

**ROLE OF LOCAL GOVERNANCE ACCOUNTABILITY FACILITY (LGAF )  
IN CAPACITY ENHANCEMENT OF LOCAL BODIES IN NEPAL:  
A Study of Raralihi VDC of Jumla District**

**A Thesis Submitted to  
The Central Department of Rural Development,  
Tribhuvan University, in Partial Fulfillment of the Requirements  
for the Degree of the Master of Arts (MA) in Rural Development**

**By  
KRISHNA BAHADUR BUDHA  
TU, Reg. No: 7-1-58-14-2004  
Roll No.281028**

**Tribhuvan University  
Central Department of Rural Development  
July 7, 2016**

## LETTER OF RECOMMENDATION

This is certified that MR. Krishna Bahadur Budha has completed the dissertation attached here to entitled **Role of LGAF in Capacity Enhancement of Local Bodies in Nepal : A Study of Raralihi VDC of Jumla District** under my supervision and guidance. I hereby recommend this dissertation for final approval and acceptance as a partial fulfillment of the requirements for the Master's Degree in Rural Development.

.....

Prof. Dr. Prem Sharma

Thesis Supervisor

Central Department of Rural Development

Date :.....

## **APPROVAL LETTER**

The thesis entitled **Role of Local Governance Accountability Facility (LGAF) in Capacity Enhancement of Local Bodies in Nepal** :submitted by **Krishna Bahadur Budha** in partial fulfillment of the requirements for the Master's Degree (M.A.) in Rural Development has been approved by the evaluation committee.

Evaluation Committee

.....

Prof. Dr. Prem Sharma

( Head of the Department and Supervisor )

Prof. Dr. R.K. Shaha

( External Examiner )

Date: July 11, 2016

## DECLARATION

I hereby declare that the work reported in this thesis entitled **Role of Local Governance Accountability Facility (LGAF) in Capacity Enhancement of Local Bodies in Nepal:** submitted to central Department of Rural development of Humanities, Tribhuvan University, is my original work done for the partial fulfillment of the requirement for the Masters of Arts (MA) under the supervision of Prof. Dr. Prem Sharma of Central Department of Rural Development, TU, Kirtipur Kathmandu.

.....  
**Krishna Bahadur Budha**

Date:- July 11, 2016

## **ACKNOWLEDGEMENTS**

First, I would like to express my science gratitude and highest appreciation to my thesis supervisor and Head of the Department Prof. Dr. Prem Sharma, central department of Rural development, Tribhuvan University, Kritipur Kathamandu, Nepal for this excellent guidance and supervision. I would also like to extend my special appreciation to the member of the dissertation community for their excellent cooperation for finalization, approval and forwarding this dissertation entitled “ Role of Local Governance Accountability Facility(LGAF) in Capacity Enhancement of Local Bodies in Nepal ” to the central department of Rural development, faculty of Humanities and social sciences. Tribhuvan University, Kritipur, Kathamandu in the partial fulfillment of the requirement for the Master's Degree in Rural Development. It is because of their constant encouragement, timely guidance and useful suggestion that I am able to complete this thesis in time.

Second, I would like to extend my special thanks and heartfelt appreciation to the District Development Committee Jumla and Raralihi VDCJumla for providing necessary information and data to complete this study. I would also express my gratefulness to all the respected teachers and my office staff of the Central Department of Rural development and LGAF Program. My special thanks goes to Mr. Dan Bahadur Adi, Mr. Prajawalman Pradhan for the complete support to good suggestion. I also show my gratitude to the my best friends Mr. Bhesh Bahadur Rawal and Bishal Basnet who always supported, inspired and suggested me to complete this thesis.

Third, Similarly I specially appreciate and acknowledge of my study area. Likewise my thank goes to All my relative for support to my report. I express my heartfelt thanks gratitude to my Mother, Father and my wife : Mrs. Durga Thapa and other my family members who inspiration as well as their moral, material, spiritual, dedication, love and other support to make this dissertation work a success and carried to me this stage.

