time, conducting examination is considered only as an additional burden by them. Moreover, holding secondary level examination require technical knowledge, therefore, their capacity needs to be developed and resources need to be increased by EDCU at DAO, who is primarily responsible for managing secondary level examination.

In addition to the aforementioned areas of action which are on priority for the local governments, there are other issues that they would like to address, such as, fastening the reconstruction process of school infrastructure after the earthquake in 2015. Although of some local governments expressed their wish on the same, they regretted to inform that they have little power to influence the works of National Reconstruction Authority.

#### **4.2 Major Local Government Initiatives in Education**

Many issues have been discovered during the working process of local governments in the education sector, however, they are gradually creating solutions and making pathways to progress. In the past one year, local governments have made numerous initiatives to undertake Constitutional assignments and establish themselves as the nearest government body to the citizens. Table 4 presents the list of major activities conducted by the local governments in the education sector.

**Table 4: Preparation of Local Governments in Education**

Initiatives	Local Governments' Activities/Remarks
<b>Education Act and Policy</b>	Among the local governments visited during this study, most of them have endorsed either Education Act or Education Bylaws. Some local governments made their own Education Act while many others simply endorsed a model Education Bylaws forwarded by the federal government. Some local governments, instead, prepared operational guidelines to initiate management of education.
<b>Formation of Education Committee</b>	Most of the local governments have formed Education Committee under coordination of the Ward Chair. The Committee is mandated to look-after education affairs including preparation of education policy, act and other legal documents.
<b>Establishment of Education Department</b>	Following the approval of organization structure, local governments have formed education department. Municipalities are ahead of rural municipalities in forming education department.
<b>Recruitment of Teachers</b>	The federal governments have banned local governments from recruiting teachers on a permanent position. This should be implemented by Teacher Service Commission. However, some local governments have recruited temporary teachers.
<b>Provisioning of Text Books</b>	Local governments have received budget for purchasing textbooks. However, they are required to transfer budget to schools so that they can make the necessary arrangements. Despite this, some local governments could not make timely transfer of budget.
<b>Teaching Materials/ Teaching Aids</b>	There is less focus on investing in teaching materials. However, some local governments are interested to invest in teaching aids, improving access to computer, library and other materials <sup>20</sup> .
<b>Construction of School Building</b>	The SMCs and Headmasters are responsible for construction of school buildings. However, local governments have said that they would take responsibilities of arranging facilities and SMCs and Headmasters to be mainly engaged in enhancing quality of education.
<b>Holding School Examinations</b>	Local governments conducted examination of basic level (Grade 8) and provided support to conduct examination of secondary level.

Some initiatives have been made by the local leaders and few local governments have been working on detailed planning for the education sector, especially by devising legal or policy measures. Box 3 illustrates a case of the same.

<sup>20</sup> Talking bird and multimedia teaching are two technologies that local governments are interested to arrange in schools.

### Box 3: Early Initiative in Legislative and Policy Measures in Education, Sindhuli

A Rural Municipality in Province 3 hosted an interaction workshop where educationists, members of federal and provincial parliaments, school teachers, Teachers' Union representatives and parents were invited to develop an Educational Manual<sup>1</sup> for their local government. Similarly, the Rural Municipality undertook an exercise to gather schools and students, and entrusted Teachers' Federation to draft the Education Manual for the Rural Municipality. They identified key problems in the schools – such as the number of schools with few students, damaged school buildings due to the earthquake in 2015, shortage of drinking water, low turnover of school teachers etc. Some of the measures proposed by the Teachers' Union which were considered in the meeting were as follows:

- Introduction of the provision of “cooperative schools”
- Introduction of the provision for all public officials (that is, those who receive salary or facilities from the government) to send their children to community schools
- Arrangement of residential facilities for the children who have remained out of school
- To consider direct nomination of SMCs by the rural municipality
- To establish provision for the local governments to take complete accountability for education

The deliberations made on education planning/legislative measures on education, shown in the Box 3, were however compromised as the local governments were not entitled to develop an Act on their own. The meeting organizers mentioned that they were waiting for the provincial law to prescribe the procedures of law-making at the local level. As a result, they limited themselves to making a manual which is a lower-order legislative instrument. It is evident that, despite the less powers accorded to provincial level in Nepal's Constitution, the delayed action or inaction from provincial assembly delays the crucial initiatives at the local level.

