

**Compliance of Devolution in Local Bodies
(A Study of Parsa District, Nepal)**

Submitted by

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FACULTY OF MANAGEMENT
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NOVEMBER, 2017**

DECLARATION

Except where otherwise acknowledged in the text, the analysis in this thesis represents my own original research.

TARA PRASAD BHUSAL
2017

RECOMMENDATION

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Compliance of devolution in Local Bodies

(A Study of Parsa District, Nepal)

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VIVA-VOCE SHEET

We have conducted the viva-voce examination of the thesis

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And find that the thesis to be an independent work of the student written according to the prescribed format. We accept the thesis as the partial fulfillment of the requirements for Master of Philosophy (M.Phil.) Degree in Public Administration.

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Abstract

This Thesis entitled 'Compliance of devolution in Local Bodies' is conducted in Parsa District of Nepal. The main objective of this study is to explore the compliance of devolution in local bodies in actual practice as mentioned in LSGAACT 1999. Decentralization follows transfer of power and responsibility from center to region, sub-national and local levels. Local self-governance is the means of autonomy through decentralization. Principle of subsidiarity is the fundamental philosophy of it. Since 1960s, Nepal is practicing decentralization in different ways up to now. This is made due to gap between theory and practice. Whatever we have different legal and policy structure to apply the decentralization, the application of it among different form like devolution is also not practiced in real field as mentioned in LSGA ACT 1999. So, researcher has tried to explore the basic cause about it.

This study is based on the primary and secondary sources of information. Information was collected through qualitative tools. The questionnaire was used and check list (Focus Group Discussion) was used as a qualitative tool. Seven samples were taken randomly as sample size and the respondents were DDC officials, NGOs, INGOs, CBOs representatives and parliament members.

This study has been prepared in 5 different chapters. This study has focused on the hypothesis testing in the variable of political initiation, bureaucratic commitment, monitoring institution, financial resource availability and creating local environment. The result of the study shows except financial resource availability and creating local environment, other variables reflect the result that more than 70 percent compliance of devolution in local bodies even though not hundred percent. Due to various factors, the application of devolution is affected in real field. The financial resource availability variable has been shown more than sixty percent resource scarcity. This does not show compliance as we expected in policy. Local environment is also hampering in local level activities day to day. The result of this variable shows fifty percent non-compliance in field level during research findings.

So, it can be concluded that due to political weakwillingness to devolve the power, low proactive commitment of bureaucrat, weak and ineffective monitoring system, scar of financial resources as need in local demand and less supporting local environment for policy implementation are the major reasons not to fully compliance of devolution as in policy. Among them political initiation and other variables are the most important factor to increase the compliance of devolution in the local bodies of Parsa District.

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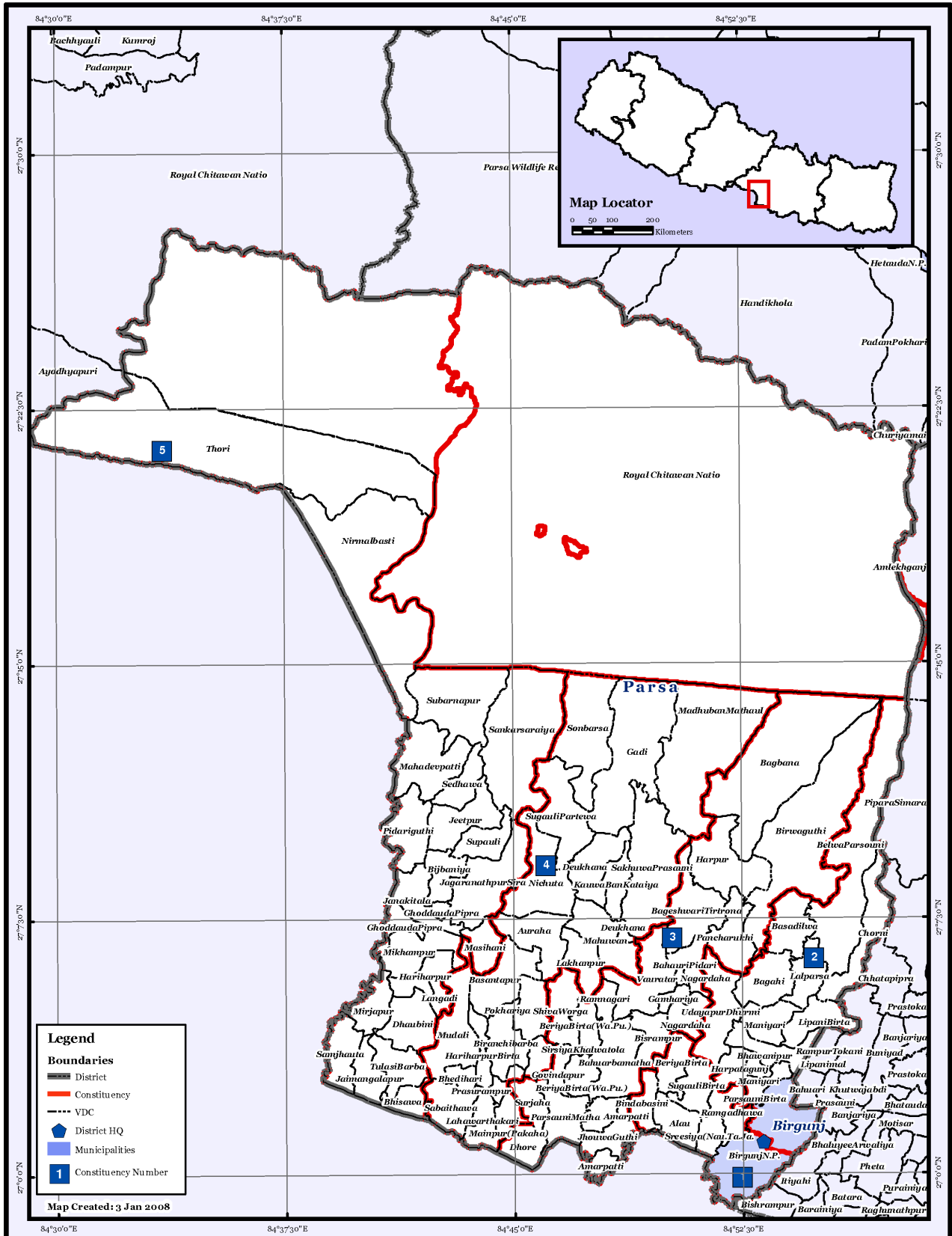
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ABBREVIATIONS

ESP	-	Enabling State Program
NPC	-	National Planning Commission
UNICEF	-	United Nations International Children Education Fund
RCIW	-	Rural Community Infrastructure Works
VDC	-	Village Development Committee
WB	-	World Bank
NGOs	-	Non-Governmental Organization
FGD	-	Focus Group Discussion
LSGA	-	Local self-Governance Act
DDC	-	District development Committee
INGO	-	International Non -Governmental Organization
LGIs	-	Local Government Institutions
HMG	-	His Majesty's Government
HLDCC	-	High Level decentralization commission
LG	-	Local Government
UNDP	-	United Nation development Programme
CBOs	-	Community Based Organizations
MFLD	-	Ministry of Federal and Local Development
PMO	-	Office of the Prime Minister

PARSA DISTRICT



Office for the Coordination of Humanitarian Affairs (OCHA)
United Nations, Nepal

The boundaries and names shown and the designations used on this map do not imply official endorsement or acceptance by the United Nations



CHAPTER-I

INTRODUCTION

1.1 Introduction of the study

The development of international standards and best practice on local government is a relatively recent trend. In April 2007, the governing council of the United Nations human settlement program approved guidelines on decentralization and strengthening of local authorities as a key instrument to promote good governance at all levels and to strengthen local authorities. The guidelines were endorsed by the UN general assembly. The guidelines outline the main principles underlying the democratic, constitutional/legal and administrative aspects of local governance and decentralization(NepalParticipatory Constitution BuildingBooklet Series no 4, Centre for Constitutional Dialogue, 2009)

Different practices of decentralization have been done since ancient time in the history of Nepal. Before 1951, the Government did not focus on development activities. During that time local people were managing their local developmental activities themselves. For this purpose 'PanchaValadmi' was activated. Some were in formal way and some were acting through informal way. For effective implementation of decentralization in Nepal, especially there are two bases which are playing role in the decentralization field. They are:

- Historical bases and
- Constitutional bases.

This type of practices were made as policy by the state and implemented by the government mechanism. In the historical context, in 1926 the first '*PanchayatSanad*' was declared (Bhatta,1990). On the basis of this provision, '*Kachhari*' was established in the village of 'DangDeukhuri' district by '*Manyjan*'. It was having full-right to take any decision on any local level issue. Although this Sanad was promulgated in Ranaregime, it was the local tool for local development to maintain law and order, dispute settlement and protect and promotion of different local customs and cultures in the community. After the pilot test of the Sanadin 1930, the 9 Panchayat were formulated in Kathamandu, Lalitpur and Bhaktapur to continue the decentralization process. In 1936, Panchayat formulation authority was given to Badahakim. Before 1960, decentralized Panchayat organization was continued and increased. After 1960, party less system(PanchayatiSystem) was established and new Acts were introduced in local level. They were Village Panchayat Act-1961, Nagar Panchayat Act-1962 and District Panchayat Act-1962. These local bodies were used for political purposes rather

than local need assessment. After the restoration of multiparty democracy in 1990, Village Development Act-1992, Municipality Act-1992 and District Development Act-1992 were enacted and Local Self Governance Act-1999 is in practice. All these legal provisions of decentralization are closely tied with every constitutional development in Nepal (Khanal, 2006).

Decentralization in Nepal is a continuous practicing process in different forms. Such forms are delegation, de-concentration and devolution. This research study especially focuses on implementation of decentralization in devolution form.

1.2 Background of the Study

Decentralization and the establishment of local authorities are not new phenomena in Nepal. There are mainly two bases that are authorized in the development and practices of decentralization in Nepal. One is constitutional development and another is administrative reform commissions as well as different decentralization commissions. The first constitutional legal policy was Government of Nepal legal provision Act 1947. It was mentioned about the Village, Municipality and District Panchayat. In 1951 interim constitution of Nepal, mentioned that His Majesty's Government shall take steps to organize Village Panchayat and endow them with such powers and authority as may be necessary to enable them to function as units of Self Government (Interim Government of Nepal Act 1951, article 7, cited in Murgatroyd, 1998:3). In 1953, preliminary efforts for rural development were made in various districts with the establishment of the Village Development Board at central level and Tribhuban Village Development Centers in different parts of the country (HLDCC, 1996:1). The first five-year Plan (1956-1961) emphasized decentralization of power for the implementation of plan. Constitution of Nepal 1962, described the Panchayat system as one embodying the principle of decentralization (Shrestha, 1999). Policy provisions related to decentralization undertaken during the 1960s and 1970s were:

1963: Enactment of Village and Town Panchayat Act

1965: Preparation of Decentralization Plan

1966: Enactment of Local Administration Act

1971: Local Administration Ordinance to amend the 1977 Act

1974: Enactment of District Administration Plan (DAP).

1978: Initiation of Integrated Panchayat Development Design.

The Acts promulgated in 1963 and 1966 formed the basis for administrative reorganization (Bienenet *al.*,1990). During those years, village,town and district Panchayats were established as a central part of the system to carry out government prescribed by central government. In 1961, the country was divided into fourteen zones and seventy-five districts for administrative convenience. Zones were headed by zonal commissioner and districts were headed by Chief District Officer respectively.

In 1981, decentralization committee was constituted to streamline decentralization. The main objective was to decentralize decision making authority to local government institutions. The output of the committee was formulation of new Decentralization Act-1982 and Rule-1984. The decentralization rules elaborate the functions, duties and powers of the different levels ofpanchayat assemblies, local panchayat and their officials. Meanwhile, many central government line agencies de-concentrated their branch offices at district level. All the district level offices of development related line agencies became wings of the District Panchayat (DP) secretariat and coordinated by the local development officer working as secretary of DP. Two tier of local government were formulated and DP was the focal point of decentralized planning(HLDCC,1996).

After the restoration of multiparty democracy in 1990, the constitution of kingdom of Nepal 1990 was introduced. According to new political system and constitutional stipulations about decentralization, local government legislation was enacted in 1992 consisting of the District Development Committee Act, Municipality Act and Village Development Act. Institutional development of multiparty democracy right from the grass root level was sought through decentralization.

After restoration of multiparty democracy in 1990, the EighthFive Year Plan (1992-1997) was prevailed in new development vision. The document of eighth five-year plan stated that attempts have been made since the third plan period to raise the living standard of the general public by meeting their basic needs and by developing leadership qualities, skills and resources for local development. But these attempts have not been successful largely because these were merely confined to slogans rather than effective implementation. The local people themselves need to be involved more actively both at the planning and execution levels. As both producers and usersof communities consulted the primary agents of local development,they need to be provided with financial and technical support and also the discretionary power by creating suitable environment(Eighth Plan, 1992-97).

One of the main objectives of the eighthplanwas to raise the living standard of the rural population and to overcome their economic backwardness. In order to achieve this goal,

all the efforts to be made by the government in economic, political, social and cultural, religious and educational sectors were focused on fulfilling the local needs. The participation of local people was encouraged in project planning and implementation and sharing of benefits (8th Plan, page:389). In line with this approach, HMG adopted effective policy of decentralization with regard to political, economic and administrative matters and bring about better cooperation and coordination among local political organization, private and non-government organizations and farmer or other community organizations. In this context old organizational structures were revived and geared more effectively in local development activities (Eighth Plan, 1992-97).

The objectives of this plan were: To improve the economic and social conditions of backward regions, to make rural families self-reliant by improving their socio-economic conditions, to upgrade the socio-economic status of the rural people and deprived backward communities through people's participation, to develop the basic infrastructure in the rural area and to reduce regional and ecological imbalances and disparities.

In this way, in the history of periodical plan development, this plan was the first policy plan which emphasized 'Bottom-Up' approach planning process instead of top-down approach. New way and new grassroots vision as a milestone for local development in the course of decentralization ((Eighth Plan, 1992-97).

The high level decentralization taskforce was established to report to Government how the process of decentralization to carry forward the report of high level decentralization commission 1996. Amendments to the 1992 local government legislation were formulated in 1997 and new Act was enacted in 1999 called the Local Self-governance Act (LSGA). It replaced the three separate acts of 1992 for VDCs, Municipalities and DDCs. Comprehensive legal instrument has made with the formation, operation and functioning of LSGA. The objectives of this ACT 1999 were:

- To enhance through decentralization broad based democratic participation in the process of governance.
- To enhance institutional development of local bodies by providing responsibilities and powers to formulate and carry out plans at the local level and
- To enable LSGA to make decisions in areas related to the lives and daily needs of the local people through developing local leadership.

The act clearly assigns a long list of functional agendas to each tier. This act changed the mode of local government finance, land and house tax and property tax and other business

tax have been added to generate revenue of VDCs and Municipalities. As for grants, the act stipulated that central government “shall have to provide the local body each year with minimum grants prescribed and also with additional grants on such basis as population, level of development, possibility and capacity of mobilizing revenues, necessity of financial resources and other matter relating to financial discipline of the concerned local bodies” (LSGA, 1999, Article:236). In terms of personnel, central government deputed the secretary and technical staffs and provision of recruitment of local staff on the basis of own financial resource. Interim constitution of Nepal 2007, on the guiding principle very clearly stated that people will be granted to involve in governing process through local self-governance (Article 34:2). Moreover, in its subsection 138 there is a separate provision about the local self-governance.

