

(Issue 07, August-October 2020)

The Subnational Governance Program in Nepal (SNGP) (स्थानीय सरकार सबलीकरण कार्यक्रम) is implemented through a strategic partnership between the Australian Government's Department of Foreign Affairs and Trade (DFAT) and The Asia Foundation, in coordination with the Ministry of Federal Affairs and General Administration. SNGP aims to promote an enabling environment for the development of strong, effective, and inclusive sub-national government in Nepal that benefits all, including women and marginalized groups.

Studies on Contemporary Federalism and Subnational Governance Issues

Responding to the demand from municipal and federal stakeholders, the program finalized three studies (knowledge products) on contemporary federalism and sub-national governance issues. The first one, *Handbook on Federalism*, will serve as a comprehensive reference/resource book on the federal governance structure and system of Nepal. The second one, *Three Years of Local Governments*, compiles best practices collected from rural municipalities across Nepal. The third one, *Conflicting Laws and Policies in Relation to Local Governance*, aims to promote discourse on policy harmony and coherence among the spheres of government.

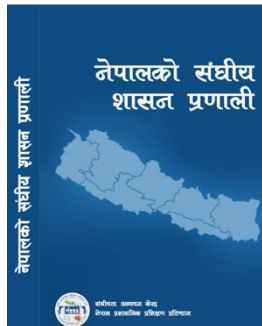


Figure 1: Handbook on Federalism

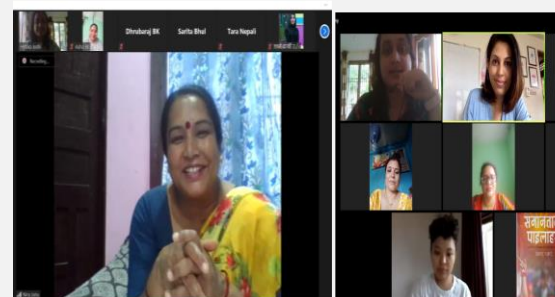
Infrastructure Development and Financial Sustainability

The program continued activities targeted towards creating an enabling business environment for Public Private Partnerships (PPP). Aimed at increasing the regulatory and legislative capacity of municipalities for PPP project development and financing, the program supported to host three consultation meetings with private sector and subnational government officials of Bharatpur Metropolitan City (BMC), Damak Municipality and Province 1. To apprise broader stakeholders on its strategic initiatives under the project, the program partner, VROCK, also presented steps and required policy frameworks to promote PPP on two forums, namely: Nepal Renewable Energy Program and Federal Parliamentary Committee on Finance. The programs' PPP support with municipalities were presented to participants which included international development partners, government stakeholders and elected representations from provincial and local governments.

Mentorship Support: Dalit Women Elected Representatives

The program has been extending demand-based mentorship support to local Dalit elected women representatives aimed at strengthening their leadership capacity and enabling their meaningful participation in decision making at the local level. In this quarter, the program facilitated mentoring interactions between federal level members of parliament (MPs) and a cohort of Dalit women representatives followed by sessions on local government's planning and budgeting processes, as well as digital literacy. In the mentoring interaction sessions, eight MPs interacted with Dalit women representatives and shared their political and personal journeys to motivate participants to continue their own political journeys. As a result of interactions with federal MPs, Ms. Yamuna Nepali (one of the participants) from Birendranagar municipality has started coordinating with provincial level female parliamentarians to allocate budgets for development programs at the local level.

In addition, Dalit women representatives actively participated during the program-organized sessions on the local government planning and budgeting process. They shared their experiences and current trends of planning processes in their respective government units.



Federal MPs Ms. Nira Jaiju, Binda Pandey and Laxmi Pariyar interacting amongst the Dalit women representatives during the session.

