Gauging Elite Perceptions

Views from the Subnational Level

GAUGING ELITE PERCEPTIONS

This page has been left blank intentionally.

GAUGING ELITE PERCEPTIONS
Views from the Subnational Level

सोशल साइन्सबहाः
SOCIAL SCIENCE BAHA

Team
Deepak Thapa, Sudeshna Thapa, Amit Gautam, Sakar Sapkota, Sachin Karki, Sanjit Shrestha, Sita Nepali, Sita Mademba, Manju Gurung, Rajendra Sharma, Bhimkala Limbu, Apurwa Baral, & Rajib Neupane with Dogendra Tumsa & Bijaya Bhattarai

ACKNOWLEDGEMENTS

ABBREVIATIONS AND ACRONYMS

CSO	Civil society organisation
DCC	District Coordination Committee
FPTP	First-past-the-post
KII	Key informant interview
LGBTIQA+	Lesbian, gay, bisexual, transsexual, intersexual, queer, asexual
LGOA	Local Governance Operation Act, 2017
LISA	Local Government Institutional Capacity Self-assessment
NNRFC	National Natural Resource and Fiscal Commission
PCC	Provincial Coordination Council
PLGSP	Provincial and Local Governance Support Programme
PwDs	Persons with disabilities
PR	Proportional representation
SSB	Social Science Baha
TAF	The Asia Foundation

CONTENTS

FIGURES AND TABLES

1. INTRODUCTION

Federalism as a form of government ensures, in principle, the efficient and fair allocation of resources along with enhanced citizen participation and engagement in decision-making processes through the decentralisation of power.[1] The extent to which federalism benefits citizens, however, depends largely on the intricate interactions among various social and institutional constituents in a given context, such as collaboration between political parties and leaders, coordination among various levels of government, engagement of citizens and civil society organisations at subnational levels as well as the power exerted by locally influential individuals.[2] Evidence from other countries shows that much of the benefits of federalism accrue primarily to people with influence,[3] rendering difficult for ordinary people to access the resources and opportunities a federal system promises to deliver. Given Nepal's own transition to a federal state and decentralisation all the way down to the ward level with the promulgation of the Constitution of Nepal in 2015 and the consequent two rounds of elections to all three tiers of government, it has become essential to understand how far federalism has been able to bring government closer to the people.

One of the key actors in the federalism exercise are the 'local elite'—individuals who wield some degree of influence at the subnational level. Getting an insight into the attitudes, beliefs and practices of this key group of constituents at the local and provincial levels in terms of federalism, participation and inclusion would go a long way in understanding how federalisation has unfolded on the ground. Accordingly, this study was undertaken with the proposition that understanding the perceptions and experiences of the local elite can better inform policymaking while also guiding interventions aimed at encouraging the active participation of all groups and individuals and collaboration among various

stakeholders. That proposition also presumes that such an exercise will ultimately foster a more inclusive and representative polity, most crucially, for historically marginalised populations.

Who Are the Local Elite?

Elites are generally considered those individuals who hold disproportionate political power or wealth and who are also able to shape decisions affecting the wider population.[4] Such a conception also applies to people at the subnational level albeit, by definition, limited in their spheres of influence. The question of who constitutes the 'local elite' has been interpreted variously by scholars worldwide. In general though, such a description has typically been used to refer to actors outside a country's central leadership identified on the basis of their social standing or reputation.[5] Local elites are those with influence stemming from their social status, political actors who assume advisory roles to the government, individuals who play a part in establishing coordination between the state and the community of citizens, and also those who belong to different pressure groups.[6] Local elites can thus encompass a wide spectrum of individuals, including, but not limited to, government officials, leaders of public institutions, scholars, experts, media practitioners, members of civil society, representatives of non-governmental organisations, entrepreneurs, business owners and individuals with academic degrees.[7]

The role of local elites gains particular salience in light of the fact that ordinary citizens often rely on 'elite cues' when forming opinions or making political decisions.[8] These prompts from societal leaders not only shape individual preferences but also influence government decisions as well. Local elites can serve as catalysts of government critiques as well as reinforce its policy positions.[9] Under conditions where the general populace wields minimal control over decision-making, the role of local elites becomes paramount in transmitting the interests and aspirations of the former to politicians.[10] Local elites also act as agents of reform, especially in bridging the gap between the government and local-level interests, thus determining the success or failure of interventions.[11] It is in this capacity that local elites function as intermediaries, facilitating exchanges of tangible or intangible gains between citizens and external agents.[12] People with such influence can have an outsized impact on critical community decisions, such as those related to local resource management,[13] while the success of initiatives can be contingent on how the local elite view those.[14]

On the flipside though local elites can also influence economic and political decisions with the aim of channelling resources to secure and enhance their own wealth and power.[15] Research has indicated that such groups often channel resources to their own benefit while neglecting investments in public services.[16] Local elites can also coalesce to maximise personal gains at the expense of the general public.[17] This phenomenon, known as 'elite

capture' in the literature, occurs when elites exploit their positions to accumulate resources or benefits.[18] Elites can also discourage ordinary citizens from engaging in local governance, such as during elections, leading to decreased efficiency of local governments.[19] In fact, there have even been calls for the exclusion of local elites from planning processes due to concerns about the unequal distribution of benefits.[20]

1.1 Implementing Federalism: The Nepal Context

Starting with the 1990 restoration of democracy and more so after the 2006 political change, a number of civil society groups and political parties emerged in the country, with many dedicated to advocating the political and social rights of historically marginalised communities. An inclusive agenda were later adopted by the major political parties as part of the 'state restructuring' process during the political transition starting in 2006 and it has been integrated into the national legal framework, guaranteeing greater avenues for minority groups to engage in decision-making processes. Federalism itself was envisaged as one of the means by which an inclusive socio-political order was to be institutionalised by way of devolving power away from the centre.

Previous efforts at decentralisation, particularly during the Panchayat era, had been mostly unsuccessful as the authoritarian proclivities of the centre undercut any attempts at devolving power.[21] Bureaucrats appointed at various levels by the centre were granted considerable power to be able to thwart elected representatives. Things shifted somewhat after the 1990 restoration of democracy and particularly following the promulgation of the 1999 Local Self-Governance Act (LSGA), which broadened the mandate of local governments and involved them directly in service delivery. However, that effort faced major hurdles, namely, the lack of capacity within local bodies, the inability to streamline planning involving numerous sectors, and, particularly, the rapid escalation of the Maoist conflict.[22]

The 2015 Constitution introduced a major change in Nepal's administrative structure, establishing Nepal as a federal state with three tiers of government—federal, provincial and local—and outlining both exclusive and concurrent powers for all three.[23] Nepal's transition to federalism was, however, a contentious one since the major political actors could not agree on key elements of a federalised state such as the number of constituent provincial units, their names, and, most importantly, how both ethnicity and territory would be accommodated in the federal structure. As a result, these issues overshadowed different aspects of governance, including how local governments would actually function.[24] When agreement was finally reached, apart from dividing the country into seven provinces, local units were also conceptualised very differently from what existed earlier, with the new ones much larger and also conferred with greater legislative, executive and quasi-judicial functions.[25]

The year 2017 marked a significant turning point for Nepal with the roll-out of federalism in practice, beginning with the local elections,[26] followed by provincial and national elections. Around the same time, the government also introduced a spate of laws and policies to implement the federal system of governance as envisaged by the Constitution. The Local Governance Operation Act (LGOA), 2017, for instance, explicitly outlines the functions, duties and rights of local government units. The Act, among others, grants legislative powers to local bodies in areas such as health, education, water and irrigation.[27] It stipulates that programme selection at the community level follow a participatory planning process.[28] Accordingly, the Directive on Formulation of Annual Plan and Budget of Local Levels, 2018 envisages a seven-step planning process, of which the third consists of a gathering of communities/localities.[29] The LGOA also calls for the 'maximum participation' of stakeholders such as 'local intellectuals, subject experts, the experienced, professionals, marginalised and endangered communities, women, children, Dalits, youth, minorities, people with disabilities and senior citizens' while formulating and implementing municipal plans.[30]

Likewise, the Intergovernmental Fiscal Arrangement Act, 2017 allows the three tiers of government to levy taxes and generate revenue within their specific areas of authority. The Act has granted local units the authority to collect house and land registration taxes, service fees, advertisement taxes and tourism fees.[31] The Act also defines how tax revenue should be distributed among the different levels of government.

The National Natural Resources and Fiscal Commission, the constitutional body set up to regulate fiscal distribution and natural resource exploitation at the federal, provincial and local levels, makes recommendations on the distribution of fiscal equalisation grants, determines the basis for the dissemination of conditional grants, and helps resolve disputes over the distribution of revenue among the three tiers of government.[32] Since 2019, the government has also implemented the Provincial and Local Governance Support Programme (PLGSP) to enhance the capacity of provincial and local governments for effective and accountable governance.[33] Another crucial law is the Federation, Province, and Local Level (Coordination and Interrelation) Act, 2020, which aims to maintain cooperation and coordination among the three levels of government while also prohibiting any level of government from infringing upon the exclusive rights of other levels.[34]

Despite the multitude of laws and policies aimed at power decentralisation, there are notable gaps. The government is yet to endorse the new federal civil service bill.[35] While the Employee Adjustment Act, 2017 allows for the assignment of personnel to provincial and local administrations on an interim basis,[36] it does not fully comply with the Constitution's vision of separate provincial civil service cadres.[37] This has resulted in the bureaucracy retaining excessive power, resulting in conflicts with elected officials, and hampering service delivery due to staff shortages at the subnational level.[38] There are also issues of

duplication and overlaps in the allocation of powers and functions among the federal, provincial and local levels.[39] The expansive powers exercised by the federal government has meant that it continues to oversee sectors such as education, agriculture and land management even though all three fall under the jurisdiction of subnational governments.[40] This over-reach also extends to fiscal and administrative matters, with federal ministries taking on responsibilities assigned to provincial and local governments.[41]

Resource allocation has remained largely uneven in Nepal. Challenges in governance and fiscal discipline persist at the provincial level.[42] There is a lack of clear laws delineating authority among the three tiers of government, contributing to confusion and unplanned resource exploitation as well as disputes between the provinces and local governments.[43] Duplication in programme selection and implementation is also proving to be significant as the federal government deviates from its strategic role and engages in smaller development projects.[44]

1.2 The Nepali Local Elite

In Nepal, the economic and political elite has historically belonged to the Hill 'upper castes', including both the rulers and their followers in the court.[45] Supporting this highly centralised state has always been a 'high-caste' officialdom, which helped extract resources from the periphery in conjunction with the help of a locally influential class of individuals, many of whom were also from the same caste background as the rulers but also a number of them who belonged to ethnic groups different from the rulers.[46] When the modern era arrived in Nepal with the end of the Rana regime, many of these elites transitioned as local leaders.[47] Participation in local affairs during the Panchayat period (1960-1990) was largely the domain of these economically privileged individuals, such as wealthy farmers and government employees, impeding ordinary people's access to government schemes.[48]

After 1990, the influence of the traditional political elite shifted to a new group.[49] Consisting of elected officials and members of political parties, this group, also referred to as the 'neo-elite', now holds significant power in a federal Nepal. Since the 'neo-elites', notably local leaders like mayors and ward chairpersons, exert considerable influence in local planning, they serve to bridge the gap between top politicians and the general populace.[50]

It should be noted that as elsewhere, local elites often dominate public service sectors like education and health and undermine formal governance systems by blending private and public interests, especially in resource allocation decisions.[51] Formal power structures consisting of civil servants and businessmen, along with others, can collaborate to maintain a resource management system for their own interests.[52] Studies on Nepal's community forestry reveal that local elites, typically from 'higher castes' and with significant land holdings and higher incomes, influence decision-making processes, hindering equity and

economic improvement for the poor and the marginalised.[53] Typically, political elites have wielded disproportionate influence in every kind of decision-making in Nepal, from appointing government officials to awarding contracts to private contractors.[54]

2. OBJECTIVES

The main objective of the study was to understand how the local elite view the implementation of the federal system in the country and also the functioning of the three levels of government, particularly with regard to public service delivery as well as inclusive and participatory planning and decision-making processes. The study was premised on the belief that such an understanding would be crucial to correcting any anomalies identified, which would result in the strengthening of the federalisation process itself.

More specifically, the study sought to:

i)   gauge the perceptions of local elites regarding the overall performance of federalism, including how provincial and local governments have functioned thus far in their view;

ii) understand what local elites think of service delivery and the planning and decision-making processes at provincial and local levels while identifying factors that aid or hinder their influence and/or participation in agenda-setting and decision-making;

iii) explore how the perception of local elites can contribute to enhancing or obstructing public service delivery but also ensuring inclusive and participatory planning and decision-making processes at provincial and local levels; and

iv) highlight the interlinkages between local elites' perceptions and practices vis-à-vis both service delivery and planning and decision-making processes at local and provincial levels, and understand how each affects the other.

For the purpose of the study, local elites should be understood as those with the ability to influence public perceptions regarding various aspects of governance such as service delivery, the prioritisation of development projects, public procurement processes, and agenda-setting for more participatory and inclusive decision-making processes. These individuals would be expected to possess a somewhat detailed knowledge on various aspects

related to this study, often gained through their previous direct or indirect involvement in related activities. And, as mentioned earlier, these individuals represent a range of social and professional backgrounds.

3. METHODOLOGY

The study adopted a mixed-method approach of surveys and key informant interviews (KIIs). The fieldwork itself was preceded by a comprehensive examination of relevant policy documents, including plans and programmes of governments at provincial and local levels, and supplemented by a review of relevant publications, consisting of both academic and grey literature, on how local elites view governance and development and its impact on planning, decision-making and service delivery.

The research instruments were based on the literature review and further refined following inputs from TAF. In particular, inputs from an expert consultation meeting were very useful in refining the questionnaires further before being subjected to field tests and final revisions.

3.1 Selection of Study Sites

The study undertook a two-pronged approach whereby the units of analysis were at both the provincial and local levels. In addition to generating contextually relevant insights from all seven provinces, the data allowed for a comparative analysis of what local elites have been thinking and what the sources of their contentment and/or discontent are since these have a bearing not only on the delivery of services but also on how federalism has unfolded across the country.

Fieldwork was conducted in the provincial capitals and two local units in each of the seven provinces (Table 3.1). The selection of the latter was based on the last LISA (Local Government Institutional Capacity Self-Assessment)[55] scores available at the time of research, i.e., 2021/22. One local unit each from among the five highest- and five lowest-scoring ones were chosen for the study, with the major consideration in the final selection being the shortest travel times among the research sites in each province.

Table 3.1: Study sites

Province	Score Category	Municipality/Rural Municipality*	District	Ecological Zone	LISA Score
Koshi	Provincial capital	Biratnagar Metropolitan City	Morang	Tarai	86.75
	High-scoring local unit	Suryodaya Municipality	Ilam	Hill	96.25
	Low-scoring local unit	Mahakulung Rural Municipality	Solukhumbu	Mountain	25.25
Madhesh	Provincial capital	Janakpurdham Sub-Metropolitan City	Janakpur	Tarai	89.0
	High-scoring local unit	Balan Bihul Rural Municipality	Saptari	Tarai	83.5
	Low-scoring local unit	Matihani Municipality	Mahottari	Tarai	22.25
Bagmati	Provincial capital	Hetauda Sub-Metropolitan City	Makwanpur	Tarai	63.25
	High-scoring local unit	Khairahani Municipality	Chitwan	Tarai	92.75
	Low-scoring local unit	Rubi Valley Rural Municipality	Dhading	Hill	19.5
Gandaki	Provincial capital	Pokhara Metropolitan City	Kaski	Hill	69.75
	High-scoring local unit	Phedikhola Rural Municipality	Syangja	Hill	92.5
	Low-scoring local unit	Bhanu Municipality	Tanahu	Hill	41.75
Lumbini	Provincial capital	Butwal Sub-Metropolitan City	Rupandehi	Tarai	94.75
	High-scoring local unit	Tilottama Municipality	Rupandehi	Tarai	95.75
	Low-scoring local unit	Susta Rural Municipality	Nawalparasi West	Tarai	44.0
Karnali	Provincial capital	Birendranagar Municipality	Surkhet	Hill	71.25
	High-scoring local unit	Gurbhakot Municipality	Surkhet	Hill	88.25
	Low-scoring local unit	Thulibheri Rural Municipality	Dolpa	Mountain	30.25
Sudurpaschim	Provincial capital	Dhangadhi Sub-Metropolitan City	Kailali	Tarai	69.25
	High-scoring local unit	Godawari Municipality	Kailali	Tarai	86.5
	Low-scoring local unit	Purbichauki Rural Municipality	Doti	Hill	35.25

* While the official provincial capitals of Lumbini Province and Sudurpaschim Province have been declared as Deukhuri in Dang district and Godawari in Kailali district respectively, we have used Butwal and Dhangadhi as the provincial capital of these two provinces, respectively, as they hosted most of the administrative units of the provincial governments at the time of field work..

3.2 Expert Consultation

Following the development of draft research instruments, a consultation was held with a group of a cross-section of experts to seek inputs into the kind of questions the study team had prepared. Besides helping the team gain a more thorough understanding of the concept of 'local elites' in the Nepali context, particularly within the framework of federalism, as well as suggestions in refining the survey questionnaire and interview questions, a major outcome of the consultation was the recommendation that the study cover all the seven provinces from the originally planned three—Koshi, Madhesh and Bagmati.

3.3 Survey

In the first part of the fieldwork, a survey was conducted with 630 individuals—spread equally across the 21 selected municipalities and rural municipalities. The respondents were part of the local elite identified as such with the help of local facilitators brought on board the research process in advance. These facilitators were provided with a brief, outlining the context and objectives of the study, and asked to compile a list of individuals in their respective municipalities/rural municipalities they believed wielded some level of influence within their respective fields or communities in determining the development agenda as well as the decision-making process across various sectors. The sectors in question included but were not limited to health, education, drinking water, road and transportation, agriculture, forests, irrigation, and other infrastructure.

The facilitators were also asked to ensure that their lists of the local elite included as diverse a group of people as possible and not be limited to the political elite alone. The research team borrowed the Nepali term, *sthaaniya aguwa* (translated as 'local leaders'), to signify who were to be included. (It should be pointed out that, *sthaaniya aguwa* is a catch-all descriptor used for a range of individuals whose voice counts in local affairs. A cursory review of media reporting indicates that the views of the *sthaaniya aguwa* are sought in relation to a wide array of socio-political matters, including religion, local resources, inclusion, development, tourism, and irregularities at the local level, among others.[56])

In order to ensure a measure of diversity among the local elite, efforts were made to ensure that the facilitators themselves hailed from different socio-cultural backgrounds even though in terms of profession a plurality of them happened to be journalists. The lists they developed were further refined on site by the research teams through mutual consultation prior to starting the fieldwork. The broad categories of individuals the survey covered are provided in Table 3.2.

The survey helped gain an understanding of the overall and varied experiences of local elites and their views regarding governance, including the participation of women and marginalised communities at different stages of the development process. It also

Table 3.2: Type of local elites surveyed

Government representatives*	Elected officials
	Government officials
Local leaders representing political parties and their fraternal wings	
Representatives of users' committees/groups	
Traditional leaders/Religious leaders/Leaders of ethnic communities	
Heads of public institutions: schools, community health facilities, etc	
Civil society	Representatives of I/NGOs
	Journalists
	Scholars/Academics/Teachers/Experts
	Human rights defenders/ Representatives of organisations working for marginalised and minority groups
Local business owners/Industrial managers/Contractors/Representatives of trade and industry bodies	
Leaders of local communities and clubs	

* This study distriguishes between elected officials and career government officials.

helped identify specific thematic sectors most pertinent to the concerned provinces and municipalities/rural municipalities for deeper exploration during key informant interviews.

3.4 Key Informant Interviews (KIIs)

Interviews were conducted with some 25–30 key informant in each of the seven provinces, covering both the provincial and local levels. A total of 188 KIIs were thus conducted, and these individuals included 116 who were part of the survey and chosen for their likelihood of being able to provide deeper insights into the theme of the study. Of the remaining 72, a number of them were identified as potentially being able to provide a provincial-level perspective.

In terms of profile, the key informants comprised members of thematic committees of provincial assemblies, members of provincial planning commissions, academics, NGO representatives, journalists and activists advocating for the rights of various population groups. In certain cases, particularly with members of the media, their ability to influence public perceptions on governance issues was also a crucial factor in their being included. The selection of interviewees at the provincial level was done purposively to ensure the representation of different stakeholders who could discuss key themes of the study. (A breakdown of the number of interviews conducted in each province is provided in Table 3.3.)

The interviews focused on the major public service sectors, primarily, governance, health, education, drinking water and roads and transportation, with the specific sectors

Table 3.3: Number of key informant interviews conducted

Province	Interviews conducted	
Koshi	Provincial level	5
	Local level	21
Madhesh	Provincial level	4
	Local level	22
Bagmati	Provincial level	5
	Local level	22
Gandaki	Provincial level	5
	Local level	20
Lumbini	Provincial level	6
	Local level	23
Karnali	Provincial level	8
	Local level	22
Sudurpaschim	Provincial level	6
	Local level	19
Total		**188**

identified on the basis of their salience to the concerned province or local level unit according to the survey findings. The KIIs thus provided an in-depth look at how local elites view both public service delivery and planning processes at the provincial or local levels, and the factors that shape their perceptions, including interactions with government institutions and officials along with the government's ability (or failure) to meet citizens' expectations. The KIIs also helped provide an understanding of how the local elite are able to (or prevented from) influencing and/or participating in setting the planning agenda, including ensuring that processes are inclusive and participatory, and also how these together affected the perceptions of local elites towards governments in all three tiers. Interview checklists for all stakeholder categories were translated into Nepali before being deployed.

4. KEY FINDINGS

This section presents the major findings from the study. It combines the results from the survey with information derived from interviews with key informants. In most cases, survey data has been used to introduce a theme and every effort made to complement that information with qualitative evidence from the interviews. Unlike with the survey, which can pinpoint precise numbers of responses to a particular survey question, the qualitative component is much more nuanced. Hence, assertions have been made only where a particular issue or theme was found to have resonated with a reasonable number of interviewees and the study team satisfied with the triangulation. And, where required, quotations, which generally support the survey findings but sometimes also provide contrarian perspectives, have been used to underscore such statements.[57] There are,

Figure 4.1: Age and gender of local elite in study (%)

6%
11%
38%
46%

■ 18-29 ■ 30-45 ■ 46-60 ■ 61+

1%
30%
69%

■ Male ■ Female ■ Other
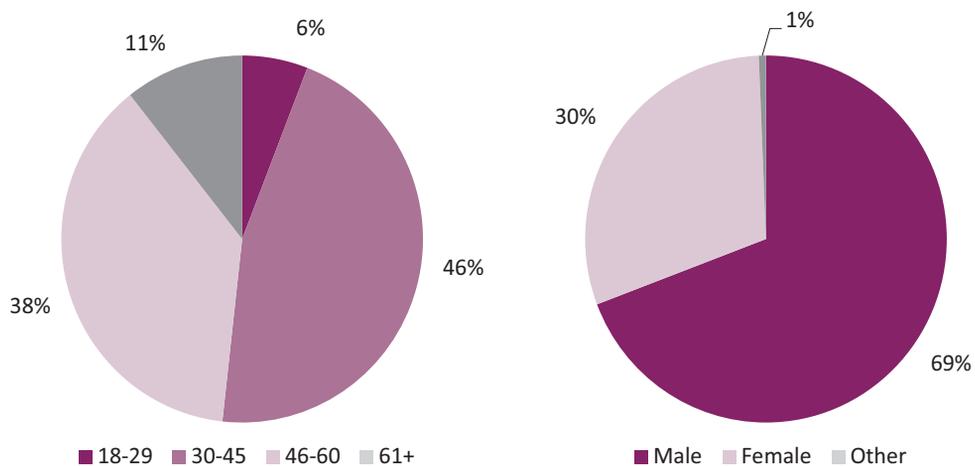
N=630

however, certain themes not covered by the survey but have been presented nonetheless since those were highlighted during the interviews and provide interesting insights.

Table 4.1: Caste/ethnicity of local elite in study (%, province)

Province	Caste/Ethnicity									
	Mountain Janajati	Hill Caste (Khas Arya)	Hill Dalit	Hill Janajati	Tarai Caste	Tarai Dalit	Tarai Janajati	Tharu	Muslim	Total (N)
Koshi	–	31	9	42	2	1	3	1	1	90
Madhesh	–	3	–	1	49	19	8	4	6	90
Bagmati	–	36	7	37	2	–	1	5	2	90
Gandaki	1	48	8	27	–	–	3	–	3	90
Lumbini	–	40	8	17	8	1	1	11	4	90
Karnali	1	52	20	13	–	–	2	1	1	90
Sudurpashchim	–	54	13	3	–	1	–	18	1	90
Total (n)	2	264	65	140	61	22	18	40	18	630
Total (%)	0.3%	41.9%	10.3%	22.2%	9.5%	3.5%	2.9%	6.3%	2.9%	100.0%

4.1 Demographic Profile

Of the 630 individuals identified as local elites for the survey, the highest proportion belonged to the 30–45 age group, followed by those in the 46–60 bracket (Fig. 4.1). Nearly three-quarters of the individuals reported having lived in their current locality for 25 years or more while fewer than 5 per cent of the respondents had done so for less than five years, indicating that deep roots are a prerequisite for recognition as being part of the elite.

With regard to gender, more than two-thirds (69 per cent) were men in keeping with the consistent trend that men are in influential positions all over the country (Fig. 4.1). Equally revealing was the dominance of those belonging to the hill castes (the Khas Arya), making up 42 per cent of the total compared to their 30 per cent share of the national population (Table 4.1).[58] This does point to a concentration of hill-caste individuals in decision-making and influential roles across all provinces, with the exception of Madhesh, where the Tarai castes predominate, but disaggregated to the municipal level the dominance of hill-caste individuals is not always true for a number of local level units (Annex I).

Figure 4.2: Educational levels of local elite in study (%)
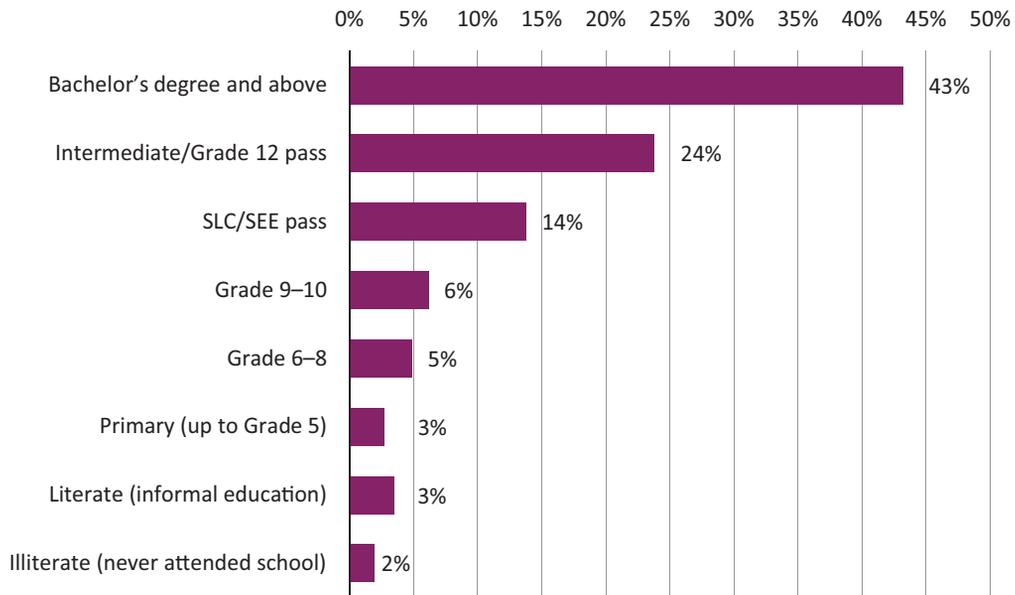
N=630

In terms of educational background, two-thirds of the surveyed local elites had completed at least intermediate-level education (i.e., 12 years of schooling), with more than 40 per cent with college degrees (Fig. 4.2). There were very few individuals with little to no formal education were deemed part of the local elite.

More than a third of the individuals surveyed reported 'agriculture' as their major source of income (37 per cent), followed by 'business' (31 per cent), 'government jobs' and 'private-sector jobs' (10 per cent each) (Fig. 4.3).

Asked what they would like to identify themselves as in terms of profession, the local elites in the survey listed more than 14 different categories (Fig. 4.4). More than a third chose 'social worker', with 'politician' and 'civil society/human rights activist' following somewhat behind.

Researchers had also been asked to note the professional identity of the respondents in order to understand better their standing in their respective communities. The results thereof were quite different from how the respondents themselves wanted to be known as. Thus, according to the researchers, nearly a third of the local elite surveyed were politicians, followed closely by civil society activists (Fig. 4.5). It appears that 'social worker' is an appellation a fair number of the local elite prefer to be known as despite their being engaged in different activities.