The functional jurisdiction of LSGA may differ from one country to another, depending upon the features of the official policy on decentralization and the nature of policy. The reasons are advanced in support of LG system (Shrestha, 1996) : Local affairs can be more efficiently managed by LSGA than the central government, LSGA can relieve the central government treasury to a certain extent by mobilizing resource at local level, and Having the ability to reflect local interests and aspirations in their development and projects. They can implement them with the willing cooperation of the local people.

The degree of achieving the objectives of LSGA depend not only the autonomy given to them but also signifies the capacity of the local bodies. In the context of Nepal, decentralization and establishment of authorities are not new phenomena in Nepal. Convergence process is continuing until recently. The practice is mix of devolution and de-concentration. Local bodies with elected representatives having some fundamental characteristics typically associated with devolution and field offices of different agencies at district level are working as de-concentration. Until and unless policy, organization, functions and structures of local bodies are independently working in the sense of devolution, the practice is not carried out as this sense. This research will focus the implementation process relating to devolution form in the gap of policy and its functions.

1.3 Statement of the problem

What are the most characteristics of south Asian governance is extreme centralization of the authority, personalized leadership, and patriarchy that have great implication for the system of governance from policy making to interpersonal relationship. Rationality as it is understood in the west, based on principle of neutrality, universalization, impartiality, and

formalism has not taken deep root in the south Asian context. Instead, we observe strong loyalties toward family, caste and kingship, or toward people from the same region or political party (Dhaka&Jamil,2012).

Despite the planned efforts made during the past decades to speed up the process of development and reduce the extent of poverty in the country, the actual outcome has been very disappointing because the poverty was forty-two percent up to eighth plan. The fact that Nepal is ranked as one of world's least developed countries with a larger segment of its people living below the poverty line is a clearly indication of wide spread poverty in the country. The previous rural development programmes were prepared from the centre with the objective of achieving target growth in overall production. As the rural development programmes were implemented without the participation of local people, the benefit did not percolate down to the intended section of the people. The excessive control of the center over local development programs led to ineffective implementation due mainly to the lack of local initiation and enthusiasm. Although the policy of decentralization was advocated in implementing these programs, administrative and financial aspects could not be decentralized. Control of all most all the local development programs by the center made the local bodies virtually powerless. The lack of clear cut policy guidelines, contradictory policies and the absence of public participation in financial management and programme implementation not only raise the cost of implementation but also reduced the quality of its services.(EighthPlan,Page:388).

According to central adequate provision has been made and adequate power and autonomy have been guaranteed to LSGA. The reasons forwarded to support the claim are promulgation of Act and Rules, thereby stipulating all provisions regarding functional jurisdiction, resource sharing, selecting and implementing projects at local level. Although Nepal has been trying to move toward local self-government system, it is yet to be realized because some constraints impede the devolution of power to LSGA. According to provision of LSGA, although there is provision of local body's election in every five year, but since the last fifteen years the election has not held. Devolution--- a political issue- is often 'undermined by the scarcity of economics means, bureaucratic passivity, and political resistance by those in power' (Dahal,1996:64).

The power center of Kathmandu claimed that existing LSGA policy provisions have made significant changes in the process (Office of the PMO). However some policy efforts have been done, it is necessary to examine either it is substantial in practice or not. The research consists to examine this issue, analyzing of the political, socio-cultural, economic

and managerial capacity obstacles that impede the process toward local self-government system in Nepal.

1.4 Objectives of the Research

The objectives of the research are:

- I. To analyze decentralization and Local Self Government policies promulgated in LSGA ACT 1999. and
- II. To explore the compliance of devolution in local bodies in actual practice as mentioned in LSGA ACT 1999.

1.5 Research Questions

After knowing the objectives of the research, the questions are organizing about: What are the factors that do not compliance the devolution in local bodies even though policy is existing? The research mainly attempts to address the following questions which constitute interview and focus group discussion.

1. What are the variables which affect the capacity of local bodies in terms of prescribed functions?
2. Does politics really facilitate or hamper to perform LSGA functions in local level?
3. Do the central and local level monitoring and evaluation functions of political executives are really performed according to provision of LSGA?
4. What is the condition of local participation on the preparation of project planning and implementation and do they really compile with LSGA?
5. What is the provision of contribution of local community/CBOs for the implementation of local programmes/plans according to LSGA? Is it virtually applied in the field?

1.6 Hypothesis

Hypothesis says the relationship between independent and dependent variables. Setting hypothesis in a social science research is useful to narrow down the objectives of the study through which relationship between dependent and independent variables can be explained and analyzed (Creswell, 2003:116). Higher the political will, higher the bureaucratic commitment, availability of financial resources, absorptive capacity of local bodies and

performance of monitoring institutions are the independent variables to compliance the devolution in local level.

1.7 Implication of the Study

The study is more relevancies in the context of Nepal because it is academic and more practical in field work. The study attempts to understand the policy provision and its application and variation. It provides practical knowledge to the researcher. This knowledge guides more advantageous for policy change and enhance the local level planning process as well as grass root democracy. Following reasons are considered for the implication of this study.

1. The development module is changed from top down to bottom up approach.
2. Inclusive development policy in local level which helps to measure the good governance also.
3. People's participation in project planning, implementation and monitoring is significant role to sustain the local development.
4. NGOs, private sectors, CBOs are realized as the development partners for local development.

Decentralization is the key ingredients of the grassroots democracy. Right, choice and voice of the people without autonomy is not possible. Devolution provides the role playing of local government. How the local people are feeling and practicing their own local needs through devolution. Policy exactly implementing or not in terms of grass root democracy. The degree of implementation of policy of local self-governance is necessary to bridging the gap analysis for future improvement.

1.8 Importance of the Study

Citizens in countries with decentralized political systems are more likely to engage in political process. This may be the product of two mechanisms: one hand, in decentralized institutional context, more political actors participate in decision making process consequently; the political system became more preambles, since the number of access points to the decision making process increases. On the other hand, in such context, the probability political protests will success in greater than in centralized system. Therefore

decentralized context, produce incentives for political protest, as citizen sees more opportunities to influence the decision of the constituted authority (Kriesiet al., 1995).

Local self-governance through decentralization became the important tool in political phenomenon for local people. To institutionalize democracy from the local level, to participate people in decision, ownership of the development activities and sustainable development it is inevitable in every state. To raise the right voice, choice of the people for inclusive development is the emerging concept for the minorities also. The alternative way of political addressing is definitely decentralization. Good governance depends on self-governance. Power tends to corrupt but absolute power corrupt absolutely. State divides the governing power horizontally to its organizations. Government's legislative body, executive body and judiciary divide the power on the basis of separation of power and check and balance theory. Then, government bodies allocation their power vertically in the subnational level. Decentralization of power is became the integral part of the state. Decentralization embraces the process of conferring authority, legislative, executive and judicial to the lower branches of the government. It is a converse of centralization (White, L.D 1992). Decentralization applies 'principle of subsidiarity' for service delivery in local level.

The study attempts to review and reforms of legislation and policies capacity development: especially planning and fiscal management and inclusiveness. Moreover research insists on an enabling policy environment for effective decentralization and local governance.

1.9 Limitation of the Study

The study is related with decentralization in relation to local government of Nepal. Decentralization concept is an umbrella form. The best decentralization model in local level is devolution though it involves mix of devolution and de-concentration. Other forms of decentralization are not explored in this study. Basically this research has been explorative plus descriptive in nature. Due to diversity of geographical location and limited time, I have selected District Development Committee Parsa which directs and guides the all VDCs and Municipality of this district.

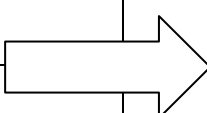
1.10 Conceptual Framework of the Study

Given below logical framework guide the conceptual framework of the study. It is derived from the decentralization concept. Reviews of literature, policy transfer, historical

institutionalism, political will power are the independent variable for the data formation. The empirical cases of different decentralization commissions, frequently administrative reform commissions like (1991) and LocalSelf-Governance Act-1999 and rules are the important legislation factors in the course of the study.

Independent and Dependent variable

Independent variable	Dependent variable
Political initiation	Devolution
Bureaucratic commitment	Local capacity
Financial resource availability	
Monitoring	
Local environment	



Political initiation: indicators

- Periodical election
- Leadership development
- Facilitating in activities by political leader
- Democratic exercise in committee formation
- Role of political leader
- Inclusive policy in decision making..

Bureaucratic commitment:

- Impartiality
- Local body's service commission
- Job description and duties toward clients
- Preparation of resource map
- Preparation of periodical plan and annual budget
- Integrity of local staff
- Follow of rules and regulation.

Financial resource available:

Adequate Grant from the central government
Sufficiency of own resource generation.
Borrowing of finance from financial institutions

Monitoring:

Performance of district supervision and monitoring committee
Review meeting of project's evaluation
Impact study of completed projects
Action against irregularities
High level decentralization implementation and evaluation committee's performance.

Local environment:

Influence of Local elite
Co-ordination among the NGOs, CBOs sectorial Line agencies and private sector.
Interference of local political parties
Support of Media, Civil society and stakeholders
Follow up of public hearing and social audit
Conflict and settlement.

1.11 Structures of the Study

This study has been organized under five chapters. They are introduction, literature review to the study, research methodology, data analysis and summary, conclusion and suggestions. First chapter has background of the study, statement of the research problem, objective of the study, research questions, hypothesis, and limitation of the study, relevancy of the study, conceptual framework and structure. Literature review consists to define decentralization in different form and types. Chapter three provides method of techniques to draw the research study on the basis of analysis. Chapter four relates with data presentation and interpretation. Chapter five incorporates with the summary and conclusion.

Chapter one: Introduction of the decentralization: what and how the concept of decentralization is emerged in the world. UN has given the guideline about it. In this thesis, I

have attempted to sketch the historical as well as constitutional background of Nepal. The object of the research, testing the hypothesis for research, conceptual framework of the study is the main topics of the research which are mentioned.

Chapter two: in this chapter, explaining the definition of decentralization in various literatures has been depicted and review. Meaning, concept, forms and types of decentralization are explained. Evolution and field practice process are based in the literature review. Practicing different policy in different time and transfer of policy for decentralization are considered in this chapter. Especially five year plans and constitutions are main base for the purpose.

Chapter three:Methodology: Research design and methods of the study, study area of the research are given here. Data collection technique,, data management, case study, nature and sources of data, sampling and process of data relating process are mentioned.

Chapter four: Data presentation and analysis: Explanatory and descriptive study of the data are presented here. Data presentation and analysis are based on the conceptual framework which has given the independent and dependent variables. The policy provision and findings are explained.

Chapter five: in this research the findings are given from the action in summary. Opinion of the author is mentioned as conclusion. Policy level and operational level suggestions are given for further research action.

CHAPTER- II

Literature Review

2.1 Theoretical Review

The term 'decentralization' attracted attention in the 1950s and 1960s when British and French colonial administrations prepared colonies for independence by developing responsibilities for certain programmes to local authorities. In the 1980s decentralization came to the forefront of the development agenda alongside the renewed global emphasis on governance and human centered approaches to human development. Today both developed and developing countries are pursuing decentralization policies.

This chapter attempts to gather different related concept about the decentralization especially in local self-governance. The most central related concept is top down approach which is popular in central power. But it's just opposite grassroots' level model of power is bottom up approach. These two models are practiced in state implementation. Power tends to corrupt. Absolute power corrupt absolutely (DalbergAction 1902). People's participation and involvement in every activity of local level makes sustainable, durable and transparent of investment. This fundamental notion is emphasized here through decentralization tool. Whatever efforts have been done, the output is not fruitful. The main reason is decentralization is good theory but poor practice (Turner Mark & Hulme David 1997). So, the chapter focuses in discussion more in theory.

What are the most characteristics of south Asian governance is extreme centralization of the authority, personalized leadership, and patriarchy that have great implication for the system of governance from policy making to interpersonal relationship. Rationality as it is understood in the west, based on principle of neutrality, universalization, impartiality, and formalism has not taken deep root in the south Asian context. Instead, we observe strong loyalties toward family, caste and kingship, or toward people from the same region or political party (Dhakal & Jamil, 2012).

2.2 Evolution of decentralization in Nepal

Local governance in evolution of decentralization in Nepal showed that Nepal has initiated the practice of decentralization in the history of Kirants. Kirants rules seem to have been the foundation of local government system in Nepal. Kirant administrative system was largely based on the principle of local autonomy (Shrestha, 1989:15).

The Licchavi period is known as the golden period. In this period there was linkage between central and local institutions. Licchavi period had strong system of village administration consisting of: Local government institutions, Sthan Dwarika and Gosthis or guthis. Each village had a local government institution called *panchalis* similar to the present village development committee (Khanal, 2006: 18).

In Mall period, the Licchavi system of Panchasils was continued. The modern history of Nepal begins with the unification of Nepal by Prithivi Narayan Shah, the king of Gorkha, in 1769. Kathamandu was declared the capital of Nepal and beside this remaining territory was divided into twelve provinces or districts. Each district was placed under one officer known as Amali (Khanal, 2006: 22). Nepali history says that the monopoly power of Rana family ruled over 104 years in Nepal. Jung Bahadur the first prime minister from this family who acquired the "Panjapatra" the royal seal. The prime minister in this regime was appointed as Badahakim of districts. The main functions of Badahakim included maintenance of law and order in the districts.

The Rana regime was collapsed and democracy was formally introduced in 1950s. In this period, An Interim constitution was promulgated popularly known as Interim Government of Nepal Act, 2007. Article 5 of the constitution also made an arrangement for organizing village Panchayat as units of local government. The first Panchayat constitution (1962) accepted the need of the people's involvement and cooperation in the process of development through decentralization. It was clearly mentioned in its preamble (Panchayat Constitution, 1962).

Four Decentralization commission has been formed by the different government. They were in 1963, 1967, 1982 and 1996 respectively. They recommended so many suggestions in policy level and functional level to implement the decentralization in grass root effectively. Different acts were formulated and prevailing in the country. The latest on is local self-governance Act 1999 exists. Despite these policy provisions, the process seems mere dynamics with little substantial change in the previous provision. No significant efforts were taken towards strengthening Local Government Institutions.

According to central authorities, adequate provision has been made and adequate power and autonomy have been guaranteed in LGIs. The reasons forwarded to support the claim are promulgation of act and rules, thereby stipulating all provisions regarding functional jurisdiction, resource sharing, selecting and implementing projects at local level. However, elected bodies of local level have not achieved the purpose of decentralized local

government system. Although Nepal has been trying to move toward local self-government system, it is yet to be realized because some constraints impede the devolution of power to local government institutions. Devolution--- a political issue- is often 'undermined by the scarcity of economic means, bureaucratic passivity, and political resistance by those in power'(Dahal, 1996:64).

The power center of Kathmandu claimed that existing policy provisions have made significant changes in the process. However some policy efforts have been done, it is necessary to examine either it is substantial in practice or not before the era. The research consists to examine this issue, analyzing of the political, socio-cultural, economic and managerial capacity obstacles that impede the process toward local self-government system in Nepal.

Definition

Decentralization follow the process of redistributing or dispersing functions, powers, people or things away from central or authority. The transfer of authority and responsibility for public functions from the central government to intermediate and local government or quasi- independent government organizations and \or the private sector --- is a complex multifaceted concept (www.worldbank.org).