Krishna Bahadur Budha

## TABLE OF CONTENTS

TITLE

DECLARATION

LETTER OF RECOMMENDATION

APPROVAL LETTER

ACKNOWLEDGEMENTS

LIST OF ABBREVIATIONS/ACRONYMS

### CHAPTER - I

#### INTRODUCTION 1-12

1.1	Background of the Study	1
1.2	Statement of the Problem	4
1.3	Objectives of the Study	
1.4	Significance and Importance of the Study	8
1.5	Limitations of the Study	8
1.6	Definition of Key Terminologies	9

### CHAPTER - II

#### REVIEW OF LITERATURE AND CONCEPTUAL FRAMEWORK 13-48

2.1	Defining of the Capacity	14
2.2	Definition of the Capacity Development	15
2.3	An Outline of the Capacity Development Strategy (CDS) for Local Bodies in Nepal	17
2.4	The Role of NAVIN and other Stakeholders	19
2.5	Local Government	22
2.6	Short Review of Local Bodies	23
2.7	Local Governance and Community Development Program (LGCDP)	24
2.8	Local Governance Accountability Facility (LGAF)	26
2.9	Citizen Charter	29
2.10	Public Audit	31
2.11	Public Hearing	33
2.12	Decision Making	35
2.13	Citizen Complaint Structure	39

2.14	Participatory Planning	42
2.15	Local Governance System in Nepal	45
2.16	Conceptual Framework's Key Features of the Study	46

## **CHAPTER-III**

### **RESEARCH METHODOLOGY 49-55**

3.1	Study Area Description and Rational for the Selection	49
3.1	Research Design	52
3.2	Nature and Sources of Data	52
3.4	Instruments	53
3.5	Data Collections Techniques and Tools	53
3.6	Interview	53
3.7	Reliability and Validity of Data	53
3.8	Data Processing, Analysis, Interpretations and Reporting	54
3.9	Ethical Consideration	55

## **CHAPTER - IV**

### **PRESENTATION AND ANALYSIS OF DATA 56-76**

4.1	General Characteristics of the Respondents	56
4.2	Local self-Governance Act and Local Bodies Performance	57
4.3	Authority to Local Bodies in Services Delivery	58
4.4	Managerial and Implementation Capacity Development of Local Bodies Support by Local Governance Accountability Facility LGAF)	59
4.5	Documentation and Capacity Enhanced in the Support of LGAF Program in Local Bodies	62
4.6.	Availability of VDC Secretaries of VDC Office	63
4.7	Participation of People and Involvement of the Stakeholders Meeting and Activities 65	
4.8	LGAF Support the Capacity Development of Raralihi VDC	66
4.9	Capacity of Standard Services Provide by Raralihi VDC	68
4.10.	Situation of Social and Gender Inclusion in VDC Level Programs And Activities	69
4.11	Access the Participation of People in Programs Activities of VDC	70

4.12	Transparency	71
4.13	Accountability	73
4.14	Participation	74

## **CHAPTER - V**

### **FINDINGS AND DISCUSSION 77-81**

5.1	Major Findings	77
5.2	Provision and Implementation of Local-Self Governance Act, 1999	77
5.3	Capacity of Local Bodies	78
5.4	Local Body Grant Expenditure Review and Community Engagement Survey	78
5.5	Public Hearing and Compliance Monitoring	79
5.6	Community Based Monitoring of Local Government's Goods and Services	80
5.7	Capacity Development of Raralihi VDCs	81