Figure 4.3: Main sources of income of local elite in study (%)

Source	Percentage
Agriculture	37%
Business (retail/wholesale, import/export, business contract, commercial farming)	31%
Job (government)	10%
Job (private sector such as banking, etc)	10%
Pension/Allowances/Assistance in cash or inkind	9%
Job (education)	8%
Job (I/NGOs)	6%
Social work	3%
Umemployed	2%
Wage labour	1%
Rent	1%
Job (health sector)	1%
Remittance	0.5%
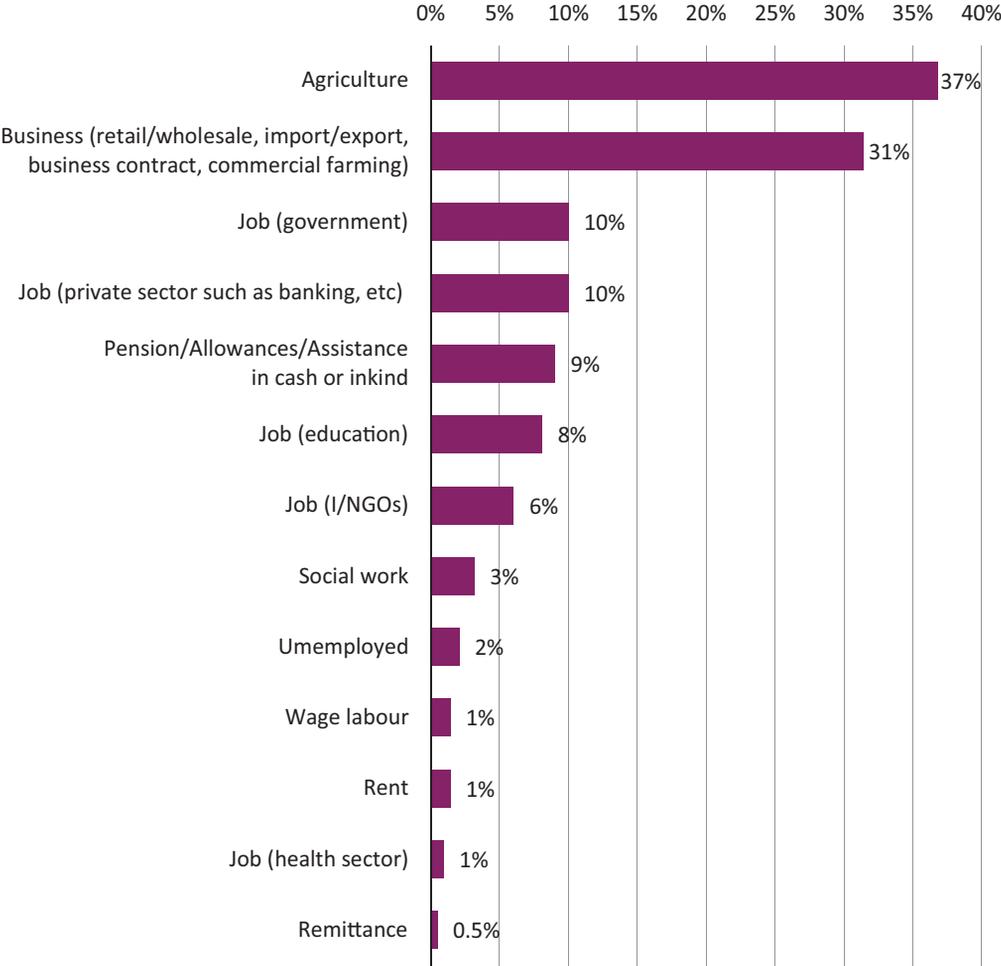
N=630, multiple responses

Figure 4.4: What do you like to identify yourself as? (%)

Category	%
Social worker	36%
Politician	14%
Civil society activist/Human rights defender	12%
Government employee	10%
Entrepreneur	8%
Farmer	6%
Journalist/Mediaperson	3%
Teacher	3%
I/NGO worker	2%
Academician/Expert	2%
Lawyer/Legal professional	1%
Health worker	1%
Religious leader	1%
Employee of bank/financial institution	0.5%
Other	1%
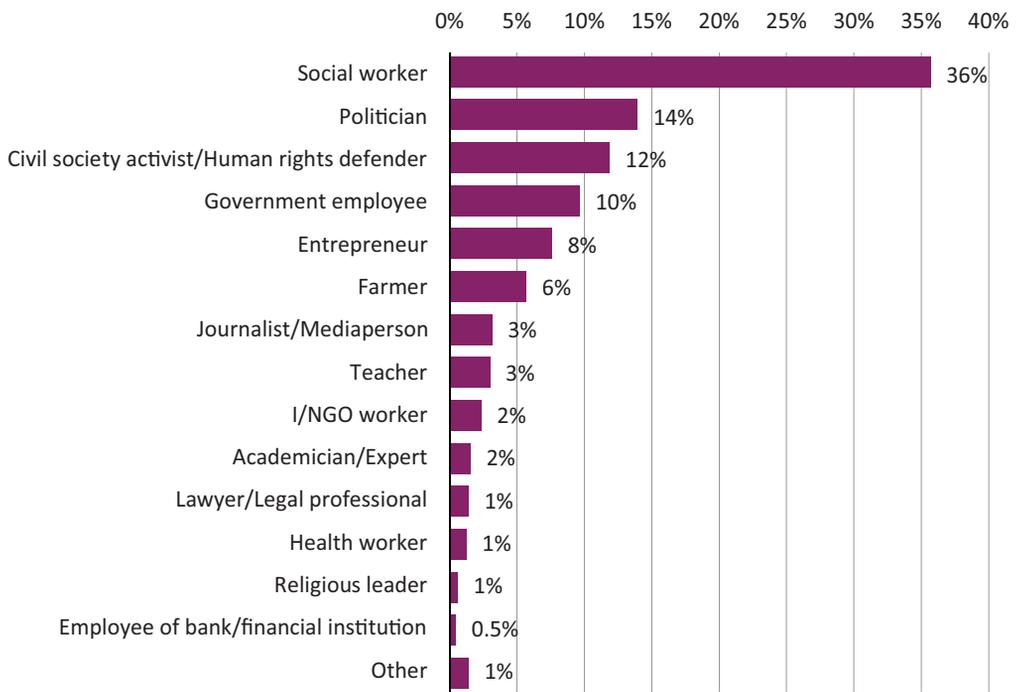
N=630

Figure 4.5: Type of elite (%)
(research teams' ascription)
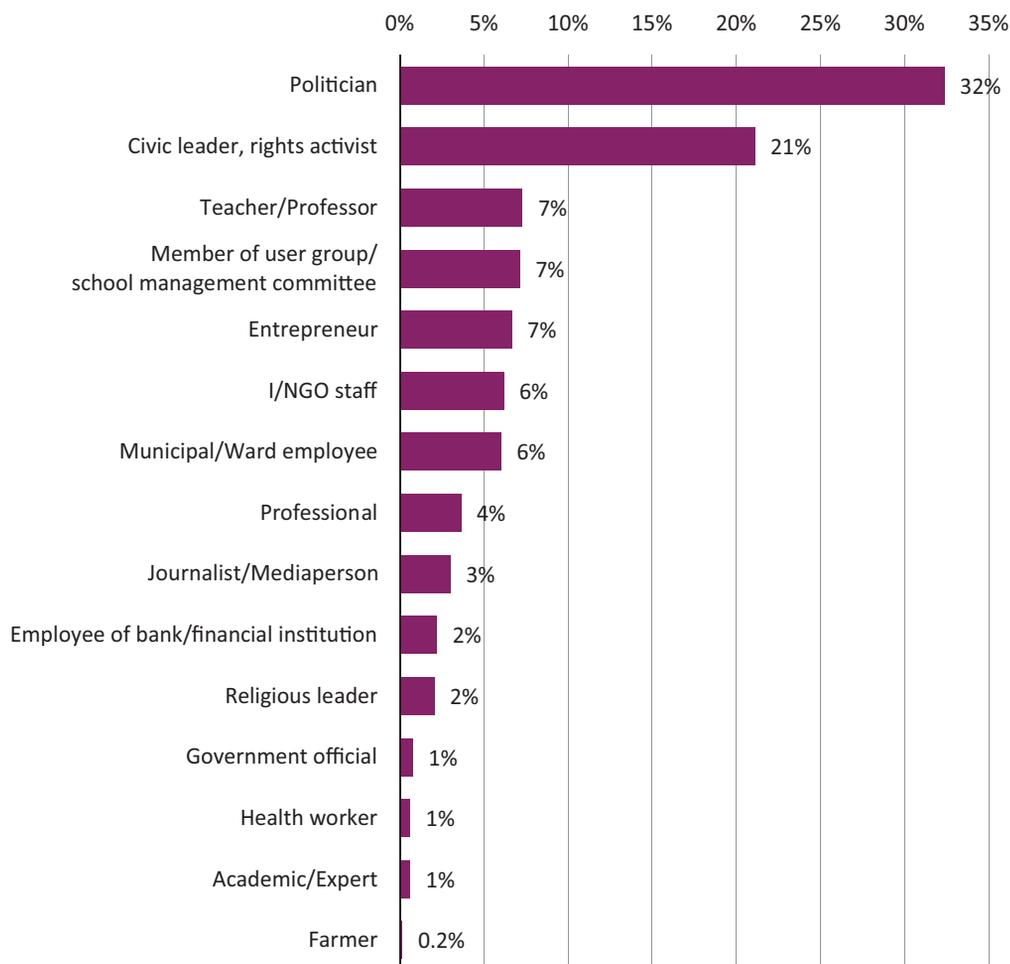
N=630

Nearly two-thirds of the surveyed local elites (61 per cent) reported being affiliated with a political party (Fig. 4.6). Of those who admitted party affiliation, 62 per cent said their political party was the ruling one at the time (both provincial and federal).[59]

A full four-fifths of the respondents included in the survey did consider themselves to be part of the local elite (Fig. 4.7). Instructive was the fact that nearly all the survey participants from the two most marginalised communities in Nepal—Tarai Dalits and Muslims—considered themselves part of the local elite (Fig. 4.8). That was likely because

Figure 4.6: Are you affiliated with any political party? (%)

1.7%

37.3%

61.0%

■ Yes ■ No ■ Rather not say
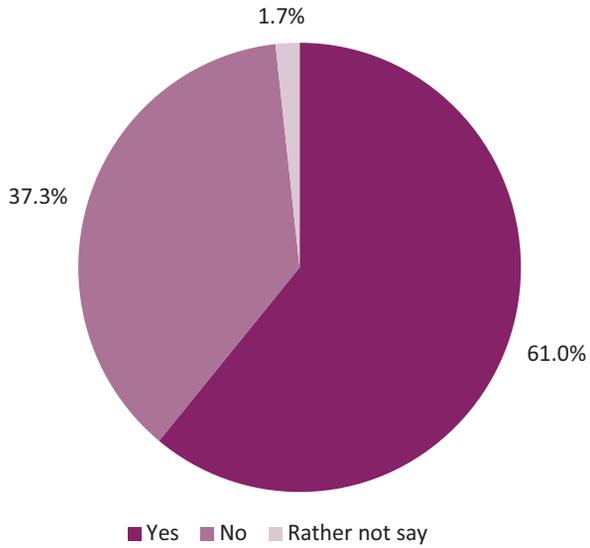
N=630

Figure 4.7: Do you consider yourself to be part of the 'local elite'? (%)

1.1%

17.6%

81.3%

■ Yes ■ No ■ Rather not say
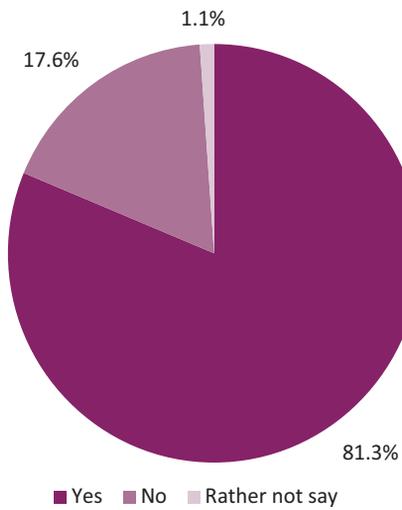
N=630

Figure 4.8: Do you consider yourself to be part of the 'local elite'?
(%, caste/ethnicity)
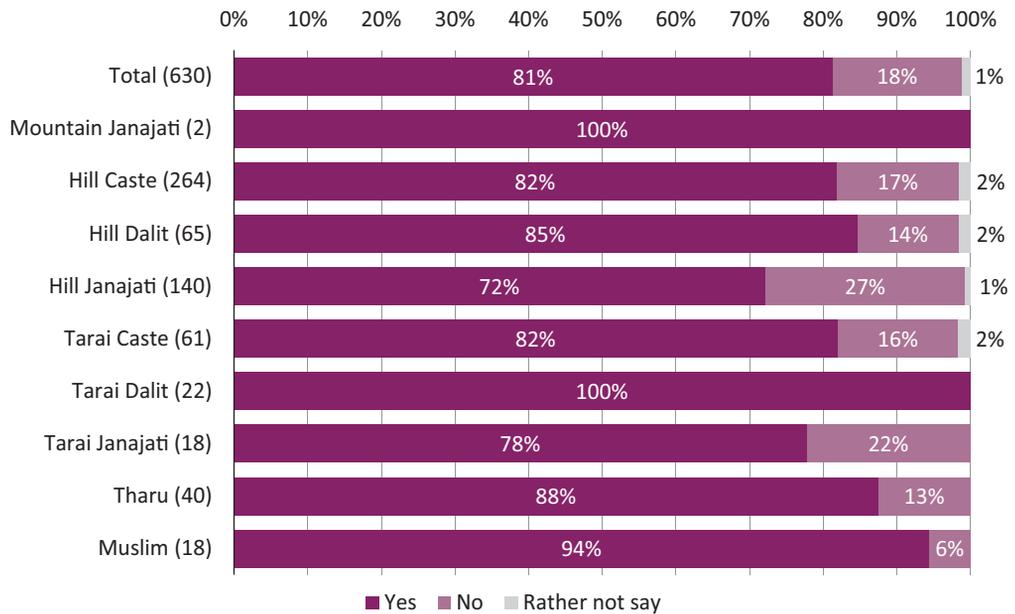
Note: The figures within parentheses in y-axis denote the number of respondents from those caste/ethnic groups.

Figure 4.9: To what extent do elites influence the perceptions of the general public about the overall performance of the government? (%)
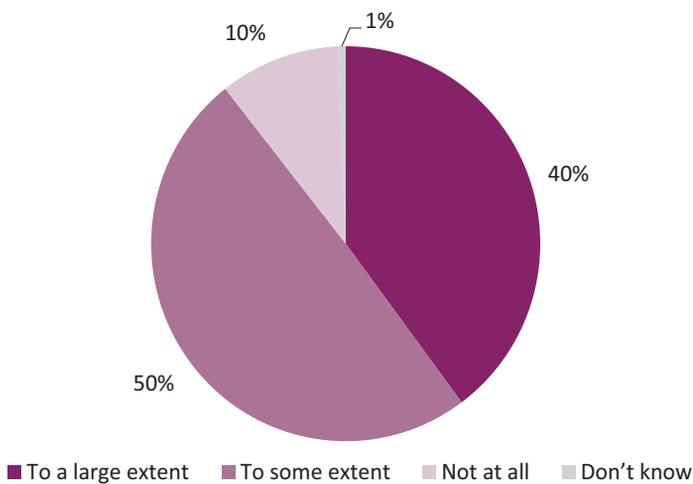
N=630

as there are very few accomplished individuals from these communities, they are probably asked to represent their respective groups in various fora all the time, which perhaps imbues them with a sense of self-worth.

Figure 4.10: To what extent do elites influence the perceptions of the general public about the overall performance of the government?
(%, gender and caste/ethnicity)
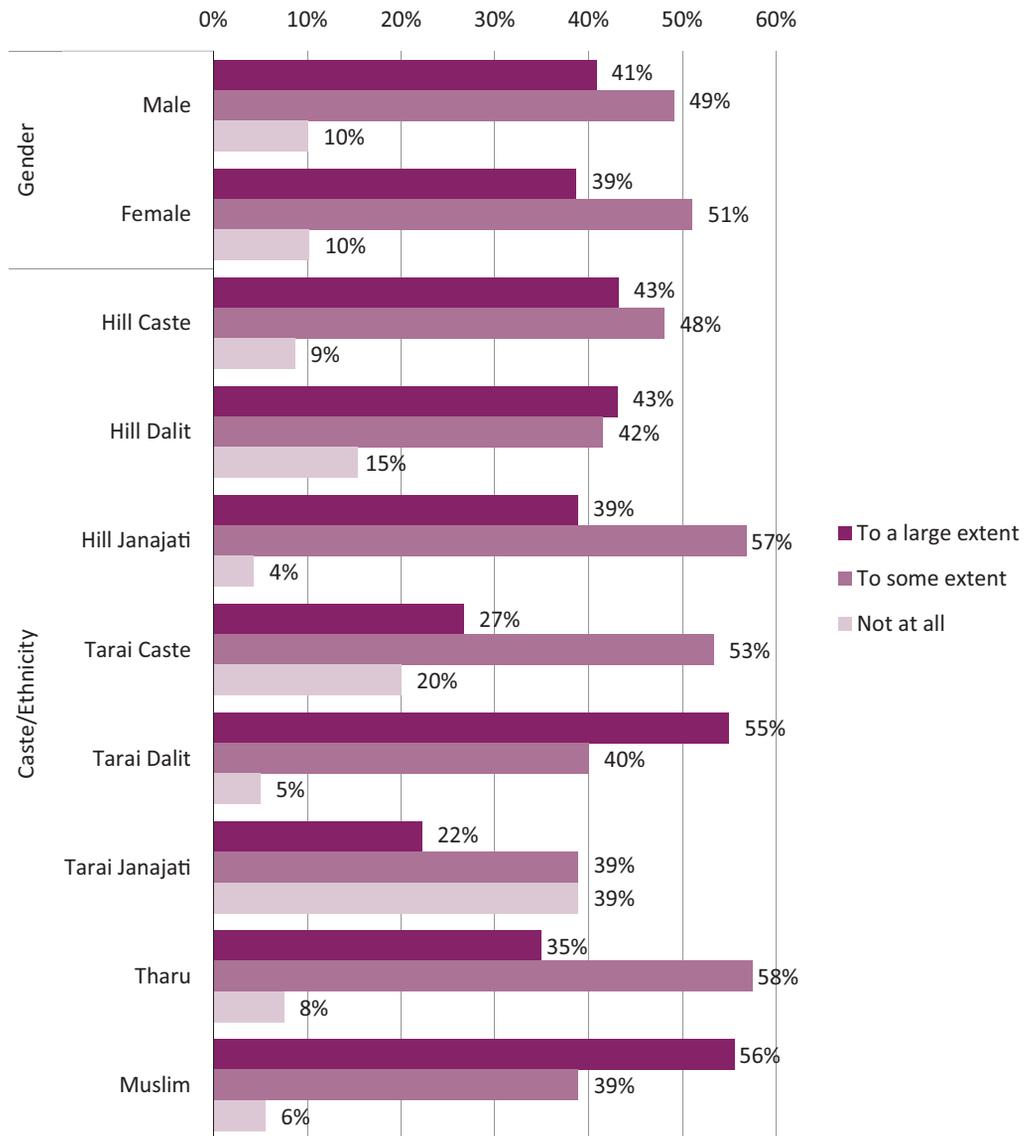
N=622 (gender) and 624 (caste/ethnicity) (excludes 4 'Don't know', 4 'Other' in gender, and 2 'Mountain Janajati' in caste/ethnicity)

Figure 4.11: To what extent do ordinary citizens rely on elite cues when forming opinions about the overall performance of federalism and functioning of the three tiers of government? (%)

10%

35%

55%

■ To a large extent   ■ To some extent   ■ Not at all
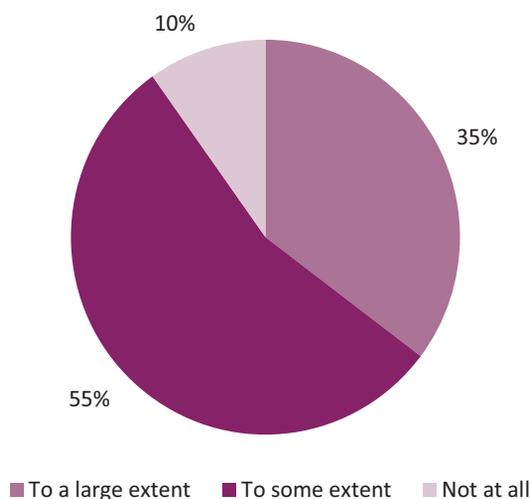
N=629 (excludes 1 'Don't know')

4.2 Influence of Elite Perceptions in Shaping Public Opinion

Following the study's premise that elites have a role in influencing the public opinion on how they view government performance, nearly all the respondents (90 per cent) agreed that was indeed the case (Fig 4.9).

The breakdown by gender showed similar proportions in agreement (Fig. 4.10). That was largely the case in terms of caste/ethnicity as well although there were some groups more in agreement and others less so. In particular, respondents from the Tarai Janajati group were much less likely to agree (only 61 per cent).

Through their ability to build networks and organise and mobilise the general populace, elite groups can wield significant influence in shaping public opinion and driving crucial governance decisions.[60] That was particularly true in the case of political leaders, civil society groups, and rights activists, among others, during significant political transformations in Nepal over the decades.[61] That probably explains why a high proportion of 90 per cent of the respondents agreed that general citizens rely on the views of the elite when forming opinions regarding the overall performance of federalism and the functioning of the three tiers of government (Fig. 4.11).

Disaggregated by gender and caste/ethnicity, the data showed slight variance, with the Tarai Caste and Tarai Janajati groups expressing somewhat higher degrees of disagreement compared to others that elites were instrumental in influencing public

Figure 4.12: To what extent do ordinary citizens rely on elite cues when forming opinions regarding the overall performance of federalism and functioning of the three tiers of government?
(%, gender and caste/ethnicity)
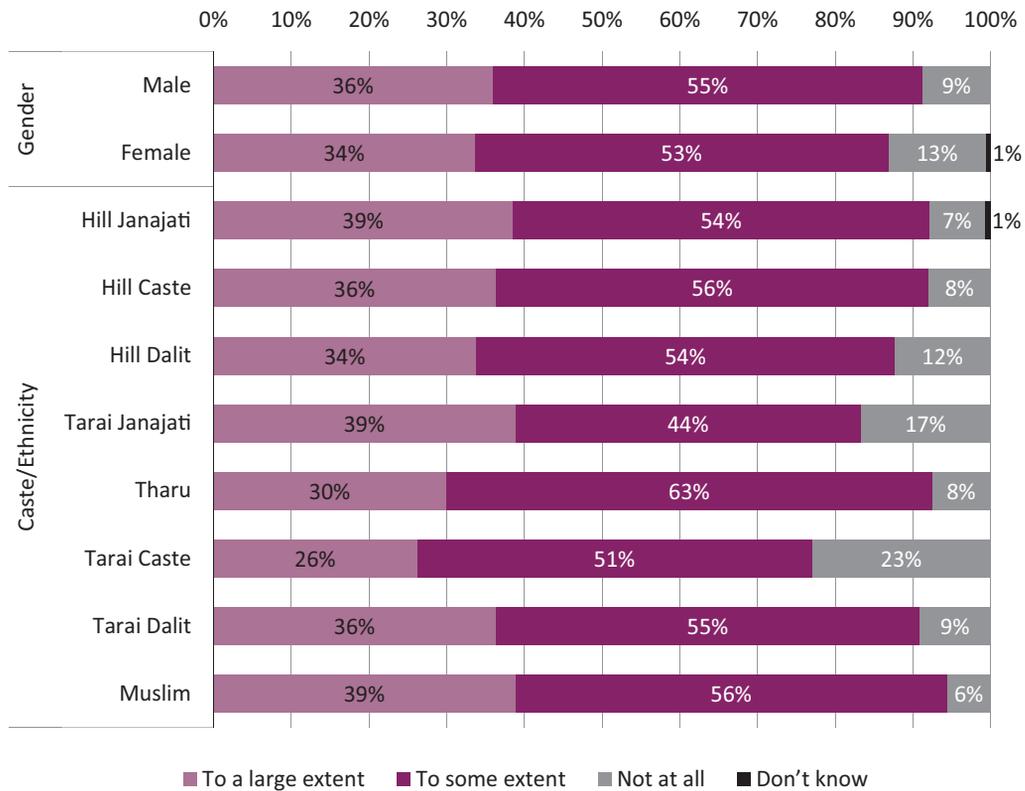
N=626 and 628 (excludes 4 'Other' in gender, and 2 'Mountain Janajati' in caste/ethnicity

opinion on matters of federalism and its performance even if vast majorities were in agreement (Fig. 4.12).

4.3 Major Issues Facing Local Governments

Survey respondents were asked to prioritise public service sectors in their municipalities that, in their opinion, required the highest attention. 'Education', 'health and sanitation', 'roads and transportation' and 'agriculture and horticulture', in that order, were picked by the largest proportions of them (Fig. 4.13).

Asked whether the plans, policies, and programmes of the three tiers of government aligned with the priority sectors identified by them, it was not surprising that a majority

Figure 4.13: What are the public service provisions that need attention in your municipality/rural municipality? (%)

Category	%
Education	73%
Health and sanitation	66%
Roads and transportation	51%
Agriculture, horticulture, food safety	43%
Job creation, entrepreneurship	30%
Drinking water supply	27%
Other infrastructure	25%
Irrigation	14%
Inclusive, participatory, accountable and more efficient government bodies	14%
Electricity	12%
Cultural preservation	10%
Urban planning, land management	8%
Disaster risk reduction management and response mechanisms	8%
Tourism	7%
Migration	4%
Environment/Biodiversity/Natural resources conservation, preservation of natural heritage	4%
Food security	2%
Communication/Internet	2%
Access to market, monitoring, regulation	2%
Sports	1%
Social security	1%
Public security	0.8%

N= 630, multiple response

Figure 4.14: Do the plans, policies and programmes of the three tiers of government align with the areas that you identified? (%)
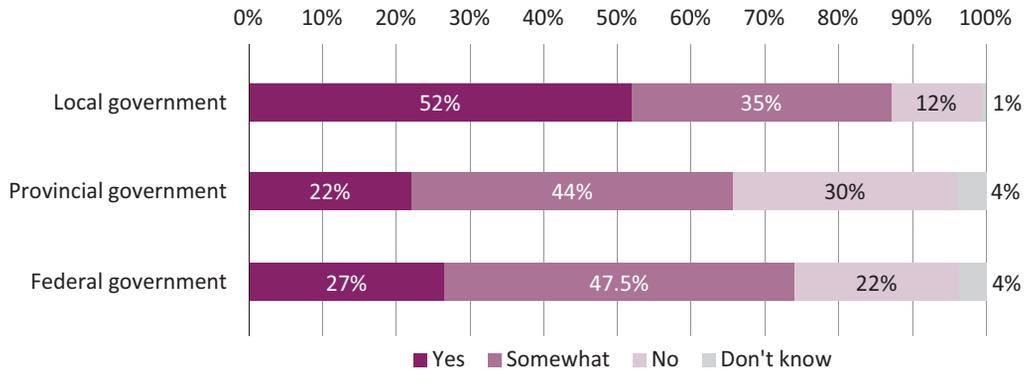
N=630. Note: 'Yes' combines the 'Yes, completely' and 'Mostly' responses.

Figure 4.15: Do the plans, policies and programmes of the three tiers of government align with the areas that you identified?
(%, gender)
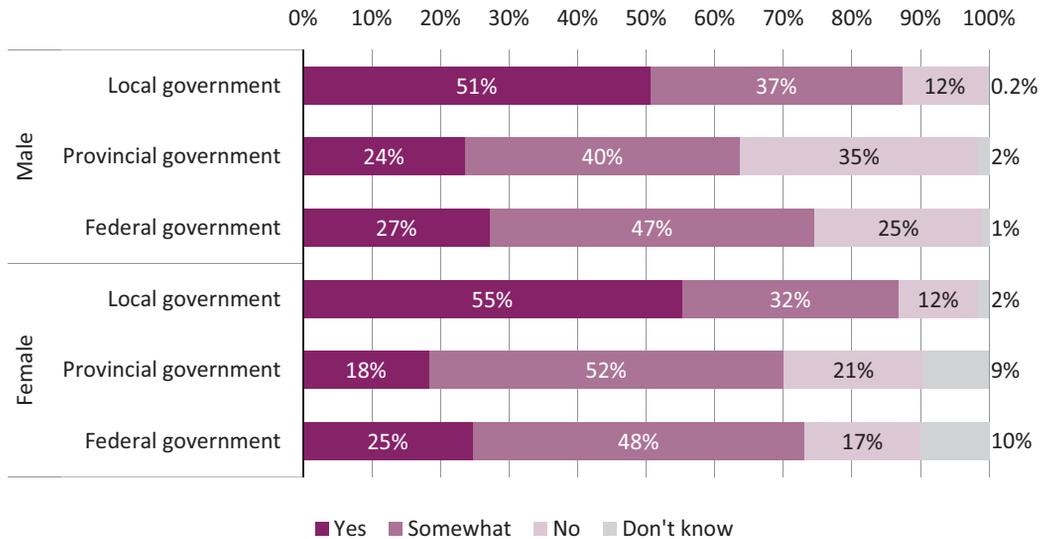
N=626 (excludes 4 'Other' respondents). Note: 'Yes' combines the 'Yes, completely' and 'Mostly' responses.

Figure 4.16: Do the plans, policies and programmes of the three tiers of government align with the areas you identified?
(%, caste/ethnicity)

		Yes	Somewhat	No	Don't know
Muslim	Federal government	22%	56%	22%	
	Provincial government	17%	61%	22%	
	Local government	56%	33%	11%	
Tharu	Federal government	30%	50%	18%	3%
	Provincial government	33%	35%	30%	3%
	Local government	65%	28%	8%	
Tarai Janajati	Federal government	28%	22%	44%	6%
	Provincial government	17%	39%	44%	
	Local government	33%	39%	28%	
Tarai Dalit	Federal government	23%	41%	27%	9%
	Provincial government	18%	32%	36%	14%
	Local government	45%	27%	23%	5%
Tarai Caste	Federal government	15%	38%	48%	
	Provincial government	15%	31%	52%	2%
	Local government	34%	34%	31%	
Hill Janajati	Federal government	24%	51%	21%	4%
	Provincial government	24%	44%	29%	4%
	Local government	57%	32%	9%	1%
Hill Dalit	Federal government	25%	49%	17%	9%
	Provincial government	18%	51%	22%	9%
	Local government	55%	35%	9%	
Hill Caste	Federal government	31%	49%	17%	3%
	Provincial government	23%	46%	28%	3%
	Local government	52%	39%	9%	0.4%

N=628 (excludes 2 'Mountain Janajati'). Note: 'Yes' combines the 'Yes, completely' and 'Mostly' responses.

thought that was emphatically the case with local governments compared to smaller proportions who thought so of the provincial and federal (Fig. 4.14). What was revealing was that more respondents believed there was more of a mismatch between their priorities and the provincial governments' than the federal government's.

The results were similar in terms of gender breakdown, with those believing that local governments were better attuned to the needs identified by the respondents comprising the largest proportion among both males and females (Fig. 4.15).

Disaggregation by caste/ethnicity showed that the majority of respondents from some groups—Hill Caste, Hill Dalit, Hill Janajati, Tharu and Muslim—believed that to be the case compared to the three Tarai caste and ethnic groups (Fig. 4.16). At the same time, around half the respondents from Tarai Caste groups also believed that neither the provincial nor the federal government's plans, etc, aligned fully with their own priorities.

Looking at the data in terms of provinces on how closely the plans and policies of the three tiers of government were in alignment with the priorities identified by local elites, a majority in Koshi and nearly half in Madhesh were clear that was not happening (Fig 4.17). The only exception was province Sudurpaschim even though even there it was not a majority who thought so.

Comparing the data between the respondents from the provincial capital and the

Figure 4.17: Do the plans, policies and programmes of the provincial government align with the areas you identified?