Transfer of decision making power and assignment of accountability and responsibility for results. It is accompanied by delegation of commensurate authority to individuals or units at all levels of organization even those far removed from headquarters or others centers of power. In a country where there is great concern for the level of performance of local governments units, reform might be emphasize transfer of responsibility for certain public services from one unit to another(Pattanayak,1994:1).The transfer of responsibility of planning, management, and the raising and allocation of resources from the central government and it's agencies to field units of government, semi-autonomous public authorities or corporation, area wide, regional or functional authorities or non-governmental, private or voluntary organizations(Rondinelliet al., 1989:58-59).

Decentralization is taken as a reversal of a process of centralization. Both reversing the concentration of administration at a single centre and conferring powers of local government(Smith,1985:1). It is related to the extent to which power and authority are dispersed through the geographical hierarchy of the state, and the institutions and process through which such dispersal occurs.Transfer of authority, legislative, judicial or

administrative from higher level of government to a lower level (Encyclopedia of Social Science, 1996).

White says 'Decentralization embraces the process of conferring authority, legislative, executive and judicial, to the lower branches of the government. It is a converse of centralization' (Cited by DDC association of Nepal, Federal structure in Nepal part four, page 13: 2008). Decentralization needs to control and check the power. 'Power tends to corrupt but absolute power corrupts absolutely' (Subedi, 2010:1). Decentralization is a means also to reduce the power centre risk. Decentralization supports the ruling system. It is a subsystem of whole ruling system except international affairs (Subedi, 2010:1). 'political opportunity structure' theory argues that higher level of decentralization brings citizens closer to the political process, increase the number of citizens interested in a decisions, augment of the chances of success of social movements, and reduce the cost of political protest (Kriesi et al., 1995).

The openness of a political system is determined by the level of state decentralization: 'the greater the degree of decentralization, the wider is the degree of formal access of and the smaller the capacity of any one part of the state to act' (Kriesi et al., 1995:28). Decentralized states encourage the creation of organizations by multiplying opportunities for decision making process (Morales, 2009). Decentralization can be conceptualized as the proportion of power removed from the central government, and it has three dimensions: fiscal decentralization, which refers to how much central governments cede fiscal impact to non-central government entities, administration decentralization, that is, 'how much autonomy non central government entities possess relative to central control, and political decentralization, 'the degree to which central governments allow non-central government entities to undertake the political functions of governance' (Schneider, 2003:33). Decentralization has been measured using the 'regional self-rule index' (Hooghe et al., 2010). If the state has more accessible and consensual institutions, citizens participate more effectively (Lijphart, 1999, Norris, 2008).

Democratic decentralization refers to the transfer of resources and power to lower government authorities that are democratic and independent of higher levels of government (Manor, 1999). Under democratic decentralization, citizens and their representatives are granted power in decision making (Von Braun & Grote, 2002). It has been theorized that shifting the locus of power away from centralized authorities makes public services provision more efficient due to better targeted policies and lower transaction costs (Faguet, 2004:867-93). Shifting power from centre to local is more efficient to achieve

the desired policy target. Because of the scale and potential impact of decentralization, researchers have analyzed its causes and consequences (Crook & Manor, 1998, Manor, 1999, Montero & Samuels, 2004, Smoke, 2001, Vancott, 2003:751-75, Yashar, 1999:76-104). Scholars have argued that decentralization reforms have the potential to promote democratization and stimulate the growth of civil society by allowing people to participate in local politics and as a consequence, to hold local authorities accountable (Diamond, 1999, Grindle, 2000, Hiskey & Seligson, 2003:64-88, Yashar, 1999:76-104).

Where local institutions fulfill the needs of the citizens decentralization can strengthen citizen support of politics at a national level, but where the performance of local institutions flatters, decentralization can spread corruption and favour entrenched local elites (Crook & Manor, 1998, Grindle, 2000, Hiskey & Seligson, 2003:64-88). Decentralization reforms aim at strengthening democracy by promoting political participation among citizens. Fundamental to meaningful democratic decentralization is downward accountability, or the ability of citizens to hold their officials accountable (Agrawal & Ribot, 1999:473-503, 2008:1-17, Manor, 1999). Decentralization insists the accountable to officials in local level. Decentralization has had a number of consequences, which are of significant interest from a governance perspective (Paudel, 2007). The granting of independent or autonomous decision making power to local units of government or administration. These demands of definite break in the chain of command either by constitution or law. Normally, this means a political decentralization where by local units of government with independent powers are established (Bhatta, 1987:129). The openness of a political system is determined by the level of state decentralization: 'the greater the degree of decentralization, the wider of the degree of formal access and the smaller the capacity of any one part of the state to act (Kriesi et al., 1995:28). Decentralization depends on the political independency. Decentralized planning usually involves some degree of devolution of planning responsibilities and resource allocation to lower level of administration. Coordination across sector is relatively better at these levels and planning mechanism is closer to the communities (Michel, 1996).

The process of decentralization is also closely connected to the need for an enhanced dialogue between central, regional and local level of government (Federal Structure of Nepal part four, DDC association of Nepal, Page: 14, 2008).

The definition of decentralization may be different in terms of experience and academic backgrounds because it is itself immense. But in fundamental notion we may abstract it in following elements though it may depend on political system: Transfer of power from central to lower, Accountability and responsibility are necessary, There is

vertical linkage between central and local, Delegation of authority, Intergovernmental transfer of resources Political, administration and judicial power to lower means making them more autonomy, Autonomy refers to self-rule Fund, functions and functionaries are transferred to local government for more autonomy, The motto of decentralization is institutional strengthen of local democracy in more participatory way, Nowadays, it became an integral part of good governance.

2.3 Philosophy of Local Self-Governance

Local government is a confluence of two philosophical streams: 'self-government' and 'good government'. Self-government is both a psychological and pragmatic necessarily (Mutalib, 1982:259). Politician, administration and financial activities are integral part of the self-government. The idealistic dreams of local participation at all stage of governance can be secured through the local government. In the construction of the structure of local government, different factors make contributions either as independent or interdependent variables.

The most important of these are: The pattern of living depending on distribution of population, industry, commerce and trade, transportation and entertainment etc., Pattern of decentralization of authority and Value system comprising socio economic and political norms.

Local government is a part of political fabric like any other level of government in combination with others, it has to be made realize the cherished value of the society to the extent that the authority is delegated and functions are assigning to it in relation to the local people to meet their specific needs. Except these, the following factors compromise local environment of local authority that ultimately determine its physiognomy: the existing local government system, administrative capacity of the local government, prevailing views on urban rural relationship, make of the constituent communities, wishes of the citizens Level of popular participation and equity in the tax burden and the benefits from public services rendered by local units of government.

Philosophy of decentralization entails the sharing of powers and functions between and among various levels of governments and other public and non-public organizations and agencies as per the constitutional provisions and other legal stipulations and the activities under taken by the central government to create and institutionalize the local government institutions and other agencies and organizations and enable them to identify and respond to

the local needs and priorities, mobilize and allocate resource and deliver services efficiently to the local people and communities (Shrestha, 1996). Gandhi (1966) in his Gandhian Philosophy of Decentralization, as one of the prominent authors strikingly philosophized his concept of decentralization pleading fervently for making village unit as a focal point (as cited by Prasad, 1972, Shrestha, 1996).

Local self-governance isn't abstract means. Decentralization as a means, transferring functions and powers from central government to local governments, units, regions and other organizations. Interdependence variables are governing ingredients to implement within the oversight of local people where they themselves practice day to day and feel.

2.4 Meaning of Local Self-Government

The geographical and population coverage of local government units were expanding virtually everywhere (Pattanayak, 1994:13). In the case of local government decentralization makes it an attractive target for fulfilling the needs and aspiration of local people by delivering public services at the doorstep (Pierre & Peter, 2000:90). The nature of the relationship between national and local units of government is best understood through consideration of: The division of functions between the two levels of government, The financial responsibilities of each level relative to the other and the control power of the central over the local units of government (Pattanayak, 1994:26).

Local government must exhibit three qualifications. U.S. Bureau of the census mentioned (Wikipedia). It must exist as an organization entity. Processing organization and some minimum powers such as the right to enter constructs and own property, It must have governmental character as an agency of the public, to whom it must be accountable. Its officers must be elected or appointed by elected officials and It must possess substantial autonomy, particularly as reflected in the right to prepare a budget and raise the revenue necessary to meet it.

The United Nation's classification of system of field administration and local government defines four general types of system: The comprehensive local government system in which local government units are multipurpose and carry on local as well as nationally directed functions, the partnership system in which some service is rendered by field units of national government and others by local authorities,

The dual system in which central government Ministries administer technical services directly, while local units have local authority to perform these services. and the integrated

administrative system in which central government administers all technical services directly and where local authorities have with or no power to act (Unpublished, Sales no e 70.H.2).

Stigler (1957) identifies two principle of jurisdictional design:

The closer of representative government is to the people, the better it works. People should have the right to vote for the kind and amount of the public services. These principles suggest that decision making should occur at the lowest level of government consistent with the goal of allocated efficiency. Thus, the optimal size of jurisdiction varies with specific instance of economies of scale and benefit –cost spillover.

The principle of fiscal equivalency emerged from public choice literature (Olsan, 1969).

The correspondence principal functional overlapping jurisdictions (Oates,1972).The decentralization theorem-“Public service should be provided by the jurisdiction having control over the minimum geographic area that would internalize benefit and cost of such provisions” because Local governments understand the concern of local residents (Oates, 1972:55).Local decisions making is responsive to the people for whom the services are intended, thus encouraging fiscal responsibility and efficiency: Unnecessary layers of jurisdictions are eliminated and Inter-jurisdictional competition and innovation are enhanced.

The subsidiary principle.-taxing, spending and regulatory functions should be exercised by lower level of government unless convincing case can be made for assigning them to higher levels of government. Although the functional jurisdiction LGIs may differ from one country to another depending upon the feature of the official policy on decentralization and the nature of the policy, the following reasons are advanced in support of LG system(Shrestha, 1996).

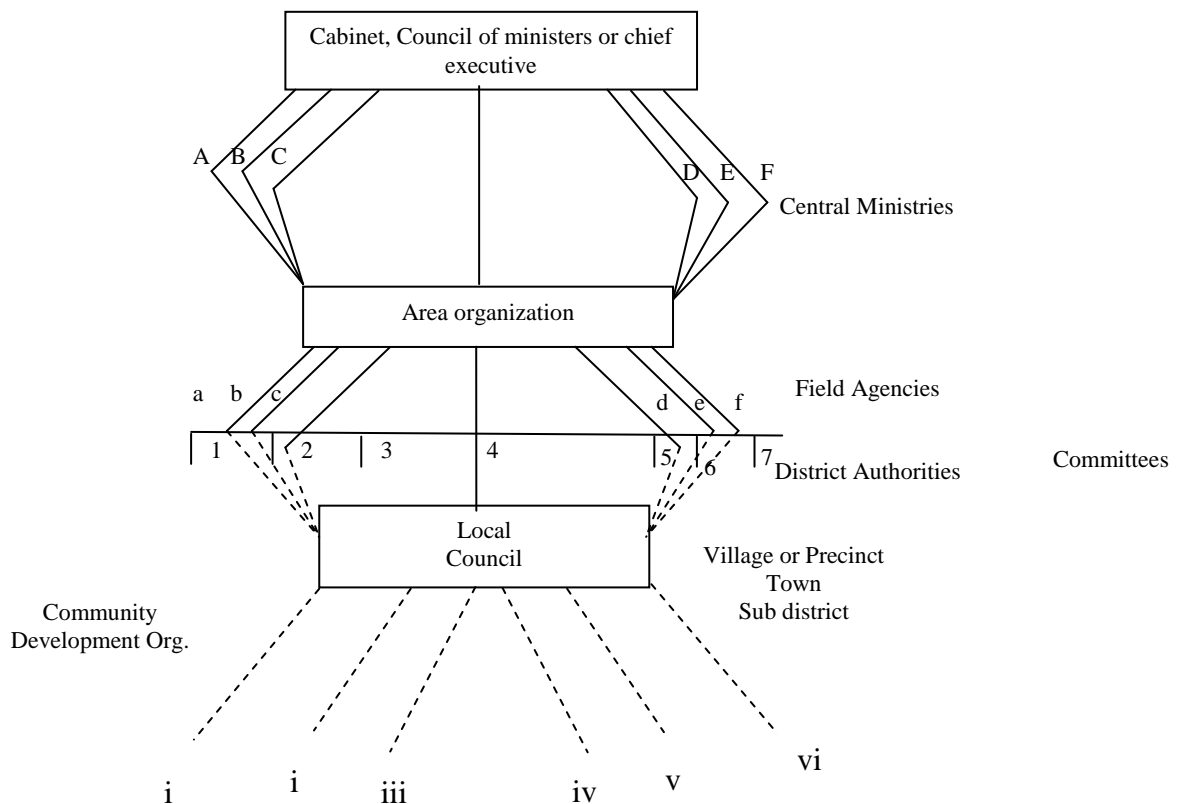
Local affairs can be more efficiently managed by the LGIs than the central government.LGIs can relieve the central government treasury to a certain extent by mobilizing resources at local level.Having the ability to reflect local interest and aspirations in their development programme and projects, they can implement them with the willing cooperation of local people.

In simple terms, local self-government follows the operational freedom of locally elected bodies. What is sovereignty to the national state and autonomy to the local self-government? Local self-government preferred autonomy. The autonomy means:Self-management, Self-decision making authority, Self-control (check and control), Self-governing, ensure the operational| administrative and financial freedom of the Local government institutions, capacity builds and implements local development activities, Promote central local

government partnership and representation of local weaker segment of the society (co-option).

Decentralization isn't single part of the governance system. In 1960s Maddick (1975), reprinted, defined decentralization as “embracing both process of de-concentration and devolution”. He defined de-concentration as “delegation of authority adequate for the discharge of specified functions to staff of a central department who is situated outside the headquarters” and devolution as “the legal conferring of powers to discharge specified or residual functions upon formally constituted local authorities.” This research is also attempting to comply the decentralization system of Nepal in special form of de-concentration or devolution as Maddick said. Henry Maddick also stated the symmetric system of decentralization. The flow chart of this system is given below.

Symmetric System of Decentralization



Democracy, Decentralization and Development (Maddick, 1963:229)

The objectives of the system are through decentralization to aid;

- a. The growth of popular control.

- b. Economic and social development.
- c. The growth of popular participation and support to this end the institutions are suggested are.
- d. Field agencies.
- e. Community development organizations.
- f. Local authorities.
- g. Village, prescient, and town agencies and operating these institutions these should be concern for.
- h. General efficiency in working.
- i. Cooperation between them and with other agencies or government.
- j. Coordination of policies at all levels.
- k. The growth of sprit of service to the public.

HenryMaddick insists on grass root democracy with institutional development. The practice of decentralization has performed fundamentally in two notions: deconcentration and devolution. This type of firm has also applied in Nepal. Authority had been provided since the very ancient time in various agencies in the field offices from the center. This type of firm was practicing and even privileged till enforcement of Local self-government Act 1999. Devolution firm of decentralization is enacted in present day. According to this Act, people's participation in plan and development, community ownership of project, cooperation between local bodies and other agencies, executive functions with board and council of local bodies, service from the front line door of people and social and economic development are performing as Henry stated in his literature.

2.5 Implementation Mechanism

Local bodies are based on democratic process. The representatives of local bodies are elected from the local people for certain period. The means of election is based on people's vote. This is the continuous process for implementation of local bodies which is also stated by Brueckner. Voting with feet Brueckner (1982) and Shah (1988,1989,1992)-rational behavior. Voting by ballot. Voluntary associations Buchanan(1965). Jurisdictional redesign. Apparently, implementation mechanism says the local level community formation process and redrawing of jurisdictional boundaries.

