



Government of Nepal
Ministry of Federal Affairs and Local Development
LGCDP Newsletter
Local Governance and Community Development Programme - II

JAN - JUN 2016

Asadh 2073

Volume 1, Issue 1

LGCDP at a glance

Local Governance and Community Development Programme (LGCDP) is a national programme with an overarching goal to contribute towards poverty reduction through inclusive, responsive and accountable local governance and participatory community-led development. LGCDP is executed by the Ministry of Federal Affairs and Local Development (MoFALD) with technical and financial assistance of development partners. It is a national programme framework for local governance and community development in Nepal. As a framework, it encompasses all programmes, actors, institutions in local governance process through enhanced networking, collaboration and coordination mechanisms and systems in order to achieve its outcomes and outputs.

The geographic coverage of the programme is 75 districts, 217 Municipalities and 3157 Village Development Committees. It is supported by 14 development partners. The proposed budget of LGCDP II is USD 1362 million of which the commitment of GoN, JFA, SPMP/ADB, and PPSF are: GON = USD 1126 million, JFA = USD 78 million, SPMP/ADB = USD 25 million, PPSF = USD 14.1 million respectively.

The purpose of the programme is to improve local governance for effective service delivery and citizen empowerment. The four programme components are: policy: governance reform, supply: service delivery and capacity development, demand: citizens' empowerment, local development: socio economic and infrastructure development.

Mid term Review of LGCDP - II

The Mid-Term Review of the Local Governance and Community Development Programme II was carried out in April-May 2016 to review the relevance, effectiveness, efficiency and sustainability of LGCDP II against its results framework and objectives as well as to provide recommendations for necessary adjustments in order to adapt to the rapidly changing context, and to provide design options for a follow-on or new local governance reform programme in the new political context.

The review provides a relatively comprehensive overview of LGCDP's achievements and challenges along with general recommendations on possible future focus in which the Government of Nepal and development partners could engage in order to strengthen local governance over the coming years.

The review shows that LGCDP has made tremendous contributions in improving the relation between citizens and state through the Ward Citizen Forums and Citizen Awareness Centers, and hailed the social mobilization

component as 'silent revolution'. Moreover, LGCDP has strengthened local level planning process, awareness creation and community engagement which are integral part of local governance, participatory and inclusive development through meaningful participation of citizens and communities.

The review has indicated that the political context is changing rapidly, and that future support will inevitably required prioritizing enormous demand of the transition to new constitutional arrangement. It is also indicated that most attention has gone to aspects of social mobilization, which are highly relevant and important, but to be able to sustainably institutionalize the impact of social mobilization, work needs to be done on local government structures.

The main recommendations of the review are community development and local government reform deserves to be treated separately, support for social mobilization needs to find its natural niche, next phase/new programme to focus on establishment of local government structure, use Joint Financing Arrangement as indicator based financing mechanism, and relatively small dynamic technical assistance set up. The review has suggested to extent the programme with one year to facilitate the transition to the new system.

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Government of Nepal
Ministry of Federal Affairs & Local Development
Local Governance & Community Development
Programme - II
(LGCDP)

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Message from Honourable Deputy Prime Minister and Minister - Ministry of Federal Affairs and Local Development Mr. Kamal Thapa

Local Governance and Community Development Program (LGCDP) has been designed to implement commitment of the Government of Nepal towards ensuring quality and transparent services, strengthening downward accountability, economic and social transformation via social mobilization thereby improving citizens' lives. The program is a national framework for strengthening decentralized governance and implemented at local level through local bodies.



The first phase of the program was implemented from 2008 to 2013. Based on results and learning of the first phase, a second phase of the programme was designed from 2013 to 2017. MoFALD has been implementing the second phase in partnership with 14 development partners (bilateral, multilateral and UN agencies) in all Districts, Municipalities and Village Development Committees (VDCs) of Nepal.

In the present context, whereby elected local bodies representatives have been absent for more than 13 years, the program via its social mobilization component has been found instrumental for establishing and strengthening linkage between local government and citizens. The programme has established grassroot organizations such as Ward Citizens Forums (WCFs) which has been instrumental in institutionalizing participatory plan formulation, civil monitoring of large number of projects and initiatives by the government and non-government organizations at the local level, ensure quality services and increase social accountability, mitigate social evils, and successful implementation of national campaigns at local level thereby contributed in fulfilling commitments made by the Government at national and international arena. It empowers members to claim their rights, especially socially and economically backward communities including women, children, and disadvantaged group in decision making process. It has become a forum for members to participate and contribute in identifying and prioritizing local needs, ensuring identified priorities are implemented.

Likewise, the programme via its social mobilization component identifies poor and disadvantaged groups in the most deprived settlements with the establishment of Citizen Awareness Centers (CACs) at those settlements. CACs constitutes 84% women participation and conducts regular discussion on citizens' rights and concerns; empowering them to speak for their rights. It has been instrumental in raising awareness against social evils (child marriage, racial discrimination, domestic violence, dowry, witch hunts, etc) via Social Mobilization tools such as REFLECT. Thus, the programme has successfully reached the most deprived community and has been working rigorously to improve their lives; including livelihood support leading to economic empowerment thereby contributing to overall poverty reduction. Moreover, the recent Mid Term Review (MTR) of LGCDP hailed Social Mobilization aspect of the programme as "Silent Revolution".

Likewise, the programme has been advocating and creating a forum for

dialogue via social audit, public hearing, and public audit to ensure downward accountability. The programme has been providing technical and financial aid to explore possibilities of increasing internal revenue of local bodies and implementing integrated property tax. Similarly, reducing fiduciary risks and public financial management is one of the main priorities of the programme.

Substantial progress has been made in orienting local bodies towards Child Friendly Local Governance and Environment Friendly Local Governance. The programme

is also supporting in policy dialogue for effective implementation of federalism.

Finally, the programme has made noteworthy progresses. Nevertheless, the programme can be further improved addressing the shortcomings. I am confident that this Newsletter will serve as important information source for stakeholders. I congratulate the programme coordination unit for revitalizing the publication of the Newsletter and wish for its continuation in the future as well.