(%, province)

Province	Yes	Somewhat	No	Don't know
Koshi	17%	22%	54%	7%
Madhesh	20%	29%	47%	4%
Bagmati	23%	58%	14%	4%
Gandaki	19%	59%	18%	4%
Lumbini	16%	46%	38%	1%
Karnali	20%	48%	30%	2%
Sudurpashchim	40%	44%	11%	4%
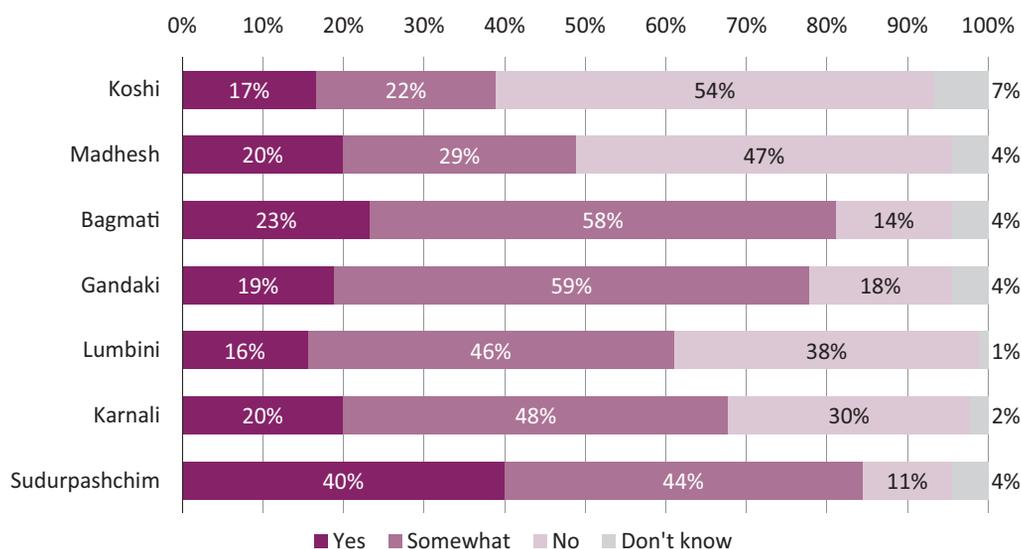
N= 630. Note: 'Yes' combines the 'Yes, completely' and 'Mostly' responses.

other two in-province study sites, the general trend was that, with the exception of those from Lumbini, fewer from the provincial capitals agreed that the provincial government's plans, etc, aligned with their own priorities (Fig 4.18). The most common response was 'somewhat'. A notable exception was in Koshi, where nearly two-thirds from the capital believed the provincial government's plans, etc, were not aligned with their own needs.

The majority of survey respondents believed that local governments were aligned with what they think is required even as an overwhelming majority of those interviewed thought priority was being given to infrastructure development. As a result, there was less emphasis on 'soft' investments in essential sectors like education and health due to concerns about higher spending, particularly to pay salaries.

> Local governments' reluctance to allocate resources towards crucial sectors reflects a prioritisation of visible short-term gains over long-term societal well-being.
>
> —Government official, Lumbini

According to the interlocutors, the excessive emphasis on infrastructure development projects by both bureaucrats and elected officials, sometimes without regard to their utility, was driven primarily by two factors. First, investing in infrastructure allowed elected officials to showcase tangible accomplishments to the public, particularly during elections. Second, infrastructural development was a way to generate kickbacks to both groups of officials.

> The focus [during decision meetings] seems to be on education and health but they [civil servants and elected representatives] end up turning it into construction work in the Red Book.[62] There is so much to do in the education sector but most of the money is spent on constructing buildings and repairing already built ones even when it is not urgent. The prioritisation is mostly on construction because it generates more kickbacks.[63] What happens is in construction works, the engineer, the supervisor, the mayor, the Ministry of Urban Development, all need a share of the kickback. So, they request more construction projects.
>
> —Elected official, Madhesh

> The sectors of health, education, sanitation, empowerment and environmental protection require time to yield visible results unlike investments in roads and infrastructure, which show physical progress within a certain timeframe. Elected representatives are often eager to show achievements promptly to gain popularity, neglecting the importance of long-term vision.
>
> — Government official, Karnali

Figure 4.18: Do the plans, policies and programmes of the three tiers of government align with the areas you identified?

(%, provincial capital vs other municipalities/rural municipalities)

Province		Yes	Somewhat	No	Don't know
Koshi	Provincial Capital	3%	27%	63%	7%
	Other Municipality/Rural Municipality	23%	20%	50%	7%
Madhesh	Provincial Capital	7%	43%	50%	
	Other Municipality/Rural Municipality	27%	22%	45%	7%
Bagmati	Provincial Capital	20%	53%	23%	3%
	Other Municipality/Rural Municipality	25%	60%	10%	5%
Gandaki	Provincial Capital	10%	73%	13%	3%
	Other Municipality/Rural Municipality	23%	52%	20%	5%
Lumbini	Provincial Capital	17%	40%	43%	
	Other Municipality/Rural Municipality	15%	48%	35%	2%
Karnali	Provincial Capital	13%	70%	17%	
	Other Municipality/Rural Municipality	23%	37%	37%	3%
Sudurpaschim	Provincial Capital	33%	57%	10%	
	Other Municipality/Rural Municipality	43%	38%	12%	7%

■ Yes ■ Somewhat ■ No ■ Don't know

N=630. Note: 'Yes' combines the 'Yes, completely' and 'Mostly' responses.

Figure 4.19: Have you had prior experience engaging with the federal/provincial/local government as part of its planning and decision-making processes? (%)

Level	Yes	No
Local	76%	24%
Provincial	21%	79%
Federal	12%	88%
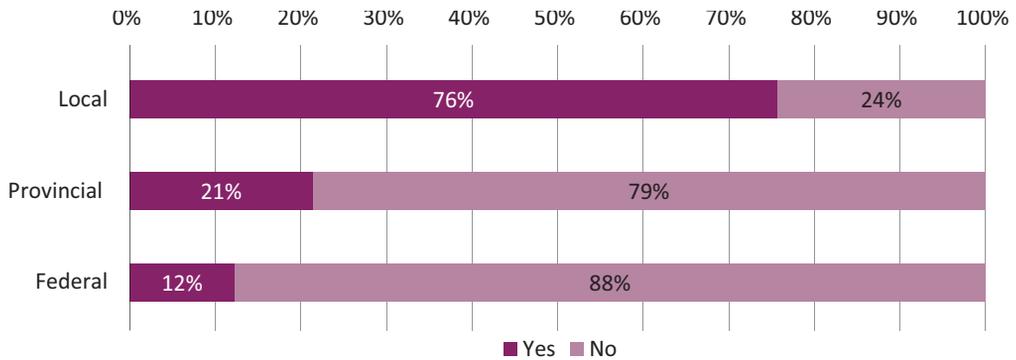
N=622, 626 and 626 (excludes 'To some extent')

Figure 4.20: Have you had prior experience of engaging with the provincial government in its planning and decision-making processes?

(province, %)

Province	Yes	No
Koshi	17%	83%
Madhesh	18%	82%
Bagmati	17%	83%
Gandaki	13%	87%
Lumbini	28%	72%
Karnali	40%	60%
Sudurpashchim	17%	83%
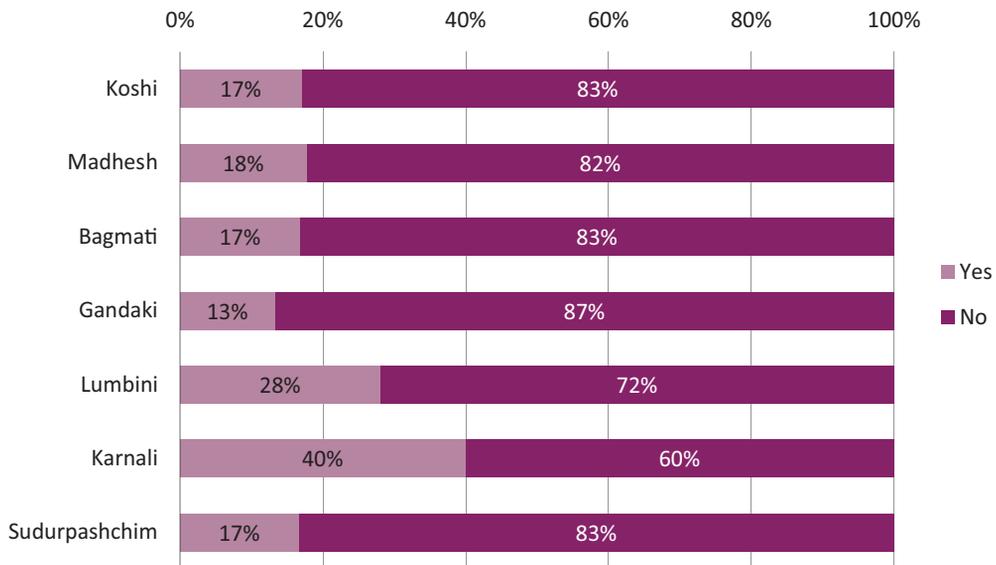
N=626 (excludes 4 'To some extent')

Examples of such infrastructure projects provided by interviewees included *dharmashalas*[64] and view towers on hilltops. This obsession with infrastructure and the negative impact it has had on public opinion sometimes extends to genuine cases as well. As a provincial civil servant from Karnali pointed out,

> There are numerous allegations against the provincial government, saying that it prioritises road development and allocates a significant budget solely for this purpose. However, it's important to consider the perspective of local residents, especially those living in geographically challenging areas like Humla and Dolpa. For them, road is a fundamental necessity, and its development significantly improves their livelihoods.

At the same time, many interviewees across all the provinces emphasised the noticeable lack of focus on social issues and on improving the quality of life for marginalised communities, including ensuring access to healthcare, education, sanitation and social security allowances for vulnerable groups such as children, women, persons with disabilities and the elderly. Because of this, even the most basic needs of these groups—such as food and shelter—often went unaddressed. There was also a dearth of programmes and initiatives, such as skills training and entrepreneurship programmes aimed at historically marginalised groups.

There were some exceptions though such as interlocutors at local and provincial levels in Gandaki and Koshi pointing out that local governments were also directing their attention towards sectors like agriculture and tourism to stimulate economic growth. Similarly, local governments in Madhesh were reported to be making efforts to meet the healthcare needs of people. One such instance was in Balan Bihul Rural Municipality in Saptari district, where health workers provided home service to senior citizens. To address malnutrition among children and pregnant women, this rural municipality had also established a food bank stocked with nutritious food.[65]

Many interviewees noted the many challenges hindering uniform progress in all sectors. Geographical barriers in particular posed significant obstacles in remote areas. Political interventions often led to the allocation of budget without proper assessment of the sectoral needs of individual local units. Furthermore, government officials were not sufficiently aware of the specific needs of local communities and there were many elected representatives, predominantly from urban areas, who lacked a deeper and nuanced understanding of all their constituents. Such a disconnect was attributed as impeding efforts to address the concerns of marginalised groups and hindering the all-round development of (rural) municipalities.

4.4 Engagement with Three Tiers of Government

Of the local elites surveyed, while an overwhelming 75 per cent had engaged with the local government as part of its planning and decision-making process, a significant

proportion reported no such prior experience of dealing with either the federal or provincial governments (Fig. 4.19). Of the small minority who had, the number of such instances were five or less for an overwhelming majority, 82 per cent and 75 per cent, respectively, for the two tiers of government. On the other hand, of those who said they

Figure 4.21: Have you had prior experience of engaging with the provincial government in its planning and decision-making processes?

(%, provincial capital vs other municipalities/rural municipalities)
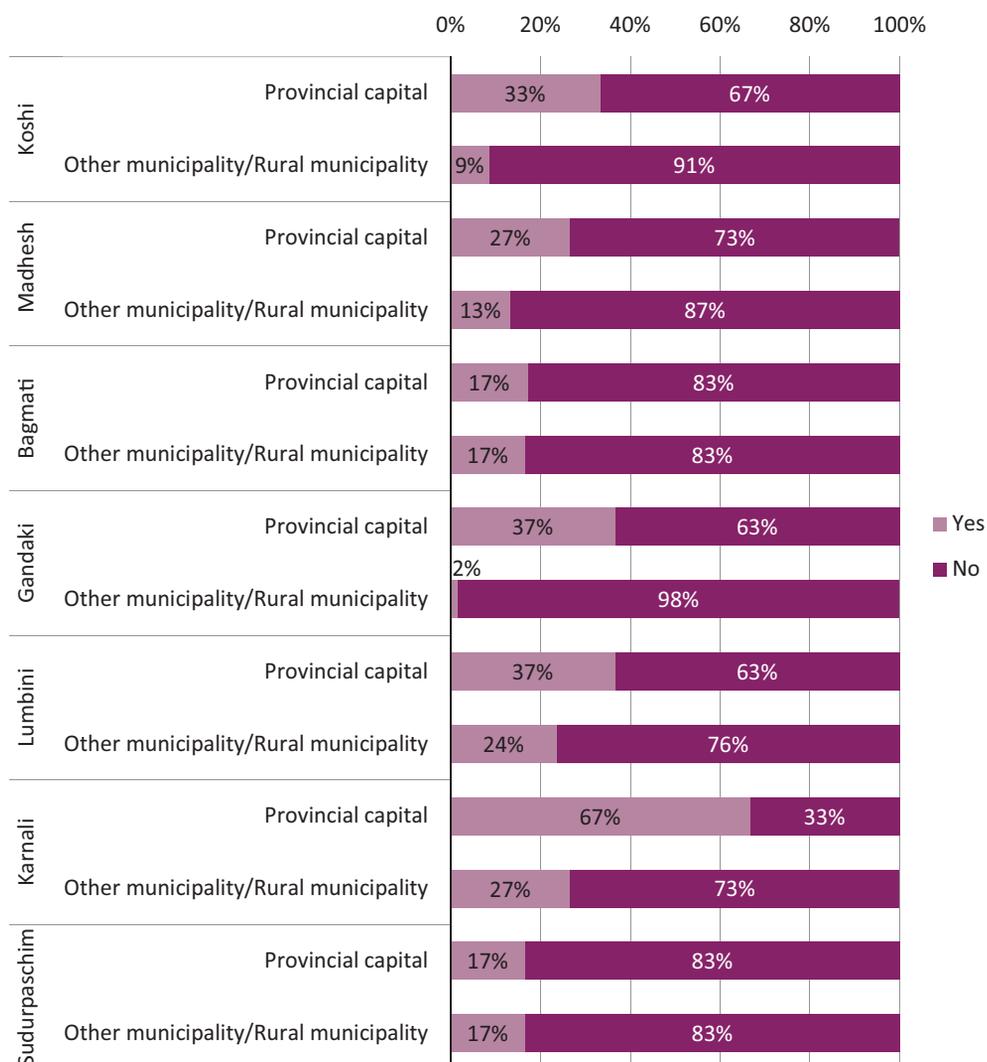
N=626 (excludes 4 'To some extent')

Figure 4.22: Have you had prior experience of engaging with the three tiers of government in their planning and decision-making processes?

(%, local elite type)

Elite type	Tier	Yes	No	To some extent
Politician	Local	82%	17%	1%
	Provincial	17%	82%	1%
	Federal	10%	89%	1%
Civic leader, rights activist	Local	68%	31%	1%
	Provincial	20%	80%	
	Federal	9%	91%	
Teacher/Professor	Local	78%	20%	2%
	Provincial	15%	85%	
	Federal	15%	85%	
Member of user group/school management committee	Local	84%	16%	
	Provincial	20%	78%	2%
	Federal	9%	89%	2%
Entrepreneur	Local	64%	36%	
	Provincial	38%	62%	
	Federal	24%	76%	
I/NGO staff	Local	82%	13%	5%
	Provincial	33%	67%	
	Federal	18%	82%	
Municipality/Ward employee	Local	76%	21%	3%
	Provincial	16%	82%	3%
	Federal	11%	87%	3%
Professional	Local	61%	39%	
	Provincial	30%	70%	
	Federal	13%	87%	
Journalist/Media-person	Local	53%	42%	5%
	Provincial	42%	58%	
	Federal	16%	84%	
Employee of bank/financial institution	Local	50%	50%	
	Provincial	14%	86%	
	Federal	14%	86%	
Religious leader	Local	54%	46%	
	Provincial	15%	85%	
	Federal	15%	85%	

■ Yes   ■ No   ☐ To some extent

N=616 (excludes categories numbering fewer than 10, i.e., government officials, health workers, academics/experts and farmers)

had engaged with local governments, the number of times they had was much higher.

Despite federalism's premise of stronger engagement at the subnational level, there was a consistently relative absence of dealings with provincial governments across the country (Fig. 4.20). The highest proportion were in Karnali and Lumbini where more respondents said they had engaged with the provincial government's planning and decision-making processes but even those numbers were much smaller than would have been desirable.

In terms of engagement with the provincial government, there were differences between respondents from the provincial capital and the other municipalities. In five of the provinces, a higher proportion of respondents from the provincial capitals stated they had engaged with the provincial government, with over two-thirds saying so in Karnali while the difference was quite vast in Gandaki (Fig. 4.21).

Looking at the data in terms of the respondents' professional identity (as per the study team's ascription), engagement with local governments during planning and decision-making was quite strong across the board with at least a majority from all categories stating they had had some dealings. Engagement, however, went down progressively with regard to provincial and federal governments, a fact true even among politicians. On the other hand, compared to other groups, a higher proportion of entrepreneurs stated they engaged with provincial and federal governments.

Of the survey respondents who said they had engaged with various tiers of government in the planning and decision-making processes, nearly all of them had provided suggestions (Fig. 4.23). A significant proportion of them believed their concerns had been received well. That this figure was 76 per cent for the local level was not surprising but 68 per cent with regard to the provincial level and 55 per cent to the federal level perhaps indicates that the influence of some of the local elites extends beyond their own localities (Fig. 4.24).

It was also instructive that receptiveness to suggestions from the local elite was not limited to those from the provincial capital alone even though, with the exception of Karnali, the proportions of respondents from those centres were higher (Fig. 4.25). It was also noteworthy that all the respondents outside the provincial capital in Sudurpaschim thought they were being heard at the provincial level.

4.5 Participation and Representation of Marginalised Groups

As evident in its preamble, the Constitution of Nepal aims to 'build an egalitarian society' based on 'proportional inclusive and participatory principles'. The adoption of the 2015 Constitution was a comprehensive attempt at crafting a Nepali state that fully embodies the principles of participation and inclusion. Article 18(3) prohibits discrimination based on 'origin, religion, race, caste, ethnicity, sex, physical condition, disability, health status, marital status, pregnancy, economic condition, language, or region', with the accompanying proviso clause clearly stating that affirmative measures for excluded and minority groups

Figure 4.23: Did you give any suggestions to federal/provincial/ local policymakers? (%)
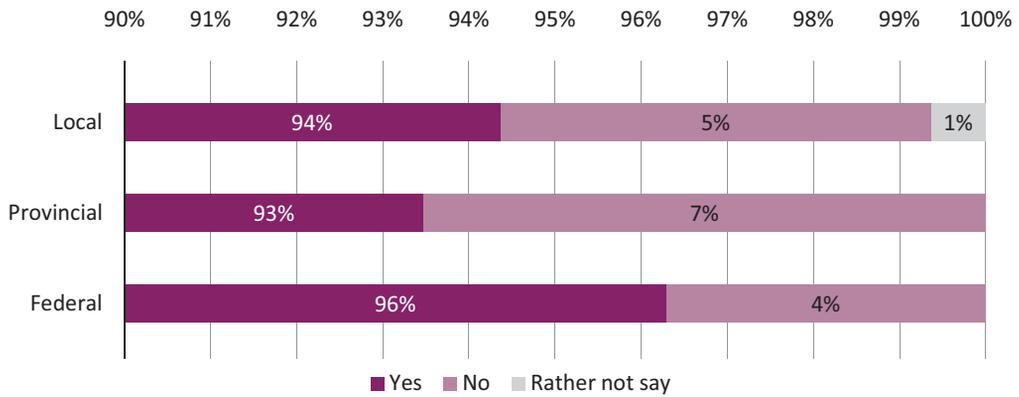
N= 479 for local, 138 for provincial, and 81 for federal.

Figure 4.24: How receptive were federal/provincial/local policymakers of your opinions and suggestions? (%)

N= 455 for local, 129 for provincial, 78 for federal.

Figure 4.25: How receptive were provincial policymakers of your opinions and suggestions? (%, provincial capital vs other municipalities/rural municipalities)

Koshi

Provincial capital: Very receptive 60%, Neither receptive nor dismissive 10%, Dismissive 20%, Very dismissive 10%

Other municipality/Rural municipality: Very receptive 29%, Receptive 43%, Very dismissive 29%

Madhesh

Provincial capital: Very receptive 25%, Receptive 25%, Dismissive 13%, Very dismissive 38%

Other municipality/Rural municipality: Very receptive 14%, Receptive 29%, Very dismissive 57%

Bagmati

Provincial Capital: Very receptive 40%, Neither receptive nor dismissive 20%, Dismissive 20%, Very dismissive 20%

Other Municipality/Rural Municipality: Very receptive 75%, Dismissive 25%

Gandaki

Provincial Capital: Very receptive 18%, Receptive 64%, Neither receptive nor dismissive 9%, Very dismissive 9%

Lumbini

Provincial Capital: Very receptive 9%, Receptive 64%, Neither receptive nor dismissive 9%, Very dismissive 18%

Other Municipality/Rural Municipality: Very receptive 54%, Dismissive 31%, Very dismissive 15%

Karnali

Provincial Capital: Very receptive 5%, Receptive 60%, Neither receptive nor dismissive 10%, Dismissive 15%, Very dismissive 10%

Other Municipality/Rural Municipality: Very receptive 27%, Receptive 67%, Very dismissive 7%

Sudurpaschim

Provincial Capital: Very receptive 75%, Very dismissive 25%

Other Municipality/Rural Municipality: Very receptive 30%, Receptive 70%

Legend: ■ Very receptive ■ Receptive ■ Neither receptive, nor dismissive ■ Dismissive ■ Very dismissive

N=129. Note: There were no respondents from outside the provincial capital in Gandaki who had engaged with the provincial government.

Figure 4.26: Has federalism led to the inclusion of marginalised groups in political processes? (%)
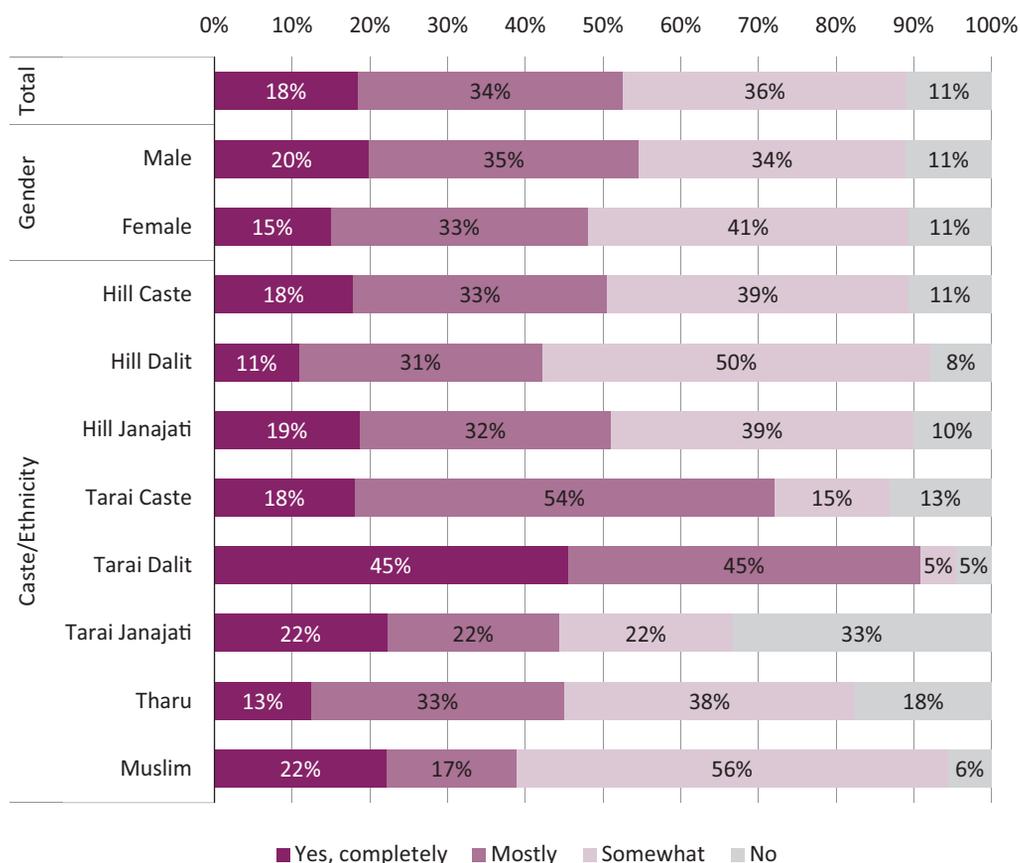
N=627, 623 and 625 (excludes 2 'Don't know' and 1 'Rather not say', 4' Other' in gender, and 2 'Mountain Janajati' in caste/ethnicity)

will not constitute discrimination. Additionally, the Supreme Court has emphasised the significance of reservations as a means to ensuring equity, particularly for the most marginalised segments of society.[66] Enshrining these principles further are provisions like Article 42, which guarantees the right to social justice and proportional representation in government for various disadvantaged groups, encompassing those who are economically, socially or educationally backward as well. Article 38(5) separately requires the proportional inclusion of women in all state bodies, reflecting some commitment towards gender parity. Complementing these constitutional guarantees, a 2007 amendment to the Civil Service Act of 1993 mandates that 45 per cent of all positions must be filled via a separate competition among women, Adibasi Janajatis, Madheshis, Dalits, the disabled

**Figure 4.27: Has federalism enhanced the inclusion of all genders
in political processes? (%)**

9%

24%

34%

34%

■ Yes, completely   ■ Mostly   ■ Somewhat   ■ No
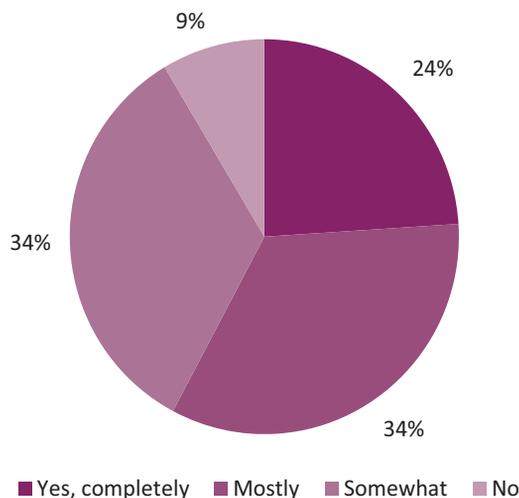
N=630

and residents of backward areas,[67] with similar provisions extended to other government services as well, including the security sector.[68]

Commitment to inclusive representation was guaranteed in the proportional representation (PR) system of elections first introduced for the Constituent Assembly election held in 2008. The PR provisions in the 2015 Constitution requires political parties to field candidates from diverse macro-categories of caste/ethnicities in the federal and provincial elections.[69] Likewise, the Local Level Election Act, 2017 sets aside two of the five positions in municipal ward committees for women, with one reserved for Dalit women.[70] (Annex II provides the distribution of provincial assembly officials in key positions in each of the seven provinces at the time of research along with a table detailing the representation of various castes/ ethnicities among elected representatives at the local level in the study sites.)

In line with constitutional and legal mandates, it was notable that the majority of the respondents were of the view that federalism had indeed contributed to making politics either fully or mostly more inclusive of both marginalised populations and all genders (Figs. 4.26 and 4.27). That was generally the view from the perspective of different genders as well as castes/ethnicities. More men than women thought federalism had made political processes more inclusive. Likewise, among caste and ethnic groups, an astonishingly high 90 per cent of the Tarai Dalit respondents believed that to be the case. Enthusiasm was less pronounced among Muslims (39 per cent) and Hill Dalits, Tharus and Tarai Janajatis.

Figure 4.28: Are there specific groups or communities in your province/locality under-represented or not able to participate in municipal government decisions? (%)

Yes ■ No ■ Rather not say ■ Don't know
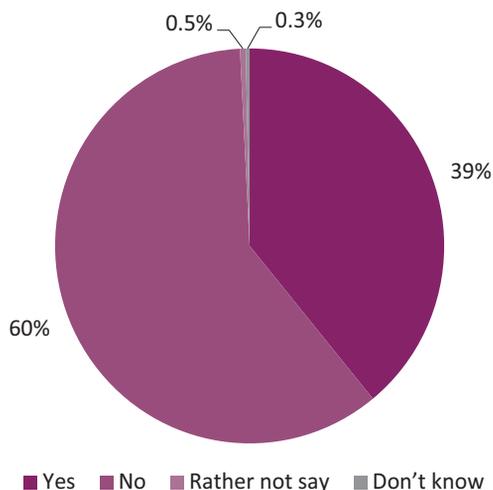
N=630

Among the last, a full one-third were emphatic that political processes had not become more inclusive at all.

The survey also asked if the respondents believed there were specific groups or communities in their (rural) municipality who were under-represented or unable to participate in planning and decision-making processes of the local government (Fig. 4.28). Even though the majority believed that was not the case, a significant proportion (39 per cent) thought otherwise.

Of the latter, what was striking was that the plurality of the respondents disaggregated by both gender (Fig. 4.29) or caste/ethnicity (Fig. 4.30) thought that was true of people with disabilities. Thereafter, it was women along with Hill Janajati and Dalit respondents who felt they themselves were the ones ignored while non-Muslim religious minorities did not receive much of a mention from anyone. It should be pointed out that Tarai Caste respondents did not believe Madheshis were under-represented but thought so in significant proportions about women, Dalits and Adibasi Janajatis.

It is instructive though that when inclusion was framed around the question of whether reserved quotas for the various marginalised groups had made the nation stronger, respondents from the Hill Castes were the only ones who were sceptical (Fig. 4.31). All the others felt very strongly that reservations had been beneficial. Disaggregation by gender also showed more than a third of the men disagreeing compared to less than a fifth of the women.