2.6 Roles and Responsibilities of Local Governments

There are five perspectives on models of government and role and responsibility of local governments which are: traditional fiscal Federalism, new public management, public choice, new institutional economics and networks forms of local governance -institutional arrangements to overcome both market and government failures.

Decentralization entails the transfer of political, fiscal and administrative powers to subnational units of governments(Subedi, 2010:1). Regional and local government in European Union sub commission on local and regional finance has described the decentralization in this way which is mentioned here.

The Maastricht Treaty(1992)defines the European Union as one “in which decisions are taken as closely as possible to the citizen” local and regional authorities are therefore central linkage in the creation of closer ties between European institutions and the citizen of Europe. Now day’s decentralization is a means of de-concentration, delegation, devolution, and privatization in every country. Fund management and institutionalization of local people participation in democracy plays vital role to enhance decentralization. Local government is the doorstep service delivers wings of the government who has political, administrative and development role. Functional services are provided by the local government and accountable and responsible towards the local people.

2.6.1 Local Government

The system of local authorities a subunit of government, controlled by a local council which is authorized by the central government to pass ordinances having a local application, levy, local taxes or exact labor or within limits specified by the central government, vary centrally decided policy in applying it locally.

2.6.2 State Local relations

State local administrative relations have become especially significant in the field of education, welfare, highways and finance.

2.7 Methods of Decentralization

We can find different thought of scholar about the firm of decentralization. Decentralization is no single concept and denotes umbrella concept. The more authentic and relevant firms are explored by Robertson work. He argued about the four firms of decentralization which are mentioned below.

Devolution: It refers to the full transfer of responsibility, decision making, resources and revenue generation to a local level public authority. It directs to autonomous and fully independent the devolving authority. The assumption is independent legal entities and ideally elected.

Delegation: Delegation redistributes authority and responsibility to local units of government or agencies that are not always necessarily branches of or local offices of the delegating authority. While power is being delegated takes place, the bulk of accountability is still vertical and to the delegating central unit.

De-concentration: It refers to the transfer of authority and responsibility from one level of central government to another while maintaining the same hierarchical level of accountability from the local units to the central government ministry or agency, which has been decentralized. It seems the means of first step in the newly decentralizing government to improve service delivery.

Divestment: Divestment is when planning and administrative responsibility or other public functions are transferred from government to voluntary, private or non-governmental institution with clear benefits to and involvement of public. For an account of contracting out, partial service provision or administrative functions, deregulation or full privatization.

2.8 Types of Decentralization

Decentralization has been divided on various types which have been listed and described here under:

Political decentralization: political power and authority has been transferred to sub national levels of government. Elected and empower sub national form of government ranging from village councils to state level bodies. Devolution is considered as political decentralization.

Fiscal decentralization: Directly linked with budgetary practice, resource re-allocation to the subnational government. It has to lead to capacity building in expenditure and revenue assignment as well as the design of fiscal transfer formulas and sub national borrowing.

Administrative decentralization: Transferring decision making power to select the necessary number of employee in sub national level, sometimes simultaneous with civil servant reforms.

State structure depends to allow the sharing of powers between the center and sub national units of the state and other organizations of society. Nowadays popular form of decentralization is devolutionary or democratic decentralization. Nepal has followed devolution form of decentralization since 1999. The purpose of this is to participate people in functional power through democratic exercise. The organizational structure is DDC, Municipality and VDC and their functions are guided by LSGA 1999.

Local Self-Governance: It is determined in terms of autonomy. Autonomy refers for freedom of local actions in terms of political, administration and finance. The core of local autonomy comprises the : The local government is a body corporate with necessary right of legal persons, It has legal jurisdiction over its locality and local people, the local people have a legal right to choose their government, the elected wing enjoys supremacy over other wings of the local government and hence it has ultimate responsibility for the governance of the locality subject to law, It adopts the local budget subject to law, it regulates local affairs through by laws and it guides, supervises and controls local administration.

Except above subject matter of autonomy, following are the legal autonomy which follows from the concept of local self-governance: Local authorities are corporate bodies with a separate name, perpetual succession and a common seal and they need to raise under law money by rates to finance their activities.

Most of the service provided by them involves interference with the rights of individual, such as ownership properties (Mutalib, 1982). Sovereignty is said for the state when autonomy is said for the local government. Local government has freedom of action in their respective spheres of operation. The principle of local governance is laid down in respective constitution. The constitution or law ensured the local self-governance in local level. The local governance prefers the subordinate of central.

2.9 Efforts and Practice of Decentralization in Nepal

The practice of decentralization in Nepal isn't a new phenomenon in Nepal. From the very ancient history of Nepal we can see in different forms especially in local people. For the convenience of the study, this study categorized in two parts

Before the Period 1951 AD (2007 B. S.)

The earliest known history of Nepal is from the Kirats. In Kirats period, the administration system was based on the principle of local autonomy such as THUMS. In the Lichhivi periods, three tier system of administration was prevailed. In Malla period, local administration was carried out by Umaro. In the Rana period, there were four senior commanding generals for the east, west, south and North. There were 35 districts having three offices i.e. Court, Goswara& Mal(Paudyal, 1984).

Modern Period (After 1951 AD)

The Administrative Reorganization and Planning Commission (ARPC) 1956 developed a scheme for district reorganization and suggested to divide the country into 7 divisions, 75 subdivisions and 165 blocks.

Constitutional provision: (1) The Constitution of the Kingdom of Nepal 1962 in its Article 19(2) states “shall be to mobilize, to the maximum possible extent and on voluntary basis, the national genius and resources for setting up a society By associating, through gradual decentralization, the maximum numbers of representatives of the people at all levels of administration.” (2) similarly the constitution of the Kingdom of Nepal 1990 in its Article 25(4) states “ it shall be the chief responsibility of the state to maintain conditions suitable to the enjoyment of the fruit of democracy through wider participation of the people in the governance in the country and by way of decentralization, and to promote general welfare by making provisions for the protection and promotion of human rights, by maintaining tranquility and order in the society”. The local self-governance in Nepal was initiated since 1913 decade. Municipality was established in urban area in 1920s and establishment of ‘ManyjanKachhari’ in rural area in 1926 (Ibid).The main constitutional efforts and practices of decentralization in Nepal are reflected here.

- 1 Commission for administrative power decentralization 1963: A twenty one member Committee formed under the Chairmanship of BishwaBandhuThapa. The Committee recommended the core measures: Gradual decentralization of power on a phase wise basis (3 phases) for 12 years, delegation of those powers to the Panchayat without decreasing its efficiency and effectiveness, delegation of power to the Panchayats according to their capacity to exercise them, abolition post of Badahakim and transfer of law and order and corruption eradication functions to the Zonal commissioner and districts panchayats.

It recommended for the division of total territory into 75 districts and 14 zones and establishment of model panchayat at village and districts level. It declared Kathamandu Metropolitan city. Moreover, the committee delegated the authority to local panchayat in relation to land administration, forestry, agricultures, health, education, and transportation.

2 Decentralization committee 1967: The twenty one member committee was formed under the chairmanship of BhojRaj Ghimire. The main recommendations of this committee were as: Implementation of programmes in different phases, suggested for the abolition of grant-in-aid to the panchayats and incorporation of village and District development schemes in national economic plans, advised to withdraw the authority of Panchayats to levy revenue and recommended enforce Panchayat development land Tax, withdraw the power of CDO from the Panchayat secretary and more powerful position to Zonal commissioner.

3 Decentralization committee under the chairmanship Jayaparkash Gupta. The main recommendation of this committee was two permanent committees-one high level under PM and another secretary of home panchayat.

4 In 1982, nine member decentralization committee was formed under the Chairmanship of Randhir Subba.

Main recommendations of this committees were: New decentralization Act/Regulations, entrusted more power to local bodies, all the districts level offices must function under the District panchayat secretariat and the financial transactions of the district should be audited by Auditor general, creating of service centre in each district, enactment of local administration Act 1966 (first local administration ordinance) and new district administration plan 1975 which strengthen the position of CDO, abolished the post of Badhakim and create CDOs with divided 75 district instead of 35 existing. Such way empower zonal commissioner, enactment of Village Development Committee Act 1992, Municipality Act 1992 and District Development Committee Act 1992 after the restoration of multiparty democracy. In 1995, high level decentralization committee was formulated under the chairmanship of Prime Minister Sher Bahadur Deuba. The main output of this committee was Local Self-Government Act-1999, Local Self-Regulation 2000 and the Local Bodies financial administration Regulation 2000 came into the enforce and especially Eighth plan

(1992-1997) and Ninth plan and all onward periodic plans have given priority to the decentralization in Nepal.

The all of the above mentioned decentralization recommendation report focused on bottom up decision making approach to participate local interest. Legal and organizational structures were made in incremental basis in terms of local government and administrative division. The RanadhirSubbaCommission(1981)practiced Decentralization Act 1982 and Regulation 1984. The high level decentralization commission of 1996 was more focused on autonomy in local government. This commission provided devolution model in the decentralization practice in Nepal and ongoing now.

2.10 Public Policy Transfer

The development of international standards and best practice on local government is a relatively recent trend. In April 2007, the governing council of the United Nations human settlement programme approved guidelines on decentralization and strengthening of local authorities as a key instrument to promote good governance at all levels and to strengthen local authorities. The guidelines were endorsed by the UN general assembly. United nation publication (1962) which states “the term decentralization refers to the transfer of authority from the national capital whether by de-concentration to the field offices or by devolution to local authorities or other local bodies” (Citedby Shrestha, 1996). The guidelines outline the main principles underlying the democratic, constitutional/legal and administrative aspects of local governance and decentralization.

Public policy is the guidelines of implementing tool in central or local government. Designing within the problem agenda and implementation for certain course action for public faith is known as policy. The literature on policy implementation identifies two competing approach of the implementation process: the compliance approach and the political approach (Rondenelli&Cheema, 1983:26). Policy is formulated by politician leaders. Administration as an integral part of the policy making process in which policies are refined, reformulated on the basis of their long experience and expertise.

2.11 Policy

2.11.1 Planning Policies in Nepal

Thirteenth Plan (2013-2015): Thirteenth plan has defined the role of the local bodies. This is stated that local service delivery and increment of access in the service of the local people very crucial and local bodies have significant role. Local bodies are not competitor of central government but they are complementary. According to this plan following roles are accepted of the local level.

Ensure the service as stated in Local Self-Governance Act 1999, Preparation of program me with the tie up of thirteenth plan long-term policy and priorities, Local infrastructures development and record keeping of the development programmes, Operation of local economic development activities, Creation of local employment and income generation, follow the system of local good governance, participatory inclusive local development which is important vehicle to involve all the stakeholders. In the same way, Social mobilization, community empowerment, participatory is planning process and implementation and monitoring, local resource mobilization, revenue increment and reduction of financial risk, Co-ordination and co-work with central agencies, private sector and NGOs and Enhancement of local grass-root democracy are provisioned in this plan which directly focus on self-governance.

Twelfth Plan(2010-2013): in the 12th plan, decentralization means as a self-rule in the local bodies. This plan has added for participatory and inclusiveness for development process. Institutional development of local bodies and ownership of the local development were guiding principle for decentralization.

Eleventh Plan(2007-10): The policy for decentralization in this plan was insisting local development, good governance and decentralization with inclusiveness.

Tenth Plan(2002-2006): The policies in this plan that emphasis on local development to apply decentralization.

Ninth Plan(1997-2002): Regional balance policy was adopted. People's participation through consumers' groups, Mobilization of NGOs for local development.

Eighth Plan(1992-1997):sMore emphasis on people participation. NGO, community organization and private sector were involved in local development for local need fulfillment.

Seventh Plan(1985-90): Capacity enhancement of local bodies to mobilize the local resources. Integrated rural development programme.

Sixth Plan (1980-90): policy was introduced as panchayat development i.e. village, town and DDC.

Fourth Plan(1970-1975): Regional development planning policy was applied. Panchayat development plan was launched in this policy.

Decentralization is accepted in every periodical plan in Nepal. Form and means are different. Most of the entire periodic plan stressed on local development through local resource mobilization and participation. Planning policy has highly guided to follow local bodies. Remarkable policy was introduced after 1990s. Due to continue effort of policy level, the form of devolution of decentralization in Nepal is ongoing.

Addressing every year in **Budget Speech and provision of F/Y 2015/2016:** in the budget speech of 2015/2016, it is accepted that local bodies are the main actor of rural development. Economically making strengthen of VDC, the conditional grants have increased by five lakh than before. The merger policy is introduced. If more than two VDCs are merged each other, the grant will increase in that ratio. The budget speech stated that district level programme like transportation, drinking water and sanitation, small irrigation and flood control, micro hydro and alternative energy, housing and urban development, waste management and social infrastructures will implement through local bodies. Moreover it is stressed that district level programmes will be implemented through DDC.

New Constitution of Nepal 2015as national policy: The constitution of directive principles 50 (1) states that “the political objectives.....Maintaining the relations between the federal units On the basis of cooperation federalism and incorporating the principle of proportional participation in the system of governance on the basis of local autonomy and decentralization”. In the state policy (51) stated that in the process of development construction directed increasingthe local participation (Constitution of Nepal, 2015, 51, 3,Chha).

Structure of the state and state power allocation stated that the right of the local bodies is provisioned in schedule eight, common right in schedule nine and the utilization of this right according to ACT made by this constitution and VDC and Municipal council 57(4). According to this allocation schedule there are twenty two functional allocation of local level which are mentioned first time in constitution of Nepal.

These functions are: own urban police, operation of cooperative organization, F.M. radio management, raising the local taxes, management of local services, local statistics and record, planning and implementing of local level plans and projects. Such way management of basic and higher secondary education, basic health and sanitation, local market

management, environment protection and bio diversity, local road, rural road, agriculture road and irrigation, VDC council, Municipal council, District council, local Court, reconciliation and arbitration management, local record management, house land ownership certificate distribution, agriculture and livestock, agriculture production and management, animal health and co-operatives, senior/old citizens, orphan/disable persons management, data collection of unemployment are very crucial function in local level. Furthermore, Agriculture extension management, operation and control, drinking water, micro hydro project and alternative energy, disaster management, water resource, wildlife, mines and mineral protection. Language, Culture and Lalitkalaprotectionand development.

These devolved functions are divided on the basis of power sharing of federalism constitution of Nepal.

The interim Constitution of Nepal 2007 is the first constitution to include a separate section on local self-government (part 17). Its article 139 stipulates that “election shall be held to set up local self-governance bodies on the basis of principle of decentralization and devolution of power by creating a congenial atmosphere for the exercise of the people’s sovereignty and thereby ensuring maximum people’s participation in the country’s governance, to provide service to the people at the local level and for the institutional development of democracy”. This was the principle representation of LSGA (The Interim Constitution of Nepal, 2007).

The Constitution of the kingdom of Nepal 1990 in its directive principle has stated “ the chief responsibility of state shall be to maintain condition suitable to the enjoyments of traits to democracy through wider participation of the people in the governance of the country and by way of decentralization”. But it did not include any constitutional guarantee (The Constitution of Nepal, 1990).

The Broad Objective of the Constitution of 1962 The party-less Panchayati (“council”) system is tried to institutionalize and implement a concept of decentralization. Local bodies were formed at the village, city, district, and zonal levels (The Constitution of Nepal, 1962).