Thank you

Outcomes and Output Areas

There are four outcomes areas of LGCDP that encompasses citizen's empowerment (demand side improvements), capacity development (supply side improvements), enhanced service delivery, integrated planning processes, and citizen-centric policy development. All together there are nine outputs under these four broad outcomes. The outcome areas are: 1) Outcome 1: Citizens and communities hold their local governance actors accountable. Under this two demand side outputs are included: i) Output 1: Citizens and community organizations are empowered to actively participate and assert their rights in local governance ii) Output 2: Accountability mechanism for local governance is in place. 2) Outcome 2: Local Bodies are more responsive to citizen's demand. This outcome includes three outputs: i) Output 3: LBs' access to resources increased, ii) Output 4: Public financial management system

improved iii) Output 5: Institutional and human resource capacities of LBs and central agencies involved in local governance strengthened. 3) Outcome 3: All citizens are provided with efficient and effective local service. Two outputs are included in this outcome: i) Output 6: Access to and quality of local infrastructure and other socio-economic services administered by LBs are improved. ii) Output 7: Strengthened integrated planning, budgeting, monitoring and evaluation and coordination amongst local governance actors. 4) Outcome 4: Strengthened policy and institutional framework for devolution, sub-national governance and local service delivery. Following two outputs are included in this outcome: i) Output 8: Refined policy on local governance and improved inter-agency cooperation ii) Output 9: Policies developed for devolution and federalism.

Output achievements at a glance

Output 1: Citizens and community organizations empowered to actively participate and assert their rights in local governance

This output focuses on the empowerment of citizens, especially women, children and disadvantaged groups, and their institutions {Citizen Awareness Centers (CACs), Ward Citizen Forums (WCFs), Integrated Planning Formulation Committees (IPFCs), District Social Mobilization Committee (DSMC)/Municipal Social Mobilization Committees (MSMCs) and Child Friendly Local Governances (CFLGs)} so that they can meaningfully participate in local planning, budgeting, monitoring and decision making processes and have access to the services available at local level. Major achievements under this output during this period include: As per the target of establishing WCFs in all wards of local bodies via Social Mobilization process, 99.7% target has been met. Despite the absence of elected local bodies representatives, due to the active role played by WCFs, 81% VDCs and 83% of Municipalities have completed participatory plan formulation and completed the council on time. Similarly, in order to ensure that children's concerns are heard and incorporated in the local planning process, a 'Balbhela' organized in 2142 VDCs and 169 Municipalities. Women's participation has increased significantly in the local level

decision making process. Similarly, encouraging progress has been made in the area of school enrollment, vaccination campaigns, vital registration while incidents of child marriage, child labour, witch hunts, racial discrimination and 'chhaupadi' has gone down significantly. WCFs have been instrumental in creating awareness on such issues and have been widely acknowledged for their roles in mitigating social evils.

As per the provision of Social Mobilization Manual, 2071, out of 31,414 Ward Citizen Forums (WCFs), 25,052 (79.7 %) replaced ¼th of members whereby 1, 56, 575 new members have taken responsibility. Therefore, the total members of WCFs currently are 7, 59, 568. Likewise, as per WCFs classification, 23400 WCFs have been hailed for its very important role played in communities while 4300 are medium and rest progressing. This year as per the target of establishing 5000 CACs in socially and economically deprived settlements, 4167 CACs have been established by the first week of June which brings the total count of CACs at 8484. Out of the total 2,09,264 CAC members, 84% are female. Furthermore, 63 CACs federated into cooperatives. Although the number is satisfactory, there are number of works needed to be done in this regard.

Likewise, Underlying Causes of Poverty Analysis (UCPA) conducted in 2,803 VDCs and 1,796 settlements. Moreover, training courses on Basic Social Mobilization, ReFLECT and Local Resource Person reviewed and detail training

course have been developed based on the identified capacity gap of SM stakeholders.

Output 2: Accountability mechanism for local governance are in place

Output 2 focuses on strengthening and maintaining state institutions (Local Bodies) accountable to citizen through more civic engagement. In this regard, promotion of Downward Accountability of Local Bodies and monitoring of their compliance on policy and legislative requirement is being practiced through contracting out with Civil Society Organizations (CSO); one in each 66 districts while rest 9 districts are monitored via Strengthening the Accountability of Local Governments (SALGP) by SDC. Local Governance Accountability Facility (LGAF), a mechanism under Good Governance Promotion Section of MoFALD, has been endowed with the responsibility of facilitation and mobilization of these CSOs.

In this regard, Compliance Monitoring of Local Bodies by CSOs has been conducted in 66 districts while 1613 VDCs and 185 Municipalities. In course of CSOs' mobilization for compliance monitoring of local bodies, 249 CSOs' staffs were provided refresher training on the procedures of compliance monitoring with use of accountability tools. Likewise, to develop the ownership by Local Bodies and coordination with the CSOs, all Local Development Officers (LDOs) and Executive Officers were provided orientation on downward accountability, role of the CSOs' and compliance monitoring procedures. Similarly, 38 Planning, Monitoring and Admin Officers, 66 Social Development Officers, 47 District Governance Experts (DGEs) and 38 Urban Governance Experts (UGE) were a part of compliance monitoring, oversight and grievance redressal orientation.

Social Development Officers, 47 District Governance Experts (DGEs) and 38 Urban Governance Experts (UGE) were a part of compliance monitoring, oversight and grievance redressal orientation. Grievance Management Operational Guidelines for Local Bodies, 2015 and Accountability Bulletin also have been published and disseminated to the Local Bodies in this endeavor.

Likewise, all DDCs and Municipalities have placed or updated citizen charter and notice boards, nominated the information officer, help desk, nodal officer and started redressing public grievances. To date, 333 VDCs, 110 Municipalities and 53 DDCs have started to publish monthly income and expenditure report. Likewise, 1879 VDCs, 151 Municipalities and 68 DDCs have functionalized their own respective project monitoring and supervision committees along with subsequent feedbacks. Furthermore, 918 VDCs, 148 Municipalities and 72 DDCs have completed second public hearing. Up to the second trimester, 16% of VDCs, 9% of Municipalities and 14% of DDC related projects have completed the public audits and rest of the projects is under implementation.

Local Bodies have started the grievance redressal of their citizens. In the second trimester (Dec 2015-March 2016),

a total of 560 grievance cases registered in VDCs, 5140 cases in Municipalities and 244 cases in District Development Committees (DDCs). Out of total cases, 100% cases got settled at VDC, 94% at Municipality and 99% at DDC level. Likewise, Good Governance Promotion Section in MoFALD has registered 472 cases from Commission for Investigation of Abuse of Authority (CIAA), 70 cases from National Vigilance Center, 905 from Hello Sarkar and 27 from MoFALD. Redressing has been initiated in 370 cases from CIAA, 60 from NVC, 899 from Hello Sarkar and 27 cases from MoFALD out of the registered cases. Further, actions have been taken against 25 people (Under Secretary- 5, Section Officer-7, Nayab Subba-5, Kharidar-6, Offices Assistant-1, Mukhiya-1) and prosecuted in Special Court.