## **CHAPTER - VI**

### **CONCLUSION AND RECOMMENDATIONS 82-85**

6.2	Conclusion	82
6.3	Recommendations	83
6.4	Recommendations	84

### **REFERENCES 86-88**

### **APPENDIX 89**



## LIST OF TABLES

	<b>Page No.</b>
Table 1.1: Eight steps for DDC Self-assessment of Capacity Gaps	21
Table 4.1: Characteristics of Respondents by Identity, Sex and Education	56
Table 4.2 Views of VDC Staff (V.S) on the Subject of Associated with LSGA	57
Table 4.3: Authority to Local Bodies in Services Delivery	59
Table 4.4 : Managerial and Implementation Capacity Development of Local Bodies Support by Local Governance Accountability Facility (LGAF)	60
Table 4.5: Standard of Documentation and Capacity Enhanced in the Support of LGAF	62
Table 4.6: Availability of VDC Secretaries in Office	63
Table 4.7: Participation of People and Involvement of the Stakeholders Meeting and Decision Making Activities	65
Table 4.8 : Respondents view on the LGAF support the capacity development of the Raralihi VDC	67
Table 4.9: Degree of Capacity of Standard Services Provide.	69
Table 4.10: Degree of Situation of Social and Gender Inclusion in VDC Level Program	70
Table 4.11 : Access the Degree of Participation of People of VDC	70
Table 4.12 : Level of Transparency Analyzed the Sub-elements and Score by Study Area	72
Table 4.13 : Level of Accountability Analyzed the Sub-elements and Score by Study Area	73
Table 4.14 : Level of Participation Analyzed the Sub-elements and Score by Study Area	75

## LIST OF TABLES

	Page No.
Figure 1.1: Capacity Developments as a Part of the Development Process	48
Figure 2.1: Research Design	50
Figure 3.1: Total No. of Respondents	52
Figure 4.1 : Availability of VDC Secretaries in Office	64
Figure 4.2: Participations of the People in VDC Level Development Programs	
Activities in Raralihi VDC	71
Figure 4.3: Status of Transparency in the Rarlihi VDC	72
Figure 4.4: Status of Accountability in the Rarlihi VDC	74
Figure 4.5: Status of Pariciapation in the Rarlihi VDC	76

## **ABBREVIATIONS**

ADDCN	=	Association of District Development Committees of Nepal
CAC	=	Citizen Awareness Centre
CC	=	Cluster Coordinator
CD	=	Capacity Development
CDR	=	Centre Development Region
CP	=	Common People
CSOs	=	Civil Society Organizations
CU	=	Cluster Unit
DAG	=	Disadvantage Group
DDCs	=	District Development Committees
EDR	=	Eastern Development Region
EOI	=	Expression of Interest
FWDR	=	Far Western Development Region
e.g.	=	For Example
IA	=	Implementing Agency
IPC	=	Integrated Planning Committee
JFA	=	Joint Finance Account
LB	=	Local Body
LB FAR	=	Local Body (Fiscal Administration) Regulation
LBRMMG	=	Local Bodies Resources Mobilization and Management Guideline
LC	=	Local Committee
LDO	=	Local Development Officer
LGAF	=	Local Governance and Accountability Facility
LGAF	=	Local Governance Accountability Facility
LGCDP	=	Local Governance and Community Development Programme

LSGA	=	Local Self Governance Act
LSGR	=	Local Self Governance Regulation
MOFALD	=	Ministry of Federal Affairs and Local Development
MuAN	=	Municipality Association of Nepal
MWDR	=	Mid Western Development Region
NAC	=	National Advisory Committee
NAVIN	=	National Association of VDCs in Nepal
NC	=	National Committee
NPC	=	National Planning Commission
NPD	=	National Programme Director
NPM	=	National Programme Manager
PMO	=	Programme Monitoring Officer
RDPI	=	Resources Distribution and Program Implementation
RfP	=	Request for Proposal
RUPO	=	Resource Utilization and Ownership Process
UC	=	Users Committee
UGS	=	User Group
UNDP	=	United Nations Development Programme
VDCs	=	Village Development Committees
VS	=	VDC Staff
WCF	=	Ward Citizen Forum
WDR	=	Western Development Region