Constitution is the guidelines of the public policy. Taking these guidelines, Nepal has been made so many acts and regulation relating to decentralization. Decentralization is not a new concept in Nepal. So many attempts were made to deconcentrate, diffuse and decentralization in the past decades (Kelly, 2011, Koirala, 2011). The process initiated in 1962 ended up by creating 75 districts, 14 zones, and later 5 development regions in 1972.

Subsequently in 1999, the Government consolidated its local government system through enacting the Local Self-Governance Act 1999 (LSGA). According to this act, policy implementation organization structure is given.

Apex body for decentralization implementation monitoring and evaluation committee under the chairmanship of Prime Minister. Under this, Ministry of Federal and Local Development is sectoral ministry for LSGA implementation. The Ministry of Federal and Local Development guide and give the direction to local bodies. All the local bodies: DDC, Municipality and VDC have to submit their policy, plans and projects to take acceptance from their own council. Each body's council passed the agenda annually and directed to implement it to board of local body and sectoral line agencies in the district level. District development committee, municipality committee and village development committee implement the programme and projects in ILAKA and Ward level respectively. Ward committee is acting under the each local body. Ward citizen forum, CBOS, NGOs and other stakeholder relating to grass root activities are the lower level vehicle to voice, choice their right for strengthening decentralization as well as democratic exercise.

2.12 Local Self-Governance Act 1999's preamble as its policy

Local self-governance ACT 1999, in its preamble states that it has been promulgated to

- Provide opportunities to people to be involved in governance through decentralization and enable them to enjoy the fruits of democracy.
- Mobilize the resource for development and distributes its benefits among various ethnic groups, aborigines, and downtrodden and economically backward communities on the basis of equality and social justice.
- Develop and institutionalize responsible local bodies in planning and implementing different projects by providing them necessary rights.
- Develop local leadership and a system of local governance which can take necessary decision affecting the life of the local people.

In clause 3(D), under the heading principles and policy of local governance, the act states, "the local institutions, while carrying out their work, should be prepared to establish a civil society based on democratic ideals, transparency, accountability and people's participation".

2.13 Principle and Policies of Local Self-Governance Act 1999

According to LSGA Act 1999 clause 3(1) has stated that Government of Nepal will follow the following principle and policies for the system development of LSGA.

- Devolve the fund, functions, and functionaries to make efficient and effectiveness of local bodies.
- To make responsiveness and accountable toward the people, build and development of corporate institutions and functional structure.
- Providing authority to raise and collect financial resource and mobilize.
- To make civil society oriented on the course of action of devolved functions, local bodies should be followed transparent, accountable and people's participation.
- Development of local leadership.
- To encourage and participation of private sector on the basis of sustainable service development.

2.14 Prescribed Functions of LSGA ACT 1999

VDC and Municipality have been given a number of responsibilities:

- Agriculture development, drinking water projects, maintenance of bridges.
- School and libraries, sports, scholarship to children of unprevailed classes.
- Production and distribution of electricity, physical facilities, health, development of herbal medicine.
- Family planning, irrigation, soil erosion, environmental protection.
- Development of local language and culture, tourism and cottage industries.
- Municipality has to manage solid waste management like rubbish.
- Financial management, administrative management
- Monitoring and evaluation through DDC committee.

Except these regular functions of the DDC, an elected body can formulate and implement local development related policies. The act has also stipulated the possibilities of replacing the district and local level line agencies by stating that this institution can create such agencies on their own for the development of their respective areas. The act says to DDC poverty alleviation, development of waterways and rail ways, eradication of social perversion, increasing literacy rate under the central policy framework.

Decentralization is the umbrella concept. Decentralization, de-concentration, delegation, devolution and divestment are the main firms of power transfer from central level

to local. Local Self-Governance depends upon the autonomy. The autonomy follows in terms of administrative decision, political decision and financial management. Devolution ensures more autonomy than other forms of decentralization. Devolution refers political decision in local government. Local government closely related with local people and formation with local votes. It represents local people aspirations in terms of most near service delivery wings. Local planning, sustainability and ownership building withhold the local government. Being the one of the lower level tier of the government, role and responsibility are very significant to uplift the marginalized community with inclusive development and institutional development of democracy. Policy, plan, programmes and projects are implementing under the most popular theory of local government is 'principle of subsidiarity'.

Nepal has been done so many practices of decentralization through administrative reform or establishing legal and structural bases for the local level jurisdictions. Doing the trial and error practice for decentralization in the field of local level, the latest Local Self-Governance Act 1999 accumulated act that has specially devolved the three functions: basic education, basic health and agriculture and livestock. The act intends autonomous functional jurisdiction in the field of political, financial management and administrative functions in theory.

2.15 Public Policy Implementation

Policy implementation has evolved translation of policy in action. Bureaucrat is the means to enforce policy as directed political leader. This is known as Weberian model ideal type bureaucracy. But in the later days, it is becoming more challenging to implement policy due to hinder structure, human and financial resource, institution, local environment and local and international politics as well as lack of sectoral agency's co-ordination.

There are two main approaches to implement policies: top down and bottom up approach. Clarke (1992) is reported as saying the top down approach "assumes that we can usually view the policy process as a series of chain of command where political leaders articulate a clear policy preference which is then carried out increasing levels of specificity as it goes through administrative machinery that serves the government" (Clark, 1992:222 Cited in Howlett & Ramesh, 2003: 189).

To remove lapses in the top down approach of public policy implementation, a second approach, bottom up emerged in the late 1970. This approach insists in the street level workers. After promulgation of Local Administration Act in 1971 and Decentralization Act 1982 Nepal started to follow this model respectively. Local Self-Governance Act 1999 is

formulated on the bottom up theory. Its preamble narrates the local level policy, plan, programmes and resources implementation, partnership of NGOs and ownership. The local government system of Nepal is not the competitor of central government but it is the supplementary of the central government. Most of the central government spirit and policies are reflected in the local level activities. The central government controlled and supervised to the local government. Even though the LSGA 1999 has provided role and functions to local bodies; either they are doing their performance according to given norms or not? To regulate these policies, the LSGA 1999 clause 141 (1) has provisioned for the formation of an evaluation committee under the chairmanship of prime minister which is known as the committee for the implementation of decentralization and evaluation.

The structure of this committee is made under the chairmanship of Prime Minister. Local development Minister is the voice chairman overall looking and follows the policy. Main opposition leader of the parliament, Minister of central government, chairman of related committee of house of representatives, Vice chairman of National planning commission, chief secretary of central government, secretaries of the ministries, representative of political parties, chairman of the federation of local body and coordinator are the members of this committee. Secretary of local development ministry is the member secretary. This committee reviews and gives the feedback in the context of policy implementation which are provisioned in LSGA ACT 1999. It has to submit the own review report in the related house of representatives.

CHAPTER-III

Research Methodology

3.1 Introduction

The system of collecting data for research projects is known as research methodology. The data may be collected for either theoretical or practical research. Some important factors in research methodology include validity of research data, Ethics and the reliability of measures. Most of the work is finished by the time as we finish the analysis of the data. Formulation of research questions along with sampling whether probable or non-probable is followed by measurement that includes surveys and scaling. This is followed by research design, which may be either experimental or quasi-experimental. The last two stages are data analysis and finally writing the research paper, which is organized carefully into graphs and tables so that only important relevant data is shown.

3.2 Research Design and Methods of the Study

Research design is the most important for research. It is the process on how the research is conducted implementing different tools and techniques according to the objective of the topic. An appropriate method can be employed in the different context and situations. The study is qualitative as far as possible with dominance of primary data, qualitative method for analyzing the abstract situation that has been done fairly and natural.

The term research describes a process of systematic investigation leading to an increase in the sum knowledge (DFID, 1998). The research is always based on collection and analysis of data which are processed to create knowledge. A method influences the nature of data, mode of data collection and the way of presentation of the result. While applying certain methods in research one should not be confused with technique. According to (Subedi, 2003), method refers to a systematic approach to data collection and technique and the art of asking and listing interpretation.

The universe of population was Parsa district with local bodies and existing local parties. The district has forty political parties, one DDC with fifteen areas and more than seven officer including local development officer, one sub-Metropolitan city, one Municipality, sixty six VDCs, six Member of Parliament, ex-elected representatives and one NGOs federation. From this population universe, the population sample was taken. The sample were two local political parties representatives, one ex-elected representative, VDC secretary, DDCs' officials, NGOs' representatives, Parliament member and representative

of user's committee. The sample data was collected through key informants questionnaire's fill up and conducting focus group discussion. The socio economic background of respondent consists of gender, age, place of birth, development region, residence, educational qualification, occupation, income and association of various organizations.

This chapter explains the various stages and activities which had been undertaken during the data collection as well as data management and processing. For this purpose, I have conducted quantitative as well as qualitative method.

3.3 Research Strategy

To fulfill the objectives of the study i.e. compliance of devolution in local bodies, this research have explained variations in the implementation process of devolution in local level. Applicability of the decentralization in real field is the concern matter of my topic. Is the preamble of LSGA act 1999 is really depicted in the field of local bodies? To find this, I will apply the qualitative research method of social science. The qualitative approach provides more authentic and comprehensive understanding of the meaning, context and challenges in the application of theory. This covers the specific circumstances in local area. The case study prefers 'when' 'why' and 'how' questions as the main focus of the study. Under the case study method I conducted necessary field data collection through various sources including interviews, focus group discussions, documents media and the internet among others.

3.4 Study Area

Nepal is divided in to five regions, fourteen zones and seventy-five districts for political and administrative purpose. The locus and focus of these divisions of units that are geographically, socio-culturally and economically may differ from each other. This sort of division consists with de-concentration. Since 1982 Nepal is strongly advocating about the theory of decentralization and promulgated decentralization Act 1982. For establishment of legal structure it was the milestones for this purpose. Separate local bodies such as district

development committee, municipality and village development committees are existing now and doing their performance day to day. According to research topic, all DDC, Municipality and VDC are not possible in taking account to conduct the research work due to distance of geography, limited time and constraints of other resources. Considering this sort of affecting reasons, I selected DDC Parsaas the study area for research purpose of my study which represents and coordinates in district level local bodies. These organizations are performing their job under the Ministry of Federal Affairs and Local Development. According to preamble, principle and policies of LSGA Act 1999, separate functions and structures are provisioned. The DDC is coordinator and facilitation agencies of the local level for local service delivery. Basic education, basic health and agriculture and livestock type's functions are devolved from line agencies to the DDC.

3.5 Scope of the Study

Comparative experience shows that decentralization and devolution do provide scope to assess whether the service delivery is really changed or whether just remained in policy statement only. For this, the existing policy commitment limits the scope for innovation. Devolution is a learning process and greater scope for substantive knowledge for policy innovation. After the LSGA Act 1999 enacted in practice, 75 DDCs, 58 municipalities and all VDC's devolved function like administrative function, political function, financial function and sectorial functions like: primary health, education and small irrigation etc. are administrating in local bodies. The area of functions is more widen then before. This topic provides research knowledge to further researcher. Compliance of devolution itself a means for doorstep service to the local level. After finding the gap between policy document and beneficiaries in field level, research will feedback for improvement of service delivery. Scholar of the university, administrator of the local self-governance, public administration, competitor of competition exams, Nepal's sectorial line agency's service delivery system, student of school and college, article writer and itself local bodies of Nepal may advantage. Measurement degree of compliance of devolution will be guideline for all the state actors as well as non-state actors for policy improvement and service delivery. It is not only single part of public administration but integral part of the public administration. Study is a life learning process. So, from every point of view, it has immense scope for all.

3.6 Data Collection Tools and Techniques

The researcher has collected required information by using various techniques. Some appropriate as well as well-known techniques like Organization Survey and Focus Group Discussion had been applied to collect primary information from the survey. The primary data collection tools like questionnaire for household survey, interview schedule for key informant interview and checklist for Focus Group discussion were administered. The primary data collection tools which were used in the present study have been discussed here under:

The study incorporates both the primary data as well as secondary data. Primary data were collected from the field survey through survey questionnaire, key informants interview, observation, focus group discussion and case study.

Secondary data were collected through Government report, NGOs / INGOs / reports, VDC office, and other available sources, books, relevant literature, journals and online sources about the research work. This secondary information was helpful to check the validity and reliability of empirical data. However, the study is mostly based on the primary data.

3.6 Data Collection Tools and Techniques

3.6.1 Techniques

One of the prominent techniques of primary data collection is the household survey. It is helpful to get reliable and qualified data about compliance of devolution in local bodies of the study area. A household list was prepared and all the households were selected as the main respondents which were surveyed, observed and interviewed.

3.6.1.1 Observation

Observation is also a major tool of data collection. Observation means viewing or seeing. We go on observing things or other while we are awake. Most of such observations are casual and have specific purpose. But observation as a method of data collection is different from such casual viewing (Krishnashawami, 1999). Observation is a purposeful systematic and selective way of watching and listening to and interaction as it takes place (Kumar, 1998). This method was opted to observe the practices of compliance of devolution in local bodies. Parsa DDC, selected VDCs, and Municipality's working areas are under consideration.

3.6.1.2 Key Informant Interview

The primary data was also collected from key informants using the semi or unstructured interview method. The local politicians of Parsa district like ex elected member of DDC, officers of the DDC, VDC and Municipality and intellectual persons, local party leader, representatives of local NGOs, member of user's committee, civil society member and private sector's officials are key persons. Senior political -officials, bureaucrats and others were selected as key informants in order to collect information through interview compliance of devolution in local bodies of the study area.

3.6.1.3 Focus Group Discussion

The advantages of group discussion compared to individual interview found are as following: first, people can speak freely and feel more comfortable talking to each other than talking to an unknown interviewer. Second, very ordinary things like devolution how it has been practiced in the locality was determined, which normally are poorly reflected, may be easier to discuss in groups (Morgan, 1997). And third, "the format allows the facilitator the flexibility to explore unanticipated issues as they arise in the discussion" (Marshall & Rossmann, 1999). In this research action, focus group discussion considers with : All the officer level staff of Parsa DDC, Municipality officer level staff, selected VDCs secretaries, selected NGOs representatives, chamber of commerce and industry of Parsa., ex- elected political representatives, authority of Ministry of federal and local development and authority of sectorial Ministry also.

3.6.1.4 Case Study

This case study method explicate about the compliance of devolution in local bodies at the study area. To make the study intensive, deep and easy, some politicians and bureaucrats were chosen from study area having different status, role, and liability in the local bodies that were also representative from various corners.

3.6.2 Tools

3.6.2.1 Questionnaire

Structured questionnaire was prepared to generate the realistic and accurate data from local bodies. The respondents were requested to fill up the questionnaire. In case of respondents who were not able to fill up the questionnaire, the questions were asked to the respondents and answers were filled up by researcher himself to collect required data related to compliance of devolution in local bodies.

3.7 Sources of Data

Data for this research has been obtained from both primary and secondary sources. For the primary data I organized in-depth interviews and focus group discussions. For the interview process I conducted semi structured open-ended interview with respondents in the field. For the focus group discussions, I organized one focus group discussion in each of the three study areas. This method was used for those respondents who are directly involved in functions and beneficiaries of the devolution. The participants were independent to give their opinions for the purpose of collection of data. The data for the secondary sources comprised of the review and study of documented literatures and information relating to local self-governance in Nepal. To understand this purpose, published and unpublished reports, books, history of constitutional development of Nepal, various administrative reform commissions, development plans and policies, sectoral ministries' journals, concerned article and research of academicians, internet and Media were used as the main sources of secondary data. These data helped me to find my objectives with analysis and reporting of the findings in the research. Moreover, during course of the collecting data from the both sources, more focus was given in current practice, gap and weakness in devolution process.