Output 3: Local Bodies' access to resource increased

The main objective of output 3 is to increase the access to resource of local bodies in Nepal. In order to achieve the objective, various capacity development programs have been implemented focusing on DDCs and municipalities. Specifically, DDCs and municipalities are supported for preparing revenue improvement action plans (RIAPs). The orientation programs were carried out to Executive Officers and chief of the Revenue Section of new municipalities on the implementation of Integrated Property Tax. Besides these, few study reports were prepared i.e. designing Fiscal Federalism Roadmap and formation of National Fiscal Commission in the context of fiscal feder National Fiscal Commission in the context of fiscal federalism and grant equalization formula of local bodies. The Local Body Fiscal Commission (LBFC) has published and disseminated the financial analysis report incorporating internal revenue and grants (conditional, unconditional and others) provided by Government of Nepal. Similarly, the procedures of Minimum Condition Performance Measure (MCPM) assessment system of DDCs, VDCs and Municipalities have been updated and revised (draft). Out of the total 159 new municipalities, orientation on MCPM indicators for 73 municipalities completed. Similarly, 110 Municipalities implemented Integrated Property Tax (IPT) and house land tax that have resulted for increasing internal revenue. The local bodies have been able to increase more than 10 percent internal revenues in 2014/15 compared to 2013/14.

Output 4: Public Financial Management (PFM)

The main objective of Output 4 is to improve financial management system by providing training to internal auditors, developing the Audit Observation Record and Tracking System (AORTS), reducing fiduciary risk at local bodies, improving accounting system, supporting the Office of Auditor General and local bodies, enhancing the procurement and bidding system, and strengthening the financial reporting system of MoFALD.

Some of the major achievements made in this output during

the period include: Out of 3157 VDCs, 1,196 VDCs have installed Accounting Software and more than 1500 staff have been trained at local level. It is reported that 217 VDCs have been using the software. Similarly, DDC Financial Administration Management Package (FAMP) has been used in 71 DDCs. Training on the FAMP has been provided for 15 DDCs' internal auditors using own sources. Audit Observation Record Tracking System (AORTS) has been implemented in 2 DDCs (Gulmi and Bhajhang) and assessment of audit suggestion of 15 DDCs has been started. Similarly, other achievements include Financial Compliance Monitoring completed in 5 DDCs, 9 municipalities and 5 VDCs. Local PEFA report shared with all stakeholders and forwarded to PEFA Secretariat.

Output 5: Institutional and human resource capacities of LBs and central level agencies involved in local governance strengthened

This Output focuses on strengthening institutional capacities and human resource capabilities of MoFALD, DoLIDAR, LBFC; local bodies line agencies and other local governance actors. This includes actions aimed at implementing organizational, procedural and process reforms. LGCDP has endorsed the concept of capacity development to empower individuals, institutions and societies/communities via both demands led and supply led approach. Formulation Guideline revised and Pro-poor Green recovery plan on Myagdi and Kavrepalanchowk prepared and being implemented in selected Village Development Committees.

Likewise, Environment Friendly Local Governance has been implemented in 14 Districts, 54 Municipalities and 60 Village Development Committees. Furthermore, performance based climate resilient grant mechanism has been piloted in selected six village development committees of Dhading and Rupandehi districts.

LGCDP has endorsed the concept of capacity development to empower individuals, institutions and societies/communities via both demands led and supply led approach.

To date, 138 VDCs, 18 Municipalities and 22 DDCs introduced Performance Contracting system for their staffs. Similarly, 58 Municipalities and 53 DDCs assessed capacity development needs and updated the existing Capacity Development (CD) plan as per the national CD strategy. Various capacity enhancement trainings were conducted at local level. Such as, Local Development Officers and Executive Officers (195) participated in 7 days orientation training on Local Governance and their roles and responsibilities. Likewise, 5,949 Local Body staff and 11,120 stakeholders (NGOs, and political parties) participated in trainings on Result Based Monitoring (RBM), and cross cutting issues such as Child Friendly Local Governance (CFLG), Gender Equality and Social Exclusion (GESI), and Environment Friendly Local Governance (EFLG). In addition, 1,143 local bodies' staff participated in ICT-based system training. Moreover, LDOs and VDC secretaries' handbook prepared. Result shows only 14 percent VDC secretaries are taking responsibility of more than one VDC.

To promote the transparency and accountability, many LBs have installed digital based notice board (Citizen Charter). The report depicts that 18 Municipalities and 15 DDCs have already installed digital notice board for public notice.

Output 6: Access to and quality of local infrastructure and other services improved

This output addresses the various activities that will be undertaken to ensure effective and efficient delivery of MoFALD's core services related to local infrastructure development, vital registration, social security payment and community mediation.

In this regard, major focus has been in the reconstruction of VDC buildings in the earthquake affected districts. Construction of 25 VDC buildings out of 178 VDC buildings under construction has been completed. Likewise, quality lab with lab equipment and lab technicians established in Dolakha, Kavre, Dhading, Lamjung, Surkhet, Rukum, Rolpa, Banke, Sarlahi and Dailekh. Similarly, draft Water, Health and Sanitation (WASH) Approach Manual for local bodies and on Local Infrastructure Development works has been prepared. Similarly, other accomplished activities include; i) Social Protection Operational Manual approved, ii) 68 municipalities prepared draft Municipality Transport Master Plan (MTMP), iii) Training Manual on social protection (SP) and vital event registration (VER) completed whereby 46 local body staffs of 2 DDCs, 2 Municipalities and 6 VDCs trained. Likewise, Memorandum of Understanding signed with Central Bureau of Statistics for initiating National Survey on Vital Event Registration (VER) completed whereby 46 local body staffs of 2 DDCs, 2 Municipalities and 6 VDCs trained. Likewise, Memorandum of Understanding signed with Central Bureau of Statistics for initiating National Survey on Vital Event Registration and trainings to be organized soon. Community Mediation Center established in 100 VDCs which has been successful in settling disputes at local level. Likewise, basic training on firefighting and rescue provided to 34 fire fighters of 14 municipalities, and 56 municipality engineers trained while 26 Municipalities implemented building code.

Output 7: Integrated Planning and Monitoring

Output 7 addresses range of initiatives, such as, integrated administrative and management processes to cover the activities of service providers involved in local development, district periodic plan as a basis for coordinating all Sectoral plans and development.