In other local governments, the local government officials have initiated dialogues with teachers in order to convince them to make stronger commitments on delivering quality education. One of the Mayors, for instance, opined that he would present the data on per-student expenditure in the community and private schools, and invite public school teachers to plan on improving school education system. Other local leaders believe that the presence of teachers throughout the day in a school would significantly improve the performance of students. And one of the ways of ensuring their attendance, according to the local government officials, is the introduction of electronic attendance system. Similarly, introduction of English as a subject from the primary level, installation of audio-visual teaching tools are being considered and acted upon by the local government leaders to improve the quality of education.

## 5. Major Issues and Capacity Gaps

### 5.1 Education Planning at National, Provincial and Local Level

The Constitution adopts broad policy on education “to prepare human resources that are competent, competitive, ethical, and devoted to national interests, while making education scientific, technical, vocational, empirical, employment-oriented and people-centered”. The Constitution also seeks to “make private investment in education to become service oriented” and to “enhance investment in public education”. In order to achieve Constitutional commitments and ensure equitable access to quality education, the most important factor will be to assign roles and responsibilities to federal, provincial and local governments as per the Constitutional provisions. For this, education policy and planning are key functions that the local governments have to undertake with the knowledge of all the issues experienced in the education sector and the existing capacity gaps.

### 5.2 Jurisdictional Confusions and Struggle for Autonomy between Schools and Local Governments

It is necessary to clarify the Constitutional jurisdiction in education. At the inter-governmental level, the local government leaders are confused about their autonomy to exercise Constitutional rights, their concurrent functions, and the relationship with provincial and federal governments. The problem worsened due to the resistance and lack of steadfastness of federal agencies in transferring power to the local level.

Additionally, jurisdictional confusion also exists between the teachers and local government officials. Teachers in some schools accused the local governments for attempting to limit the school’s autonomy. They argued that the schools have been autonomous in previous unitary regime, and therefore, it should be continued if not increased. They are dissatisfied with the government for undermining and stereotyping them as non-functioning, irresponsible and politically motivated professionals. They further stated that the teachers have been taking risk by working in poor facilities and unfavorable environment. Considering these issues, they insisted on reaching an amicable solution and also acknowledging teacher’s roles and motivating them. Teachers’ Union shared their interest to be involved in the decision-making process of education affairs, especially in the transfer of teachers.

### 5.3 Funding for Education

The local governments have autonomous power in the education sector but their performance will definitely vary. There could be many reasons behind this difference but one of the major factors could be significantly greater number of students in one district than the others. For instance, with the shift of parents to district headquarters for jobs or other businesses, there will be a rise in the number of students in the schools. Higher concentration of students in these schools is likely to create pressure on the respective local governments

to arrange the required resources. But, the local governments are yet to plan on the mechanism to cover the costs of students joining from other local jurisdictions.

#### **5.4 Human Resource and Training**

Provision of quality education is only possible through trained education officials and teachers who have support from the political leaders and provision of adequate resources. In case of Nepal, the circumstances are quite the opposite. Federal government has been able to deploy education staffs only in some of the local governments, mainly in the offices which are near to district headquarters; otherwise, there is extreme shortage of human resources. Local governments are occupied by administrative and development activities, which prevents them from investing adequate time and effort for education. Additionally, they lack sufficient evidence on education sector. Acute shortage of human resource to manage education sector is a critical issue for local governments and one of the major reasons behind their inability to fully assume the constitutional authority. This is the time when many local governments are struggling to establish their offices and trying to look after education sector. Considering their situation, early deployment of education staff would improve their working condition and increase their efficiency.

Alongside increasing the number of human resources at the local governments, it is important to build an effective workforce for service delivery and administration of education. One of the methods of achieving this is through provision of trainings for teachers and educational officials. Local leaders see this need of enhancing teachers' capacity to adopt new methods of learning and to inculcate values that result in greater commitment to improving the education system.

#### **5.5 Accountability in Education**

Two main routes to accountability were established by the government in the past - the first one was through an indirect method of assessment of educational achievement by a central entity called ERO and the second was through the creation of SMC and PTA in order to provide control to parents on school management and maintain their communication with the school authority and teachers.

The first of the two involves the assessment of educational achievement under the framework of National Assessment of Student Achievement (NASA). While it seeks to assess the performance of education, it is neither regular nor comprehensively applied, yet it provides important insight on performance of the sector overall. This needs to be fully streamlined into the cycles of national or sub-national planning and localize its performance audit with appropriate modifications to tailor new accountability relationships.

The second approach, involving parents in school management through SMC and PTA, was envisioned to enable parents to have greater say in school management and to facilitate communication between school management, teachers and parents. Despite this, the

common challenge that the local governments now face in this context is making teachers accountable towards their profession and encouraging them to commit to teaching by detaching their profession from politics.