Media Program "Tough Talk with You" to Provide Information on Covid Issues

To promote accountability and enhance civic engagement, the program collaborated with Interface Nepal to continue production of its "TOUGH Talk with You," an interactive monthly TV talk show. Amid the ongoing lack of coordination between the three spheres of governments in handling the COVID-19 crisis, the program convened Minister of Health and Population [Mr. Bhanu Bhakta Dhakal](#) to discuss gaps and achievements of the federal government in managing the pandemic. On the program, he stated that "GoN has been managing pandemic with huge level of efforts in close coordination with spheres of governments. Federal Government has delegated utmost authority to the province and local level governments to manage this pandemic crisis effectively. However, in some cases, province and local level governments are being unable to utilize budgets we had disbursed them towards managing COVID-19 pandemic." To get reaction on the health minister's observation about the provincial government's inefficiency in managing the crisis, [the show](#) invited the chief ministers from Province 1 and 2, both COVID -19 hotspots. The program further provided opportunities to discuss challenges and coordination between provincial and federal governments in COVID-19 response.

Comprehensive Municipal Plans and Municipal Revenue Improvement

With the program's technical support, the municipalities of Tikapur, Tansen, Waling, Bhimeshwor and Damak have finalized their comprehensive long-term Municipal Development Vision Plans. The program provided support to review the previously drafted Municipal Revenue Improvement Plans (MRIP) of Birendranagar and Tansen municipalities and developed new MRIPs for Damak and Bhimeshwor municipalities. Both streams of work aim to bring coherence between municipal revenue generation and local laws and procedures. This is expected to improve revenue collection and management efforts of the partner municipalities.

Simultaneously, in order to support local economic development through enhanced capacity in public financial management (PFM), the program has continued its support to expand capacity development of municipal PFM Committees and the development of budget guidelines to support the municipal Revenue Advisory, Resource Forecast and Budget Ceiling Determination, and Budget and Program Formulation committees. Finally, other activities catering to local economic growth and sound PFM support such as the development of Mid-Term Expenditure Framework (MTEF), Capital Improvement Plan and project model dissemination have all seen significant progress, with draft MTEFs ready for both the Tansen and Tikapur municipalities.



Figure 3: Tikapur and Waling Comprehensive Municipal Plans

Municipal Database Management System and Tax Collection Mapping System

The program has made significant progress in establishing a dynamic household database system and tax collection mapping system. The municipal database management system development in Damak, Bhimeshwor, Tansen, Waling, Tikapur municipalities has been completed and tax mapping systems for Tansen and Damak municipalities are in the final stages. With support from the program, municipalities have also been provided a comprehensive user's manual, and a draft data management bill. Furthermore, system demonstration and feedback gathering have also been completed in Damak, Tansen and Waling municipalities and on-site training, installation, and handover will take place next quarter.

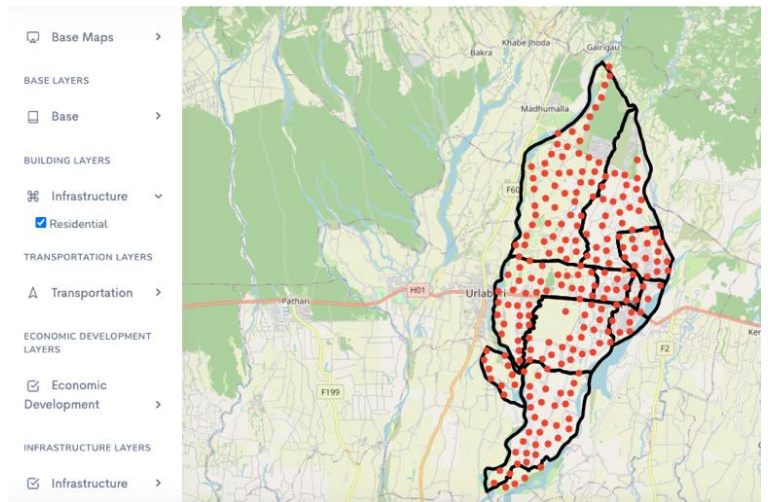


Figure 2: Households in Damak

OTHER HIGHLIGHTS:

1. The program finalized the draft report on the **Survey of the Nepali People 2020**, a longitudinal survey aimed at tracking public perceptions on key socio-economic, development, and governance issues.
2. In Bagmati Province, the program helped establish a project bank system and process that will enable the government to prioritize its future investment on infrastructure development.
3. The Ministry of Federal Affairs and General Administration published the program-supported **"Sourcebook on Local Market Management and Consumer Awareness"** on its [website](#).

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