To date, a total of 45 districts prepared periodic plan. In total, 223 planning related officials including LDOs, Planning and Administrative Officers and Program Officers of 75 districts took part in the results based planning and monitoring training. Similarly, MoFALD revised "District Periodic Plan Guideline, 2072" making it more result oriented, inclusive and realistic. Likewise, Participatory Annual Planning Formulation Guideline revised. With regards to Environment Friendly Local Governance (EFLG), Pro-poor Green recovery plan of Myagdi and

Kavrepalanchowk prepared and is being implemented in selected Village Development Committees. Likewise, EFLG has been implemented in 14 Districts, 54 Municipalities and 60 Village Development Committees. Furthermore, performance based climate resilient grant mechanism has been implemented in selected six village development committees of Dhading and Rupandehi districts. Child Friendly Local Governance (CFLG) declared in Tetaria VDC of Morang district and Biratnagar Sub Metropolitan Municipality, and 75 DDCs & 58 Municipalities adopted CFLG. Gender budget audit completed in 13 VDCs, 48 Municipalities and 50 DDCs. Central level coordination meeting held with Sectoral Ministries on GESI. DPMAS and Web based reporting system is being strengthened.

Output 8 & 9: Refined policy on local governance & Policies developed for devolution and federalism

Output 8 & 9 provides policy support in the areas of decentralization and federal governance process respectively. Various activities have been carried out under each output. The programme has contributed in ensuring democratic, autonomous and functional local governance via engagement at different phases and processes of participatory constitution building.

LGCDP/MoFALD has successfully carried out various outreach activities, dialogues with multi-stakeholders at national and sub-national level. As a synergy, it is worth mentioning that the explicit provisions regarding democratic, inclusive, autonomous and functional local governance are embedded in the Constitution of Nepal. This has created an important legislative foundation to a greater devolution of power, functions and resources at the local level. LGCDP now has prioritized its activities to effective implementation of the provisions regarding local governance and speedy transitioning processes. Major achievements are as follows:

- Audio, visual materials were produced by incorporating major characteristics of the constitution; awareness building activities carried out at national and sub-national level. Social Mobilizers played important role in the Constitution dissemination and confidence building process at the community level.
- The program has prepared criteria/standards and ToR to constitute Local Level Restructuring Commission (as already established) and technical support being provided to the commission.
- Draft bill has been prepared regarding constitutional commissions namely the Dalit, Inclusive, Adivashi Janajati, Tharu, Muslim and Madhesi Commissions.
- Study and consultation process has been initiated to further detail out and clarify functional assignment across the government. Necessary technical support has been provided to Local Level Restructuring Commission and Local Bodies Fiscal Commission.
- As per the spirit and provision of the constitution, necessary federal legislation (including laws required for holding local election) regarding local level has already been identified and initiated to develop concepts and draft bill to this regard. It is believed that the process will contribute to effective, efficient and timely implementation of constitution, and to hold local level election.

Case Studies

Ministry of Youth and Sports awards Laxmi Chaudhari- CAC member of Kanchanpur Municipality with 'Young Talent Award'

Laxmi Chaudhari, a member of Pipladi Citizen Awareness Centers (CAC) from Kanchanpur Jhalari Pipladi Municipality-1 has been awarded with 'young talent award' by Ministry of Youth and Sports. Along with the award, she also received a cash prize of Rs. 50,000. She was selected based on a news article published in the "Karobar Daily" dated 6th September 2015 regarding her successful poultry farming small enterprise which she had initiated with Rs. 25,000 loan from the Livelihood Improvement



Programme (LIP) support provided by the CAC. She garnered a profit of Rs. 70,000 annually from the poultry farming. The award is granted as a source of motivation to youths making significant contribution in the area of youth development and in their communities.

Application was requested on 11th March 2016. In addition, based on news published in various newspapers regarding their endeavors, a list of 107 was selected primarily. A total of 45 youths (people and organization) under the age of 40 were selected nationwide.

Reduced alcohol production and consumption leads to reduced domestic violence

"People interest in self grows when their self awareness increases. Interest generates desire that leads to seeking opportunities. Such example set by the participants of Pragati Citizen Awareness Center of Belauri Municipality Ward no. 7."

Citizen Awareness Center (CAC) situated in the Sitanagar Community Forest of the Belauri Municipality was formed in 10 March 2011 with the support of LGCDP. Since the inception, CAC members have been engaged in discussion to identify pertinent community problems and scopes of community development via REFLECT classes. Members came to a consensus that causes for the domestic violence and abuse against women usually stems from alcohol production at home and its uncontrolled consumption. Thus, members decided to raise awareness on discontinuing such practices from every household.

"Alcohol is traditionally needed for rituals and is considered a part of household hospitality. But it had more malpractices associated with it too. Hence, as a community we decided to stop the practice entirely weighing more negatives than positives behind it, assaid CAC member". CAC members began campaigning to reduce and stop production of alcohol, starting from their own members. An action plan was pre-pared to remove alcohol from each household. For this, members started door to door campaign explaining communities about the negative effects alcohol can bring to individuals, family and communities. However, it was not without challenges. CAC members even received threats that they were trying to block people's main source of



CAC Members destroying home made alcohol

income. Nevertheless, CAC members relentlessly continued their effort. Eventually, the whole community became an alcohol free zone with the members' unified effort.

Furthermore, CAC also started penalizing household with NPR 500 if continued with alcohol production in their home or community. The after effect is reduced domestic violence in families and minimized social disputes. Moreover, this movement brought out practice women and community members to come together, identify social issues and work together to reduce social issues.

Earned Thousands with Learnings from CAC

Social unity, participatory decision-making, mutual understanding, endless passion and hard work can lead to an attractive income- this saying has been proven right by the CAC members of Myagdi Tatopani VDC.

In the last fiscal year 2071/72, with vigorous discussion amongst the members, the focus was shifted towards economic empowerment. Eventually, the members decided to conduct poultry farming based on available local resources, feasibility, use of local skills and market potential. In order to start the business from establishing a farm to buying feeds and chicks, a total of NRS 6,20,000 was estimated.

Thus, the CAC members garnered a support of NRS 4, 15, 000 from the Local Governance and Community Development Programme (LGCDP) through its Small Infrastructure Programme (SIP) and Livelihood Improvement Plan (LIP) grants via DDC Myagdi. Remaining NRS 2,00,000 was collected by the 25 members from various sources. As seen in the picture, a small infrastructure was setup

with 1,500 chicks, required basic training, feeds and other requirement.



Poultry farm at Tatopani VDC

In addition, a caretaker has been recruited with monthly salary of NRS 15,000 to look after the poultry farm.