According to the discussions with the local government officials, the status of SMC or PTA is likely to change in the upcoming years. There is a high possibility of local governments taking greater control of the school management in order to ensure that the schools operate in alignment with the priorities set by the local governments. However, some may opt to continue with the given legal provision. Whether or not they opt to change the current system, the local governments must emphasize on encouraging greater participation, and ensure transparency and accountability in their work.

## 6. Conclusion and Recommendations

The devolution of education to local governments was challenging in the beginning, but it retains the possibility of more effective and accountable arrangement for management of education sector. Local government officials have shown considerable enthusiasm and commitment to undertake the responsibility after the first few months of election, despite the confusion regarding transfer of centrally appointed staff to local jurisdiction and their mobilization according to the priorities of local officials.

Early indications from the initiatives undertaken by the newly elected local government officials provide evidence of optimism for Nepal's education sector. While there are several contradictions and confusions regarding jurisdictional space of different actors and on the mechanisms for addressing interests and concerns, it is important to build on the positive momentum in local governance for better education. Continuous efforts should be made by them, particularly on improving quality of education and bridging the gap in the quality of education provided in private and public schools. For this, they will have to work on establishing or restoring trust in public schools, especially with regards to the quality of education. Some of the measures and activities which are important for successful transitioning of power in the education sector are listed below:

- a) **Develop Education Law, Procedures and Compliance in Local Governments:** There is a need to nurture collaboration and dialogue between local government officials and education stakeholders to develop effective policies, laws and procedures in education. Conscious effort must be made to have dialogues with teachers to garner their support in education planning and execution. Their contribution will be crucial in educational planning, local arrangements for school management, and development of common understanding on quality and performance in education. The education laws prepared/or to be prepared by local governments should focus on improving learning environment, ensuring equal access to education and increasing the outcomes/achievements of learning.
- b) **Strengthening Educational Planning and Local Capacity:** It is imperative to develop capacity of elected and civil service officials of local governments on the following aspects:
  - 1) Education profiling - data collection on schools, physical infrastructure, future student projections
  - 2) Human resource management - recruitment and training, promotion and incentives for teachers
  - 3) Transfer of teachers
  - 4) Merger of schools as appropriate
  - 5) Reconstruction of damaged schools

- 6) Physical facilities, teaching-learning tools, curriculum and text-books
  - 7) Financing for education, especially, cost recovery for the students from other local jurisdictions
  - 8) Provisions for special needs - including brail script (where applicable), curriculum and text book in mother tongue (as needed), hostel for students travelling from isolated areas in the local jurisdiction.
  - 9) Extra-curricular activities
- c) **Developing Capacity to Deliver Constitutional Obligations:** Many schools will be required to deliver additional constitutional obligations, such as, imparting education in mother tongue, teaching-learning in brail script for the visually impaired students, scholarships and other provisions for martyrs' children, Dalit students etc. The local governments must, therefore, consider these circumstances while planning their activities and finances in order to be secure in case of emergence of such cases. Similarly, schools must be trained to develop their technical and management capacity to cater to the needs of every type of students.
- d) **Local-level Educational Accountability Framework:** Local governments will have to work on Education Review Office - to localize their monitoring and review/evaluation methods, and engage in both local and expert-led processes of performance audit.
- e) **Funding for Schools:** As local governments take charge of education, it is important to remember that some schools will perform better than the rest. As a result, those schools may have to cater to a disproportionately high number of students, while others may comprise of few students. To address such circumstances, a system must be developed at the local government and inter-governmental levels to encourage better performance in the low-performing schools and to pool resources for the schools that serve larger number of students to incentivize them.
- f) **Settle Contradictions between Education Act Revision and LGOA:** There have been conflicts in the provisions of existing Education Act and LGOA. In due course, such legal contradictions need to be identified and settled.
- g) **Approach to Educational Governance - Consultations and Dialogues:** The local government leaders should appreciate the role of different actors in delivering quality education and constructively mobilize their capacity. They are suggested to hold sufficient consultations with experts and continuous dialogues with SMC and teachers to develop shared visions and rally their support. Such approach will also allow the stakeholders to understand each other's concerns and aspirations and develop collaborative plans.