Figure 4.29: Which groups are under-represented or have not been able to participate in municipal government decisions? (%, gender)

Legend:
- Women
- Adibasi Janajati
- Dalit
- Madheshi
- Muslim
- Religious minority groups other than Muslims
- Persons with disabilities
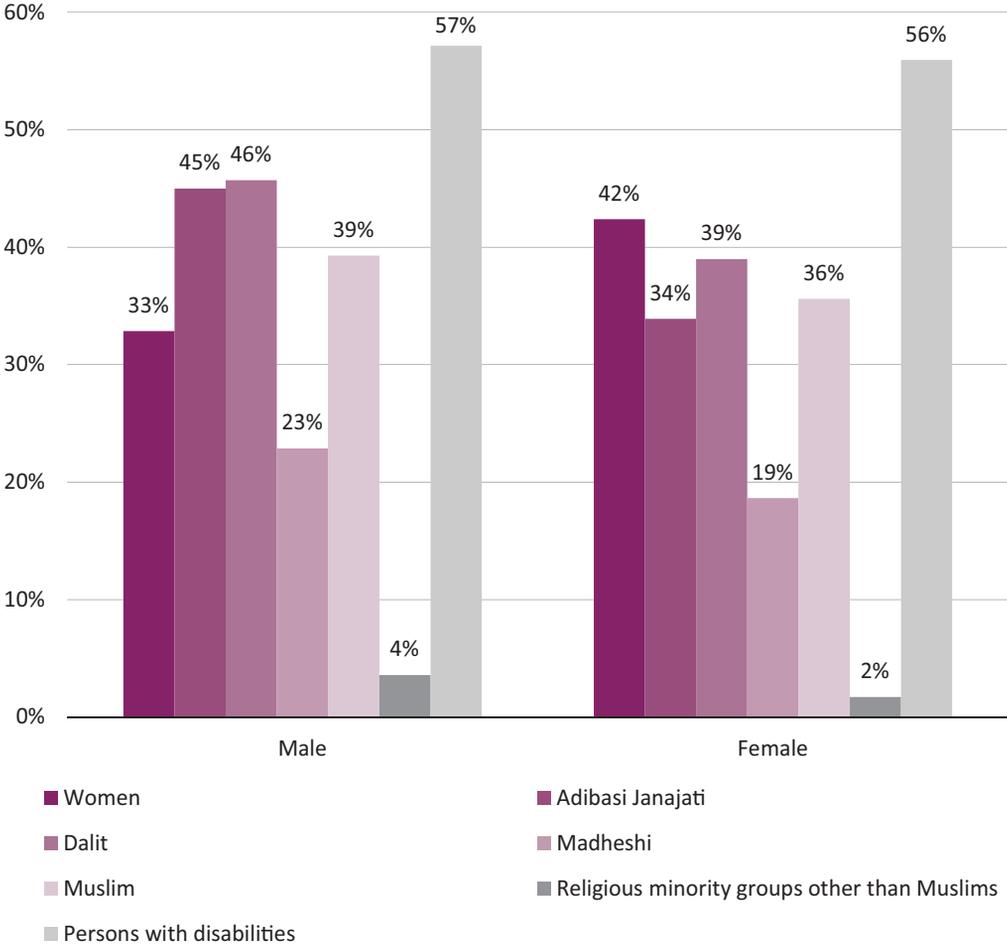
N=199 (excludes 4 'Other' in gender); multiple responses. The responses also exclude the significant proportion of 63 respondents who said 'Others' to denote specific caste/ethnic groups already subsumed within the larger groupings.

Figure 4.30: Which groups are under-represented or have not been able to participate in municipal government decisions? (%, caste/ethnicity)

Legend:
- Women
- Adibasi Janajati
- Dalit
- Madheshi
- Muslim
- Religious minority groups other than Muslims
- Persons with disabilities
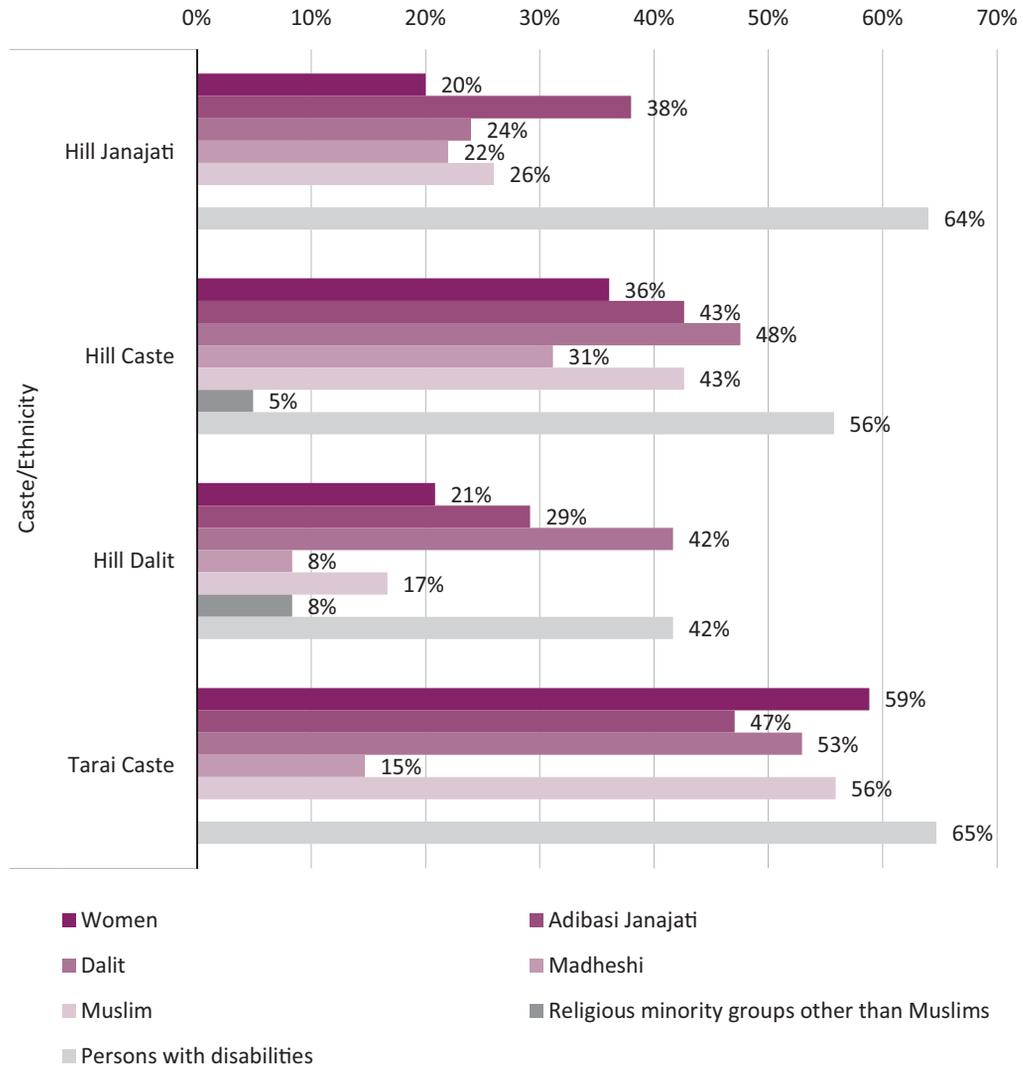
N=169 (excludes 2 'Mountain Janajati', 7 'Tarai Janajati', 9 'Tharu' and 10 'Tarai Dalits' since these numbers were too small or meaningful disaggregation), multiple responses. The responses also exclude the significant proportion of 63 respondents who said 'Others' to denote specific caste/ethnic groups already subsumed within the larger groupings.

Figure 4.31: Quotas for different groups in government service and education help strengthen nation-building (%)
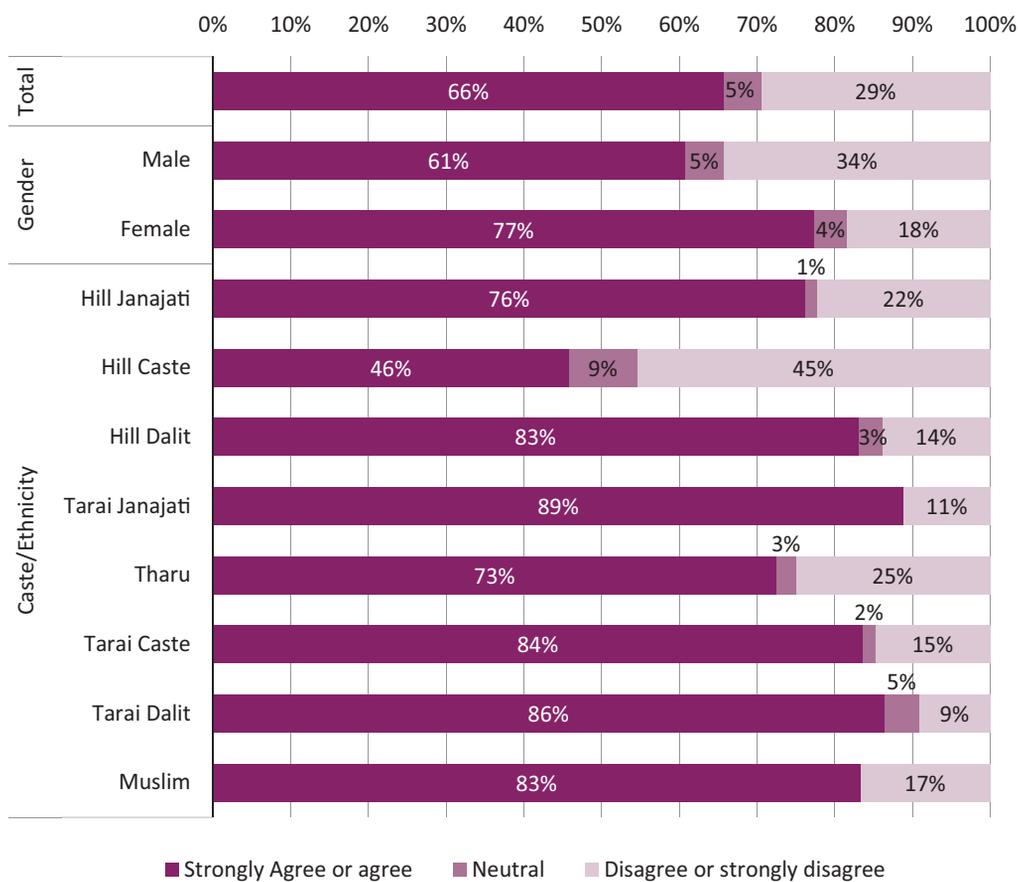
N=630, 625 and 627 (excludes 1 'Don't know', 4 'Other' in gender, and 2 'Mountain Janajati' in caste/ethnicity)

Figure 4.32: How often are marginalised groups encouraged to participate in planning and decision-making processes? (%)
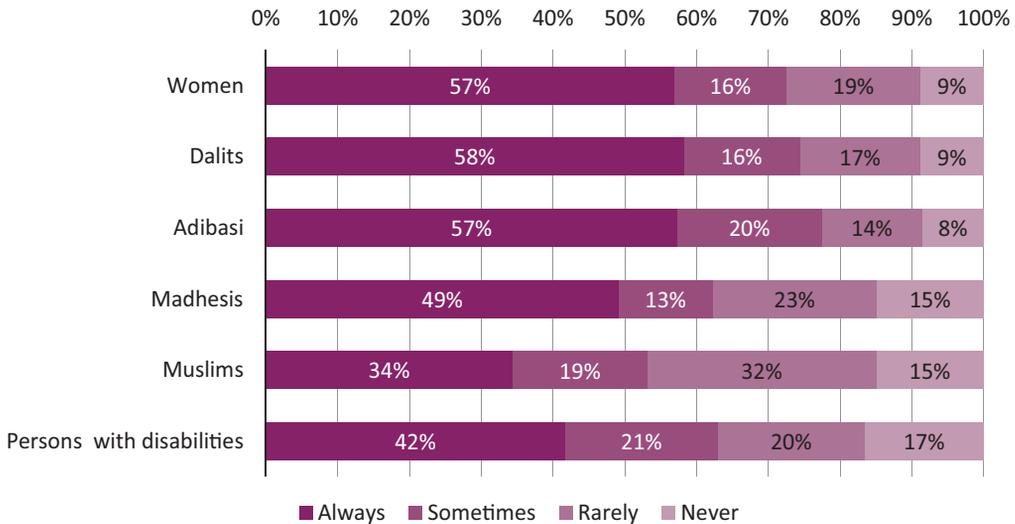
Note: This question was omitted in municipalities/rural municipalities where the concerned population group is absent as per Census 2021. Excluded from the graph are the 'Not applicable' responses where respondents reported the absence of certain population groups in their respective municipalities/rural municipalities despite indication of their presence as per the Census 2021. The 'Not applicable' responses were 11 in relation to Adibasi Janajatis, 199 to Madheshis and 119 to Muslims throughout the study sites. Also excludes the very small numbers of 'Rather not say' and 'Don't know' responses.

In order to further understand what local elites thought about how far the marginalised have been included in municipal deliberations, respondents were asked a couple of related questions (Fig. 4.32). Specifically mentioning women, Adibasi Janajatis, Dalits, Madheshis, Muslims and persons with disabilities, they were asked if these groups had been encouraged to participate in planning and decision-making processes in their respective (rural) municipalities, and whether their concerns were taken into consideration. More than the majority of women, Dalits and Adibasi Janajatis were of the view that such groups were 'always' encouraged compared to the relatively fewer Madheshis, Muslims and persons with disabilities who thought so.

Likewise, the general consensus was that the concerns of the marginalised were taken into consideration during planning and decision-making processes (Fig. 4.33). An overwhelming majority said 'yes' or 'to some extent' although the definite 'yes' was somewhat lower in the case of Muslims.

The responses to these questions from the perspective of respondents belonging to the marginalised groups in question showed some variance though. These will be discussed in the following sub-sections. Although, as alluded to earlier, persons with disabilities featured quite prominently in the responses since the survey had not been designed to

Figure 4.33: Are marginalised groups' concerns taken into consideration during planning and decision-making? (%)
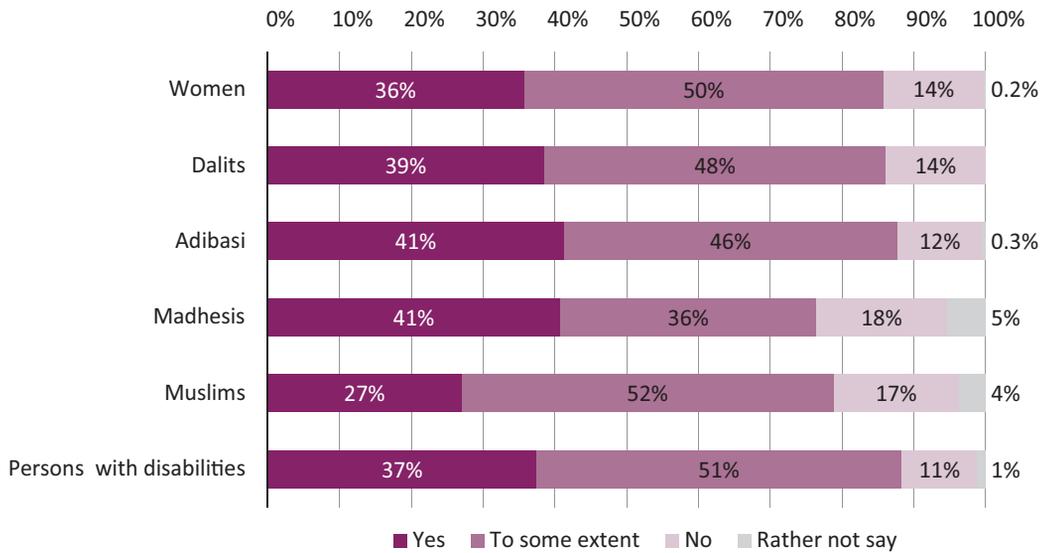
Note: This question was omitted in municipalities/rural municipalities where the concerned population group is absent as per Census 2021. Excluded from the graph are the 'Not applicable' responses where respondents reported the absence of certain population groups in their respective municipalities/rural municipalities despite indication of their presence as per the Census 2021. The 'Not applicable' responses were 11 in relation to Adibasi Janajatis, 199 to Madheshis and 119 to Muslims throughout the study sites. Also excludes the very small numbers of 'Rather not say' and 'Don't know' responses.

Figure 4.34: How often are women encouraged to participate in planning and decision-making? (%, overall view [l] vs women's view [r])
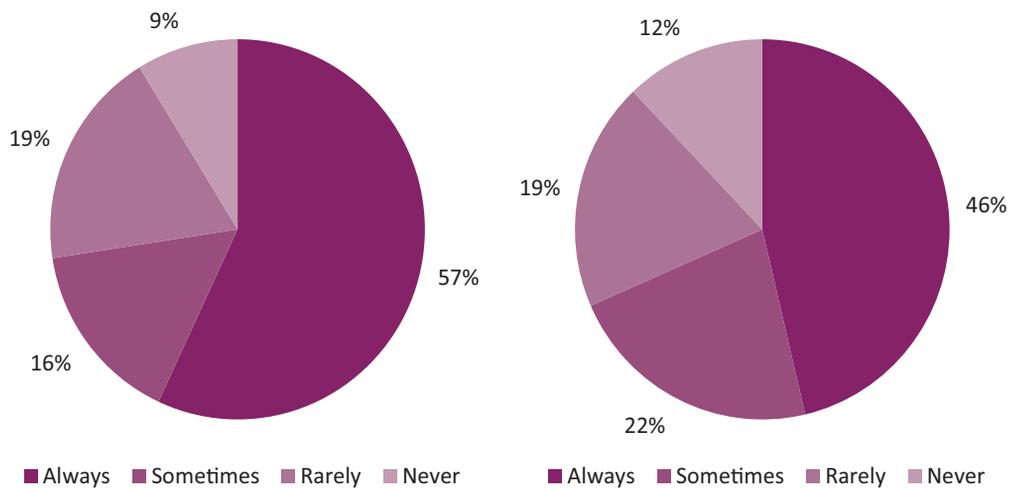
N=627 (1 'Rather not say' and 2 'Don't know')

N=190

capture the views of respondents with disabilities, disaggregation showing responses from persons with disabilities was not possible.

4.5.1 Participation and Representation of Women

While a majority of the survey respondents thought that women were always encouraged to take part in municipal governance, that view fell short when considering the responses only of women (57 vs 46 per cent) (Fig. 4.34).

Encouragement to participate aside, the actual consideration of their voices appears quite dismal with only a little more than a third respondents overall and an even smaller proportion of women responding in the firm affirmative (Fig 4.35). But it should also be noted that the proportion of responses with an absolute 'no' was also quite small in both cases.

Survey responses indicated that individuals with party affiliations were more likely to report higher women participation in planning and decision-making processes compared to those who were not or those who preferred not to disclose their affiliation, if any. However, many of the local elites interviewed did emphasise the notable increase in both overall participation and representation of women in these processes in all three tiers of government following the advent of federalism, including improved present in public institutions and participation in politics.

Figure 4.35: Are women's concerns taken into consideration during planning and decision-making? (%, overall view [l] vs women's view [r])
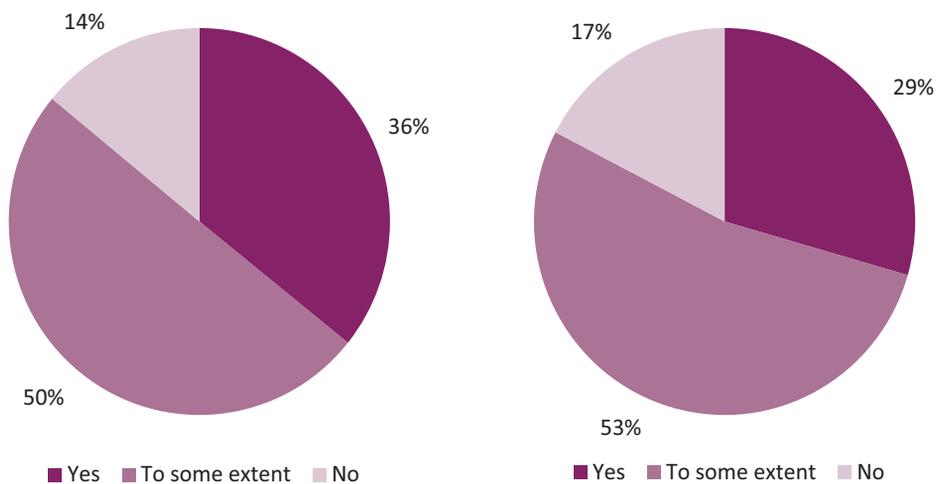
N=626 (1 'Rather not say', 3 'Don't know')   N=190

I am a deputy mayor of a rural municipality now. This has been possible because of the quotas set aside for women under the federal system. And with all the experiences and skills I have been gaining as a deputy mayor, I am likely to contest the next elections for the position of mayor.

—Female elected official, Karnali

Inclusion and participation of women and marginalised communities has been possible because of the federal setup. Individuals from such communities are serving in executive bodies of the government today and understand the political, social, cultural and economic context of the country. Those in policymaking positions and government bodies are aware of their rights and are able to work towards increasing awareness of the same among all individuals in their respective communities.

—Male former elected official, Hill Caste, Bagmati

Federalism has changed the way women are seen. Representation of Madheshi women has increased. Thematic committees [in provincial assemblies] have also become more inclusive; out of seven members, three of the chairs are women. This is indeed an achievement.

—Female elected official, Madhesh

A recurring theme though among several respondents was that of the concentration of power among just a few women. Many of the interviewees across the provinces also expressed dissatisfaction towards the practice of 'token representation' whereby women tended to be placed in decision-making roles only as a formality, and more often than not, women thus chosen are those who support the party leadership unquestioningly.

The positive side of federalism is that women's participation in the state apparatus has increased, but they have not been able to exercise their decision-making power effectively. They are compelled to subscribe to the decisions of the male elected representatives, particularly if the latter belong to the same party as them.

—Female NGO worker and women rights activist, Koshi

Women elected representatives remain unaware of what is happening in their constituencies and are just made to sign documents. Many do not have formal education which hinders their meaningful participation. There is also a tendency [among political parties] to choose women who do not have formal education since such women will be unable to challenge and question any decisions made by the party leadership.

— Female NGO worker and women rights activist, Madhesh

Female elected representatives and women from civil society were unanimous that women's representation was limited to positions that preclude them from making significant and visible contributions, depriving them thus of the opportunity to rise higher. Competent women were often denied tickets to contest for influential public positions and were instead appointed to institutions with the least influence over policy-making processes.

> I was not given the [candidacy] ticket from the party to contest elections for the position of mayor. They had a discussion whether or not I was capable of taking on the role and they decided I was not.
>
> —Female elected official, Karnali

> At the local level, most women occupy deputy and treasurer positions, which are considered passive positions. Women should hold executive positions. There are negative perceptions regarding the representation of Dalits, Adibasi Janajatis, Madheshis, and Muslim women in particular while formulating plans at the local level.
>
> —Female elected official, Koshi

Despite these challenges, elected women representatives serving second terms at both the provincial and local levels appear to be relatively better positioned compared to their first-term peers. Many from the former cohort said they were able to negotiate more effectively with their party leadership and male representatives from other political parties, including, as a woman elected representative from Lumbini said, being able to better ensure that women's issues and concerns were included in government plans and policies.

In the 2022 elections, however, women's representation faced an unexpected setback. While the Local Government Election Act, 2017 mandates that at least one of the two candidates from any party vying to become the head or deputy head at the municipal level be a woman, the political parties discovered the loophole that the said provision can be bypassed in the event of an electoral coalition, in which case men could be fielded in both positions since technically they belonged to different political parties. As a result, women lost out due to the rising trend of forging electoral alliances.[71]

A number of interviewees also reported that women's organisations and fraternal groups had not effectively advocated for women's participation and inclusion in government processes. Instead, those structures had aligned themselves with the agendas of political parties, requiring women leaders to unquestionably support their party leaderships and the decisions the latter made.

> As a female politician, I have been given the responsibility to work on women's rights

within my party. But I have not been able to perform my role impartially. There is political interference within my own party. When I raise the issue of injustices faced by Dalit women, senior members of my party pressure me to keep quiet, arguing that it would weaken public support for our party.

—Female politician, Hill Dalit, Karnali

If we talk openly [and criticise], we will not be provided with a seat five years later [in the next election cycle]. This is our compulsion: if we tell the truth, we will lose our position. We live in fear of this. This fear has been communicated to us from the top [of the party].

—Female elected official, Tarai Dalit, Madhesh

The usual patriarchal norms and biases continued to hinder women's advancement as well.

All the powerful positions are held by men. When they formulate plans and policies, they exclude us. During sessions, some women attempt to speak, but just as we begin, the males cut us off and humiliate us. I experience this often. Such behaviour hinders our ability to voice our opinion.

—Female elected official, Hill Dalit, Koshi

The misconception that men should hold executive positions and women be relegated to positions of 'deputy' is deeply rooted in our society. This bias towards male leadership has perpetuated a longstanding imbalance in leadership roles, hindering progress towards gender equality.

—Male NGO worker and human rights activist, Gandaki

The entrenched patriarchy extended to the household as well. For, despite increased political awareness and access to elected representatives and government officials, women were unable to participate actively in crucial meetings and capacity training due to their household responsibilities.

If the same woman is asked to play the role of a mother and also given the responsibility to run an organisation, how can that woman perform both roles at the same time?

—Female journalist, Lumbini

Although women-related programmes are conducted here, I am unable to participate in all of them due to various reasons. Managing household chores, rearing livestock, and taking care of the children restrict my freedom to participate in these programmes.

—Female former elected official, Bagmati

Language and cultural taboos, such as restrictions on women's mobility in some Muslim communities, also hinder meaningful participation.

—Female academic, Lumbini

While the Constitution mandates the election of at least one Dalit woman ward member in each ward, nothing substantive had been done to empower Dalit women. Several respondents said Dalit women were deprived of opportunities and often ignored politically once their tenure ended. Being elected ward members did not ensure their chance to advance in politics even though there were ongoing efforts in some of the local governments to address those challenges.

I am a former Dalit female ward member, but I have never been called into meetings during this term. I have not been included by the local government in the ward, municipality, or even in council meetings after the completion of my responsibility as a ward member.

—Female former elected official, Tarai Dalit, Lumbini

It was clear that women were starting to question authority, demand rights and actively seek opportunities to contribute to decision-making processes. This shift towards women's empowerment had proved crucial in addressing the underlying intersectional biases and barriers faced by women.

Women representatives from marginalised communities are receiving training on their rights, responsibilities, relevant acts and policies, understanding the role of opponents, and participating in the planning process. This focused training has led to a noticeable and impactful presence of female Dalit members in the municipality.

—Male elected official, Hill Dalit, Lumbini

Initially, women did not have any exposure. They would hide their faces as soon as the ward chairperson arrived. They would not attend meetings. And they would refuse to attend programmes away from home, for instance in Janakpur. But things have changed. Women have started to attend and question the ward [officials]. I have also registered their group at the municipality. They have started to ask for work, claiming they also want to do something. They have started to make such demands themselves; even when I do not go, they attend.

—Female NGO worker and women rights activist, Madhesh

[Here] women are more socially active than men, and their participation exceeds that of men. According to the Tole Development Procedures [*Tole Bikash Karyabidhi 2078*],

women have to constitute 50 per cent of the members in the *tole* development committee. We have also made efforts to include Dalits and persons with disabilities to the fullest extent possible.[72]

—Female elected official, Hill Janajati, Koshi

4.5.2 Participation and Representation of Dalits

The implementation of the quota system has brought significant benefits not only in terms of increased opportunities to contest elections but also in empowering marginalised groups like Dalits in several other ways. Many interventions targeted at increasing awareness among Dalits at the local level have been initiated after the implementation of federalism. With the mandatory election of Dalit women representatives, access to planning and decision-making positions has generally become easier for Dalits in general.

The survey results, however, show that far fewer Dalits among local elites believed they were always encouraged to take part in municipal governance compared to the overall view (Fig. 4.36). In fact, Hill Dalits were far less likely to believe that to be the case than Tarai Dalits. This is likely due to the reason that almost all Tarai Dalits surveyed were from

Figure 4.36: How often are Dalits encouraged to participate in planning and decision-making?

(%, overall view [l] vs Dalits' view [r])
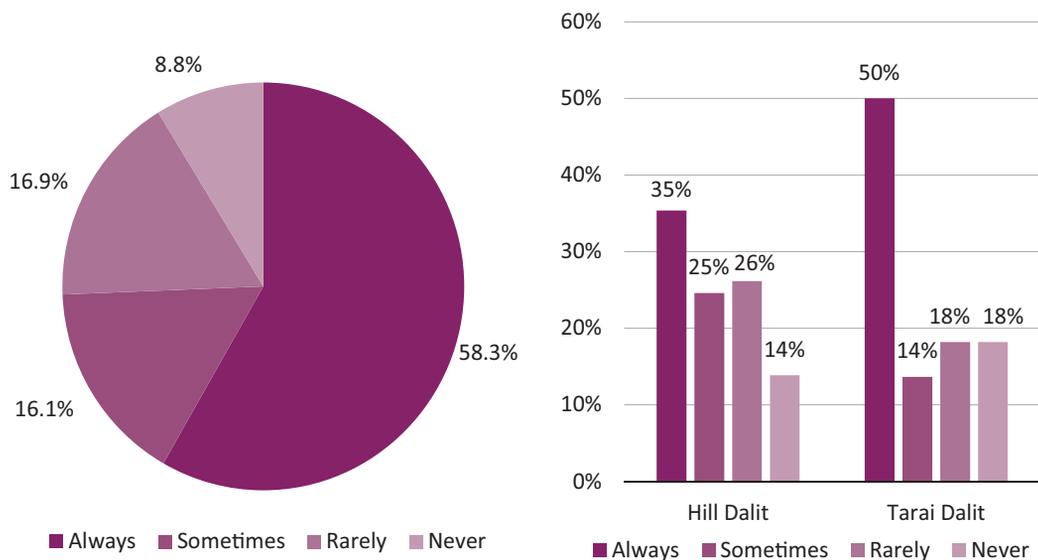
N=628 (excludes 2 'Don't know')

N=87

Figure 4.37: Are Dalits' concerns taken into consideration in planning and decision-making?

(%, overall view [l] vs Dalits' view [r])
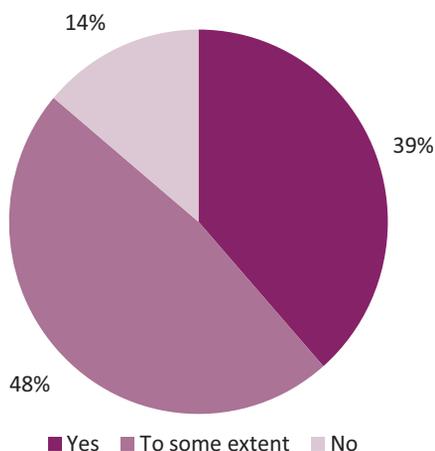
N=628 (excludes 2 'Don't know')
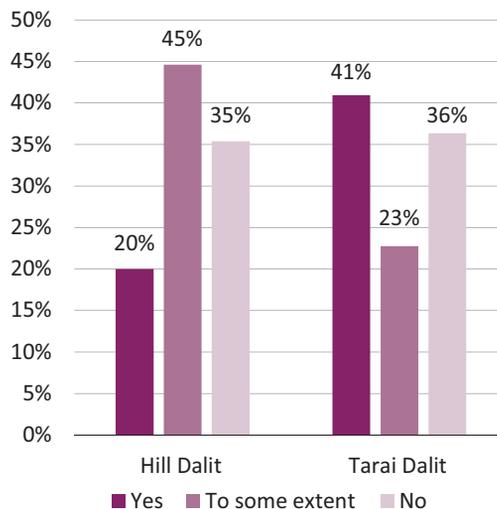
N=87

Madhesh (86 per cent), and the very strong responses in the affirmative came from two municipalities where Tarai Dalits comprise substantial proportions.

On the question of whether the concerns of Dalits were given due consideration, the figures were worse compared to being encouraged to participate even though when combining the definite 'yes' and 'to some extent', the overall view was far more sanguine than what Dalits themselves felt. Again, Tarai Dalits were far more positive in their responses in this matter than Hill Dalits were (Fig. 4.37).