Social Mobilizer Shanti states, "Transparency is maintained of transactions in an information board". Likewise, CAC coordinator Buddhi Garbuja proudly reiterates, "So far all the transactions have been made public. She further informed that until now 17,000 eggs have been sold at NRS 10 each. The amount accumulated has been used to purchase more feeds and medicines, after deducting the remuneration, a monthly average income of 1 lakh 15 thousand is made. Everyone is immensely proud of this achievement and expects to increase the egg production." The members are therefore confident of expanding the business by adding more chickens with increasing profits. This reflects that youth of this country do not need to go abroad for hard labour. Instead, they can earn thousands by working in their homeland.

*Poultry farm*

WCF & Child Club towards combating child marriage

We, as human being rely on our close networks, friends and families to support one another in times of needs. However, it did not hold true for Laxmi Bitaula of Arkha VDC in Pyuthan District. Her relatives attempted to marry her when she was just 15 years old. She lived with her father Debiram Bitaula in Arkha VDC ward no 6 in Pyuthan VDC.

A family friend, an aunt visited her one day and mislead her to traveling to Daring VDC of Baglung to celebrate a local festival and attend a fun-fair. Later her aunt was seen discussing something with another lady Shova BK. Little she did know, they were making plans of her marriage. Shova BK lured her to a temple and there she was married to 17 year old Sane BK. She did not realize what was happening until her aunt took her to tailors to sew her new clothes. When she realized, she escaped and ran off to nearby Burtiwang VDC. She was spotted running aimlessly by a passerby who took her to a house of WCF coordinator in Burtiwang VDC. There, her story was heard by WCF members who then

*Laxmi Bitaula, 15 yrs*

ensured she reaches Arkha VDC and was reunited with her parents.

After that, the child club in coordination with WCF ensured that the accused were made to

*WCF discussing the case**Sane BK, 17 yrs*

appear at the VDC office and warned to not repeat such offense again. The child club in support of VDC office made the accused to sign a letter stating not to repeat such illegal works and if found again engaged in such tasks would be recipient of legal punishment. Given that if there were no child club and ward citizen forum in VDC, situation of Laxmi would have deteriorated.

Babita leading the way for other women in the community

Babita hails from a society of extremely underprivileged, poor Madheshi community of Terai where there is lack of proper education and sanitation, and clouded in superstitions. She became an example coming from such a community to becoming an active member of the CAC, and an advocate in raising awareness on women's rights and against ill- practices. Babita is a member of the Citizen Awareness Center established in Jhokatiya ward no 8 by DDC with support of LGCDP in 2015.

In Babita's society, that is, rural Madheshi community, women hardly speak in front of others; are always covered and are restricted to looking after children and doing

household chores. Babita was no different. Earlier, she was even hesitant to introduce herself.

However, after becoming a member of CAC, she not only speaks for herself but also for other women like her, thus has emerged to be a strong advocator of women's plight in her community. She is also

*Babita*

able to write her name owing to literacy classes conducted at CAC.

It comes from her own experience in understanding the struggles of other women. She faced resistance from her home; her mother in law was not happy with her going out of the house. It took a lot of effort for her to finally convince her. It was especially hard because her husband was working abroad. Not having her husband around was even more challenging for her to become outspoken and visible in the community. People could have easily tarnished her image.

Regardless, she continued her participation in the REFLECT classes at CAC which allowed her to understand reasons behind her community becoming poor, what marginalized group mean, about women's rights, development budget of VDCs, etc. The knowledge empowered her which gave her strength to impart that knowledge to empower other women and encourage them to join CAC. Eventually, her mother in law was also convinced of her hard work and is now a regular participant of the CAC meeting.

Livelihood Improvement Plan improves peoples lives

Masara and Bayalbasti of Narethati VDCs of Baglung district is home to disadvantaged groups of people. As per the CAC formation indicators mentioned in the guidelines viz well-being ranking, Underlying Cause of Poverty Assessment (UCPA) and social status, CAC was established 3 years ago in these settlements. All thirty female member attend regular REFLECT session on transformational social mobilization. Learning and experiences were shared by other participants and social mobilizer. During REFLECT sessions, discussions were held on relevant issues and problems faced by CAC members.

Among those 30 members was Sushila Pun who had a mundane everyday life where she was struggling to meet her family's everyday needs. Sushila mentioned no matter how hard she worked, she could barely earn enough to provide meals to her family of six. Due to poor financial status, she was unable to invest or do any business hence was forced to earn on daily wages for her entire family. She received a loan of fifteen thousand rupees which she used to start vegetable farming.

It stabilized her income and she was able to send her children to schools. She was further supported with fifty thousand rupees from CACs revolving fund provided by DDC Baglung.



Sushila at her farm

She added two more tunnel with that further increased her income. She could easily sell her vegetables at the local market. She earned atleast 50,000 to 60,000 rupees from each tunnel of vegetable farming. She even got her husband to return from abroad after such surge in her income. The support was also received by three other CAC members.

Rainwater Harvesting for Recharging Ground Water

Over exploitation of drinking water and haphazard irrigations together with drought due to climate change has caused depletion of groundwater resources in Terai. Rajkumar Das, Executive Officer (EO) of Golbazar Municipality said, "Until few years back people could pump out drinking water from 40ft- 45ft below the ground but now it needs penetration of up to 150ft - 160 ft".

Roof Top Rainwater Harvesting and Recharging Groundwater Technology was an option to be tested to replenish the groundwater in Terai. Accordingly, Rajbiraj Municipality piloted Roof Top Rainwater Harvesting and Recharging Groundwater Technology for recharging ground water in Rajbiraj Municipality premises in 2015. In this connection the Municipality constructed recharge pits together with water harvesting tank and made arrangement to pipe water in these pits and tanks from office building roofs through financial support of Environment Friendly Local Governance Program (EFLGP) that is implemented under Local Governance and Community Development Program of the Ministry of Federal Affairs and Local Development (MoFALD).



Rooftop rainwater harvesting

According to Rajbiraj Municipality Executive Officer Mr. Bishnu Gurung the project has yielded multitudes of benefits this year. Water at the office premises has been recharged that can be exemplified from the fact that greenery around the pits has been maintained even in the dry season of 2016. Municipality Office adjoining settlements are enjoying drinking water benefits from the project as they have been able to pump water by digging only 30ft.-35 ft ground which was not the case before.

Events

7th National Advisory Committee (NAC) meeting

The 7th National Advisory Committee (NAC) meeting of LGCDP, Phase-II was held on 08 June 2016 under the chairpersonship of Mr. Mahendra Man Gurung, Secretary, Ministry of Federal Affairs and Local Development (MoFALD). The meeting approved annual strategic implementation plan (ASIP) 2016/2017 and recommended constituting a Joint Task Force under the leadership of MoFALD to work out on the next phase of the programme based on the areas identified in the MTR report. The Committee extended vote of thanks to the Government of Denmark and Norway for providing additional DKK 20 million (USD 4.0 million) and NOK 25 million (USD 3.0 million) respectively to meet the funding gap.