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### Annex 1: Local Governments Visited

Local government	District	Stakeholders (Interviewed, Interacted with)		
		Elected Leaders	Teacher, Teacher Representatives	Civil Service Staffs
Province 1				
1. Triyuga Municipality	Udaypur	15	3	3
2. Khandbari Municipality	Sankhuwasabha	1	2	1
Province 2				
3. Lahan Municipality	Siraha	15	-	2
Province 3				
4. Bhimeswor Municipality	Dolakha	2	8	-
5. Kalinchowk Rural Municipality	Dolakha	3	-	2
6. Sailung Rural Municipality	Dolakha	1	-	1
7. Melung Rural Municipality	Dolakha	1	-	1
8. Tamakoshi Rural Municipality	Dolakha	2	3	1
9. Jiri Municipality	Dolakha	9	4	2
10. Chautara Sangachowk Gadi Municipality	Sindhupalchok	2	-	1
11. Balefi Rural Municipality	Sindhupalchok	2	-	1
12. Helambu Rural Municipality	Sindhupalchok	2	-	1
13. Melamchi Municipality	Sindhupalchok	2	-	1
14. Indrawati Rural Municipality	Sindhupalchok	2	-	2
15. Doramba Rural Municipality	Ramechhap	5	3	2
16. Sunapati Rural Municipality	Ramechhap	2	-	1
17. Khadadevi Rural Municipality	Ramechhap	3	2	1
18. Likhu Tamakoshi Rural Municipality	Ramechhap	1	-	1
19. Sunkoshi Rural Municipality	Sindhuli	2	10	2
20. Namobuddha Municipality	Kavrepalanchok	15	7	4
21. Roshi Rural Municipality	Kavrepalanchok	7	2	2
Province 4				
22. Putalibazar Municipality	Syangja	18	4	5
23. Waling Municipality	Syangja	5	-	2
Province 5				

24. Sandhikharka Municipality	Arghakhanchi	15	2	4
Province 6				
25. Narayan Municipality	Dailekh	15	-	2
Province 7				
26. Amargadhi Municipality	Dadeldura	12	-	3
Total		159	50	48

## Annex 2: Research Activities & Check-List

Activities	Description
<b>A. Reviews</b>	
1. Legislative Provisions	<ul style="list-style-type: none"> <li>· Constitutional provisions on education - including power and jurisdictions of different levels (of government).</li> <li>· Decentralization/devolution of education - in the past and present constitution.</li> <li>· Education service in local governance legislation.</li> <li>· Provisions in other related legislation that impact local governance and education service delivery (including those on corruption).</li> </ul>
2. Institutional Measures/Provisions	<ul style="list-style-type: none"> <li>· Type of schools in the country, their relative numbers, number of students catered by these schools, total number of students, enrollment, drop out. Performance on education by school type</li> </ul>
3. Policy Measures	<ul style="list-style-type: none"> <li>· National policy statements of goals, purpose of education.</li> <li>· History of education policy in Nepal - its ideological outlook and specific measures over time.</li> <li>· Specific provisions and history of education devolution/decentralization.</li> <li>· Periodic plans and education provisions - from first plan onwards.</li> </ul>
4. Human Resources	<ul style="list-style-type: none"> <li>· Category of human resources involved in education.</li> <li>· Types of teachers in “public” schools – and their explanation.</li> </ul>
5. Budgeting	<ul style="list-style-type: none"> <li>· Provisions on education budget.</li> <li>· Provision on education budget for local governments.</li> <li>· Issues on budget/financing for education.</li> </ul>
<b>B. District Level Interviews</b>	
1. Interviews at DEC/District Level and School Supervisors	<ul style="list-style-type: none"> <li>· Overall situation of schools in the district/(village) municipality - their origins, numbers, total students, percentage of children in private/public schools.</li> <li>· Spread of schools in the territory – are some areas left out? Are some areas more privileged than others?</li> <li>· Perceptions on               <ul style="list-style-type: none"> <li>○ Behavior of SMC</li> <li>○ Behavior/performance of school teachers</li> <li>○ Quality of education</li> <li>○ Access to education from lower caste groups, girl children,</li> <li>○ Areas for improvement</li> </ul> </li> <li>· What are the capacity development needs for effective devolved education?</li> <li>· Which policy/legal documents to review, consult further in our study?</li> </ul>
<b>C. Case Studies (one or more – depending upon resources)</b>	
1. Mapping Exercise	<ul style="list-style-type: none"> <li>· Mapping of pre-schools and schools (of different types in the (rural) municipality.</li> <li>· Identifying main individuals in private and public schools in the area.</li> <li>· Participation of the following actors               <ul style="list-style-type: none"> <li>○ Politics</li> <li>○ Businesses</li> <li>○ PTA</li> <li>○ SMT</li> <li>○ Overall social/political capital of these actors</li> <li>○ Book stores/stationeries</li> </ul> </li> </ul>
2. Interview with Locally Elected Leaders	<ul style="list-style-type: none"> <li>· Election commitments on education</li> <li>· Personal/partisan views about education sector (how it should be provided).</li> </ul>