In various instances, as coordinators of thematic committees in provincial assemblies and also as executive members in local governments, elected Dalit representatives had actively contributed to raising the concerns of Dalits during planning and decision-making. Programmes like the Provincial and Local Governance Support Programme (PLGSP) offered vital orientation and training, equipping elected representatives with the knowledge and confidence to navigate their roles effectively. Further, the focus of Dalit empowerment has shifted beyond awareness-raising to actively incorporating issues relevant to Dalits into policies while advocating for their meaningful participation as well. The newfound confidence was quite clear among the Dalit local elite interviewed for the study, as exemplified in the quotes below.

> Previously, there was a belief among the Dalit population that only the 'upper caste' people could contest elections. But, of late, many, including myself, have developed the confidence that, if given the opportunity, we, too, can effectively serve as elected representatives. I consider this an achievement.
>
> —Female elected official, Hill Dalit, Gandaki

> Our voices are often heard because we two Dalit executive members are assertive, have very good academic backgrounds and support our arguments with facts. We advocate for our community on the basis of research and make genuine demands. We raise our voices strong and loud during planning and decision-making processes, so the local government listens to us and gives due consideration to our concerns…This fiscal year alone, we succeeded in including nine Dalit-specific programmes and this is because of our strong presence in the executive committee.
>
> —Male elected official, Hill Dalit, Lumbini

Besides, the introduction of legislation aimed specifically at empowering Dalits and the allocation of funds for the same purpose in some of the (rural) municipalities underscored the tangible outcomes of increased Dalit representation in governance. Such initiatives aimed at Dalits have equipped more people from the community to engage meaningfully in governance processes. However, despite the increased participation of Dalits in governance, their voices had been overlooked when crucial decisions were being made both at the provincial and local levels. That was mainly because of the absence of Dalits in high-level positions at the local and provincial governments as well as in the bureaucracy. Dalit representation was largely limited to positions that yielded less political and administrative influence, resulting in a situation where people of other communities made the decisions on issues concerning Dalits—without even consulting them.

> Dalits are not trusted to take up executive positions. An aspirant candidate for the position of ward chair in the local election was not provided a ticket because they did not trust his abilities. This is because of his ethnic identity.
>
> —Male politician, Hill Dalit, Karnali

> There are hardly any Dalits in the bureaucracy in our municipality. The municipality has just one contract staff from the Dalit community and the Dalit ward members/executive members have been continuously advocating for Dalit recruitment.
>
> —Male elected official, Hill Dalit, Lumbini

Civil society leaders said that political parties tended to act strategically in nominating

representatives from minority communities. The parties chose candidates who had not acquired formal education, could not question the party's authority, and unquestionably approved party decisions regardless of their impact on their own communities. Further, owing to the fear of backlash from senior party leaders and the risk of being denied a tickets to contest future elections, some of the Dalit elected representatives said they refrained from raising issues related to the welfare and empowerment of the Dalit community.

> Dalit women members and other women from the community are unable to raise their voices effectively. Due to a lack of education, they struggle to express their concerns, and they often lack the decisive power needed to effect change.
>
> —Female elected official, Hill Janajati, Koshi

> There is a 77/78-year-old executive member in our executive committee who can't speak his mind. He just applauds during meetings. Even though there are educated and young people in the [Dalit] Badi community they are never selected.
>
> —Male religious leader, Muslim, Karnali

> There is no use of us, Dalits, winning elections. It has been two years now, but I have not done anything. If there is no work for us, then why waste the financial resources of the government? If we are to be included in the Working Committee then work must be delegated to us. If we raise any issue in the committee, the mayor dismisses us discreetly.
>
> —Female elected official, Tarai Dalit, Madhesh

The mandatory inclusion of a Dalit woman member in ward committees had also resulted in an unintended consequence. With the 'Dalit quota' filled by Dalit women, male Dalit rights activists across all provinces felt strongly that many capable Dalit men who could have contributed more meaningfully were deprived of opportunities. Further, they said that because most of the female Dalit ward members were illiterate and unaware of procedural complexities, they ended up becoming pawns to their party leadership and completed their tenure without making any contribution to the Dalit community.

> Our Dalit brothers are not happy with the quota granted to Dalit women in ward committees. They think, 'What can these women do? This state/constitution got it wrong. If men had been given the opportunity, we would have participated meaningfully, we would have raised Dalit issues effectively, but women cannot do anything'.
>
> —Female elected official, Hill Dalit, Koshi

Neither was intersectionality within the Dalit community taken into account. In Koshi,

civil society representatives reported encountering discriminatory treatment from local government authorities. As one of them put it, during the selection of projects and allocation of budgets, Hill Dalit communities were given preferential treatment over Tarai Dalit communities.[73]

There also appeared to be growing discontent about how quotas were distributed, with accusations that privileged groups were benefiting at the expense of marginalised communities, particularly Dalits. Although the view was mostly limited to Hill Castes, elected representatives across all the study sites highlighted the importance of implementing targeted initiatives that offered improved income prospects and educational opportunities for Dalits, rather than solely relying on the quota system.

> Quota systems are not scientific nowadays. For example, if one person is chosen from the Dalit community to be part of the government by that system, that person cannot uplift the entire Dalit community. There is a requirement to uplift such a society through economic enhancement, education and capacity-building programmes.
>
> —Male elected official, Hill Caste, Karnali

4.5.3 Participation and Representation of Adibasi Janajatis

While federalism has created extensive opportunities for the Adibasi Janajati community to engage in governance processes, elected representatives from different Adibasi Janajati groups were viewed as prioritising the party agenda rather than serving as advocates of their communities. Adibasi Janajati leaders interviewed across all seven provinces consistently identified that to be a significant obstacle to their empowerment with equal opportunities for inclusion and participation. Such a view was somewhat at odds with the survey results though. As with women and Dalits, the majority of the respondents overall felt that Adibasi Janajatis were always encouraged to take part in municipal governance, an impression with which a large number of Hill Janajatis and Tharus agreed even though Tarai Janajatis were less inclined to (Fig. 4.38).

Nearly 90 per cent of the total survey respondents thought the concerns of Adibasi Janajatis were considered at least to some extent during municipal planning and decision-making. Among Adibasi Janajatis themselves, again, it was a higher proportion of Hill Janajatis who thought that was the case compared to significantly smaller proportions of both Tarai Janajatis and Tharus (Fig. 4.39).

Despite these positive findings, elected officials at both the provincial and local levels mentioned challenges in advocating for community-specific issues. For example, a female member of the Koshi provincial assembly pointed out the 'restrictive nature of party whips' limited assembly members from deviating from their party's directives and from being able to speak openly about issues relating to Janajatis.[74] She added that despite being aware of the

Figure 4.38: How often are Adibasi Janajatis encouraged to participate in planning and decision-making?

(%, overall view [l] vs Adibasi Janajatis' view [r])
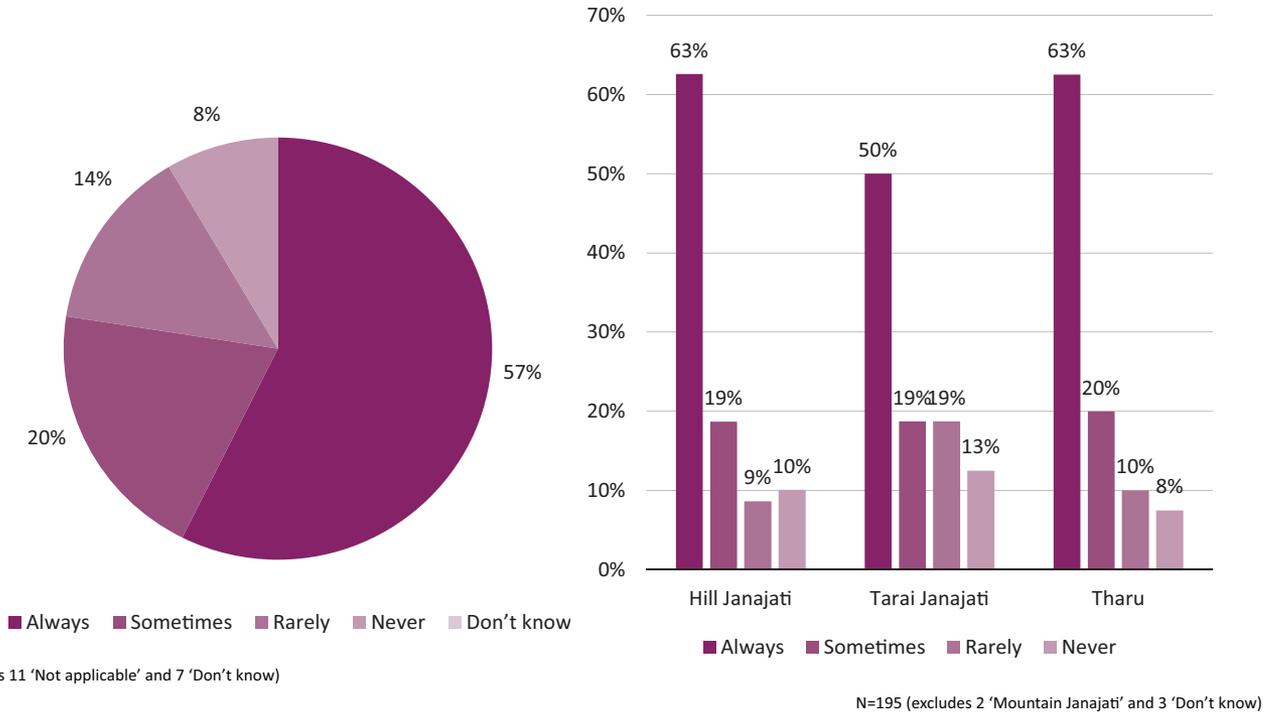
N=612 (excludes 11 'Not applicable' and 7 'Don't know)

N=195 (excludes 2 'Mountain Janajati' and 3 'Don't know)

Figure 4.39: Are Adibasi Janajatis' concerns are taken into consideration during planning and decision-making?

(%, overall view [l] vs Adibasi Janajatis' view [r])

■ Yes ■ To some extent ■ No
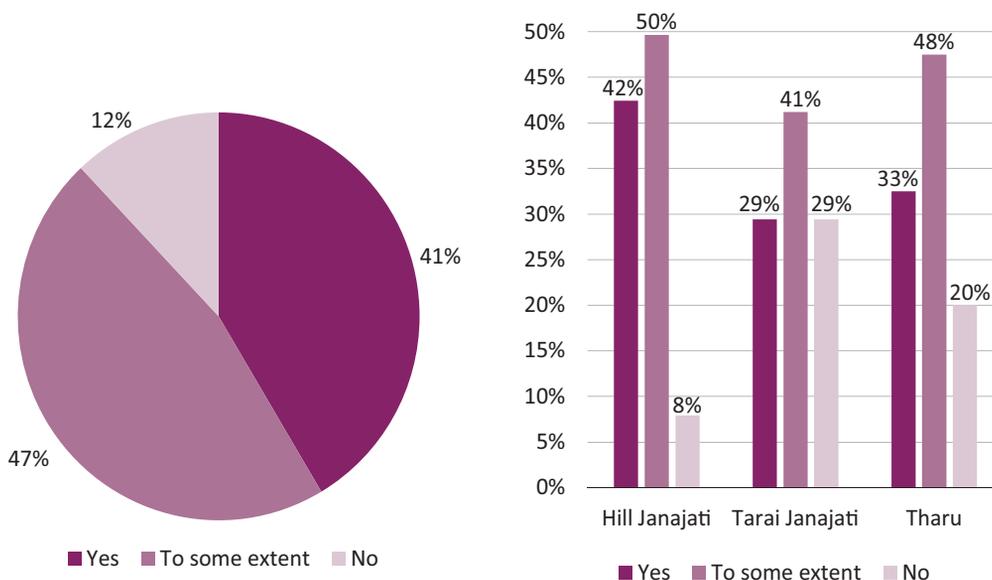
N=615 (excludes 2 'Rather not say', 3 'Don't know', and 10 'Not applicable')

N=198 (excludes 2 'Mountain Janajati' and 2 'Don't know')

need for targeted support for certain communities, the broad responsibility of representing all constituents made it challenging to prioritise the needs of specific communities. Her words were echoed by an elected representative from a municipality in Karnali.

> I may want to advocate for the empowerment of minority communities and groups. However, endorsing such policies is not always easy due to the potential risk of losing votes in the next election. Additionally, there is also the possibility that people from other communities, particularly the 'upper caste' people, may not support such acts and may choose not to vote for me.
>
> —Male elected official, Hill Caste, Karnali

On a similar note, in an interview conducted in a municipality in Koshi, an Adibasi Janajati rights activist pointed out that while the majority of elected representatives were Janajatis, only a few actively addressed the concerns of the community. Despite being aware of the issues facing Janajatis, they do not make any efforts to address these through tangible

programmes and policies. In his words: 'This lack of action could stem from political co-option or fear of backlash from other communities, as well as concerns about future electoral prospects'.

Some CSO representatives lauded the increased opportunities for Adibasi Janajatis to engage in governance processes after federalism was introduced even as they noted that had resulted in a tokenistic approach, whereby only those individuals who backed the decisions of senior leaders were given seats at the table.

> While Dalits, women and other Adibasi Janajatis do participate in the government and its processes, it is often as political party cadres rather than based on their gender, ethnic or caste identities. They are unable to make independent decisions. Their role mainly involves signing documents as instructed by party leaders, rather than representing their communities.
>
> —Male ethnic rights activist, Hill Janajati, Sudurpaschim

Just having leaders from the community was not enough since they often struggled to ensure meaningful and substantive participation and inclusion of individuals from among Janajatis at the grassroots level. As an activist from Lumbini put it,

> Political parties have acted as gatekeepers in our province. Despite having a Tharu Chief Minister,[75] it has not become any easier for us to meet him and discuss our concerns. In fact, Tharu people in the province have not experienced increased access to the Chief Minister now compared to when the Chief Minister belonged to a different community. The only situation where access may be easier is if you are a member of the same political party.
>
> —Male ethnic rights activist, Tharu, Lumbini

Similarly, an Adibasi Janajati activist from Madhesh recounted multiple unsuccessful attempts to address the challenges confronting the Adibasi Janajati community in the province dominated by Madeshis, a marginalised community like the Janajatis themselves.

> Assembly sessions are exceedingly rare in Madhesh, and even rarer are the opportunities for assembly members to address the session. Despite our [NEFIN's] many efforts to convince assembly party leaders, chief whips and the Speaker of the Assembly to allow assembly members to speak on various political and social issues facing indigenous nationalities, political parties, have been largely apathetic about it.
>
> —Male NGO worker and ethnic rights activist, Tarai Janajati, Madhesh

Apart from the need to toe the party line, a major refrain was that non-political actors were not given much of a voice during government deliberations.

> Upon hearing about the ongoing municipal executive meeting, I rushed to the municipal office. But, when I reached there, I could see that the elected representatives were having discussions on superficial issues, and none were really talking about empowering historically marginalised communities and groups. I tried to raise the concern, but high-level municipal authorities were quite uninterested in listening to my concerns. It was then that I left the meeting hall.
>
> —Female ethnic rights activist, Hill Janajati, Tilottama, Lumbini

Figure 4.40: How often are Madheshis encouraged to participate in planning and decision-making?

(%, overall view [l] vs Madheshis' view [r])
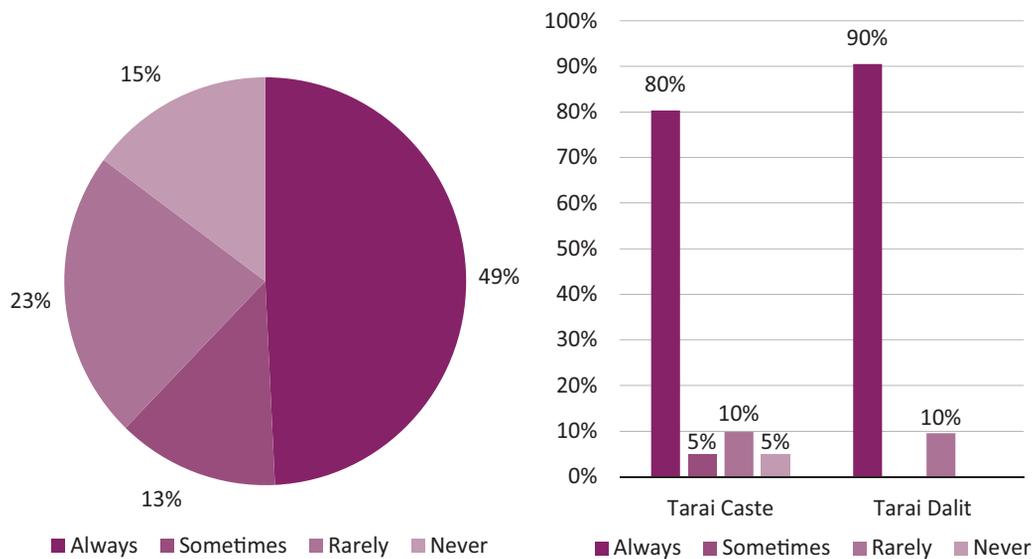
N=323 (excludes 12 'Rather not say', 6 'Don't know', and 199 'Not applicable'). This question was omitted in municipalities/rural municipalities where the concerned population group is absent as per Census 2021. Even so there were a fair number of 'Not applicable' responses where respondents reported the absence of Madheshis in their respective municipalities/rural municipalities despite indication of their presence as per the Census 2021.

N=82

Figure 4.41: How often are Madheshis encouraged to participate in planning and decision-making?
(only Madhesh province)

3%   3%

8%

68%

■ Sometimes   ■ Never   ■ Rarely   ■ Always
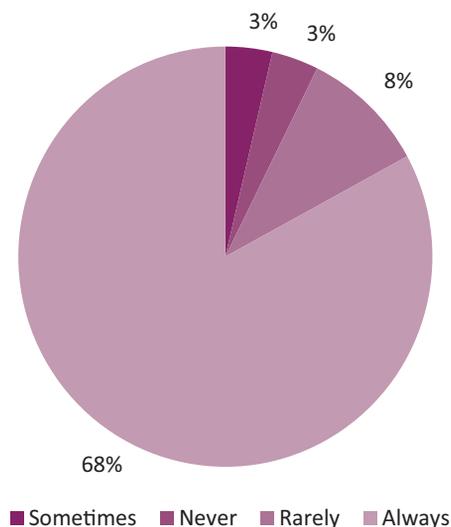
N=82 (excludes 1 'Don't know')

4.5.4 Participation and Representation of Madheshis

All key informants interviewed acknowledged that the heightened political empowerment of Madheshis following the implementation of federalism had increased avenues for Madheshis to engage in decision-making and planning processes. They acknowledged that the growth in political organisations in Madhesh has been the primary factor contributing to the empowerment of Madheshis, at least in Madhesh.

That is clearly borne out from the survey findings. While less than half the local elites overall thought Madheshis were always encouraged to take part in municipal governance, that view was far different from what Madheshi respondents themselves felt (Fig. 4.40). Very large proportions of respondents from both Tarai Caste and Tarai Dalit groups stated that Madheshis were always encouraged to take part in municipal deliberations. That ringing endorsement can perhaps be explained by the fact that more than 90 per cent of the Madheshis in the survey (82) were from Madhesh and they also made up three-quarters of all the 90 respondents from Madhesh where they outnumbered other social groups by far. The situation would have been different in places where their numbers were small.

When considering the survey results from Madhesh alone, it was no surprise that nearly all the respondents (95 per cent) stated that Madheshis were always encouraged to take part in discussions in the local bodies (Fig. 4.41).[76]

Figure 4.42: Are Madheshis' concerns taken into consideration during these events?
(%, overall view [l] vs Madheshis' view [r])
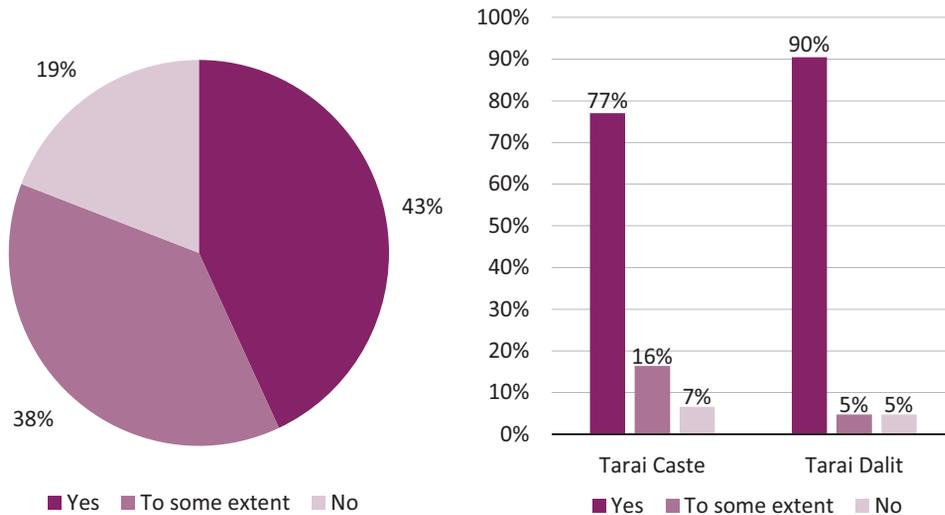
N=341 (excludes 18 'Rather not say', 5 'Don't know', and 199 'Not applicable'). This question was omitted in municipalities/rural municipalities where the concerned population group is absent as per Census 2021. Even so there were a fair number of 'Not applicable' responses where respondents reported the absence of Madheshis in their respective municipalities/rural municipalities despite indication of their presence as per the Census 2021.

N=82 (excluded 1 'Rather not say')

It is no surprise that even though the overall view was not as encouraging considering the small Madheshi populations in the hill-mountain provinces, an overwhelming majority of Madheshis themselves felt their voices were definitely taken into consideration during the municipal planning and decision-making processes (Fig. 4.42).

With the rise of multiple Madhesh-based political parties, more Madheshi politicians now have the opportunity to contest elections. However, many of the interviewees noted that it was important to understand that these opportunities had not been equally accessible to all Madheshis since those in decision-making roles were primarily 'upper-caste' Madheshis or otherwise with access to influential political leaders. That often resulted in preferential treatment towards individuals from the same caste group as the local government leaders or other influential figures, granting such individuals easier access to resources and participation in decision-making to the detriment of marginalised groups such as Madheshi Dalits and Muslims as well as women.

The mayor is 'Sah', and the opposition leaders are also 'Sah'. While giving out tickets during elections, the party prioritises Sahs. This is also the key cause of the exclusion

Figure 4.43: How often are Muslims encouraged to participate in planning and decision-making?
(%, overall view [l] vs Muslims' view [r])

■ Always ■ Sometimes ■ Rarely ■ Never
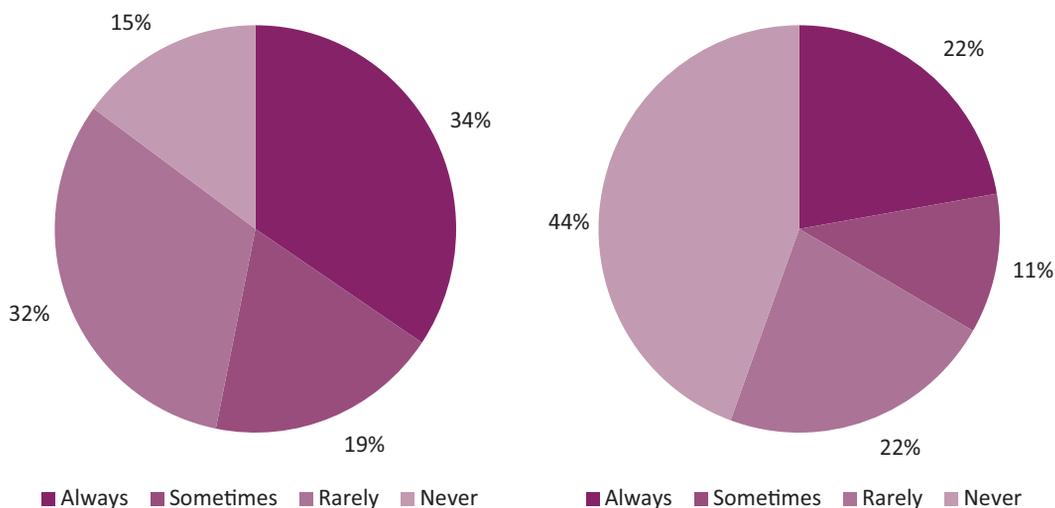
N=395 (excludes 16 'Rather not say', 10 'Don't know', and 119 'Not applicable'). This question was omitted in municipalities/rural municipalities where the concerned population group is absent as per Census 2021. Even so there were a fair number of 'Not applicable' responses where respondents reported the absence of Muslims in their respective municipalities/rural municipalities despite indication of their presence as per the Census 2021.

N=18

of other castes. The mayor attempts to include only Sahs, his relatives, and his political party cadres.

—Male elected official, Tarai Caste, Madhesh

4.5.5 Participation and Representation of Muslims

Interviewees emphasised the positive changes after the institutionalisation of federalism in Nepal, such as full freedom of religion and the ability to openly identify oneself in terms of faith. That, however, has not fully translated into empowerment of the country's religious minorities. Even though, apart from Hinduism, all the others are minority religions in Nepal, in the public imagination, religious minorities are generally considered to be Muslims and Christians, for the simple reason that neither is viewed as indigenous to Nepal unlike Buddhism and Kirat. Since the government has recognised only Muslims as a separate population group,

Figure 4.44: Are Muslims' concerns are taken into consideration during planning and decision-making?

(%, overall view [l] vs Muslims' view [r])
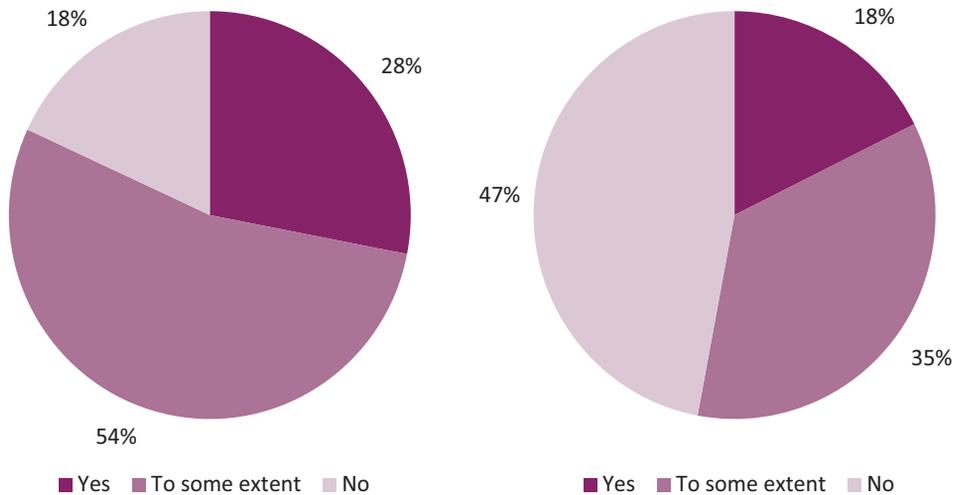
N=392 (excludes 15 'Rather not say', 14 'Don't know', and 119 'Not applicable'). This question was omitted in municipalities/rural municipalities where the concerned population group is absent as per Census 2021. Even so there were a fair number of 'Not applicable' responses where respondents reported the absence of Muslims in their respective municipalities/rural municipalities despite indication of their presence as per the Census 2021.

N=17 (excludes 1 'Don't know')

the survey asked questions regarding Muslims only and although Christians did feature in some interviews, there was nothing of substance to be reported.

It was not unexpected that comparatively fewer survey respondents thought Muslims were encouraged to take part in municipal planning and decision-making. What stood out was how far fewer Muslim respondents thought so in contrast to the general view, which itself was very low. Nearly half of the Muslim local elites in the survey thought that was never the case (Fig. 4.43).

On whether the concerns of Muslims were considered in municipal governance, the gap between the overall impression and of the Muslims is vast, with again nearly half the Muslim respondents stating that never happened (Fig. 4.44).

Muslims continue to grapple with pervasive exclusion and formidable challenges in terms of securing their participation and inclusion in decision-making and planning

processes both at provincial and local levels, as evidenced by the low number of Muslim elected representatives across the seven provinces (see Annex II). They frequently received inadequate government resources and also limited support for vital institutions led by Muslim groups, such as *madrasas*, often forcing them to rely on community-based sustenance strategies. However, in a sign of changing times, some of the municipalities in Gandaki and Sudurpaschim had allocated funds for *madrasas* discreetly as elected representatives did not want to run the risk of backlash from the Hindu majority. In Gandaki, for instance, a local government had disbursed funds to the *madrasa* in the municipality under the 'Gurukul Education Policy' since there was no separate policy guiding the local government to support educational and religious institutions of non-Hindu faith groups.[77]

Minority religious groups in general have had to struggle to voice their demands and get them addressed by the government. Although some of the study participants from such groups mentioned instances of participating in planning and decision-making processes in the sampled (rural) municipalities in all seven provinces, their participation was not as representatives of the faith groups they belonged to per se but in the general capacity of local residents.

> Initially, we had to go to Dhangadhi for Friday Jum'ah prayers, so we petitioned the local government for land. An all-party meeting approved 5 kattha of forest land, but the District Forest Office rejected it. In 2015, we raised the issue again with the Chief District Officer, after which 2 bigha and 17 kattha were transferred in the name 'Mosque Madrasa Muslim Religious Forest'.[78] Followed by that decision, there was a protest from other religious groups, who objected, claiming a graveyard would be built and that it would cause a foul smell in the market area.
>
> —Male religious leader, Muslim, Sudurpaschim

> Despite consistently requesting the municipal authorities for a piece of land for our cemetery, although the elected representatives are positive about our demands, their hesitation stems from the fact that the locals of majority faith groups are consistently opposing the idea of providing land to build a cemetery for Christians.
>
> —Male religious leader, Christian, Sudurpaschim

4.5.6 Participation and Representation of Persons with Disabilities

By law, persons with disabilities (PwDs) are among the groups to be specified in the closed PR list for both federal and provincial elections.[79] There is also the requirement that PwDs have access to voting polls, allowing them to be accompanied by either a polling official or a family member, besides arranging a separate queue for them. Further, the constitution

mandates that at least one PwD (or an individual from a minority community) be elected from each province to the National Assembly.

While both government and non-government stakeholders acknowledged the importance of including PwDs in government bodies and in planning and decision-making processes, the general consensus was that this group is under-represented and unable to participate in municipal affairs (Figs. 4.31 and 4.32). Civil society representatives said that the lack of accessible infrastructure often hindered the effective participation of PwDs, an issue particularly acute in rural areas where basic facilities like accessible roads and meeting halls are often absent, making it challenging for individuals with disabilities to engage meaningfully.