In his remarks, Mr. Gurung noted that LGCDP has been the largest programme in the area of local governance reform and community development. Thus, moving forward in the changed context, the programme should be oriented towards capacitating local bodies to implement mandates of the constitution. It was underlined that community institutions such as the Ward Citizen Forums (WCFs) and Citizen Awareness Centers (CACs) have been instrumental in empowering people at the grassroot level which has also been recognized in the Mid Term Review also, and that this community organization will be complimentary in the new system as well. In his final remark, the secretary acknowledged contribution of donors in making LGCDP a successful programme.

The committee endorsed 17 decisions based on the recommendation of Sub NAC. Some of the key decisions endorsed are: ASIP programme and budget 2016/17 FY, MTR report, take adequate steps to implement the FRRAP 2015-17, LGAF to analyze all the district good governance reports and provide policy guidance to improve the governance system at the subnational level amongst others.

The NAC also felicitated Dr. Urs Herren, Ambassador, the Embassy of Switzerland in Nepal and DP Chair who was completing his tenure in Nepal with a token of love and

conveyed sincere appreciation for his impeccable commitment and support towards strengthening local governance in Nepal.

Ms. Gail Marzetti, DP Co-Chair remarked that the changed context provides ample opportunities to shape the course of future local governance in Nepal. Thus, expressed happiness on forming a joint task force between the Ministry and Development partners to look into issue and begin to sketch out the contours for future engagement. Lastly, the DP Co-Chair assured that DFID would give high priority to achieve reforms in local governance in Nepal.



(Left To Right) H.E. Urs Herren, DP Chair/Ambassador Swiss Embassy in Nepal (Outgoing), Mr. Mahendra Man Gurung, Chair/Secretary MOFALD, Ms. Gail Marzetti, DP Co-Chair, Head of DFID, Mr. Rajendra Pd Nepal, Financial Comptroller General

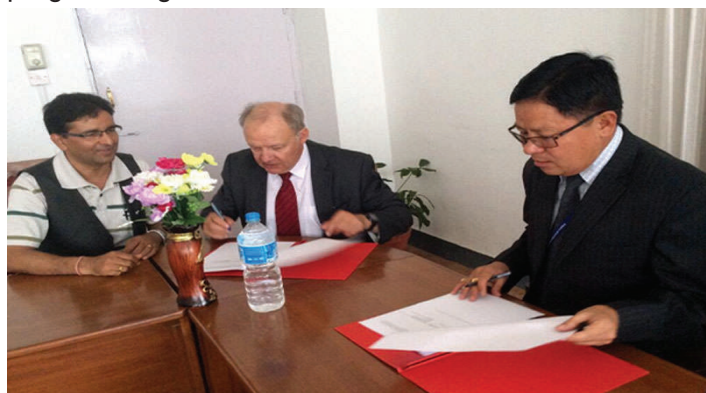
The meeting was attended by representatives from Financial Comptroller General's Office (FCGO), line ministries including Ministry of Women, Children and Social Welfare, Ministry of Cooperatives and Poverty Alleviation. Likewise, Joint Secretaries of MoFALD, and other sector line ministries such as Ministry of Finance, National Planning Commission, DOLIDAR and Local Bodies Associations' representatives like ADDCN, NAVIN and MUAN were present in the meeting and distinguished delegates and representatives from Development Partners (DPs).

Norwegian Government provides an additional fund of USD 3 million to LGCDP

An agreement was signed between Norwegian Ministry of Foreign Affairs and Ministry of Federal Affairs and Local Development on 17th June 2016 to provide additional 3 million USD to support the Local Governance and Community Development Programme. The agreement was signed by His Excellency, Ambassador Kjell Tormod Pettersen on behalf of Norwegian Ministry of Foreign Affairs while Mr. Mahendra Man Gurung, Secretary, MoFALD signed the agreement on behalf of MoFALD.

A commitment was made by the Norwegian Government during the National Advisory Committee (NAC) meeting held on 8th June 2016 owing to remarkable results of the programme. The Secretary expressed gratitude to the Norwegian Government for the continued bilateral support to the Government of Nepal and assured that the fund would be utilized in continuing efforts of LGCDP to strengthen local government, increasing accountability,

reducing fiduciary risks while focusing on citizen centric programming.



Agreement signing between Norwegian Ministry of Foreign Affairs and Ministry of Federal Affairs and Local Development

Government of Denmark provides an additional grant support of DKK 20 million (USD 4.0 million) to LGCDP

An agreement was signed between Government of Denmark and Ministry of Federal Affairs and Local Development on 27th May 2016 to provide additional DKK 20 million (USD 4.0 million) to support the implementation and execution of Local Governance and Community Development Programme (LGCDP II). The agreement was signed by Her Excellency, Ambassador Kirsten Geelan on behalf of the Embassy of Denmark while Mr. Mahendra

Man Gurung, Secretary, MoFALD signed the agreement on behalf of MoFALD. The funding commitment was made to meet part of the funding gaps to implement LGCDP II for the year 2015/16. The Secretary expressed gratitude to the Government of Denmark for the continued bilateral support to the Government of Nepal and assured that the fund would be utilized based on approved Annual Strategic Implementation Plan (ASIP) 2015/16 and 2016/17.

An observation from Ranibas VDC Sindhuli district

Namuna CAC in Ranibas VDC of Sindhuli established in 2068 B.S. CAC comprises of deprived community namely "Danuwar settlement" at Ranichuri. The members of CAC are aware of vital registration, planning, VDC grant, social security and citizenship card.

During the recent Joint Field Visit, it was observed that Ranibas VDC has implemented few result oriented projects with the support of annual VDC grant which can be a lesson to others as well.

The CAC had received Small Infrastructure Support (SIP) Grant in last fiscal year which they used to build shed for poultry farming. With that support, the members invested in poultry farming. Eventually, a profit of NRs. 24,000 was made from the poultry farming. Now, the members have made agreement with local businessman to provide chicks and feeds in credit. The CAC members sell their poultry produce to the businessman on wholesale basis and a final transaction is settled. The modality has benefitted both CAC members and the businessman.

Similarly, the members are now taking lead in solving the problem of drinking water at the VDC and has prioritized it in the fiscal year 2073/74. With their vigorous lobbying,

VDC has allocated a large sum of the budget to maintain drinking water supply to ward No. 4, 5 and 6 of Ranibas VDC. The VDC Secretary noted that the projects are selected based on the rationality, coverage, and priority of people. This year, Drinking Water has been the main priority and all grants have been mobilized for this purpose. This is a noteworthy practice of VDC.