3.8 Target groups

Political officials (Ex. elected local leaders), representatives of NGOs, Government authorities and local stakeholders are the main target group of the study. For this purpose I conducted interaction with: two Member of Parliament, five local bureaucrats related to local bodies, two NGOs each containing five persons, two User's committee three to five members from each. Ex-elected local bodies' representatives' five persons, concerned authority of

Ministry of Federal and Local Development, Sectoral line agency's concerned authority in the study area of Parsa district.

3.9 Data management

Data analysis for the purpose of research employs to consists "three concurrent flow of activity: data reduction, data display and conclusion/verification" (Miles & Huberman, 1994:11). This section focuses on the entire management of the research data comprising all activities covering the post field management of the data through the analysis to the presentation of the major conclusions. Interview and focus group discussions record was managed through images. Apart from this, hand written note pads were used to collect respondents' views in my study area. After collecting the data, sorting of data into various categories processing were done. After the completion of this task, I have finalized for the presentation data analysis and interpretation of the research findings.

3.10 Validity

Authentic reports and books and internet are the main sources of collection of data. For the interview and focus group discussions, government authority of local government, NGOs officials and local level leaders and beneficiaries has been considered. Moreover, Ministry of Federal States Affairs and Local Development's policies, standard operating procedures and directives towards the local bodies and updated record have been collected. Another aspect of the validity of the study is based on my work experience.

3.11 Reliability

To verify the reliability of data, I processed triangulated (three) types of data:

Open ended interview, data from focus group discussions and data from documented sources.

These multiple types of data sources ensured the reliability of the research study.

3.12 Informed Consent

I respect the people's freedom and right to participate or not to participate in my research. The respondents owed full rights to give information about my study. They participated to postulate their views during the field study freely and voluntarily.

3.13 Confidentiality and Personal Integrity

I ensured the respondents not to disclose their privacy. The private data, positions of the authority, their names and identity features were not disclosed. General title and occupations were only used without any harm in their regular jobs or interests.

CHAPTER-IV

DATA ANALYSIS AND INTERPRETATION

4.1 Introduction

Data presentation and analysis is main source are from conceptual frame work of the study. Conceptual frame work's structure has been made on the basis of independent variable and dependent variable. Independent variables are political initiation, bureaucratic commitment, financial resource availability, monitoring institution and local environment. These variables consist own indicators for compliance of devolution which are mentioned in conceptual framework. on the basis of these indicators, independent variable provides the measurement of devolution and local capacity onthe ongoing existing policy i.e. LSGA ACT 1999.

Firstly, the political initiation is the whole policy that depends on the political will. If the will is perfectly reflected in operation level, hundred percentage of devolution may be output. Political will empowers the local capacity to perform prescribed functions.

Secondly, bureaucracy is policy implementation mechanism of the government. Whole policy and programs are implemented through bureaucracy. In the context of LSGA ACT 1999, secretary appointed by central government and other staffs are recruited by local bodies on the basis of own financial resource. If these all staffs performed their job perfectly, devolution will applyin real field. Competitiveness, loyalty, dedication and commitment towards the policy, measures the devolution as well as capacity of local bodies. Highly competent bureaucrat reflects high performance in service delivery as prescribed in functions. High performance of state mechanism means high capacity of organization to achieve desire goal. So, in thisvariable devolution and local capacity depends on bureaucratic commitment.

Thirdly, financial resource availability is the blood circulation to implement all policy and programs. To perform all the prescribed functions of LSGA ACT 1999, we need adequate financial resource. If we manage adequate financial resource, our devolved function may be better otherwise it is impossible. In this way well funding availability provides potentiality of local capacity.

Fourthly, when all the policies and programs are going to be implemented, they need to be monitored, supervised and evaluated in time to time. LSGA ACT 1999 has made institutional provision of this function. According to structure of monitoring and

evaluation committee of LSGA, we have to monitor, supervise and evaluate the policy and projects in well manner, it supports devolve functions. It guides and suggests for implication, backward and forward linkage to devolution and local capacity.

Finally, local environment is the supporting key factor for policy implementation in operational level. Positive attitude towards local activities naturally provides positive output. Local stakeholders like political parties, Medias, civil society, local elites, sectorial agencies, NGOs, CBOs should support the LSGA policy to implement in local level. When there is positive thinking, the result will be a better devolution as positive environment strengthens local capacity. Each variables wise data and interpretation are given below.

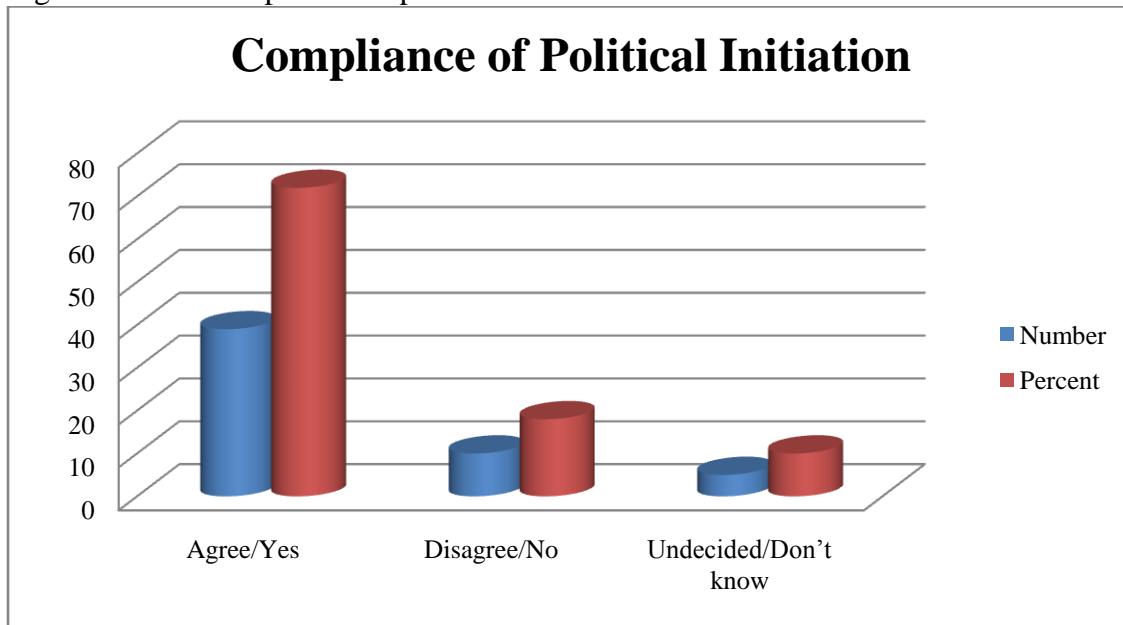
4.2 Political Initiation variable:

To find out the view of key respondents I have asked the thirteen questions like accountability of elected representatives, help of political parties in projects implementation, interference of political parties, democratic exercise in local bodies, facilitation of political leaders and such way other questions. The respondents revealed their view which is given below.

Table No4.2.1 :Table of political initiation

Response/Status	Number	Percent
Agree/Yes	59	74
Disagree/No	18	23
Undecided/Don't know	3	3
Total	80	100

Fig. No. 4.2.1: Compliance of political initiation



The compliance of political initiation variable seems highly applicable in the realfield of localbody. The composite graph shows that more than seventy four percent compliance of devolution. Only twenty three percent is not applicable to compliance because of various reasons like election did not held in the given time, political unwillingness and others. Just three percent result shows silent or undecided. According to preamble of LSGA ACT 1999, (a) stated that provide opportunities to people to be involved in governance and make them capable of enjoying the fruit of democracy and clause (d) stated that develop local leadership and system of local governance which is able to take necessary decisions affecting the life of the people. Same way the Constitution of Nepal 2015, in guiding principle in clause 50(1) stated that about local autonomy and decentralization...as a political purpose. Involving the people in local governance and development of local leadership depends on the will of political initiation. This performance provides the result of devolution and strength the local capacity. As far as mentioned in LSGA 1999 and our prevailing constitution, my research found that only seventy four percent policies is implementing in real field.

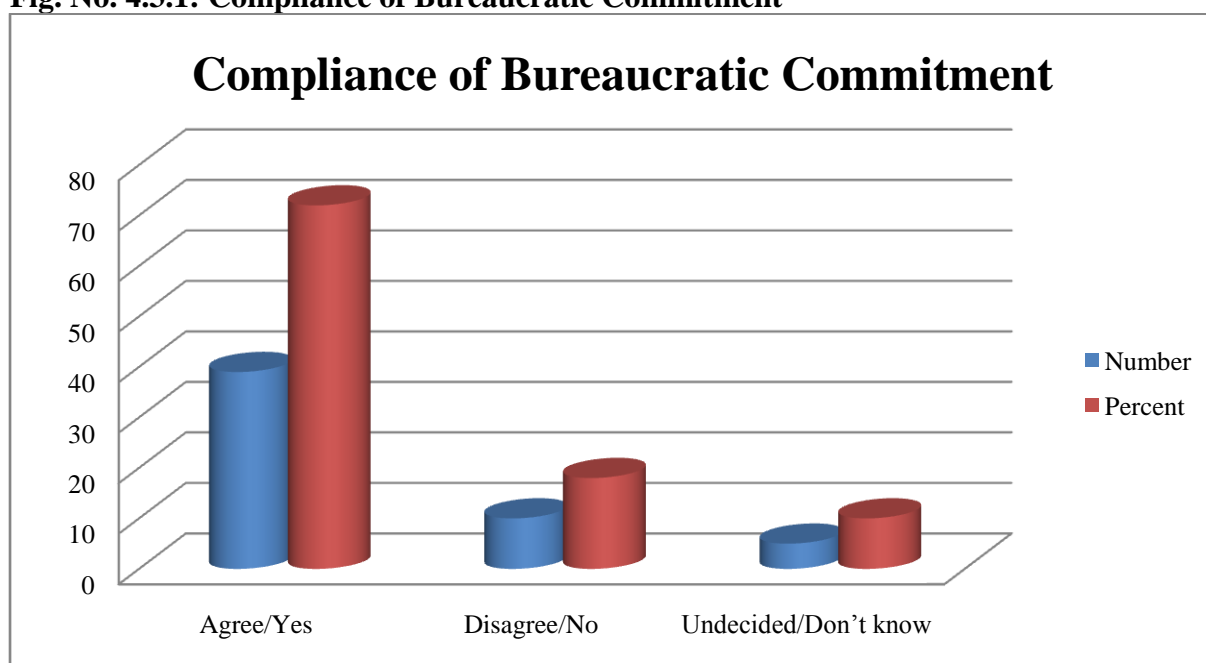
4.3 Bureaucratic CommitmentVariable

To find out the view of key respondents, I have asked more than twenty questions to them like initiation of local body's secretary, handover of the projects, formation of user committee, accountability of bureaucrat in service delivery formulation of periodical plans and budget, formulation of resource map, integrity of employee and job description of the employee as prescribed in policy and so on others questions. On the basis of these, DDC officials, VDC's secretaries, NGOS's representatives, Municipality's officials and political leaders who are the respondents revealed their view which given below.

Table 2 : Table of this variable

Respondents	Number	Percent
Agree/Yes	107	75
Disagree/No	23	17
Undecided/Don't know	10	8
Total	140	100

Fig. No. 4.3.1: Compliance of Bureaucratic Commitment



The above graph shows that seventy five percent compliance of devolution in the local field of the study area. It means degree of commitment of bureaucracy is very high. Seventeen percent shows that there is no fully compliance of devolution. This may be due to non-formation of local service commission, deputed employee of central government, lack of capacity of retained employee and excessive functions without competent manpowersuch as: VDC has one secretary but it has to perform more than twenty six ministries activities. Only eight percent respondents in this variable showtheir silent view in the bureaucratic commitment. This might be unwillingness of stakeholders. According to LSGA ACT 1999,

part (5) section (2) provisioned employee management. According to clause (253) the centre Government will depute the secretary of local bodies. There are two type of employee: one is deputed by center Government and another is appointed by own self paying salary and others benefits from own internal financial resource. The research found that only seventy percent of this independent variable applied in real field as in the same ratio is the devolution and local capacity in local level.

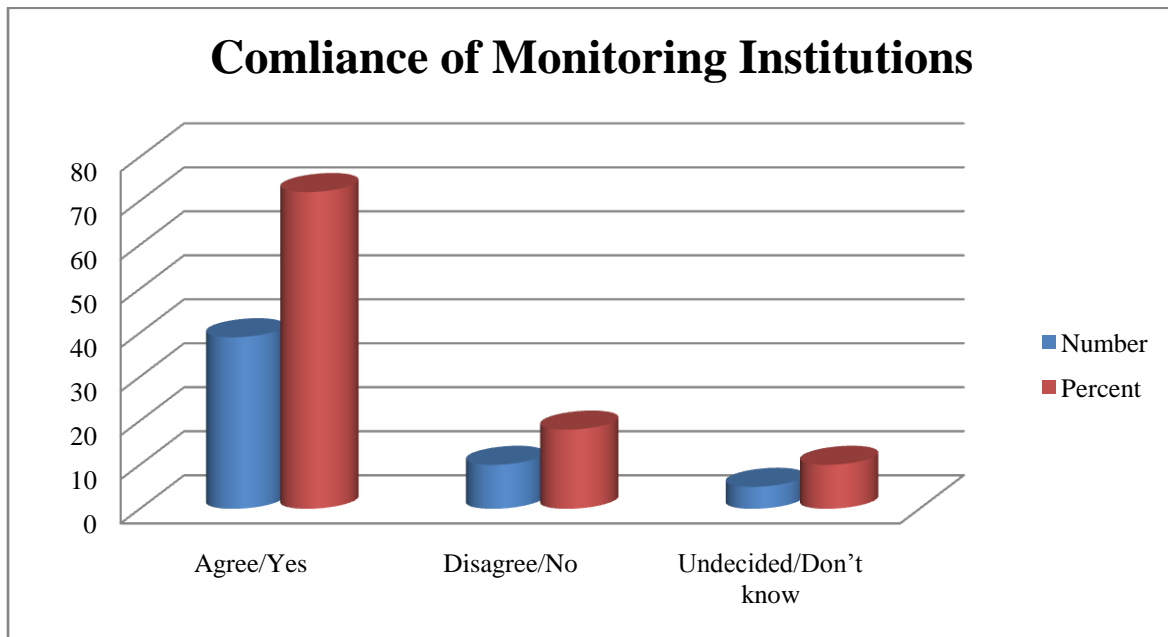
4.4 Monitoring institution variable

To find out the data from the key respondents, I have asked seven questions relating to this independent variable. The questions are like formation of district supervision and monitoring committee, held the committee meeting in stated time, review and evaluation system of projects, action against the irregularities, submission of annual report in parliament and so on. The respondents are DDC officials, VDC's secretaries, NGOS's representatives, Municipality's officials, authority of Ministry and political leaders revealed their view about it which is given below.

Table 3 :Table of this variable

Respondents	Number	Percent
Agree/Yes	34	69
Disagree/No	10	20
Undecided/Don't know	5	11
Total	49	100

Fig. 4.4.1: Compliance of Monitoring Institutions



The compliance of this variable i.e. monitoring institutions is found to have devolution only sixty nine percent in local body at the study area. Other twenty percent graph shows no compliance. It might be due to the unwillingness of parliament members, weak mechanism of supervision and monitoring committee and excessive small types of projects in the DDC. Other eleven percent part of this variable was ignored by the respondents regarding the given statement. According to LSGA ACT 1999, clause (210) stated the supervision and monitoring committee constituted under the chairmanship of the parliamentarian to supervise and & monitor projects. The meeting of the committee should be held one every four months. In the same way, clause (241) provisioned decentralization implementation and monitoring committee under the chairmanship of prime minister. The committee should submit the report in the parliament committee. As policy provision, in real field only sixty nine percent reflected in above research. Partial implication indicates partial devolution as well as local capacity.