> Creating government infrastructure accessible to people with disabilities is not just a matter of convenience, it is a fundamental aspect of self-respect and self-esteem for individuals living with disabilities. This not only enables individuals with disabilities to navigate public spaces independently without seeking support from other people but also eliminates the barriers that previously made accessing essential services seem impossible due to physical limitations.
>
> —Male NGO worker and PwD rights activist, Sudurpaschim

> Although we are aware of its significance, it is particularly difficult to ensure inclusive participation of persons with disabilities in the meetings organised by the local government at the community level owing to the lack of disability-friendly infrastructure in their vicinity despite the law mandating inclusive participation.
>
> —Elected official, Koshi

Very little to no consideration had been directed towards addressing the difficulties encountered by PwDs during budgetary allocations and policy formulation. Several civil society leaders spoke of the challenges they encountered when trying to meet with elected officials and persuade them to develop policies that serve the needs of PwDs. Further, although political parties had given due consideration to including PwDs in their party activities, due to the lack of mandatory legislative provision to elect a PwD in local governments, their access to decision-making positions had been largely limited. In some instances, elected officials themselves admitted that actions taken by local governments to help PwDs were inadequate. In fact, none of the local governments covered by the study had made any substantive effort to that end beyond distributing disability cards to PwDs.

When we reviewed the plans submitted by wards in Butwal Sub-metropolitan City, there

was not even a single plan for the disabled in all 19 wards. This is because there is no participation of the disabled in the planning process.

—Female NGO worker and PwD rights activist, Lumbini

Individuals with disabilities are excluded from participating in discussions regarding budgetary matters, let alone having their concerns integrated into municipal legislation and policies. Policies implemented at the local level do not prioritise disability inclusion. Despite the presence of various subject committees within the municipality, none include members with disabilities.

—Male NGO worker and PwD rights activist, Sudurpaschim

Interviewees pointed out the inadequacy of funds allocated at the local and provincial levels for PwDs. Yet, some CSOs had managed to influence provincial and local governments to set aside resources for PwDs. That was attributed largely to personal connections with politicians. However, the process remained inconsistent since it lacked a standardised approach, relying heavily on informal networks. Nevertheless, on a positive note, there were occasional bright spots, as in the case of a ward in a municipality in Karnali.

Persons with disabilities are encouraged to participate in the *tole*-level meetings and their feedback is sought as to which plans and programmes need to be implemented. The ward government has identified how many disabled people are in the ward. The *tole*-level meetings include all of them, where they can share their concerns and needs. Compared to the municipal government, the ward government is more sensible about inclusion.

—Female NGO worker and PwD rights activist, Karnali

4.5.7 Participation and Representation of Gender and Sexual Minorities

While federalism has undoubtedly created a more conducive environment for the participation of many marginalised groups, as outlined above, the same cannot be said of the lesbian, gay, bisexual, transgender, intersex, queer, asexual and other (LGBTIQA+) community. Despite strides in legal recognition and protection, societal challenges persist wherein LGBTIQA+ individuals continued to often be viewed as unnatural and faced significant social stigma. This societal bias extends to the behaviour of elected representatives who were often hesitant or unwilling to support LGBTIQA+ rights due to prevailing discriminatory attitudes within their constituencies. Thus, while federalism has fostered inclusion in many respects, it remains a work in progress when it comes to fully embracing and supporting the rights of LGBTIQA+ individuals.

The survey results showed that a majority (58 per cent) of the survey participants believed that federalism had improved opportunities for inclusivity in government

planning and decision-making for all genders. However, the persistence of social stigma against individuals from the LGBTIQA+ community remained a significant barrier, hindering progress in provincial and local government initiatives aimed at eliminating these prejudices and creating a more supportive governance framework for individuals of diverse gender identities and sexual orientations.

> Whenever I raise the issue of ensuring the participation of gender and sexual minorities in our meetings, some of my colleagues [fellow elected representatives] are shocked, and, although they have not said it explicitly, most of them suspect that I am also among people of gender and sexual minority. This is mainly because I am still unmarried and I consistently raise issues facing gender and sexual minorities, and that is sufficient for my colleagues to question my sexual orientation.
>
> —Female former elected official, Bagmati

4.6 Federalism

Elected and government officials across the study sites viewed federalism as inherently positive, acknowledging its role in bringing about notable transformations at the subnational level, namely, enhanced access of the public to local decision-making, empowerment of citizens to voice their concerns, enabling the local government to act as a conduit linking citizens with essential services and increasing the array of public services available. The prevailing sentiment among those more sceptical of federalism was that its implementation in Nepal had not been wholly effective. Their discontent stemmed primarily from the perceived reluctance of the federal government to devolve power to provincial and local tiers as provided in the Constitution. Nonetheless, some respondents conceded that the creation of empowered local governments had led to improved service delivery at the grassroots. Legislation crafted by these bodies and decisions reached carried significant weight locally. Further, some interviewees credited local units within Nepal's federal system with bringing service-seekers from minority communities closer to bureaucrats and elected representatives. That change was attributed, for the most part, to the daily interactions and closer proximity of marginalised communities to local power centres, facilitating a deeper understanding among the authorities of their issues.

The federal government's delay in drafting and revising laws was identified by many of the local elite as a significant impediment to lower tiers of government implementing related measures on a number of issues, including those concerning minorities. For instance, national laws and policies enacted before the introduction of federalism do not account for provincial governments. Several interviewees also raised doubts about the economic viability of the federal structure as it had failed to clearly delineate the responsibilities of and allocate resources to the different tiers of government.

Figure 4.45: How would you rate the overall performance of the federal structure of governance in the country on a scale of 1 to 10, with 10 signifying the highest level of effectiveness? (%)
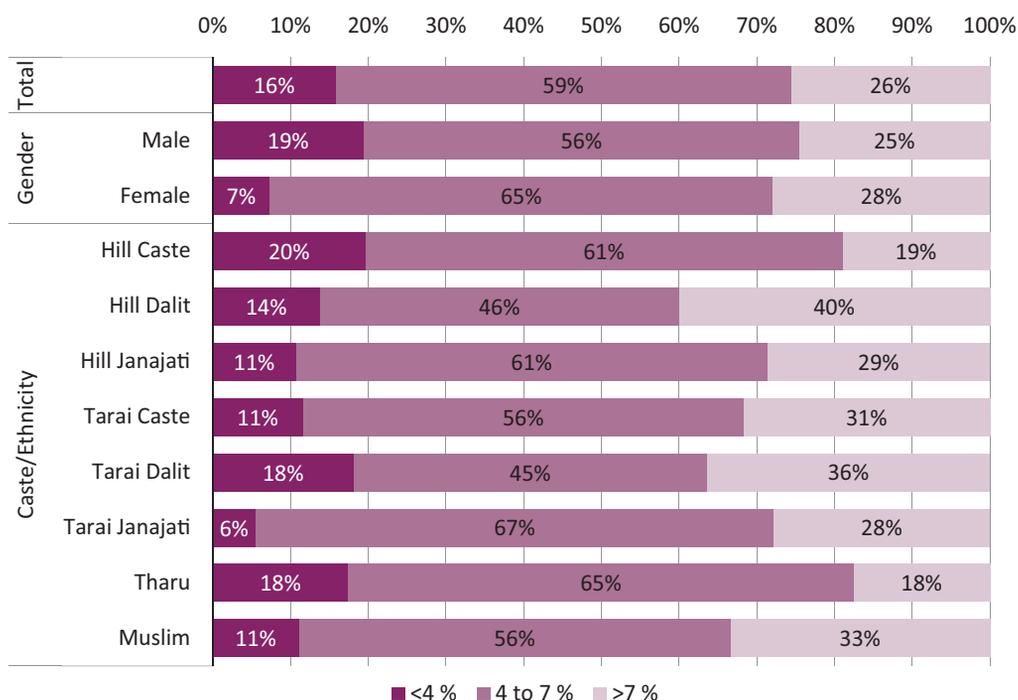
N=630, 626 and 628 (excludes 4 'Other' in gender and 2 'Mountain Janajati' in caste/ethnicity)

Yet, when asked to rate the overall performance of the federal governance structure on a scale of 1 to 10 (with 1 signifying the lowest level of effectiveness and 10, the highest), more than a quarter of the respondents gave ratings of eight or more, with only 16 per cent opting for three or less (Fig. 4.45). That level of trust in the federal structure remained near consistent even when data was disaggregated along gender and caste/ethnic lines. The notable exceptions were among the Hill Caste and Tharu respondents. These two groups also showed a significant majority opting for the mid-range score as did women. The highest levels of satisfaction were among Hill and Tarai Dalits and Muslims, all three being groups considered the most marginalised.

Larger differences arose when viewed from the perspective of provinces. The strongest affirmations of the federal structure came from Koshi, Madhesh and Bagmati and the lowest from Lumbini and Gandaki (Fig. 4.46). These figures correlated with the identity of the local elites themselves, since, as the preceding figures show, respondents from marginalised

Figure 4.46: How would you rate the overall performance of the federal structure of governance in the country on a scale of 1 to 10, with 10 signifying the highest level of effectiveness? (%, province)

Province	<4	4 to 7	>7
Koshi	8%	61%	31%
Madhesh	10%	56%	34%
Bagmati	19%	49%	32%
Gandaki	16%	68%	17%
Lumbini	24%	62%	13%
Karnali	14%	61%	24%
Sudurpashchim	20%	53%	27%

Legend: ■ <4 ■ 4 to 7 ■ >7
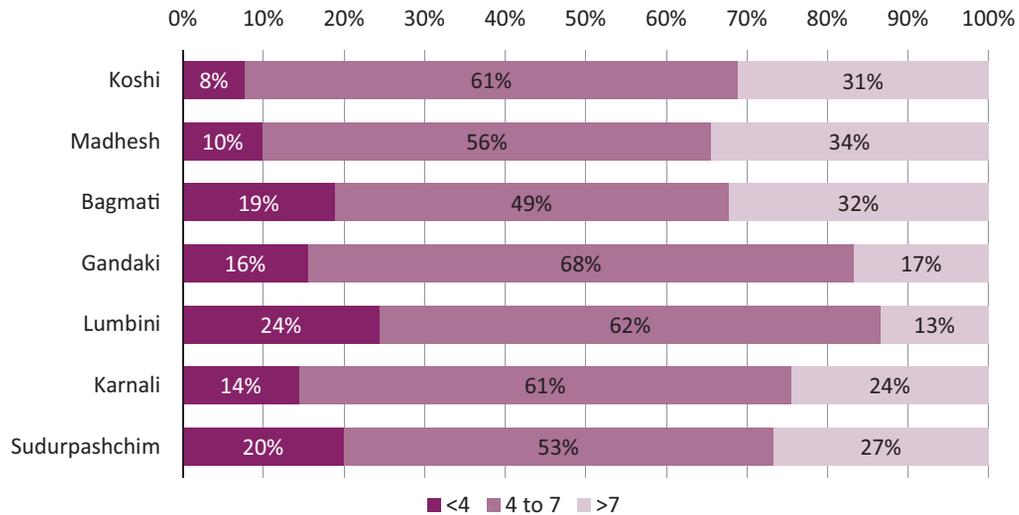
N=630

Figure 4.47: Please express your agreement or disagreement with the following statements (%)

Federalism has led to...

Statement	Agree or Strongly Agree	Neutral	Disagree or Strongly Disagree	Don't know
Better resource distribution across regions	66%	8%	26%	1%
Promoted local autonomy and decision-making	84%	5%	10%	1%
Enhanced accountability and responsiveness in government	69%	9%	21%	
Fostered diversity and cultural preservation	79%	4%	16%	
Mainstreamed issues of minorities in local-level governance	77%	6%	16%	
Increased administrative complexity and bureaucracy	64%	10%	25%	1%

Legend: ■ Agree or Strongly Agree ■ Neutral ■ Disagree or Strongly Disagree ■ Don't know

N=630

groups generally had a more favourable view of both federalism and its effectiveness. In Madhesh, Madheshis comprised three-quarters of the respondents while in Koshi and Bagmati, Hill Castes were outnumbered by the rest among the respondents, and hence likely to view the federal structure as being more effective. In Gandaki, Hill Castes were a majority and in Lumbini, a substantial plurality. It should be noted that although Hill Castes formed the majority of the survey respondents in Karnali and Sudurpaschim, given that region's history of being marginalised by the centre, the view towards federalism was much more favourable.

The survey also asked respondents to provide their views on a number of issues (Figs. 4.47 and 4.48), namely, whether federalism had: i) led to better resource distribution across regions; ii) promoted local autonomy and decision-making; iii) enhanced accountability and responsiveness in government; iv) fostered diversity and cultural preservation; and v) helped mainstream issues of minorities in local-level governance. They were also asked if federalism had increased administrative complexity and bureaucracy.

On the question of whether federalism had resulted in better resource distribution

Figure 4.48: Please express your agreement or disagreement with the following statements
(caste/ethnicity)

a. Federalism has led to better resource distribution across regions
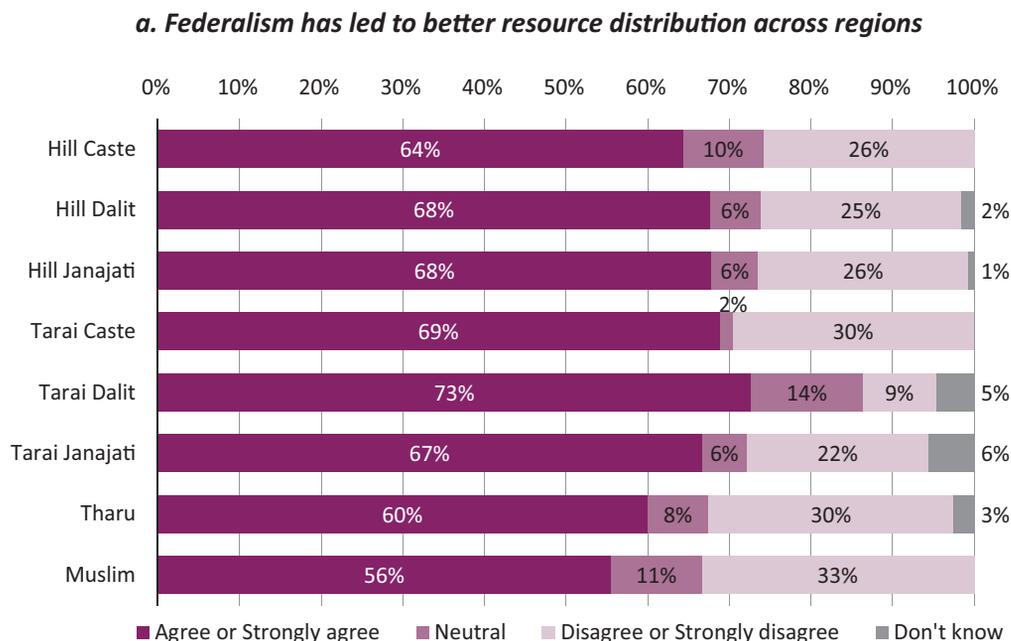
N=628 (excludes 2 'Mountain Janajati')

c. Federalism has fostered diversity and cultural preservation

Hill Caste	76%	6% 19%
Hill Dalit	82%	5% 14%
Hill Janajati	83%	4% 13%
Tarai Caste	84%	2% 15%
Tarai Dalit	86%	5% 9%
Tarai Janajati	83%	17%
Tharu	75%	8% 15% 3%
Muslim	83%	17%

■ Agree or Strongly agree ■ Neutral ■ Disagree or Strongly disagree ■ Don't know
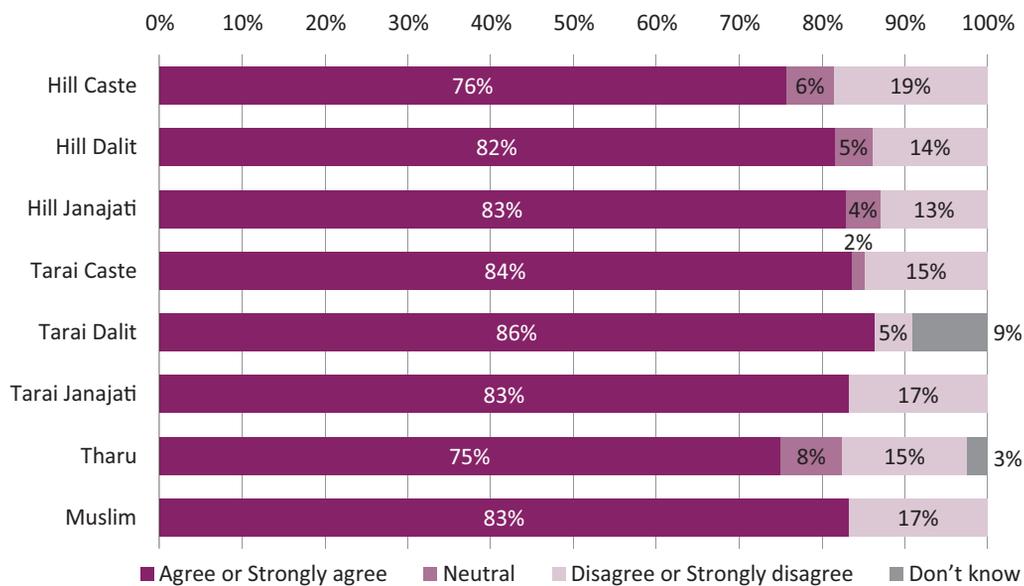
N=628 (excludes 2 'Mountain Janajati)

d. Federalism has enhanced accountability and responsiveness in government

Hill Caste	63%	10% 27%
Hill Dalit	75%	5% 20%
Hill Janajati	74%	13% 14%
Tarai Caste	75%	8% 16%
Tarai Dalit	82%	9% 5% 5%
Tarai Janajati	72%	28%
Tharu	68%	10% 20% 3%
Muslim	83%	17%

■ Agree or Strongly agree ■ Neutral ■ Disagree or Strongly disagree ■ Don't know
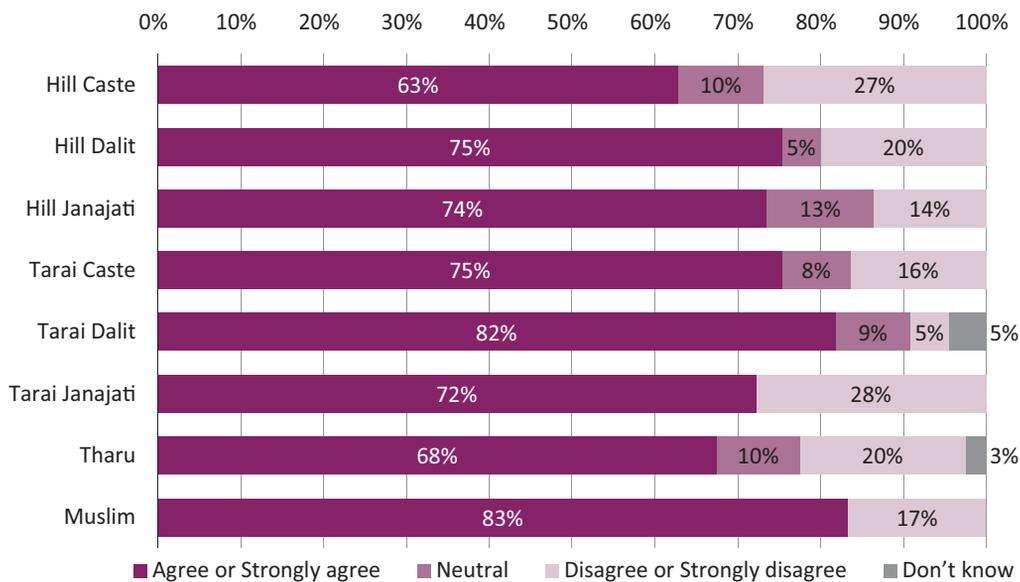
N= 628 (excludes 2 'Mountain Janajati)

e. Federalism has mainstreamed issues of minorities in local-level governance
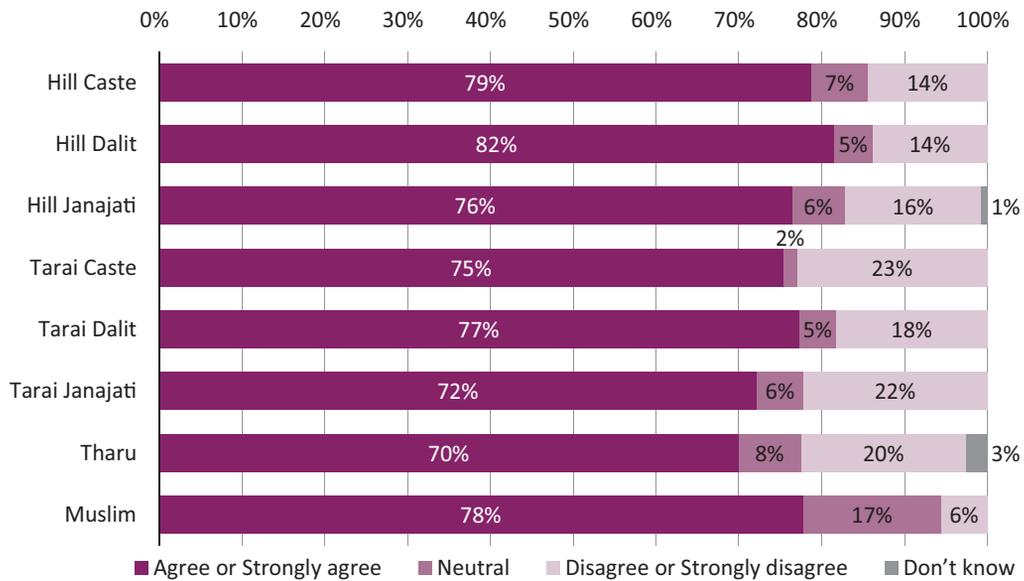
N=628 (excludes 2 'Mountain Janajati)

b. Federalism has promoted local autonomy and decision-making
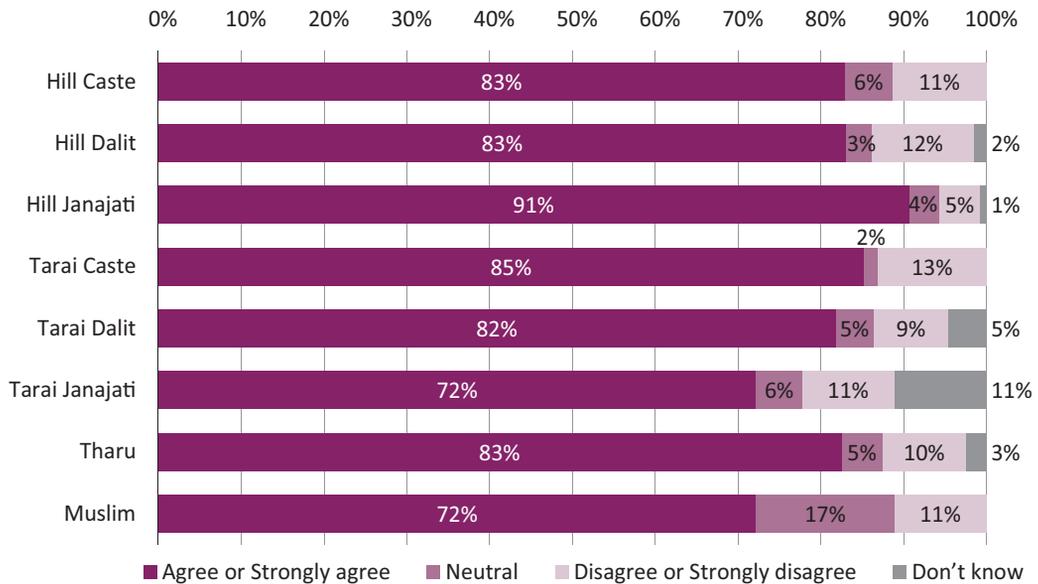
N=628 (excludes 2 'Mountain Janajati)

across the three tiers of government, two-thirds (66 per cent) responded in the affirmative. During the KIIs, however, there was some dissatisfaction expressed.

> Equal distribution of natural resources is not possible in a three-tiered government. We send 50 per cent of the revenue to the federal government, allocate 30 per cent elsewhere, and retain only 20 per cent.
>
> —Elected official, Koshi

> Institutions like the National Natural Resources and Fiscal Commission have become politicised, allocating budgets disproportionately to regions allied with the ruling party while leaving out the rest.
>
> —Government official, Lumbini

Similarly, an overwhelming 84 per cent of the respondents were of the view that the implementation of the federal system had resulted in the promotion of local autonomy and decision-making. Among those with contrarian views, it was because of lack of autonomy had exacerbated differences regarding the concurrent rights between local and provincial governments, leading to confusion when making decisions for fear of overstepping jurisdictional boundaries.

Good majorities of, respectively, 64 and 67 per cent of the respondents, believed that the federal system had fostered diversity and inclusion and that it had helped mainstream minority issues in local governance. The interviews revealed a range of perspectives on the same. There appeared to be increased concern among elected representatives on prioritising and allocating budgets for preserving all forms of culture at the local level but that was not uniform across the study sites. One positive example was reported by a former elected representative from Suryodaya Municipality in Koshi where the municipality has declared a public holiday on the day of *Namban*, the festival of the minority Lepcha.[80] The municipality had also allocated funds for the renovation of Lepcha gumbas in Fikkal while acknowledging Suryodaya to be the land of the ancestors of the Lepcha in the municipality song.

A substantial majority of 63 per cent believed government accountability and responsiveness had become better but the flipside was that an equal proportion believed that administrative issues had become more complex and that it had led an increase in bureaucratic procedures. There were instances of elected representatives and others, including civil society leaders, calling for reforms of the administrative structure at the local level. A major concern expressed by interviewees was that civil servants operated under the federal civil service law, leading to less accountability and responsiveness towards the local governments they served.

4.7 Functioning of Provincial Governments

Most elected and government officials interviewed across the study sites were in agreement that the provincial governments had been functioning weakly, with many laying the blame for that on the federal government's reluctance to devolve and decentralise power—a core requirement of federalism. The survey also mirrored that sentiment to a large extent, with just 17 per cent of the local elite stating satisfaction with how provincial governments were functioning (Fig. 4.49).

When broken down to the provincial level, the data showed that even in Madhesh, where the respondents had spoken so strongly in favour of the federal set-up, the level of satisfaction with the provincial government was quite dismal—at just 30 per cent. The highest levels of dissatisfaction, with over half the respondents expressing that sentiment, were in Lumbini, Sudurpaschim, Gandaki, Karnali and Koshi, in that order (Fig. 4.50).

The levels of satisfaction with the provincial government were more or less similar in terms of gender or caste/ethnicity (Fig. 4.51). However, if the promise of federalism was also to make the polity more inclusive, its impact could be seen in the responses from the local elites among Tarai Dalits and Muslims, the country's two most marginalised groups, who were comparatively more positive about provincial governments. It is in the degree of dissatisfaction that differences could be felt. The gap between men and women was quite large while in terms of caste/ethnicity, the highest levels of dissatisfaction were among Hill Castes, Tarai Janajati and Tharus, with Muslims not far behind.

Figure 4.49: Express your degree of satisfaction with the performance of the provincial government under the current federal setup? (%)

- ■ Very satisfied or Satisfied
- ■ Neither satisfied nor dissatisfied
- ■ Dissatisfied or Very dissatisfied
- ■ Don't know
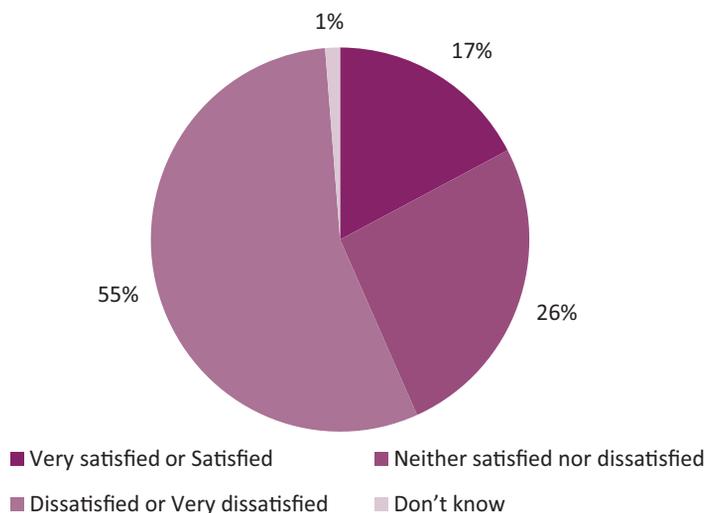
N=630

Figure 4.50: Express your degree of satisfaction with the performance of the provincial government under the current federal setup?

(%, province)

N=630

While the federal system had empowered local governments—enabling them to tailor programmes and allocate financial resources independently to address needs such as infrastructure development, education and healthcare—respondents highlighted persistent challenges at the provincial level. These included ongoing interference from the federal government in provincial affairs, coupled with the diminished responsibilities of provincial governments and inadequate staffing, both affecting the provinces' ability to draft laws and policies and implement them, leading to legislative inertia and inconsistent programme implementation, and even a questioning of the need for provinces.

> We need 4300 civil servants but currently, we have in total only 22–2300 employees who have been sent by the federal government. Because of the lack of laws, we are unable to create new positions for the civil service.
>
> —Elected official, Koshi

There are numerous offices at the district level that are unnecessary and lack clear responsibilities. These redundant offices should be merged or dismissed. For instance, in infrastructure-related sectors, there are separate offices for roads, drinking water,

Figure 4.51: Express your degree of satisfaction with the performance of the provincial government under the current federal setup?
(%, gender, caste/ethnicity)

	Very satisfied or Satisfied	Neither satisfied nor dissatisfied	Dissatisfied or Very dissatisfied	Don't know
Gender				
Male	16%	21%	62%	
Female	20%	38%	39%	3%
Caste/Ethnicity				
Hill Caste	14%	24%	62%	
Hill Dalit	17%	40%	40%	3%
Hill Janajati	18%	26%	53%	3%
Tarai Caste	20%	33%	48%	
Tarai Dalit	41%	9%	45%	5%
Tarai Janajati	22%	17%	61%	
Tharu	15%	25%	60%	
Muslim	33%	11%	56%	

■ Very satisfied or Satisfied ■ Neither satisfied nor dissatisfied
■ Dissatisfied or Very dissatisfied ■ Don't know

N=626 and 628 (excludes 4 'Others' in gender, and 2 'Mountain Janajatis' in caste/ethnicity)

and overall infrastructure development. It would be more efficient to streamline these functions under a single infrastructure development office to ensure better coordination and resource utilisation.

—Government official, Lumbini

The federal system will not be strong unless the provincial government is strengthened. Due to the lack of adequate policies, there is a general conception that the provincial government is useless. The federal government should give authority to the provincial government. The local government has the right to make its own decisions, but the province does not. That's why the people don't want a province. They think just the federal and local governments are enough.

—Male journalist, Hill Caste, Sudurpaschim

> In our small country, federalism is not necessary. We need only local and central governments; we don't need provinces.
>
> —Female elected official, Hill Caste, Sudurpaschim

The state of federal and regional party politics—marked by ever-changing party alliances, leading to frequent changes of government at both levels—has eroded confidence in the provincial governments being able to perform efficiently. As a politician from Lumbini put it: 'They are focused on fulfilling their personal interests and ambitions rather than contributing to the nation and the public. The tendency to compete for power and authority has been a major focus, and nepotism and favouritism in recruiting people in positions has increased'.