CAC Members of Namuna CAC at Ranibas

Updates

Mapping of the Capacity Development Plan of Local Bodies

To enhance the capacity of local bodies, LGCDP/MoFALD has endeavored to formulate the participatory Capacity Development (CD) plan of all DDCs and Municipalities to identify capacity gap, resources availability and coordination mechanism among the stakeholders. In the first phase of the LGCDP, 71 DDCs had formulated CD plan. Amongst all, 50 DDCs' CD plans were outdated, and no attempts have been made for a midterm review and final evaluation of the plan. Concurrently, 21 DDCs' CD plans still remain of their working tenure. Concurrently, 47 Municipalities out of 58 (old) has formulated CD plan. Amongst them, only one CD plan (Lahan Municipality) is valid whilst 46 CD

plans had already terminated. None of the Municipalities have initiated midterm review, and final evaluation of the plan. Similarly, 159 new Municipalities have not formulated CD plan.

CD plan is one of the indicators of MCPM which assesses the performance of local bodies. MCPM results of 2014/15 show 4 DDCs do not have CD plan while 50 DDCs' CD plan had already run out. Most DDCs were able to secure the score in MCPM assessment on CD plan. It is a big challenge and needs to overcome the critics in policy discourse.

Minimum Condition and Performance Measure (MCPM)

The Minimum Conditions and Performance Measurement (MCPM) based on Local Self Governance Act is a method of measuring the performance of the local bodies annually based on certain criteria by the Local Bodies Fiscal Commission (LBFC). The Minimum Condition (MC) are legal provisions based on Local Self-Governance Act and related procedures, directives, proceedings, guidelines and other prevailing laws that Local Bodies must abide by. Based on areas of Local Bodies scope of work, minimum conditions indicators are developed. Local bodies have to fulfill these minimum conditions indicators based on which their performance is measured.

MCPM in local bodies was introduced in the Fiscal Year 2066/67 B.S. Based on the results of MCPM since its incorporation, there seems to be gradual improvement in DDCs and Municipalities performance. On the other hand,

the performance of VDCs are still very comweak in comparison due to lack of adequate and skilled human resources, VDC Secretaries work overload, procedural delay in the recruitment of VDC Secretary and weak VDC physical infrastructures. The table below provides a parative data of MCPM of local bodies of last 5 years.

FY	DDC		MUN		VDC	
	Numbers	Passed	Numbers	Passed	Numbers	Passed
066/067	75	61	58	51	3733	3516
067/068	75	64	58	54	3915	3406
068/069	75	69	58	53	3915	3076
069/070	75	67	58	57	3915	3079
070/071	75	70	58	58	3625	1837

Source: LBFC MCPM report 2071 B.S.

LGCDP Emergency Grant Support in Earthquake Affected Districts

Immediately after the earthquake of April 2015, the Ministry of Federal Affairs and Local Development (MoFALD) through the Local Governance and Community Development Program (LGCDP) provided emergency grant relief for earthquake victims 14 impacted districts. LGCDP provided emergency grant of Rs.900, 000 per VDC in highly affected districts and Rs. 450,000 per VDC in affected districts and Rs. 200,000 per ward of Municipalities in those districts. In total, LGCDP released Rs. 504.8 million to 580 VDCs and 650 wards of 41 Municipalities of those 14 districts. In order to smoothly execute the relief fund, MoFALD developed the

"Immediate Relief Support in the Earthquake Affected Areas: Operation Guideline 2015". Based on the guidelines, the local bodies managed the relief funds.



An aerial view of damaged houses in Gorkha

The provision of emergency grant was widely disseminated through local radio and every citizen was aware of the fund. The emergency funds were utilized to purchase and distribute of ZI sheet, tarpaulin, and on food items.

Laxmi Ratna Tuladhar, Chairperson of Ward Citizen Forum (WCF), Ward Number 16 at K a t h m a n d u Metropolitan City said,

although the amount received from MoFALD was very small, it was instrumental to coordinate other supports such as Red Cross, private sectors and civil society organizations". Moreover, he further said, "the support was vital in building confidence of people towards LBs and government response".

An independent study commissioned by the MoFALD found the mandatory involvement of WCFs in relief committees and management of emergency grant has significantly increased the status of WCF in communities and villages, and increased high level of local ownership. The overall financial progress of emergency grant was 95%.

Training on Fire Control and Rescue

Five days basic 'Fire Fighting and Rescue' training was conducted at Birtamod Municipality, Jhapa, with technical support from Juddha Barun Yantra, Office of Kathmandu Metropolitan City with the initiation of Fire Control and Disaster Management Section of MoFALD. The training covered theory and practical sessions on fire control and rescue as well as demo/drill exercise on using various firefighting equipment such as Fire Extinguishers, Personal Protective Equipment, Breathing Apparatus, Turntable Ladder, Light Portable Pump, Hose, Nozzle and others.

In total, 20 firefighters of 9 municipalities from Eastern Region participated the training.



Fire fighting training

Training on Building Bylaws

Trainings on building bylaws and building code were conducted at Kohalpur and Chandrapur For municipal engineers/ sub-engineers of new municipalities of Centre, Western, Mid and Far Western region. In total, 56 engineers/ sub engineers of new

municipalities took part in the training. Similarly, TOT on integrated training manual of planning/building bylaws and building code was conducted for a total of 18 engineers of six regions (three from each region).



TOT on Training

Update on District Periodic Plan (DPP)

Until this trimester a total of 45 District Periodical Plans (DPP) updated and others are under preparation process. To assure quality, DDCs have prepared the plans following DPP Guidelines that were provided by MoFALD. In addition, most of the drafts DPPs were reviewed by the MoFALD Planning Section. Furthermore, MoFALD has reviewed the given guideline to ensure DPP is prepared focusing on citizen centred development, good governance, inclusive, sustainable, poverty reduction, promoting investment, equity, capacity development, coordination and consensus, proper



RBM Training being conducted

land use based on geography, integrated community development, social justice, disaster management, etc. Some of the key features of the DPP guideline are: adherence to result

based planning process, SWOT analysis, clarity on result based indicators, work plan to convert DPP into annual plan, participatory planning process, regular monitoring process based on result's indicators amongst others.



RBM Training being conducted

To make the DPPs more result oriented, MoFALD provided three days training on Result Based Monitoring to Local Development Officers, Planning and Administrative Officers, Programme officers in all 75 districts. The training was organized at in the five development regions, namely Dhangadi, Nepalgunj, Pokhara, Dhulikhel and Biratnagar. In total, 223 local body officials underwent the training.