	<ul style="list-style-type: none"> <li>· Personal involvement in education sector in the past.</li> <li>· Investment in private schools.</li> <li>· Are their family members/relatives involved in education - how/to what extent.</li> <li>· Vision about education for the future.</li> <li>· Future plans for effective, equitable, quality education for the (rural) municipality.</li> <li>· How to manage pre(schools) – how will they work <ul style="list-style-type: none"> <li>○ School infrastructure</li> <li>○ Contestation with provincial government</li> <li>○ Contestation with federal government</li> </ul> </li> <li>· What are the capacity development needs for effective devolved education?</li> </ul>
<p>3. Interview with Education Team at local governments (civil service personnel at local governments, if available).</p>	<ul style="list-style-type: none"> <li>· Operation of private and public schools in the (rural) municipality</li> <li>· Spread of schools in the territory – are some areas left out? Are some areas more privileged than others?</li> <li>· Access</li> <li>· What are the Capacity development needs for effective devolved education?</li> </ul>
<p>4. Unstructured Interview with Private School Operators</p>	<ul style="list-style-type: none"> <li>· Overall situation of private schools in the (village) municipality—their origins, numbers, total students, percentage of children in private/public schools.</li> <li>· Spread of schools in the territory – are some areas left out? Are some areas more privileged than others?</li> <li>· Perceptions on <ul style="list-style-type: none"> <li>○ Behavior of SMC</li> <li>○ Behavior/performance of school teachers</li> <li>○ Quality of education</li> <li>○ Access to education from lower caste groups, girl children,</li> <li>○ Areas for improvement</li> </ul> </li> </ul>
<p>5. Unstructured Interview with Parents and General Population</p>	<ul style="list-style-type: none"> <li>· General view of quality of education/availability of education for different sections of the local community.</li> <li>· Perceptions on <ul style="list-style-type: none"> <li>○ Behavior of SMC</li> <li>○ Behavior/performance of school teachers</li> <li>○ Quality of education</li> <li>○ Access to education from lower caste groups, girl children,</li> <li>○ Areas for improvement</li> </ul> </li> <li>· Spread of schools in the territory - are some areas left out? Are some areas more privileged than others?</li> <li>· Story/case of how they educated their children – from preschool to the intermediate/+2 level.</li> <li>· Accountability - do they believe that they can hold their local government officials accountable for education?</li> <li>· Leadership - do they feel that locally elected leaders can effectively take charge of providing good education?</li> <li>· Their optimism and hope from local leaders in improving education.</li> </ul>

### Annex 3: Duties, Responsibilities and Rights of Local Governments in Education<sup>21</sup>

1. Policy, law, standard, planning, implementation, monitoring, evaluation and regulation of early childhood development and education, basic education, parent education, non-formal education, open and alternative continuous learning, community learning and special education;
2. Establishment, permission, operation, management and regulation of community, institutional, *guthi* and cooperative schools;
3. Planning, permission, operation, management and regulation of technical education and vocational training;
4. Permission, monitoring and regulation schools providing education mother tongue
5. Property management of merged or closed schools;
6. Formation and management of education committee;
7. Formation and management of school management committee;
8. Naming of schools;
9. Ownership of land of public school, property record, protection and management;
10. Improvement of school quality and distribution of learning materials;
11. Management of position (*darbandi milan*) of teacher and staff position in community school;
12. School mapping, permission, approval, adjustment and regulation;
13. Education infrastructure construction, maintenance, operation and management of community schools;
14. Conduction of examination of basic level, monitoring and management;
15. Auditing and management of student learning achievement;
16. Free education, student encouragement and scholarship management;
17. Permission and regulation of out of school activities like tuition, coaching;
18. Protection, promotion and standardization of local knowledge, skill and technology;
19. Operation and management of local library and public reading room (*wachnalaya*);
20. Coordination and regulation of secondary level education activities;
21. Management of grant and budget to community school, financial discipline of account, monitoring and regulation;
22. Training and capacity development for teaching learning, teacher and staff; and
23. Operation of extra-curricular activities.

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<sup>21</sup> Based on Local Government Operation Act, Article 11(2)h.