4.5 Financial resource availability variable

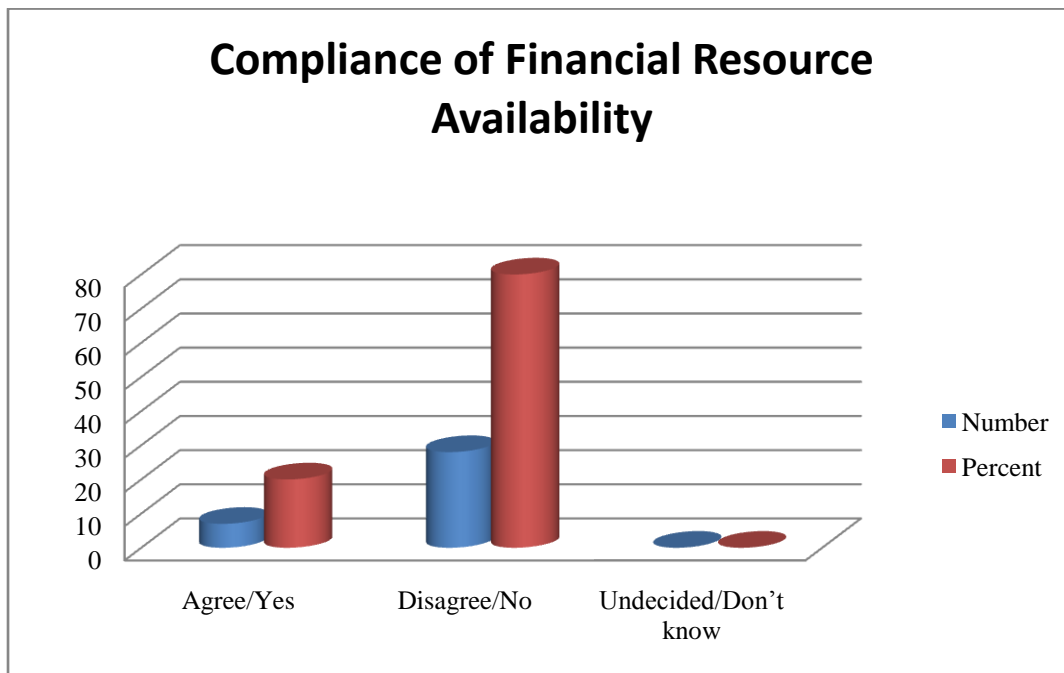
To find the data from this independent variable, I asked the five questions for key respondents. All the projects and plans are depending on the financial resource to implement. The questions are about the degree of self-dependency in financial resource, adequacy of own generating resource, adequate grants from central government and borrowing of finance from other financial institutions and so on other questions.

Trend shows that high demand of projects and plans in local level in the ratio of available financial resource. .The financial capacity of the local body’s which respondents revealed is given here.

Table 4:Table of this variable

Respondents	Number	Percent
Agree/Yes	7	20
Disagree/No	28	80
Undecided/Don’t know	0	0
Total	35	100

Fig. 4.5.1: Compliance of Financial Resource Availability



The graph shows that only twenty percent financial resource is available at the local bodies out of the total demand. Thus, this variable is not compliance in devolution. Eighty percent part of the variable is not compiling. Obviously, this variable is not compliance in local level at the study area. This might be due to excessive demand of plans, projects and program of the local people, lack of own resource and not applied the finance borrowing system in local level. LSGA ACT 1999 stated the provision of financial resources from the following heads: Tax resources, non-tax resources, share of tax & grants and loans and borrowings, Clause (55, 56, 57, 59, 136, 143, 145, 216, 217 & 219). Although this provision of the variable found in research is very poor in implication. Only twenty percent is available

as demand in local level. Eighty percent is not compliance as a result low devolution and low capacity building due to scar of financial resource?

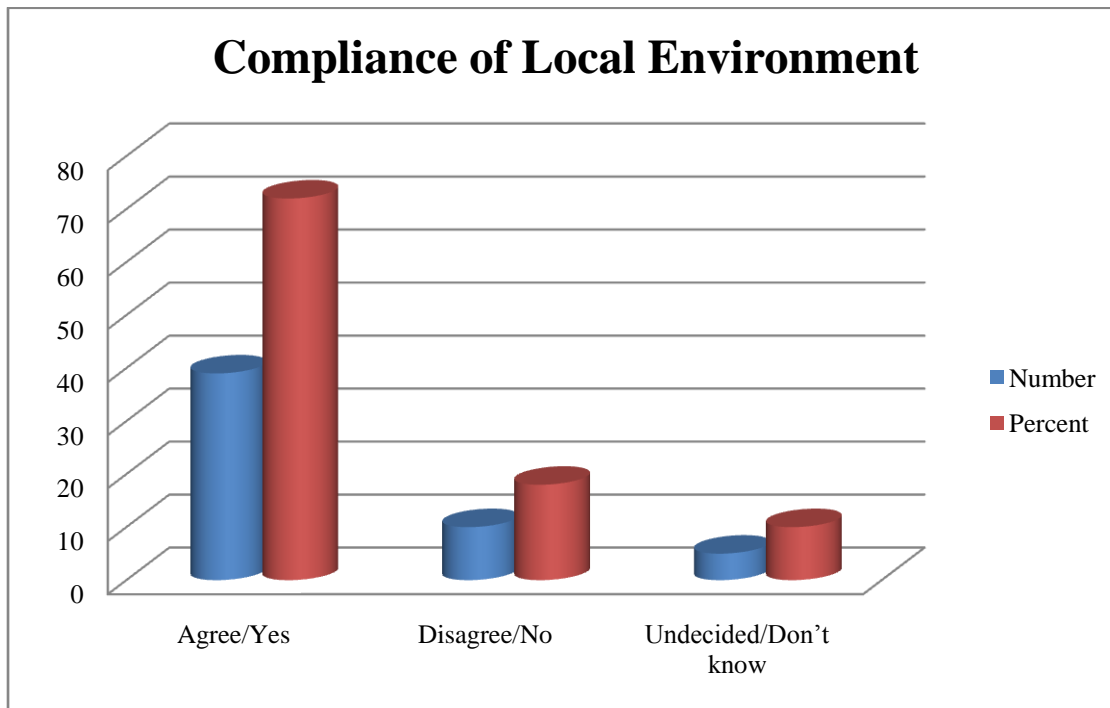
4.6 Local environment variable

To find the data from this independent variable, I asked the eight questions to key respondents. The questions are : follow of rule and regulations by NGOs, INGOs and private sector, support of Medias, civil society and stakeholders, conflict settlement in user committee, coordination of local sectorial agencies, and influence of local elites and so on. According to this, the respondents revealed their views which is given below.

Table 4.6.1 : **Table of this variable**

Respondents	Number	Percent
Agree/Yes	39	72
Disagree/No	10	18
Undecided/Don't know	5	10
Total	54	100

Fig. 4.6.1: Compliance of Local Environment



The above diagram presents that more than seventy percent respondents agreed that local environment of local bodies' activities are supportive to the LSGA functions. The independent variable of local environment is seventy percent compliance with LSGA. Rest eighteen percent respondents are not accepted this statement. This is due to local elite influence, sometimes political influence, conflict in user committee formation and lack of good governance in service delivery for local people. Under the in clause 3(d) principle & policy of local governance, the ACT states "The local institutions, while carrying out their works, should be prepared to establish a civil society based on democratic ideals, transparency, accountability, and the people's participation." The spirit of this statement compliance seventy percentage in my research which I have found. Supporting factor of this variable for devolution produced partial result and local capacity for devolved function as prescribed in LSGA ACT 1999.

CHAPTER-V

SUMMARY AND CONCLUSION

The topic of research “Compliance of devolution in local bodies” in Nepal is attempting to analyze decentralization, explore and measure the degree of implication of existing LSGA policy in field level. Finding the gap between theory and practice in local bodies will support for future improvement. This is the main purpose of this research. This thesis is divided in five chapters. The final chapter is summary, and conclusion.

5.1 Summary:

Power tends to corrupt, absolute power corrupts absolutely. This statement always indicates to decentralize the power from central level to local level. Transferring of power from center to lower level called as decentralization. Decentralization follows the ‘Principle of subsidiarity’. Political sense, it is realized the grass-root democracy. Nepal is practicing it since historical time especially in 1960s. Different ruler and different period of time, decentralization made means of ongoing political as well as development slogans in the Nation. Two fundamental bases are very important for study the decentralization in Nepal. One is historical bases and another is constitutional bases. On the historical bases, my research has studied the before the 1951 period. In this period, ruler has given limited power in different form in local level for various activities. Licheevi tenure, Mall tenure and Rana regime also more or less practiced the decentralization in Nepal in different form and name.

Another study reflects in constitutional base. The provision of decentralization is mentioned in the constitutional documents. The constitutions are: Nepal’s government legal Act 1948, Interim constitution of Nepal 1941, The constitution of the kingdom of Nepal 1959, The constitution of Nepal 1963, The constitution of the kingdom of Nepal 1990, The interim constitution of Nepal 2006 and recent constitution of Nepal 2015. These are the legal document where every government is trying to establish the decentralization in Nepal in different period of time. These constitutions are tie up with Ran regime, democracy of 1959, Panchayat period, restoration of multiparty democracy and Federal republic of Nepal.

In my literature review, I have mentioned the different commissions for decentralization purpose. Among them, formation of administrative decentralization commission (ADC) under the chairmanship of Randhir Subba (Subba commission), 1982 was mile stone for decentralization who established the legal structure. The decentralization Act 1982 and regulation 1984 was enacted after the recommendation of this commission in all the seventy-five districts. The government finally felt that institutionalize decentralization through legislation and self-governing institutions. Then Second commission was formulated which is High level decentralization commission in 1996. This commission recommended more autonomous system for the local bodies. Then government promulgated LSGA ACT 1999 which is prevailing for all local bodies in the country.

Policy structure depicted continue effort to improve the decentralization in the nation. Periodical plans from fourth periodic plan (1970-75) to thirteenth plan (2013-15) are addressing and provision about the decentralization. Among them eighteenth plan (1992-1997) is crucial for decentralization in Nepal. It stressed the local level democracy on the autonomy basis. In this plan, it is clearly mentioned that basic needs, skills, resource for local development should devolved to raise the living standard of local people, rural population and overcome to economic backwardness. This plan says: "People's participation, infrastructure development in local area and reduce regional and ecological imbalances and disparities" as a guideline of this plan. After this plan the paradigm of power shift from top down approach to bottom up approach of planning in the nation.

This policy focus on devolution. Then after, country changed shape of decentralization. Fund, functions and functionaries were devolved in local level. New structural frame of decentralization is ongoing. Re distribution of power, vertical linkage between central and local, delegation of authority, intergovernmental transfer of resource, political, administration and judicial power to lower means making them more autonomy. Autonomy refers to:

Self- management

Self-decision making

Self-control (check & control)

Self-governing

Operational freedom

Representation of local weaker segment of the society (co-option).

The Hennary Maddick says "embracing both the processes de-concentration and devolution". (Hennary Madick, 1975). The decentralization pattern of Nepal has also followed the mix

form of deconcentration and devolution model in the local bodies. The various methods of the decentralization are privileged in the country as applied science. They are:

Delegation

De-concentration

Devolution

Divestment

The study of decentralization in the literature review of this thesis in sum up remarks the devolution form of decentralization is practicing in Nepal. The LSGA ACT 1999 is the means of policy. In this policy statement, three types of functions are devolved for local bodies. These functions are mainly political function, financial function and administrative function. Moreover, more autonomy than before is provided in local body for self-governing system.

Chapter three has related with research methodology. This chapter describes the research design and research procedures under the sampling variables. For this purpose, I apply quantitative as well as qualitative method. The whole District of Parsa is the universe of population of local bodies. The samples were taken as DDC official, staff of local bodies, ex elected political representatives, political leaders, representatives of NGOs and etc. For qualitative technique, focus group discussion, key informant interview and official record were conducted.

Chapter four has data presentation and interpretation. Five independent variables are designed as conceptual framework and the questions are designed of each variable considering indicators for respondents. These variables are input factors for output of local devolution and capacity enhance. which are briefly given here.

Political initiation:

This variable is first condition of policy. The given indicators measure political initiation toward local self-governance in local level. The executive political function has taken care which is mentioned in LSGA ACT 1999 for implementation. On the basis of this, questions are asked for respondent. Their main questions are:

- Accountability of local bodies through elected representative.
- Participation in local project planning.
- Interference of political parties.
- Absence of local election since 16 years.

- Local bodies are means of democratic exercise.
- Role of political leaders.
- Inclusive policy in development sector as well as policy decision.

These questions have followed the indicators to measure the political commitment for implementation of local body's functions. The respondents revealed that seventy four percentages of activities of LSGA functions are compliance in field level operation. Rest of, twenty three percent is not compliance and three percent ignored the subject matter by respondents. Political capacity of local bodies isn't enhanced as we expect in policy document and fully devolution is not enacted in local bodies for self-governance.

Bureaucratic commitment:

This variable links with the state bureaucratic mechanism for implementation of devolved function in local level. The main questions of this variable on the basis it's indicators has designed for respondents. They are:

- Initiation of local body's secretary
- Impartiality for service delivery
- Formulation of user committee.
- Employee's accountable to the service delivery.
- Preparation of periodical plans and annual budget within given time period.
- Follow up fourteen steep participation plans.
- Preparation of resource map.
- Job description of employees.
- Integrity of local staffs.

According to research method, sample question of the variable are asked to the respondents. They reflect that seventy five percent functions of local bodies are performed by bureaucrats as mentioned in LSGA Act 1999. Rest of twenty five percent non performed or ignored by respondents.

Monitoring institution:

This variable has other key questions that help to feedback in policy and solve the problem in ongoing functions. .. The main questions of this variable are:

- Formulation of district supervision and monitoring committee on the chairmanship of parliament member.
- Holding period of meeting of this committee.
- Action against irregularities.
- Establishment of information center.
- Supervision of all ongoing as well as Handover projects and impact study.
- Submission of annual monitoring report in concern parliament committee by high level committee.

On basis of given indicators of the variables, the questions are designed to respondents. The respondents reveal that sixty-nine percent part of the variable related functions are compliance. Rest of thirty one percent part of this variable does not perform.

Financial resource availability:

The main questions of this variable for respondents on the basis of indicators are designed. Which are :

- Borrowing of finance from financial institution.
- Sufficiency of own resource generating
- Adequacy of central government's grants.
- Self-dependent or not for concurrent expenditure.
Match or not for all demand of local bodies.

The questions for respondents are designed on the basis of given indicators on the random sample basis. The respondents view reflect that only twenty percent financial resource meets the existing need of local bodies. Eighty percent financial needs of local bodies are not fulfilled due to scarce of financial resource. This variable has very low input for devolution function and capacity which indicate output of devolution and capacity of local bodies.

Local environment:

This variable self not build or measures the degree of compliance but creates the positive environment for operation level. The main questions of this variable has designed on the basis of given indicators for respondents.

- Role of NGOs, CBOs and private sector.
- Support of Media, Civil society and stakeholders.
- Conflict and settlement.
- Coordination with local agencies.
- Influence of local elite.
- Submission of report by NGOs and User committee in local bodies.
- Follow up the public hearing and social audit.

