

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.

Political Economy Analysis of Local Legislature in Nepal

The program finalized the 'Political Economy Analysis of Local Legislature in Nepal'. The study analyzes the political economy of local legislative practices, and the issues and challenges local governments face while assuming state functions mandated by the Constitution. By focusing on legislative autonomy, the study reveals the practices of local governments to draft legislations along with capacity gaps and other issues and challenges they face. The study is another useful resource for all three spheres of governments to identify opportunities to improve inter-governmental relationship, functionality and strengthen sub-national governments.

Comprehensive Planning and Local Budget Formulation

The program has completed Damak's, a partner municipality, comprehensive plan and handed it over to the municipality which brings a close to the **comprehensive plan development activity in all five municipalities**. Along with this, the municipal database management system in Damak, Bhimeswor, Waling, Tansen, Tikapur municipalities and the tax mapping system in Damak and Tansen municipalities were also demonstrated with culmination of field level trainings as well. The program prepared **local budget formulation guidelines with a methodology for municipalities** to adapt longer-term comprehensive plans into Medium Term Expenditure Framework (MTEF) and Capital Improvement Plan (CIP) and held discussions among municipal executive committee members, allowing five partner municipalities to institutionalize these documents.

Public Policy Dialogue on Local Health Governance during Covid-19

The program contracted Public Policy Pathshala (PPP) to **deliver technical support in strengthening local health governance policies and systems** to the program partner municipalities. PPP organized a public policy dialogue on '**Local Health Governance in the context of COVID-19: opportunities and challenges**' inviting health experts, representatives from health ministry and representatives from local governments. Hosting 59 participants, this dialogue has identified some major health priorities of the government given the pandemic.

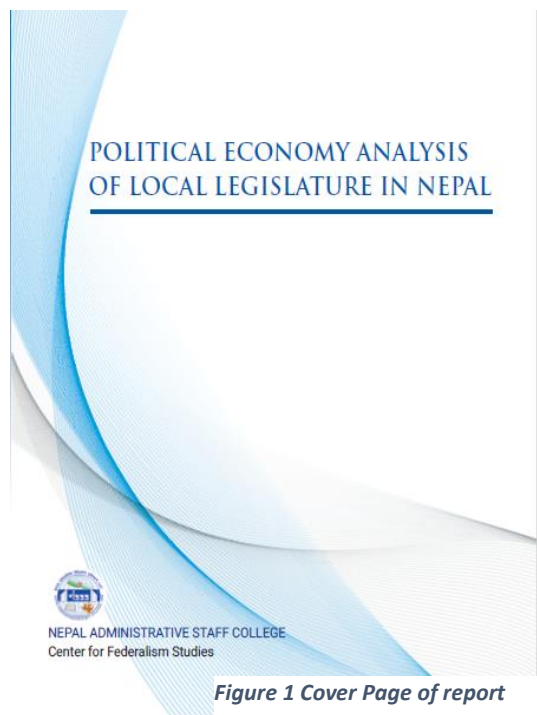


Figure 1 Cover Page of report

Linking Local Justice Providers with Formal District Courts

In terms of strengthening formal dispute resolution mechanism, Nepal Law Society, a program partner held **seven virtual workshops with district court judges and judicial committee members** across seven provinces from 8-11 November 2020. These series of workshops were designed as a peer learning mechanism linking local justice providers with formal district courts and aid the overall access to justice at the sub-national level especially for whom formal mechanisms have traditionally been inaccessible.

Media Program "Tough Talk with You" to Provide Information on Covid-19 Issues

Interface produced six weekly virtual episodes of 'TOUGH Talk with you', which was also broadcasted through Himalaya TV and social media outlets like Facebook and YouTube. Further the 'TOUGH Talk with You' team also traveled to three different provinces—Province 2, Bagmati and Gandaki—to produce episodes that examined intergovernmental coordination closely by convening Chief Ministers, local government (LG) representatives, civil society members, and experts in the show.

Community Mediation

In terms of strengthening access to justice at the local level through community mediation, a total of **949** interpersonal disputes were registered in mediation centers across program locations, out of which **921 disputes** have been successfully resolved by mediators, designating the resolution rate at **97.04%**. A total of **142** mediators received mediation trainings, of which **59.15%** were women and **24.65%** belonged to marginalized groups. Similarly, a total of **12** new mediation centers were established. The increase in number of trained mediators coupled with increase in mediation centers ensures efficient resolution of disputes and thus, increases access to justice in the local level.

Similarly, a total of 1914 disputants availed mediation services, of which around **32% (614)** were women, which is slightly more than the percentage of women availing mediation services in the last quarter and **48%** belonged to indigenous and marginalized groups. The numbers continue to signify continuous need and reliance on this alternative dispute resolution mechanism and the program's achievement in ensuring that justice delivery in the local level is not hampered and local governments are working relentlessly to ensure that rights and interests of people are not sidelined during this pandemic. Concurrently, a total of **1233** participants were engaged in practice sharing sessions across municipalities and rural municipalities (which includes **35** rural municipalities and **16** municipalities) that saw participation of **38.52%** (475) of female participants and **50.69%** (625) of participants from marginalized and indigenous communities.

Fiscal Federalism in Nepal: Current Issues and Way Forward

The program organized a two-day consultation workshop on **"Fiscal Federalism in Nepal: Current Issues and Way Forward"** between leaders of National Association of Rural Municipalities in Nepal (NARMIN), Municipal Association of Nepal (MuAN) and senior officers of Government of Nepal (Ministry of Finance, National Planning Commission, Ministry of Federal Affairs and General Administration and Financial Controller General Office), and experts on fiscal federalism. This program brought the discussion about ongoing issues regarding fiscal federalism in local governments.

Four Projects Selected in Province 1 for Further Planning and Financing

The program's technical support to the Provincial Investment Authority (PIA) in Province 1 has also seen the **provincial government deciding to take forward 4 out of 6 projects for further planning and financing**. The projects include Beema Bamboo Project, Electric Public Bus Project, Koshi Refreshment Centre project and Udaypur Cement Revitalization project. These projects will be presented and handed over this coming quarter to the provincial government and private sector stakeholders during the Memorandum of Understanding signing event between Nepal Infrastructure Bank and the PIA.

Koshi
Refreshment
Centre

Beema
Bamboo
Project

Electric Public
Bus

Udaypur
Cement
Revitalization
Project

Other Highlights

1. *The program collaborated with Department of Commerce, Supplies and Consumer Protection to publish a Review of Federal Laws on Market and Consumer Rights. The review has identified overlaps and gaps in the federal laws with respect to the roles and functions of three levels of government regarding market and consumer rights, as envisaged by the Constitution of Nepal.*
2. *The program collaborated with National Concern and Coordination Committee (NCCC) of the National Assembly to organize an interaction on "Impact of Covid-19 on Health and Government's Vaccination Plan". The objective of the workshop was to discuss the impact of Covid-19 and obtain information about the government's vaccination plan and issue directives on behalf of the NCCC urging the government to expedite the vaccination process.*

FOR MORE INFORMATION

<https://asiafoundation.org/tag/np-subnational-governance-nepal/>