Information Communication Training (ICT) Conducted



ICT Training

office staffs and 13 social mobilizers attended the training. Participants were given training on various subjects like Nepali typing, unicode, email-internet, google tools, office packages, operating system, mobile technology, virus antivirus, website and social media at local bodies, brief

Dashrathchand Municipality of Baitadi district conducted three days ICT training to its staff and social mobilizers. A total of 23 participants including 10

introduction to running software packages at municipality, e-governance, cyber law etc. It was realised that such programmes are also necessary for the members of child club. Participants also expressed that refresher training is required to update on topics included in the training.



Social Mobilizers on training

Article

Local Governance and Accountability Facility Programme in Nepal

Since 2008, Nepal's Ministry of Federal Affairs and Local Development (MoFALD) has been conducting a Local Governance and Community Development Program (LGCDP) to support entire local bodies (LBs), namely, districts, municipalities and village development committees (VDCs) for effective service delivery through citizen participation. The overarching goal of the LGCDP is to contribute to poverty reduction through inclusive, responsive and accountable local governance and participatory development. This program is jointly financed by the Government of Nepal and thirteen development partners under various financing arrangements. The program thus far has successfully established citizen empowerment and effective service delivery.

In the final stages of designing the LGCDP, a semi-autonomous Local Governance Accountability Facility (LGAF) was included as a support mechanism to foster positive, constructive and critical engagement of citizens and civil society with LBs and the primary units of public service delivery. LGAF is important for addressing the "downward accountability" of local

authorities, which is required to match the substantial increase in financial resources made available to local government. LGAF is the key to achieving the second output of the LGCDP, which reads, "Increased capacity of citizens, communities and marginalized groups to assert their rights and hold local governments accountable".

The Role of LGAF

LGAF provides grants and capacity development assistance to Civil Society Organizations (CSOs), including Community. It advocates for easier and more inclusive access to better public services and CSOs involved in monitoring public expenditure at the local level. In addition, LGAF does analytical work and provides information on best practices. LGAF is currently operating in 66 districts in the country. It provides grants to CSOs to monitor LBs' compliance in accordance with legislative and policy requirements. CSOs that receive grants are required to carry out participatory monitoring to assess LBs compliance with legislative and policy requirements using social accountability tools.

Main Objectives

The objective of monitoring LBs is to increase public knowledge about LBs and local representatives' activities, provide internal information for LBs to improve their performance and work effectively with district agencies and CSOs, and help citizens and communities hold their local governments accountable.

If achieved, these objectives will lead to enhanced compliance, better transparency and accountability, greater participation, and efficient delivery of public services and local governance. In addition, the monitoring is expected to support the selected LBs in establishing internal controls that comply with regulations and measure risks. LGAF requires the CSOs to lead and undertake compliance monitoring over a three year period, subject to an annual renewable contract based on quality performance. The selected CSOs must have core competencies in good governance, downward accountability, social accountability, local governance and/or compliance monitoring.

Selected CSOs that obtain competitive grants from LGAF monitor LBs' compliance with legislative and policy requirements such as the Local Self Governance Act 1999 (LSGA), Local Self Governance, Regulations 2000 (LSGR), Local Bodies Financial Administration Regulations 2007 (LBFAR), Good Governance Act 2008 (RTIR), Public Procurement Act 2007 (PPA), Public Procurement Regulations 2007 (PPR), and other guidelines Issued under those statutes, including the Local Bodies Resource Mobilization and Management Guidelines 2012 (LBRMMG). These CSOs will be required to monitor planning, implementation and monitoring and reporting stages. They are encouraged to engage socially mobilized groups and institutions.

Expected Grand Outputs

There are several results expected from the grants issued by LGAF. They are expected to enhance the capacity of the Ward Citizen Forum (WCF), which was created under the social mobilization and community development component of the LGCDP. They are also expected to help the Community Awareness Centre (CAC) and LBs to translate social accountability tools,

such as public hearings, public audits and social audits, into practice. The grants also seek to increase citizen participation in planning, implementation, evaluation and monitoring, enhance the capacity of citizen groups and communities to hold their local governance actors accountable, and expand compliance monitoring initiatives to other LB units.

Monitoring, Evaluation and Reporting

Following the program implementation, the selected CSOs are expected to run monitoring, evaluation and reporting procedures. These include checking whether the LBs have complied with legislative and policy requirements and thoroughly followed all applicable guidelines; and monitoring and documenting the formation, function and effectiveness of the VDC, municipality and District Development Committees (DDC), Supervision and Monitoring Committee and Monitoring and Facilitation Committee.

As public auditing is legally mandatory if the projects will be handed over to the community, CSOs must monitor whether LBs made any final payment to concerned parties without organizing a public audit, and submit the public audit report and project completion report. While organizing public audits, social audits, and public hearing to promote responsive, responsible, transparent and accountable local governance, CSOs must help select LB units adopt good governance practices. Prior to conducting the monitoring and evaluation process, CSOs need to prepare and finalise a check list, an interview schedule, a perception analysis questionnaire, and a focus group discussion (FGD) checklist. The CSOs must then vet these with the district urban governance expert and/or regional monitoring, reporting and accountability experts. They will then review key indicators relating to VDC findings. These preparations must promote participation in decision making, and provide dedicated funds for women and disadvantaged groups.

Assessment of the physical and financial aspects of programs, projects and works undertaken by the LBs in the review period, including a public audit in order to ensure quality of work, is required. CSOs conduct this

assessment by visiting one third of the construction sites, with selected members of the related Supervision and Monitoring Committee, at least four times during the implementation of the grant. They then document and report their findings. CSOs are responsible for organizing one public dialogue on the state of accountability at the end of the year.

In addition, they also prepare and submit an inception report together with financial reports to LGAF Secretariat through the LGCDP regional coordination unit office. At the end of the project, CSOs develop a detailed compliance monitoring report, which is submitted to the regional monitoring, reporting and accountability expert and LGAF Secretariat. The report must discuss, among other things, the gaps and strengths of LBs in terms of compliance with legislative and policy requirements. The report also has to provide evidence of compliance

and non-compliance during the planning, implementation and management phase, and the monitoring, evaluation and reporting phase. Since the last two Nepali fiscal years (2014-15/2015-16), three Local Body Associations, Municipal Association of Nepal (MuAN), Association of District Development Committees (ADDCN), and National Association of Village Development Committee (NAVIN) have conducted CSO compliance monitoring for MoFALD. According to MoFALD, this practice is vital for quality assurance and monitoring the supply and demand for public services.

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Credit Source: City Voices, Special Edition, Vol. 07 No. 01

www.citynet-ap.org)