The respondents revealed that seventy two percent part of the variables support to implement of given function in the LSGA Act 1999. Rest of twenty eight percent does not compliance or support for local body's functions.

5.2 Conclusion

In this research, “compliance of devolution in local bodies” has tested the five independent variables through questionnaires survey taking the sample from Parsa district to meet the objectives of this research. The focus group discussion also conducted with key informants. The five independent variables: political initiation, bureaucratic commitment, monitoring institution, financial resource availability and local environment are basic pillars for devolution. Other pillars are dependent variables which are devolution and capacity of local bodies which I include in my thesis. Dependent variables are the output of independent variables. Through the survey and focus group discussion and various literatures review chapter five finds out the result and presentation of data and interpretation.

Political initiation:

This is the major variable to find out compliance ratio for dependable variable. According to data analysis seventy four percent policy activities are applied in the real field. Politically hundred percent supportive environments are not fulfilling. It is gap between policy and operation. The main indicators of creating gap are: vacuum of election since long time, weak willingness of political parties, conflict in resource allocation of local parties, lack of follow of policy guidelines by political parties, interference in local activities, default of democracy and lack of coordination of all political parties for annual budget and projects implementation in local bodies.

Bureaucratic commitment:

This variable relates with the permanent mechanism of government. Data presentation and analysis found that seventy five percent ratio support to the devolution. Rest of twenty-five percent is inconvenient. This is may be lower capacity of employees and excessive burden of functions, interference of political leaders in transfer and placement of the local secretary and lower morale and motivation in operation level.

Monitoring institution:

Monitoring follows the ongoing problem of the projects and plans and feedback for future improvement. According to LSGA 1999, there is provision of monitoring and supervision committee on the chairmanship parliament member in local bodies for every projects and plans. In central level, decentralization implementation and evaluation monitoring committee on the chairmanship of prime Minister. On the context of survey, the result shows sixty nine percent follows the monitoring and supervision activities. Thirty one percent does not implementation in field level as well as policy. This may be gap because of political instability, unwillingness of politician, lack of coordination between bureaucrat and political leader. These cause effect the output of devolution as weak condition and low capacity for performance.

Financial resource availability:

In the chapter five, the data interpretation and analysis result says that only twenty percent financial resource is available of total demand of the local need. This very critical variable clearly indicates that there is huge scar of finance in local bodies. Eighty percent part of the variable does not match the compliance. This may be due to non-generating of own resource, limited grants policy of central government, poor infrastructure development , lack of need assessment and high demand of local people. Thus, this independent variable does not compliance in full devolution though autonomy is given but itself control due to lack of financial resource. These cause effect on full devolution mark and output the low capacity for operating level.

Local environment:

In the chapter five, data presentation and analysis shows that seventy two percent part of the variable match the devolution. Twenty eight percent ratios are inconvenient. This is gap between policy and practice in devolution. This may be due to lack of coordination among the Media, NGOs, CBOs, Civil society, local administration. Political interference, local elite culture, unwillingness of sectorial agencies and negative attitude towards the local

development activities are other ingredients for non-compliance. Due to these cause, variable output is low level devolution and capacity in local level.

The topic “Compliance of devolution in local bodies” of my thesis finally found that four independent variables are more than seventy percent, meet the compliance in local field operation. Less than thirty percent ratio of the result may not be compliance. But financial resource availability variable only twenty percent ratios is compliance in local level operation and eighty percent ratio of result shows it’s negative. It is due to limited financial resource available in local bodies in comparison of total local need and demand. Thus my research finally concludes that devolution function of LSGA 1999 is not perfectly compliance in local bodies. More than two thirdratios of the functions are functioning from political level, bureaucratic level, monitoring level and creating positive environment from local level. Major and very crucial variable i.e. financial resource’s application seems very poor and doesnot meet the local level need. Whatever we devolved the fund, functions and functionaries, they are self-control due to scarce of resource. Decentralization system itself a process of bottom up approaches. On the basis of this concept, policy of devolution is prevailing as a means of LSGA Act1999. Its preamble, principle and policy follows policy, programme, projects, plans, and political power are decentralized for better perform than centralization system. The structures, functions and political commitment mentioned in the legal documents in time to time in our country should be in behavioral aspects partly implemented in actual field.

The existing LSGA ACT 1999 legal framework has faced several challenges in implementation. Although it cannot cope all the challenges but certainly it gave a hope for local governance and decentralization. Democracy and decentralization are the two parts of the same coin. Democracy in real sense is realized when there is democracy in grassroots level for day to day life of the people of their local need. Decentralization itself does not ends but only by the means of political and other socio-economic way for devolution. Public authority should not hesitate to devolve the power in local level for compliance in the real field.

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**Questionnaire for
Compliance of Devolution in Local Bodies
A Study of Parsa District, Nepal**

Part A: Socio-economic background of the respondent

1. Gender: 1Male, 0 Female
2. Age
3. Place of birth (District....., VDC.....Municipality:
5. Development Region Eco. Region: Mountain..... Hill.....Tarai.....
6. Current place of residence: (District..... VDC/Municipality

7. Education qualification:
 1. Literate
 2. Primary level
 3. Secondary level
 4. Higher secondary level
 5. Graduate degree
 6. Master's and above

8. Main occupation of those working:
 1. Farmer
 2. Manual worker
 3. Professional-lawyer, doctor, accountant, etc.
 4. Academic (University)
 5. Security
 6. Public servant
 7. Private

9. Please specify your monthly Income (voluntary)
 - a. Upto Rs.10,000/
 - b. Rs.10001-20000/
 - c. Rs.20,001-30,000/
 - d. Rs.30,001-40,000/
 - e. Rs.40,001-50,000/
 - f. Rs. 50,001/ and above

10. Are you associated with any voluntary, civil community level, organizations?

1. Yes,
2. No

11. If yes as, please specify (Multiple response)

1. NGOs
2. INGOs
3. Trade Union
4. Community based organizations
5. International organizations
6. Political parties
7. None

Section B: Questions regarding local governance

The questions are asked on the basis of Likert Scale method and Yes/NO method.

1. Political initiation

In the following statement 1 refers to strongly agree, 2- Agree, 3- undecided, 4- Disagree and 5- Strongly disagree. In these scale 1 is the highest of the scale and 5 is the lowest of the scale.

S. N.	Statements:	Strongly agree	Agree	Undecided	Disagree	Strongly disagree	Do not Know
1	Local bodies are made accountable to the local people through elected representatives?	1	2	3	4	5	9
2	Local people participate in local level project planning process with the help of political parties?	1	2	3	4	5	9
3	Beneficiaries in project implementation are unable without the help of local political parties?	1	2	3	4	5	9
4	Interference of political parties in the local bodies is functioning?	1	2	3	4	5	9
5	Absence of local representatives is hampering local development activities?	1	2	3	4	5	9

1. Political initiation

S. No.	Statements	Yes	No	I don't know
1	Local self-governance Act 1999 assists the local bodies to perform their functions effectively?			
2	Do you feel that local bodies are means of democratic exercise in local level?			
3	Do the Political parties are really exercising the local level democratic exercise in committee formation of local level field?			
4	Do You know central level political parties are facilitating to promote the local level democratic exercise?			
5	Parliament members are attending in DDC's integrated committee?			

6	Do the local bodies are performing their functions as per prescribed functions, duties and rights of LSGA 1999. (formation of council, board of local bodies, ward committee of VDC, Municipality in the sense of political exercise)			
7	Have the Government has formulated the local service commission to recruitment and selection of required employees?			
8	Local bodies follow the inclusive policy in local development activities			

2. Bureaucratic commitment

In the following statement 1 refers to Strongly agree, 2- Agree, 3- undecided, 4- Disagree and 5- Strongly disagree. In these scale 1 is the highest of the scale and 5 is the lowest of the scale.

S. N.	Statements:	Strongly agree	Agree	Undecided	Disagree	Strongly disagree	Do not Know
1	Does DDC have formulated subcommittee per LSGA section 190 to assist the above function with initiation of secretary?	1	2	3	4	5	9
2	District line-agencies handover the projects to the DDC after completion the project or not through guiding the local level staff?	1	2	3	4	5	9
3	Does the DDC formulate the user's committee for the project implementation?	1	2	3	4	5	9
4	Does NGOS follow the LSGA, rule and regulation for the project implementation?	1	2	3	4	5	9
5	Are the local employees being accountable to their job to provide service delivery?	1	2	3	4	5	9
6	The secretary of local bodies is deputed by central government. Do you feel that they are committed to local bodies' responsibilities?	1	2	3	4	5	9
7	How you feel the retrenchment about local recruitment?	1	2	3	4	5	9

2. Bureaucratic commitment

S. No.	Statements	Yes	No	I don't know
1	Do the local bodies formulate the periodic plan and annual budget with programs as prescribed time in LSGA in the initiation of secretary?			
2	Does MLD (administrative executive) release the budget, subsidy and guideline within the month of Kartik?			
3	Does DDC follow the section 195(5) in the context of plan formulation?			
4	Does the DDC follow the fourteen steps participative planning process?			
5	Does DDC follow the integrated plan formulation committee?			
6	Do the DDC make the resource map per LSGA 1999 mobilizing the own staff?			
7	Do the DDC make the project feasibility study before the budgeting with the help of technical staff?			
8	Do the local bodies staffs are committed as per section 201 to give priority in plan selection in practice?			
9	Do the local bodies staff support to project selection for people as per LSGA prescribed?			
10	All projects are implementing through consumer committee or not with the help of local staff?			
11	Do users' committees construct project themselves or through contractor?			
12	Do the local bodies have job description of employees?			
13	Do you know about the integrity of local bodies' employee?			

3. Monitoring institution:

In the following statement 1 refers to strongly agree, 2- Agree, 3- undecided, 4- Disagree and 5- Strongly disagree. In these scale 1 is the highest of the scale and 5 is the lowest of the scale.

S. No.	Statements	Yes	No	I don't know
1	Does DDC has formulated the district supervision and monitoring committee on the chairmanship of parliament members (210)?			
2	If yes, the committee meeting is holding within at least 4 months or not?			
3	Does DDC follow the review and evaluation system of project per section (211)?			
4	Does DDC have taken the action against the irregularities in the user's committee project through the monitoring process?			
5	Whether monitoring committee supervise about the established of information center or not?			
6	Does the monitoring committee supervise the DDC handing over the project to the user's committee or not?			
7	Does the committee submit its annual monitoring report in the concern committee of parliament?			

3. Financial resource availability:

S. No.	Statements	Yes	No	I don't know
1	Do the local bodies borrow financial resource from any financial institution (219)?			
2	Do the local bodies have sufficient own resource to implement the sanctioned plan and projects by the council?			
3	Does the central Government release the sufficient grants to implement the plan and projects?			
4	Does their own resource sufficient to pay the local employees' salary and other benefits?			
5	Are local bodies self-dependent to mobilize their all plans and projects without financial support of central Government?			

5. Local environment:

In the following statement 1 refers to Strongly agree, 2- Agree, 3- undecided, 4- Disagree and 5- Strongly disagree. In these scale 1 is the highest of the scale and 5 is the lowest of the scale.

S. N.	Statements:	Completely disagree	Partially disagree	Neutral	Partially agree	Completely agree	Do not Know
1	Do the NGOs, INGOs, CBOs and private sector the guidelines of LSGA 1999?	1	2	3	4	5	9
2	Do the Media, Civil society and stakeholders support the local bodies' functions?	1	2	3	4	5	9
3	Do you see any conflict in formation of user committee for project implementation?	1	2	3	4	5	9

4	Are local sectorial agencies coordinate to implement their plan and projects?	1	2	3	4	5	9
5	Do you feel that there is any influence of local elite in the local body's activities?	1	2	3	4	5	9
6	Does local administration coordinate to the local bodies functions?	1	2	3	4	5	9
7	Do the NGOs and users committee (209.4) submit financial report of the project to the local bodies regularly?	1	2	3	4	5	9
8	Do the local bodies follow the public hearing and social audit program to make positive environment in local level?	1	2	3	4	5	9

FGD

1. Bureaucratic Commitment

Although there is sector wise many development and social functions have to be performed by local bureaucrat but most of sectoral function only construction and road transportation is done.

- Agriculture
- Hydropower
- Rural water supply and sanitation
- Construction and road transportation
- Land reforms
- Women and development
- Forestry and environments
- Education and sports
- Irrigation and soil erosion
- Language and culture
- Domestic industry
- Health
- Tourism
- Miscellaneous

2. Monitoring

If yes, which on is done?

- Impact evaluation
- -6-month evaluation
- Maintenance and operation each year
- Advantage group identification and consequences
- Increment of production and opportunity of employment
- Impact assessment in ecology
- All the above

Any other Suggestions

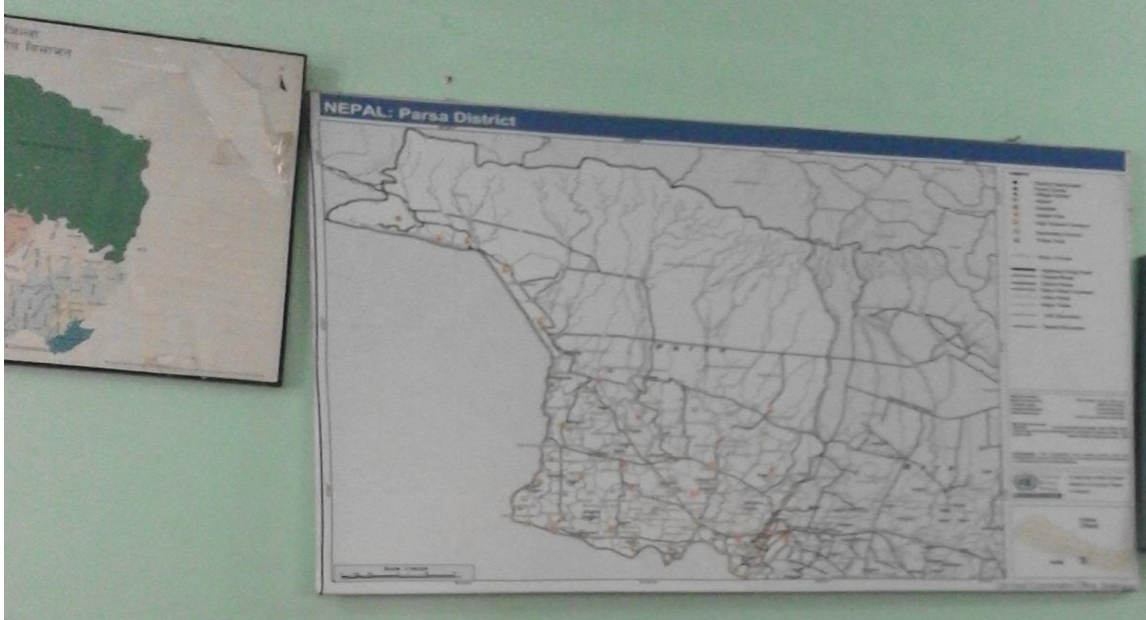
Thank you for your kind cooperation.



Annex 1 :DDC, Parsa officials are participating to fill up the questionnaire after discussion



Annex 2: Discussing with Local Development Officer of Parsa DDC on research matter



Annex 3: Map of Parsa District hanged on the wall of LDO's Chamber



Annex 4: Discussion with DDC officials, NGOs representatives and others



Annex 5: Discussion with NGOs, CBOs and other members



Annex 6: A Photo session with all the officials of Parsa DDC