Interviewees were also clear that not all the blame could be laid on provincial governments. One issue that came up strongly was the need for the federal government to better practise resource and revenue sharing, the lack of which was seen to be critically paralysing the provincial governments' ability to effect policies and programmes of their choosing. There was the question of adequate laws being enacted for provincial governments to function. Government officials and civil society representatives alike also viewed provincial governments as passive recipients of the federal government's plans, policies and budgets, contradicting the very purpose of creating provincial governments in the first place.

> The province does not have its own resources. It has to rely on resources allocated to it. The provincial government cannot work effectively until it can generate its own resources. The allocation of resources must be logical.
>
> —Journalist, Gandaki

> In the energy sector, none of the current energy laws recognise the province. The sector is governed by outdated laws. The federal law is also unclear as to what the province should do for land management.
>
> —Government official, Bagmati

> A government should have control over the police administration to enforce law and order. It also needs to maintain peace. The law does not specify whether chief district officers are to be under the provincial or the federal government.
>
> —Male elected official, Koshi

Another problem frequently attributed to the subpar functioning of most provincial governments was the lack of experienced elected officials and competent government bureaucrats at the provincial level. Whereas elected officials with a rudimentary

understanding of government procedures were reported to be creating a hostile work environment for bureaucrats by making impractical demands and threatening punitive action, bureaucrats themselves were also reported to be lacking the necessary skills. Interviewees believed that the federal government had been sending less competent officials to the provinces. With the federal government in charge of provincial bureaucrats, coupled with its general tendency to centralise power, bureaucrats have been primarily answerable to the federal government, leaving provincial governments with limited authority over officials working in the provinces. Compounding these issues was the reported reluctance among government officials to serve in more remote areas, a problem particularly pronounced in provinces like Karnali.

Despite these seeming drawbacks, interviewees also found plenty of reasons to consider the positive impacts provincial governments have had. A sample of quotes is provided below to help understand this perspective.

> Satisfaction with the provincial government is on the rise, especially in Susta Rural Municipality of Lumbini Province. Here, local political leaders have easy access to provincially elected representatives, creating an environment where citizens can freely ask questions and offer suggestions—a stark contrast to the pre-federalism era.
>
> —Male politician, Hill Caste, Lumbini

> In Karnali Province, significant transformations have been seen in public access to government services since the establishment of the provincial government. Previously distant from the central government, the region now enjoys increased grassroots-level access to budgets, political leadership and essential services. This newfound accessibility has empowered local communities, with many settlements receiving budgets for the first time under the provincial administration.
>
> —Male elected official, Hill Janajati, Karnali

> Marginalised voices are finding representation in the provincial assembly through elected representatives of such communities, enhancing inclusivity.
>
> —Male government official, Tarai Janajati, Madhesh

> The provincial government has played a crucial role in bridging the gap between municipal and federal authorities.
>
> —Female government official, Hill Caste, Lumbini

> Particularly noteworthy was the provincial government's effectiveness during the COVID-19 pandemic, which bolstered confidence among citizens.
>
> —Male journalist, Hill Caste, Karnali

The presence of provincial governments has facilitated the addressing of diverse community needs. For instance, the inclusion of provisions for the LGBTIQA+ community in the Provincial Civil Service Act, 2080 [Bikram Sambat] in Lumbini Province showcases this commitment.

—Transgender NGO worker and LGBTIQA+ rights activist, Lumbini

4.7.1 Policymaking

Federalism has expanded opportunities for a decentralised approach to drafting laws and policies, with greater avenues for civil society representatives, the media and independent experts, among others, to contribute on issues pertaining to public services at the subnational level. Interviewees said that while some elected representatives were more receptive to inputs from stakeholders outside the government, their experience overall has not been all that positive. Civil servants, in particular, tended to be more inflexible compared to elected officials. The recalcitrance of the bureaucracy appears to extend to the government itself. A former minister from Bagmati recalled her experience of a senior civil servant not supporting the implementation of new policies dealing with building capacity of girl children and the establishment of service centres for the elderly.

Stakeholders also pointed out the trend to introduce laws and policies copied from other provinces. The failure to account for local contexts and actual needs was seen as a reason for making policymaking processes more inclusive and consultative. On the other hand, elected representatives complained that provincial governments were constrained when trying to enact laws tailored to local requirements.

Representatives of civil society also spoke of the challenges they faced while advocating for policies and guidelines aimed at addressing the needs of historically marginalised groups.

There are no guidelines to address the situation of *kamaiyas* and *kamalaris*. We have been constantly lobbying with the provincial government for the same. We want to implement such guidelines but when we send the draft guidelines to the concerned ministries, they send it back without endorsing it citing economic constraints. The Ministry of Finance, the Labour Ministry, the Law Ministry, none of them seem motivated to work. I also think they are discriminatory towards communities and groups like *kamaiyas*, *kamalaris* and Tharus.

—Female NGO worker and *kamaiya* rights activist, Sudurpaschim

Of the seven provinces, it is only the Gandaki province that has formulated a disability-related policy. The policy has been passed [by the provincial assembly] but policy alone is not sufficient; procedures are required to supplement the policy. It has been a year and

Figure 4.52: What is the overall performance of your provincial government in service delivery? (%)

■ Excellent　■ Good　■ Neither poor nor good　■ Poor　■ Very poor　■ Don't know
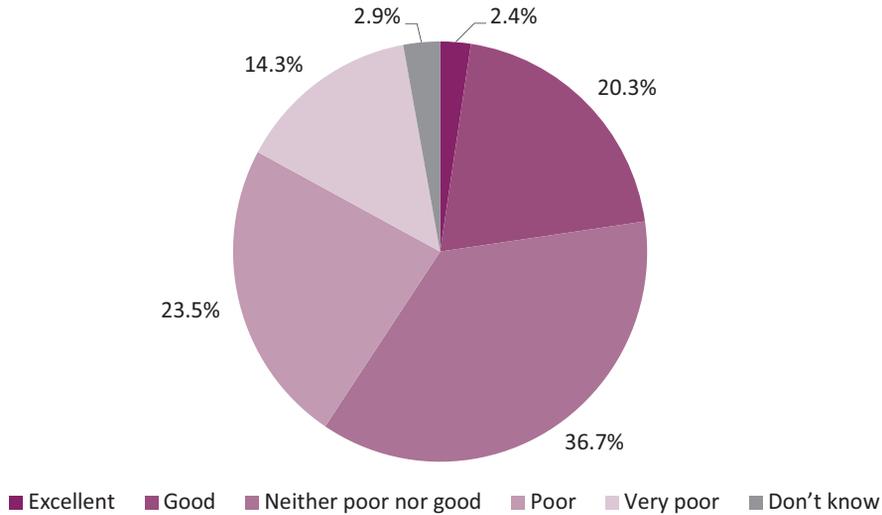
N=630

a half since the policy was passed, but procedures have not been formulated because the ministry has not allocated the budget to make the law.

—Female NGO worker and PwD rights activist, Gandaki

4.7.2 Service Delivery

Asked about their perceptions on public service delivery at the provincial level, views were divided. Less than a quarter of the respondents viewed provincial governments positively in that regard (Fig. 4.52).

Yet interviewees pointed out that decentralisation of vital public services like health, education, drinking water, irrigation, etc, had been transformative. They credited the provincial government for initiatives such as road expansion and irrigation projects. Line ministries and other offices at the provincial level had made these services more manageable. Elected representatives at the local level and the general public alike had been able to access province-level government agencies as well as members of provincial assemblies. Prior to federalisation, individuals often would have had to undertake arduous journeys to Kathmandu for even minor concerns. Such a shift represented a major step towards efficient and citizen-centric governance, fostering a more responsive and accessible system for all.

Before provincial governments were in place, I had to travel to Kathmandu for newspaper

or online registration and even for small tasks like making a press pass, I had to spend extra money. But now, with the provincial government facilitating such activities and outreach programmes, it's much easier.

—Journalist, Karnali

Despite the improved accessibility of government services, interlocutors said that the shortage of staff in provincial government offices continued to impede effective service delivery.

In Lumbini Province, there is a significant shortage of manpower, with 46 per cent of positions remaining unfilled. This shortage not only affects daily tasks but also hampers the completion of other essential work. Consequently, accessing government services has become increasingly challenging for the general public.

—Male government official, Lumbini

At the same time though, while interviewees from marginalised communities acknowledged improvements in service accessibility, particularly highlighting the provincial government's efforts to extend services to their doorsteps, bureaucratic hurdles persisted. Such respondents attributed these obstacles arising primarily from officials from Hill Caste backgrounds continuing to block easy access to services for marginalised communities.

4.7.3 Selection of Development Projects

While elected officials and civil servants across all seven provinces interviewed indicated that they do engage with relevant stakeholders for inputs before making critical decisions or formulating laws and policies, civil society leaders were unanimous across all provinces in claiming that such engagement is not consistently pursued beyond provincial government circles. Besides civil society leaders, experts, academics and business representatives also noted that the level of engagement with those outside the government structure was not consistent; some elected officials were more receptive to consulting experts and considering their advice on important issues, while others showed less enthusiasm for such an approach. Provincial officials often preferred to deal with individuals aligned with their political ideologies and those less inclined to challenge decisions made by them and civil servants alike. Even when there was engagement with others during policymaking and planning, the ultimate decisions rested with elected officials and civil servants.

The local government, the District Coordination Committee and we provincial assembly members sat down and discussed which plans to implement as per the needs of the different areas and forwarded the plans through the District Coordination Committee, but

> when the plans reached the [provincial] Ministry, none of the plans recommended by us, the mayor and the deputy mayor were implemented. The plans of those who gave 25/30 per cent kickbacks were included.
>
> —Female elected official, Sudurpaschim

> The previous minister used to seek our feedback and used to invite us for consultations. There is a new minister now. He is from another party. He does not invite us.
>
> —Female NGO worker, Madhesh

Some of the interviewees said that provincial governments appeared to favour local governments associated with the ruling party (or parties) in the province in allocating projects. Such an approach reportedly prioritised political alignment over the genuine needs of the people. The selection of projects seemed dependent more on whether a constituency leader could advocate for significant projects than on actual community requirements. Consequently, regions with less influential politicians had been disadvantaged in securing major development projects. There were also cases where areas represented by politicians in power at the provincial level had seen projects initially approved but later revoked following a change in the ruling party (or coalition) at the provincial level.

The lack of coordination among various provincial-level bodies such as the ministerial-level Sectoral Committee and the Provincial Coordination Council had reportedly hampered the efficient drafting and development of projects and planning initiatives. Such a disjointed approach had led to overlaps, inefficiencies, and a failure to harness synergies that could have otherwise optimised resource allocation and streamlined developmental efforts across provinces.

> We have not been able to design and implement plans based on the demands of the locals. We have not been able to embody a bottom-up approach when making plans. The budgets don't reflect the needs of the people. This is because of a lack of coordination between the three tiers of government.
>
> —Government official, Madhesh

4.7.4 Evaluation and Monitoring

Stakeholders pointed out that the provincial-level government bodies had not effectively conducted monitoring and evaluation (M&E) of plan and programme implementation, budget allocation or work progress. There were complexities and challenges surrounding M&E at the provincial level across all seven provinces. One significant issue highlighted was the absence of a mechanism to oversee the implementation and progress of projects supported by provincial governments. That had created a gap in effectively tracking and

evaluating the impacts and outcomes of development initiatives, hindering accountability and transparency in resource utilisation.

Practical challenges faced by civil servants in monitoring at the provincial level were also mentioned. In some provinces, inadequate staffing in government bodies had reportedly impacted the M&E processes. Conflicts of interest between provincial and local governments further complicated the M&E landscape, highlighting a lack of coordination as well as defined responsibilities among the government entities involved in overseeing project implementation.

While there were claims from civil servants about elected representatives trying to influence the M&E of plans and programmes, the latter, mainly provincial assembly members across all seven provinces, unanimously blamed the civil servants for trying to influence that processes.

> Tasks such as overseeing budget allotment for individual projects, project headings and work progress are all managed by the civil service staff of concerned line ministries. We [provincial assembly members] have no authority to monitor the budgetary issues and project implementation related issues. The budget is released by the ministry, everything is done by the cabinet, and civil servants take it forward. We are nowhere in the scene.
>
> —Elected official, Sudurpaschim

4.8 Functioning of Local Governments

Compared to impressions about provincial governments, a significantly higher proportion of nearly 60 per cent of the respondents reported being satisfied with the performance of their local governments (Fig. 4.53). Satisfaction crossed 50 per cent for both genders and all castes/ethnicities with the exception of Tarai Janajatis although in that case, it far outweighed those who were dissatisfied (Fig. 4.54). Figures in terms of provinces showed a similar trend, with the lowest figure of Sudurpaschim still a substantial 48 per cent (Fig. 4.55).

By and large respondents reported that the introduction of federalism and the election of local representatives had resulted in heightened responsiveness of local governments to the needs of the public. They noted that constitutional mandates had enabled local governments to formulate plans, policies and budgets for infrastructure development in crucial sectors like health, education, electricity and roads, especially in Karnali, where road access had expanded significantly.

The election of local governments was a major development.[81] Whereas earlier, multiple village development committees (VDCs) were being serviced by a single government official (i.e., the VDC secretary), the presence of elected representatives supported by government officials, particularly in rural municipalities, had been a game-changer.

Figure 4.53: Express your degree of satisfaction with the performance of the municipal government under the current federal setup? (%)

18%

23%

59%

■ Very satisfied or satisfied   ■ Neither satisfied nor dissatisfied   ■ Dissatisfied or very dissatisfied
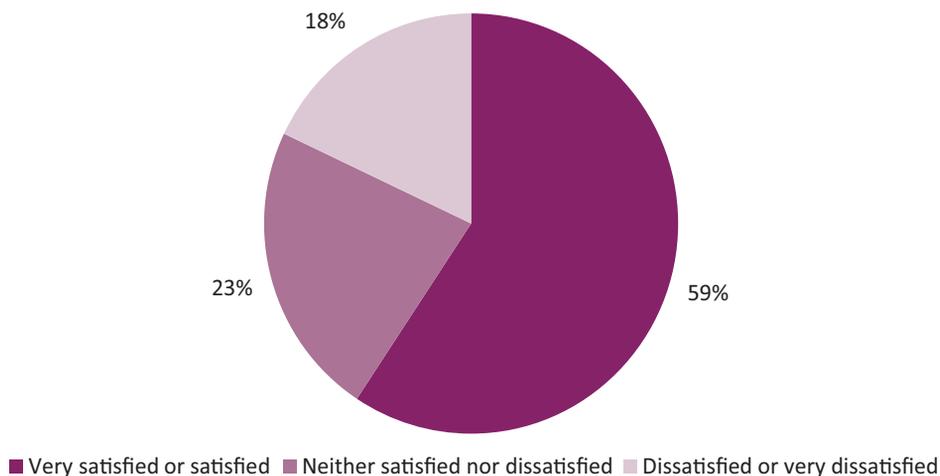
N=629, excludes 1 'Don't know'

> A narrative has emerged suggesting that the previous governance system was better than federalism. However, the reality is that federalism was crucial for regions like Karnali, Sudurpaschim and Madhesh. While it may not have been as necessary for urban centres like Kathmandu or Pokhara, it brought about significant positive changes in these provinces, particularly noticeable in Karnali after the local-level elections.
>
> —Elected official, Karnali

Nevertheless, several obstacles remained. One significant issue consistently identified was inadequate staffing, resulting in ward secretaries sometimes being burdened with responsibilities across a number of wards, inevitably leading to the quality of their work being compromised. Likewise, the dearth of sufficient revenue sources at the local level had reportedly exacerbated the financial strain on local bodies. In fact, some elected representatives and government bureaucrats said that overlapping jurisdictions and concurrent rights between and among the different tiers of government had hindered local governments' ability to assert their authority effectively to raise revenue. That was particularly pronounced in areas such as extraction of natural resources where the delineation of rights was unclear. The absence of strategic planning and sustainable development strategies was also noted as a further hindrance, which along with government officials' poor educational qualifications and inexperience, limited progress

Figure 4.54: Express your degree of satisfaction with the performance of the municipal government under the current federal setup?
(%, gender and caste/ethnicity)

■ Very satisfied or Satisfied   ■ Neither satisfied nor dissatisfied   ■ Dissatisfied or very dissatisfied
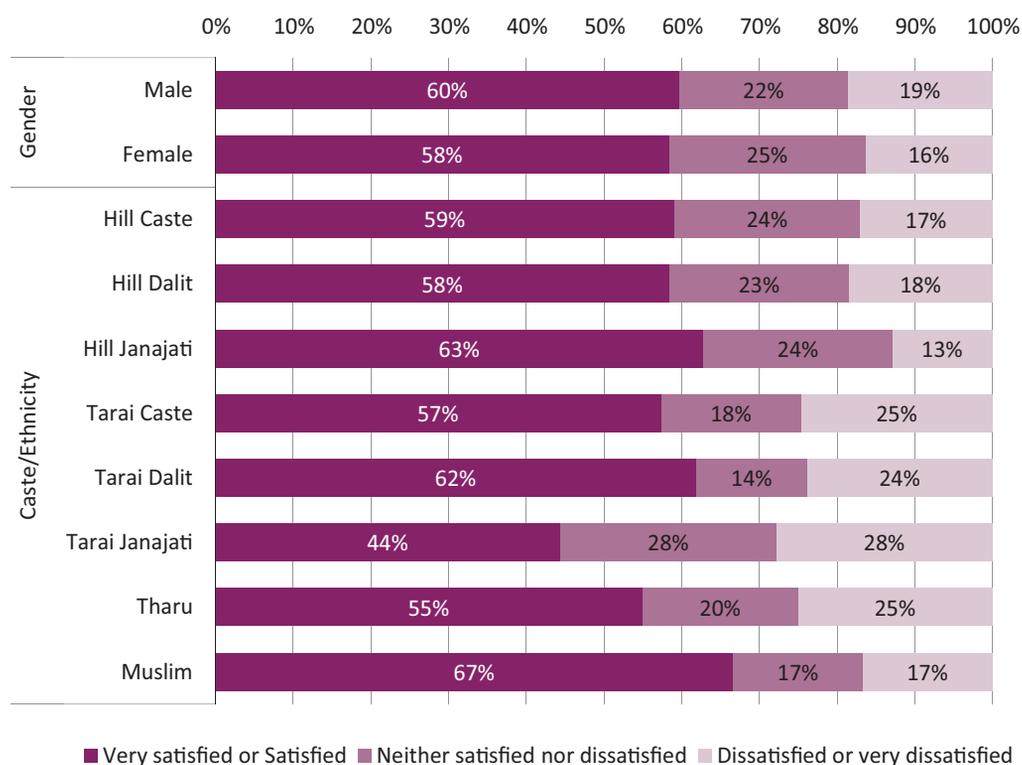
N=625 and 627 (excludes 1 'Don't know', 4 'Other' in gender and 2 'Mountain Janajati')

and also prevented proper delivery of services. The devolution of law-making powers to local governments, while empowering, was found to present its own set of challenges as well. Local authorities required skilled individuals to draft laws that aligned with both provincial and federal legislation, making navigating the legal landscape a complex process, particularly in the absence of experts.

Asked whether they spoke up while their municipality or rural municipality drafted policies, plans and programmes, it was no surprise that more than 90 per cent of the local elite replied in the affirmative (Fig. 4.56). Such a response was near-universal in terms of gender and castes/ethnicity although some variation was evident, namely, the striking difference between men and women and also in the somewhat smaller proportion from among Tarai Dalits (Fig. 4.57).

Raising concerns is one matter and the same being taken up is something else (Fig. 4.58).

Figure 4.55: Express your degree of satisfaction with the performance of the municipal government under the current federal set up?

(%, province)

Province	Very satisfied or satisfied	Neither satisfied nor dissatisfied	Dissatisfied or very dissatisfied
Koshi	68%	26%	7%
Madhesh	62%	11%	27%
Bagmati	62%	27%	11%
Gandaki	64%	22%	13%
Lumbini	54%	27%	19%
Karnali	57%	24%	19%
Sudurpashchim	48%	22%	30%

■ Very satisfied or satisfied ■ Neither satisfied nor dissatisfied ■ Dissatisfied or very dissatisfied

N=629 (excluding don't know=1)

Figure 4.56: Have you ever raised any concerns/issues pertinent to your municipality/rural municipality? (%)

9%

91%

■ Yes ■ No
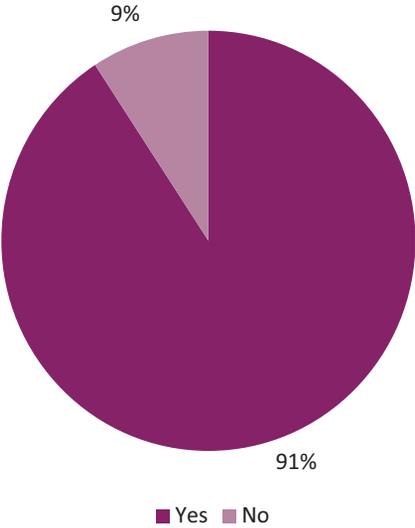
N=629 (excluding rather not say=1)

**Figure 4.57: Have you ever raised any concerns/issues pertinent
to your municipality/rural municipality?**
(%, gender and caste/ethnicity)

Category		Yes	No
Gender	Male	95%	5%
	Female	81%	19%
Caste/Ethnicity	Hill Caste	92%	8%
	Hill Dalit	91%	9%
	Hill Janajati	89%	11%
	Tarai Caste	90%	10%
	Tarai Dalit	82%	18%
	Tarai Janajati	100%	
	Tharu	90%	10%
	Muslim	94%	6%

■ Yes ■ No
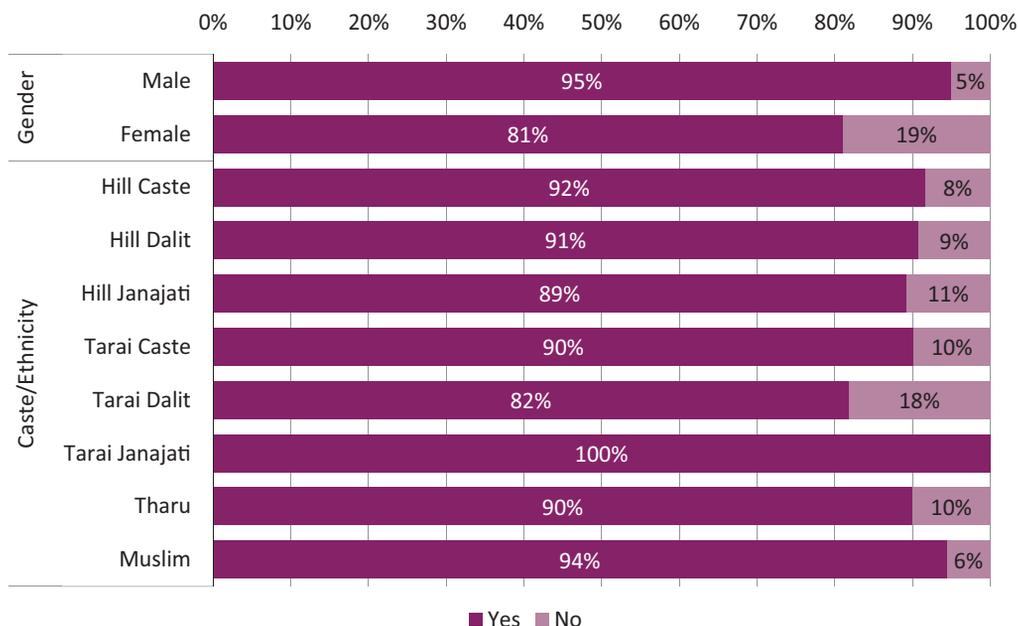
N=625 and 627 (excludes 1 'Rather not say', 4 'Other' in gender and 2 'Mountain Janajati' in caste/ethnicity)

Interestingly, a smaller proportion of women compared to men reported that the issues they raised were not considered (Fig. 4.59). In terms of caste/ethnicity, Tarai Janajatis stood out, with more than half stating their concerns were not considered. Muslims also reported a higher proportion in this regard but the surprise was Tarai Castes with a third of them saying their concerns were not addressed. As mentioned earlier, survey respondents from the latter group were mostly concentrated in Madhesh and their responses likely reflected the nature of the issues they raised than having to do with their social identity.

4.8.1 Policymaking

Policymaking in local governments involves working through thematic committees comprising municipal chairs, ward chairs and executive members. These committees were reportedly more open to involving sector-specific independent experts on education, health and water supply, where possible, while also ensuring that the policies were mindful of the demands of people of various social, ethnic/cultural and economic identities. As reported by independent experts and civil society leaders, there, however, persisted

Figure 4.58: Were your concerns considered while drafting the policies, plans and programmes of the municipality/rural municipality? (%)

26%

32%

42%

■ Yes ■ To some extent ■ No
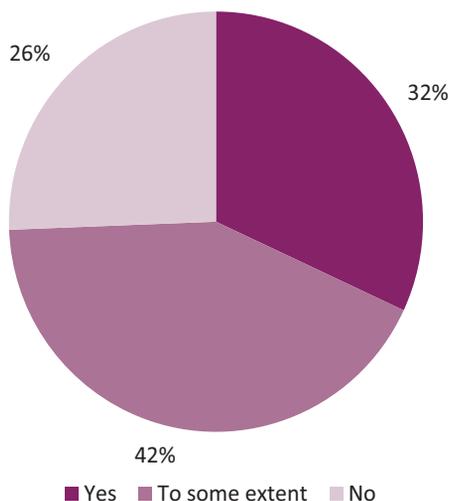
N=570 (excludes 1 'Don't know' response)

a tendency to replicate laws and policies of other local governments without adequate consideration of local needs or community inputs. Local governments often struggled with weak enforcement of policies. Deficiency in expertise, a limited budget, and a lack of policy literacy among elected representatives hindered the development of practical and effective policies as well. Participation in policymaking processes also suffered from lack of inclusivity, particularly of groups such as persons with disabilities and gender and sexual minority groups, depriving these vulnerable groups of a voice when policies were drafted.

On the positive side, although not uniform, representative of marginalised groups at some of the study sites seemed quite aware of the importance of participating in policymaking.

> I am a Dalit woman representative and also a member of the municipal executive. By participating at the policymaking level, I feel that I can make policies according to the needs of our community.
>
> —Female elected official, Hill Dalit, Gandaki

4.8.2 Service Delivery
Celebrating it as one of the significant achievements of the federal system, interlocutors from all sectors were unanimous that public service delivery had become better since the 2017

Figure 4.59: Were your concerns considered while drafting the policies, plans and programmes of the municipality/rural municipality?
(%, gender and caste/ethnicity)

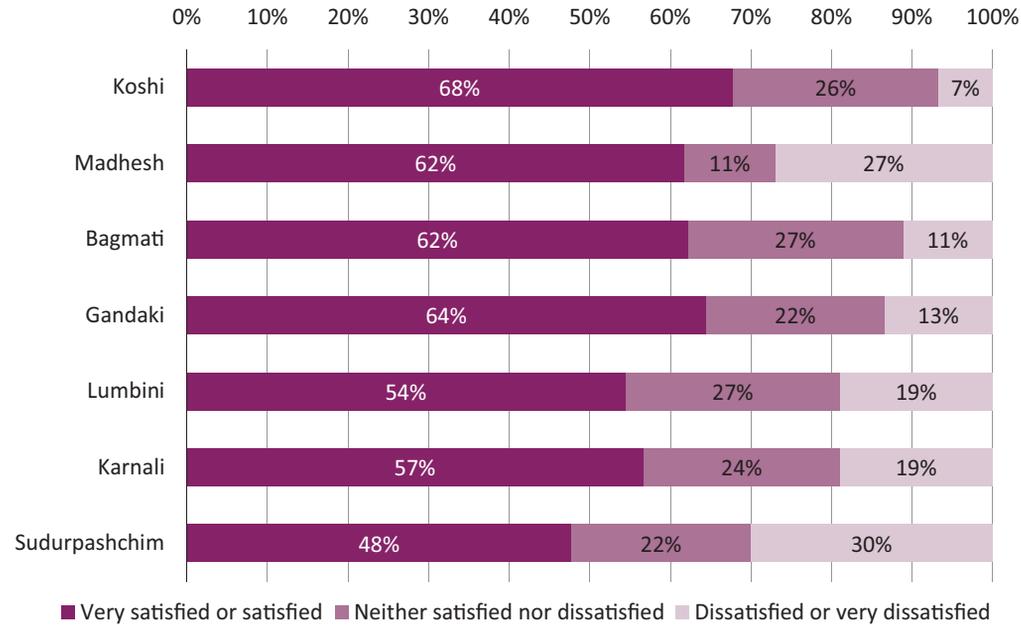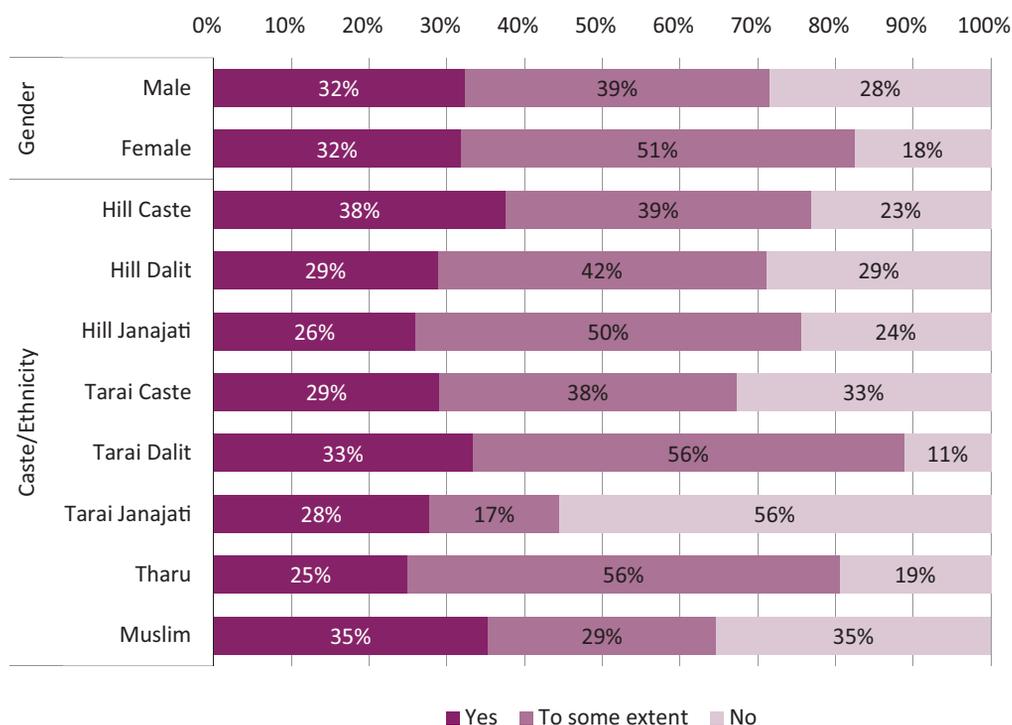N=566 and 568 (excludes 1 'Don't know', 4 'Other' in gender, and 2 'Mountain Janajati')

elections and the formation of local governments under the new dispensation. What once necessitated travel to district headquarters or beyond had now become easily accessible, saving both time and money. Besides the fact that people could deal directly with their elected representatives in local governments, as opposed to going through intermediaries in far-off places, the physical proximity of government offices had streamlined the service delivery process. Digitisation of services in some local governments had reportedly made it easier for all service seekers, especially those with disabilities and those living in villages far from the offices of the local bodies.

