

Project: LGAR – Local Governance Dialogues

Funding Partner: The Asia Foundation (TAF)

Start Date: April 25, 2014

End Date: March 20, 2015

The Constituent Assembly (CA) that was supposed to provide a way out for institutionalizing Local Governance and Federalism in Nepal failed to live up to its promise. And the country had a new election for CA on 19 November 2013. The major political parties of Nepal had declared that they would deliver the new constitution within January 2015 but failed. Though, the new popularly elected CA is on its task to write new Constitution.

At this backdrop, Institute for Governance and Development (IGD) with support of The Asia Foundation implemented the program titled “Local Governance Dialogues”. The plan of the program was to conduct dialogues on local governance and federalism at the national level and sub-national level.

Accordingly, IGD conducted four sub-national level dialogues - 1. in Butwal (*August 9, 2014*), 2. in Biratnagar (*September 20, 2014*) 3. in Pokhara (*March 12, 2015*) and Dhangadhi (*March 14, 2015*) and two national level dialogues (*November 13-14, 2014 and March 20, 2015*) in Kathmandu.

The overall objective of the dialogues is to enhance discourses on local governance and generate reflections for strengthening participatory democratization in Nepal. The specific objective of the dialogues is to convene a gathering of critical thinkers, academia, policy makers, political actors, activists and other civil society actors at the local level to enhance discourse on local governance and federalism in Nepal.

AUTHORS TO CONTRIBUTE PAPERS ON LOCAL GOVERNANCE AND FEDERALISM

1. Political Perspectives on Institutional Choices for Local Governance in Federal Nepal by *Mr. Surya Kiran Gurung*

The paper will take cognizance of the different strands and viewpoints dominating the political discourse focused on local governance in Nepal. Especially after the country decided to opt for federal polity political discourse on local governance has taken a new twist and dimension. The political stakeholders are divided over the constitutional and legal script of the local governance institutions to define future shape and competence of local democracy in Nepal. And the political positions as they appear and are explicated would bring dissimilar and substantively different implications on the version of local democratic scheme in new federal set up in the country. This will decide about the choices we are going to make about the form of federal polity – hegemonic or democratic, citizen centric or elite centric. The paper will duly account for the positions of the political parties on local governance with reference to the CA elections manifestoes, the stances taken by them in thematic committees of the last CA and the corpus of deliberation in the new CA.

Each position will be critically evaluated and discussed specially to show the implication each would fetch on the institutional version of local governance in Nepal.

2. Reimagining Local Governance as process and mechanism for democratization of State by *Mr. Vidyadhar Mallik*

Democracies- whether they are in unitary or federal countries- are in deep crisis. Though regular elections, with a few exceptions, have been held in most of the countries, democracies have become more formal and procedural operating at the macro national level without nurturance and participation of the people. People practice and experience democracy at the local level. They can use and utilize the democratic spaces properly and effectively only when such an enabling environment is fostered at the grassroots level. They can participate in the process of governance and development when the local governance institutions are democratic, civic institutions possess capacity and resources to complement and collaborate with the government and safeguard the rights and interests of the people in case they are in peril. Moreover, local government in this context is expected to coordinate and create an enabling environment so that stakeholders can participate in the local public affairs. The paper will rearticulate the vision of local democratic institutions, process and mechanism especially in widening and deepening democracy in the new federal Nepal.

3. Building local governance institutions for inclusive citizenship and nation building in Federal Nepal by *Mr Balkrishna Mabuhang*

Pluralism and federalism appear as the two essential principles for organizing heterogeneous societies. They are assumed to create a viable a pattern of political power sharing though accommodation of social, political and cultural diversities. It is said that the essence of federalism is non-centralization and self rule. This calls for restructuring and remodeling the local governance institutions that create sufficient conditions and opportunities for the people to organize, articulate and participate in social and political life of the nation. The paper is expected to set proposals for building local governance institutions that offer a sound and vibrant basis for inclusive citizenship and shared values for unity within diversity in Nepal.

4. Clarifying jurisdictional options for Local Governance: A case for principle of subsidiarity by *Mr. Parashu Upadhyaya*

In a federal set up the distribution of powers establishes how powers are constitutionally allocated and established between the different orders and levels of the government. The distribution of powers is one of the elements of the local democracy and self rule. The sharing of financial resources is at least as important for determining the autonomy and functional competence of local governance institutions. There are no such fixed rules as to what kind of power each level or order of government in a federation should have. But according to principle of subsidiarity higher levels of government should only assume those powers that cannot be effectively managed and implemented by lower levels of government. It should be mentioned that without necessary resources, powers remain empty. The paper shall refer to the reports of the thematic committees of the Past CA,

provisions and practices in successful federations, presentation and deliberations in and generate a very sound and concrete proposal to clarify jurisdictions of the local governments in a federal set up in the country.

MAJOR ACHIEVEMENTS AND RESULTS

- Four thematic papers - themes and issues with different experts' views - prepared
- Six LG discourses at five different regions organized
- Forums for stakeholders on the issues of LG in federal set up convened and deliberations facilitated
- Inputs/suggestions from governance practitioners, lawyers, experts, among others for further improvement of the papers received
- A documented recommendations on LG for Federal set up of Nepal as an output of discourses produced
- The CA Members, among others appreciated the dialogues' outputs. They appreciated that the recommendations on LG for federal set up will provide a reference document and advocacy tool.