We have brought the internet to all the wards. There is also intranet. Social security allowance and incident registration and registration are also done online. We have installed CCTV for good governance. It has also increased the working capacity of the employees. GPS has also been installed in government bikes and vehicles. The number

of kilometres travelled and the places the vehicles have been too can be tracked.

—Elected official, Koshi

One major change noted was elimination of the need to visit police offices or the courts over minor disputes since such matters were being handled by judicial committees and mediation centres within the municipal and ward offices.[82]

> The establishment of judicial councils and mediation centres has not just empowered local governments to resolve minor judicial issues locally, alleviating the burden on the courts and the police, but has also made judicial services more accessible for people on the ground.
>
> —Elected official, Gandaki

Much, however, hinged on the proactiveness of local elected representatives themselves. A good example of a more devolved service delivery arrangement was found in Ward 10 of Butwal Sub-metropolitan City in Lumbini where the ward office has put up stickers in every house with the contact details of the elected ward officials, with each responsible for a specific public service area (Fig. 4.60).

Despite notable advances, service delivery had fallen short of expectations in some areas, particularly for marginalised and ethnic communities and those living in remote regions. Access to services had not been equally distributed across all local government areas. Additionally, given the size of (rural) municipalities in more sparsely populated regions like Karnali, people continued to have to travel great distances for basic services. Elected representatives in some study sites highlighted budget constraints at the ward level, limiting funding for essential infrastructure to implement more decentralised service delivery arrangements.

> The effectiveness of public service delivery depends largely on the education and awareness level of elected representatives. Our former mayor was highly committed to making public services accessible, even to the remotest villages of the rural municipality. This [pointing at an overhead water tank in a visible distance] project was started towards the end of the former mayor's tenure and has come to a halt since then. The new mayor has not been keen on allocating a budget for this project. Much of the investment [since the new mayor came into power] has been in public services near and surrounding the municipal office.
>
> —Politician, Lumbini

Figure 4.60: Poster featuring elected representatives from Ward 10 of Butwal Sub-metropolitan City, Lumbini, and their allocated responsibilities

Accountability issues among government employees were reported by some respondents as exacerbating service delivery challenges, with bureaucratic inefficiencies as well as staff shortages causing unnecessary delays and complications in the public service sector. Political links acted both as facilitator and hindrance—enabling quicker access to those with the right connections but delays for those without.

> Political influence has positively impacted service delivery in our area. It means you can easily access services. Constituents experiencing difficulties can seek assistance from their affiliated political party or leaders, who ensure that constituents receive the services they need.
>
> —Politician, Gandaki

4.8.3 Selection of Development Projects

Local governments are required to follow a seven-step planning process every year. Most local governments were found following doing that and the budget also allocated within the specified timeframe. While most interviewees applauded the process, it was not without problems. In some places, the *tole*-level meeting had not been held. There was also the issue of the formation of *tole* development committees on the basis of political allegiance, impeding wholesale participation in the planning process. Women were generally reluctant to join meetings, prioritising their domestic responsibilities, even though there was some recognition of their constraints and *tole*-level discussions scheduled in a manner to ensure women also to take part in. Where it has worked well, respondents noted the participation of mothers' groups, women's groups, child clubs, youth clubs, senior citizen clubs and civic awareness centres in the planning process as the highlight of this seven-step planning process.

Some elected and government officials as well as civil society members perceived budget allocation at the local level as not being equitable. While plan selection at the ward level was deemed 'fair', municipal executives were seen as favouring the plans of the most influential groups, ignoring the actual needs of the community.

> The planning process is all muddled up. I am supposed to make the plans as the Deputy Mayor has been mandated with the responsibility. But, no, the mayor makes the plans. I go along because the mayor is from my party.
>
> —Male elected official, Madhesh

There was also hesitation among people joining users' committees due to the lengthy process involved in getting funds allocated by the government. As a result, in order to make up for the shortfall in numbers and in contravention of the rules, individuals from outside the project area were also included in such committees. Divisions along ethnic and geographic lines also created tensions between different groups while forming users' committees. And, apart from the earlier-mentioned trend of focusing on infrastructure projects at the expense of other aspects of community development, the contracting process was prone to nepotism. Contracts were often awarded to associates of elected representatives.

> A lot of work has been done now [after local governments have been reinstated]. We have conferred first priority to construction of roads, temples and ponds. It is not like these works were not initiated before but it has become more visible in the last 5–7 years. There are talks that the roads have become good now; they are black-topped, gravelled and have been expanded.
>
> —Government official, Madhesh

The unfortunate thing is development for the federal, provincial and local levels seems to be only infrastructure development, and those without any returns. For example, a six-lane 13 km road has been constructed from Janakpur to Jatahi. What is the return on that? From Jatahi, where the Indian border is, it is a single-track road. What is the necessity of the six-lane road [on our side]?

—Former government official, Madhesh

Six wards of the municipality are developing more slowly than the other three. The three wards are way ahead of the others. Because the mayor is a local from the three wards, he allocates more budget to them. He does not do the same for the other six wards. We do not even have a building for the ward office; we are using the post office as the ward office.

—Elected official, Madhesh

Differences between (rural) municipalities and wards reportedly hindered the seamless implementation of development plans. Within wards, a power imbalance existed, with ward chairs frequently steamrolling ward members in the project selection process.

I was a ward member before, and I didn't even understand how the plans were brought to the ward or how decisions were made. Now, as the ward chair, I've gained insight into the entire process.

—Elected official, Lumbini

4.9 Miscellaneous Issues

4.9.1 Conflicting Mandates Between Government Tiers

Legislative inaction, particularly at the federal level, was linked to implementation challenges stemming from differences between federal and provincial laws, even outright contradictions, as was evident in the case of Madhesh, where the provincial Civil Service Act specifies the retirement age of 60 compared to 58 in the federal civil service. Most local governments covered by the study had been able to formulate policies across different sectors such as agriculture, tourism, sanitation, waste management and natural resource management . Challenges arose when dealing with sectors where concurrent rights exist, such as natural resource management, road and transportation, land management, forest management and electricity. That was primarily due to the absence of corresponding policies at federal and provincial levels.

The Chure range is the lifeline of Madhesh but the federal government exercises

control over it. They [federal government] have excavated gravel haphazardly from the Chure hills.

—Government official, Madhesh

In several instances, although laws had been formulated at the federal level, local governments encountered hurdles in their implementation. For instance, while the federal government had delegated the education sector to local governments, they often lacked the autonomy necessary to transfer teachers or make adjustments to allotments of teachers in schools. Another example pointed out by a civil society representative from a municipality in Gandaki was challenges with infrastructure development projects. For instance, while widening roads, they faced obstructions from existing electricity poles, but local governments cannot move them.[83]

Despite the potential benefits to local economies and communities, local governments lack the authority to undertake projects independently. An example cited by a government official from Karnali was that the provincial government is not allowed to undertake any activities within national park areas despite wanting to enhance its tourism sector by developing trekking trails since national parks fall within the jurisdiction of the federal government.[84] The same official also pointed to the constraints in developing hydropower projects, as provincial governments can only approve projects up to 20 Megawatt (MW) capacity without seeking approval from the federal government even though, he believed, the province had the capability to handle projects of up to 100 MW.

Interviewees also pointed out instances where overlapping responsibilities and duplication of efforts led to inefficiencies and confusion. Such ambiguities not only hampered efficient resource allocation but also contributed to disputes and delays in decision-making processes.

We do not have the legal grounds to implement concurrent rights and our jurisdiction is still not clear legally. For example, we have seven drinking water offices and the federal government has three drinking water offices. All offices do the similar work. The local government also implements drinking water projects. We have four urban development offices and the federal government also has four urban development offices. We also have cottage and small industries offices; the local government also has the right to register cottage and small industries. The jurisdiction of the three tiers of government is not clear.

—Elected official, Koshi

4.9.2 Coordination and Communication Between the Three Tiers of Government

Only 28 per cent of the surveyed local elites viewed coordination between the local and provincial governments to be either 'good' or 'excellent' (Fig. 4.61). Similarly, 30 per cent thought the same about the coordination between local and federal governments, while the figure for provincial and federal governments was the lowest at 21 per cent.

The figures were slightly better with regard to communication among the three tiers of government, with 41 per cent of the respondents of the view that the communication between local and provincial governments was either 'excellent' or 'good', 42 per cent of the respondents thinking the same of the communication between local and federal governments (Fig. 4.62). However, only 28 per cent thought the same about the communication between provincial and federal governments.

Despite the presence of coordinating bodies such as the Inter-Province Council at the federal level, the Provincial Coordination Councils (PCC) at the provincial level, and the District Coordination Committee (DCCs) at the local level, interviewees generally thought they had fallen short of their designated responsibilities. Among the reasons cited were the infrequent meetings, especially of the PCCs, where a noticeable gap existed—namely, the absence of representatives of opposition parties. That omission had made the PCC heavily influenced by the ruling party(ies) and their cadres. Although there were government officials who claimed minimal challenges in terms of coordinating with local governments, meetings between the provinces and their respective local units were infrequent across all the provinces, leaving local governments without a platform to express their concerns formally.

> Because there is no such regular mechanism(s) where elected representatives of both tiers of government [provincial and local] can meet, there is a huge misalignment between projects and actual community needs.
>
> —Elected official, Karnali

Moreover, political instability at the provincial level had further compounded coordination challenges between the province and the local. Frequent changes of provincial governments had resulted in a lack of continuity of policies and strategies as well as increased political distrust among political leaders, particularly in cases where the provincial and local governments were headed by different political parties. Plans and programmes initiated by previous provincial governments were often sidelined when a new government came to power, contributing to further distrust between the provincial and local governments.

> Elected representatives at the local level often feel they are closer to people, and they expect the province to coordinate with them. Conversely, provincially elected representatives

Figure 4.61: How would you rate the coordination between different tiers of government? (%)

	Excellent	Good	Neither poor nor good	Poor	Very poor	Don't know
Local and provincial	2%	26%	33%	23%	10%	5%
Local and federal	4%	26%	37%	20%	7%	6%
Provincial and federal	3%	18%	23%	18%	7%	33%
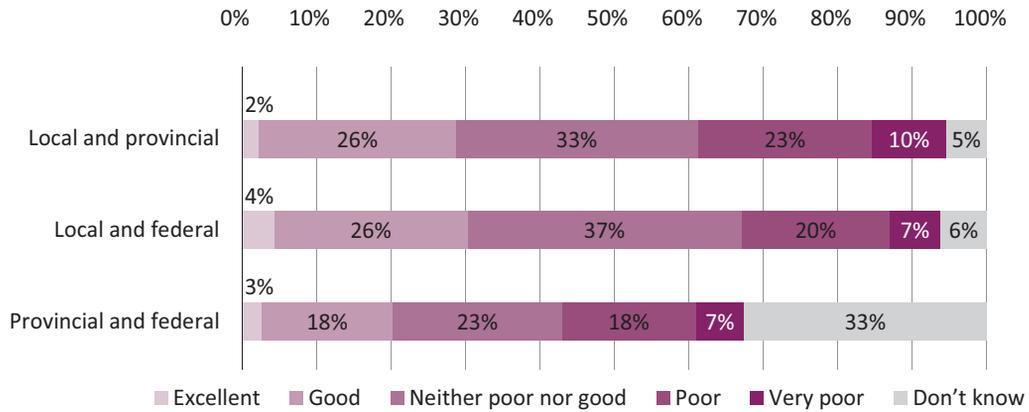
N=630

Figure 4.62: How would you rate the communication between the different tiers of government? (%)

	Excellent	Good	Neither poor nor good	Poor	Very poor	Don't know
Local and provincial	4%	37%	33%	16%	6%	5%
Local and federal	4%	38%	34%	13%	6%	5%
Provincial and federal	3%	25%	23%	12%	4%	33%
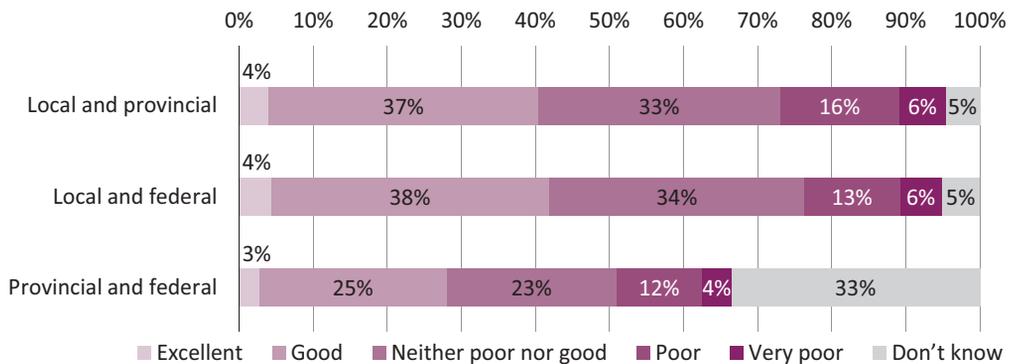
N=630

believe that local governments need to take the initiative [in terms of mutual coordination], as the latter think that the province is a higher authority than the local government.

—Government official, Lumbini

The local government should also coordinate well with the provincial government. Truthfully speaking, I find that the local government also does not coordinate with the

provincial level. Elected representatives of the local level do not receive our phone calls. They are unwilling to cooperate and coordinate with us. They might be thinking that there is no value in having contact with us or they might be unwilling to coordinate with politicians of other parties.

—Provincial elected official, Gandaki

Local governments only become effective and coordinate with provincial governments during budget allocation and not when sending the collected taxes to the provincial governments.

—Former elected official, Bagmati

On the other hand, DCCs lack any decision-making authority or the ability to enforce accountability, and its existence, therefore, was deemed redundant and ineffective, according to respondents across all the study sites. A provincial government official from Karnali highlighted the absence of penalties for non-compliance with decisions from the DDCs as an example of the inconsequential role of these bodies.[85] DDC meetings often yielded no tangible outcomes, and bureaucrats had to grapple with the challenge of coordinating with the different governmental bodies on their own.

Local governments coordinate with the District Coordination Committee only in cases where they face challenges arising primarily during the project implementation period, boundary disputes and revenue collection.

—Elected official, Lumbini

The federal government's failure to provide adequate support to provincial governments had exacerbated the situation. The absence of a robust coordination mechanism to prevent project and budget duplication had added to existing challenges.

Last year, in my ward, the budget of the provincial Constituency Development Fund and the budget of the ward were allocated for the same temple, which led to a dispute for about a month and a half.

—Journalist, Madhesh

Despite constitutional and other legislative mandates for project implementation based on size—large-scale projects for the federal, medium for the province, and small for local governments—the federal government and provincial governments' execution of small-scale projects as well had frequently hindered coordination on project implementation and overlooked local needs. Even implementing prioritised plans led to obstacles due to

inefficient resource utilisation, lack of coordination and unfeasibility.

> Problems in coordination and cooperation between the three tiers of government have been seen...laws, plans and programmes of the three tiers are not compatible. We do not even know how many projects the provincial government is operating in this municipality. There is always the danger of duplication.
>
> —Government official, Koshi

> Sometimes, the *tole* development committee prioritises plans for drainage construction. However, such plans require an endpoint, either connecting to a sewage system or reaching a river. If there is no designated endpoint or outlet, these plans are not selected.
>
> —Government official, Bagmati

> All three levels of government should accept coordination, cooperation and co-existence. If this is done, then we can achieve a lot of things. For example, there is the SIP [Small Irrigation Project] here. It has the presence of all three levels of government, as well as donation by the Swiss government. We have already developed an irrigation system for nearly 9000 ropanis of land that contributes tremendously to the productive sector. If these types of projects are implemented, then I believe it would be result-oriented.
>
> —Elected official, Koshi

Coordination processes have been further hindered by logistical constraints such as the lack of electricity, postal services and internet facilities at the local level, affecting timely communication and decision dissemination to the local level from provincial and federal authorities.

4.9.3 Corruption and Clientelism

Asked about the incidence of corruption at the three tiers of government since the implementation of federalism, the majority of the respondents thought it had 'somewhat' or 'markedly' increased in all (Fig. 4.63).[86] A much higher proportion believed corruption was much worse at the federal level compared to the provincial and local levels. What was encouraging was the perception among a third of the respondents that corruption had decreased either a lot or somewhat at the local level. It was also revealing that a substantial proportion said they did not know enough about the issue at the federal or provincial levels.

Key informants were usually in agreement with the survey findings. However, a common view was that corruption was higher among elected representatives than civil servants. Development projects were perceived as breeding grounds for corruption, with

Figure 4.63: How do you see the cases of corruption at the different levels of government since the implementation of federalism in the country? (%)
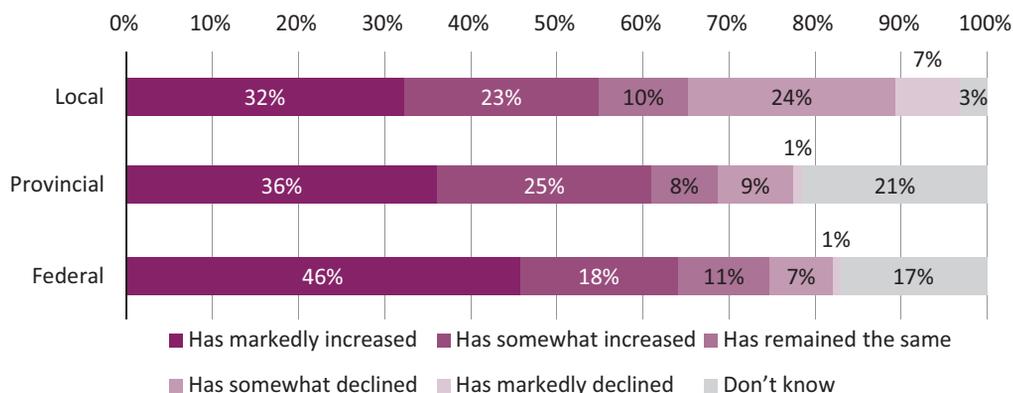
N=630

inflated budgets and funds misused through means such as creating multiple budget titles for the same project. Some respondents said that Nepal's expensive electoral system fuelled corruption since those elected prioritised recouping campaign expenses.

That corruption levels were believed to be lower at the municipal level was believed to be due to the proximity of the people to elected officials as well as heightened media scrutiny locally. Citizens were reported to work with the media in reporting misuse of budget or irregularities, helping publicise cases of corruption, which has had immediate impacts locally. Some interviewees said that corruption appeared to be growing with the trend moving towards 'policy corruption' whereby provisions conducive to corrupt practices were introduced in laws and policies, making corruption harder to combat.

Civil society representatives across the seven provinces reported collusion between party leaders and bureaucrats in misusing state resources. There was also the tendency to shield party members accused of corruption and that cut across all parties. Elected representatives raised concerns about budget misuse but went silent after they are able to secure personal benefits.

> Elected representatives of our municipality often raise their voices for their personal benefits, avoiding issues like education, health, construction or policymaking. If they express dissatisfaction, the mayor gives them projects that will benefit them personally to keep the dissenting elected representatives silent.
>
> —Elected official, Madhesh

Figure 4.64: To what extent do you think are political parties able to influence government decisions and policies in your municipality/rural municipality? (%)
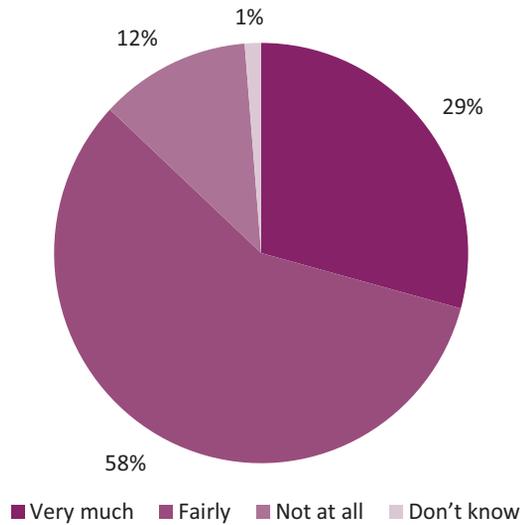
N=629 (excludes 1 'Rather not say')

It is customary for them [top leaders] to protect 'their' people even when the latter commit corruption. When they don't hold people from their own party accountable, they are not in a position to penalise individuals from other parties for committing the same act.

—Politician, Lumbini

4.9.4 Roles and Influence of Different Actors on Government

A majority (58 per cent) of local elites surveyed were of the view that political parties were able to influence government decisions and policies in their (rural) municipality only to some degree while slightly more than a quarter though the influence was much stronger (Fig. 4.64).

While federalism had provided more opportunities for historically under-represented groups and communities, a number of interviewees, including politicians themselves, reported evidence of increasing political patronage at both provincial and local levels. Individuals connected to ministers or influential political figures wielded substantial influence at both provincial and local levels. Political leaders often sought to exert dominance over bureaucrats, issuing abrupt and often impractical demands. In fact, bureaucrats without clear political affiliations found it challenging to effectively voice their opinions. Political parties and their representatives exerted almost absolute influence on the allocation of budgets for development projects, with individual interests and vote banks prioritised over actual needs.

Figure 4.65: What are the actors/agencies (other than political parties) you think are influential over government decisions, policies and programmes at your local level? (%)
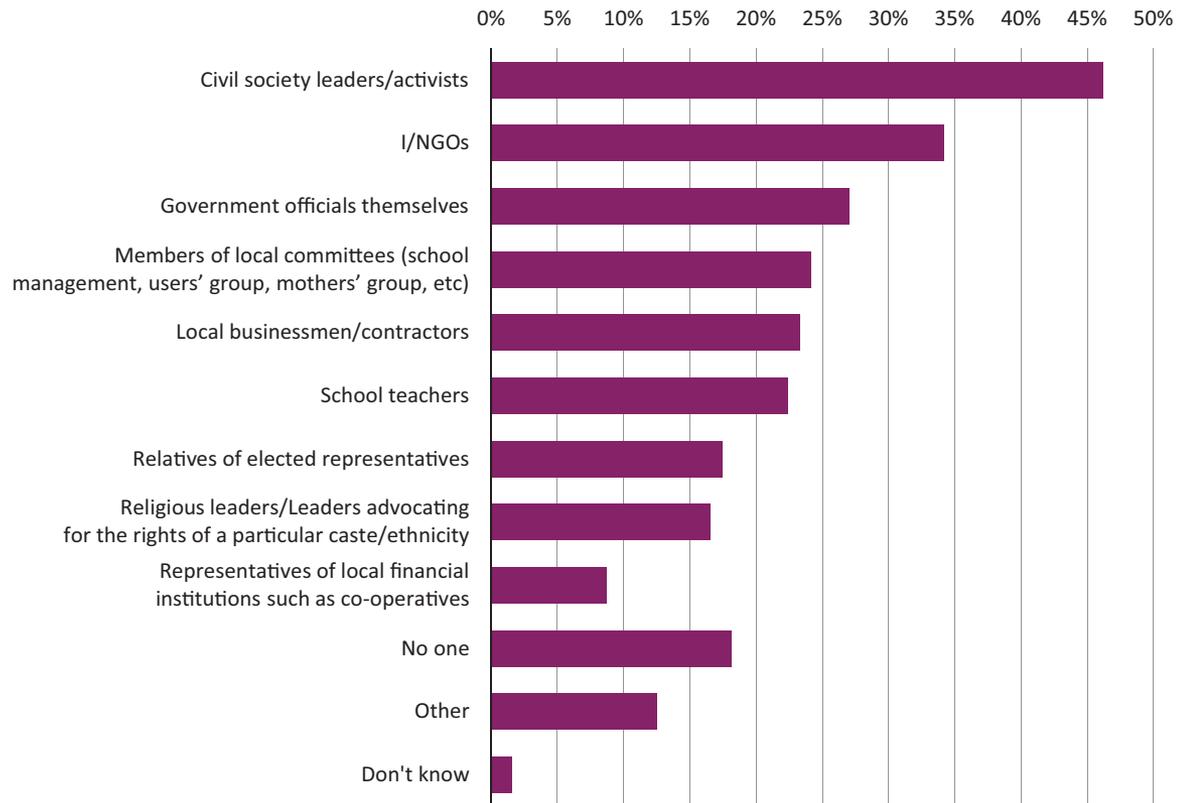
N=630, multiple responses

The survey also asked which other actors, in their opinion, exerted influence in planning and decision-making processes at the local level. Civil society leaders and activists were seen as among the most influential of the non-political actors (Fig. 4.65) even though, as mentioned further down, this group believes local governments were not as responsive to them as in the past. Also, of note was that a third of the respondents mentioned NGOs and INGOs.

Findings from the study indicated that civil society organisations (CSOs) and their representatives continued to engage with local governments while also providing inputs on local level plans, policies and programmes. Several instances of active collaboration between local governments and CSOs and the media were noted, including consultations during the drafting of plans and seeking out expert advice from those working on various sectors such as education, health and agriculture. CSOs played a pivotal role in exerting continuous pressure from local to provincial levels. In Lumbini, for instance, advocacy by CSOs had resulted in the incorporation of initiatives like the provision of menstruation and marriage leave and a 1 per cent quota for gender and sexual minorities in the Lumbini Province Civil Service Act.[87]

However, the importance of civil society initiatives had waned somewhat as local governments seem to have taken on the former's role and politicians and political parties play decisive roles in governance.

> The establishment of a *tole* development committee, a coordination committee and various other committees to facilitate coordination between the general population and elected representatives in each of the wards, municipalities and provinces after federalism has significantly curbed the role of the civil society.
>
> — Journalist, Lumbini

The increasing trend was to bypass civil society since they were viewed as permanent critics rather than as partners. Civil society and media were being discouraged from participating in planning and decision-making processes and information about the government's activities such as budget allotment and awarding of contracts was being withheld.

> The policymaking process is a sensitive matter, and involving other agencies like civil society can be risky. Why would we need civil society people in policymaking processes anyway when we [elected representatives] can do it on our own? We are aware of the issues facing people at our local level, and we don't require any support from civil society in any of these processes.
>
> —Elected official, Koshi

Lately, I have stopped informing the media about ward-level activities and initiatives. Media reports in the past have manipulated some details related to ward-level initiatives with the influence of some interest groups in our municipality.

—Elected official, Karnali

One of the reasons behind local governments' hesitation in collaborating with CSOs was concerns about the lack of impartiality stemming from the growing affiliation of civil society organisations with political parties. Several interviewees, including some civil society representatives themselves, were of the view that there was diminished credibility and integrity among these organisations as they were becoming increasingly subservient to political agendas.

CSO members are no different than political party cadres, who hesitate to voice their concerns over issues, especially in cases where it is likely to affect the vested interests of the political parties they are affiliated with.

—Female NGO worker and women's rights activist, Koshi

Resource constraints among CSOs and the media also compromised their independence and their ability to advocate for a better and more accountable governance system. As a result, CSOs and the media alike were forced to rely on political parties and development partners for financial support.

When you have so many people working in your media, you definitely need money for their salaries and other day-to-day administrative costs. And when there is no support from anywhere, these media houses are bound to go under the patronage of business houses and political parties.

— Journalist, Lumbini

The media make programmes for themselves and demand that the government pay for the expenses incurred for the programmes. If they are not compensated, they make negative comments about the government and make misleading propaganda.

—Journalist, Karnali

5. CONCLUSION

Elite perceptions play a pivotal role in shaping public opinion regarding overall governance and vital government decisions and actions in federal Nepal. This influence stems from their ability to build networks, and organise and mobilise the general populace, which has been particularly evident during political transformations in Nepal. The emergence of new elite groups following Nepal's transition to federalism underscores the evolving landscape at both the central and subnational levels whereby individuals from a range of socio-economic and professional backgrounds have begun to gain prominence. In this context, the study delved into elite perceptions regarding the overall performance of federalism in Nepal and the functioning of the three tiers of government, with a focus on public service delivery and the planning and decision-making processes at the provincial and local levels. The study examined factors that either aided or hindered the influence and participation of elites in setting the agenda as well as decision-making, and highlighted the perceptions of this group of individuals who can play a meaningful role in the institutionalisation of an inclusive and participatory federal democratic governance system in the country.

It was to be expected that while a significant majority of the local elites had been participating in local government's decision-making and planning processes, only a few had engaged with the federal and provincial governments. Perceptions regarding the overall performance of the three tiers of government in federal Nepal were mixed. While there was acknowledgement of positive transformations like enhanced access to decision-making, enhanced infrastructure and improved service delivery at the local level, interviewees also reported widespread discontent on the functioning of, in particular, the provincial governments. They also blamed the centre for hobbling the provincial governments by failing to devolve authority.

It was not surprising that a greater proportion of local elites believed that local government plans and policies better reflected the needs of their communities than of provincial governments' or of the federal government's. Local elites identified challenges

facing subnational governments that ranged from lack of devolution of power, overlaps in jurisdiction to perceived delays in drafting laws, lack of financial resources and concerns about increasing bureaucratic procedures. Local governments often faced procedural delays and jurisdictional limitations in sectors where they share rights concurrently with the provincial governments or the federal, such as natural resource management and infrastructure development, leading to inefficiencies and project delays.

Budget allocation and management process was criticised for the absence of clear institutional and legal guidelines at the provincial level. Satisfaction with budget allocations varied at the local level, with notable challenges pointed out, including over-reliance on higher tiers of government, inadequate funding, a lack of transparency, and continued political interference. Conflicting legal mandates had additionally affected the smooth functioning of the three tiers of government. Local elites identified insufficient staffing in key sectors as one of the major impediments to efficient service delivery and programme implementation. Additionally, political patronage of civil servants, resistance to change within the bureaucracy, and the unequal dynamics between civil servants and inexperienced elected representatives further undermined the overall effectiveness of service delivery.

Local elites across all seven provinces raised concerns about the excessive focus on physical infrastructure over social issues. Although driven by a desire to show visible achievements during elections, the emphasis on infrastructure reportedly also had the added benefit of financial benefits for both elected officials and bureaucrats. Political leaders also exercised heavy influence over budget allocation, leading to disbursements without proper assessment of the needs of individual local government units. This practice has impeded efforts to address the concerns of marginalised groups and also affected the all-round development of the (rural) municipalities.

There were concerns raised about tokenistic representation of women, whereby women tended to be placed in decision-making roles just as a formality, and more often than not, the individuals so chosen were those who supported the party or male leadership unquestionably. Even competent women leaders faced obstacles such as exclusion from decision-making processes and limited resource availability. However, elected women representatives who were in their second term at the provincial and local levels had become more powerful since they were better at negotiating with party leadership and male representatives, and also more effective in ensuring women's issues were included in government plans and policies. Despite the constitutional mandate to elect at least one Dalit woman ward member in every ward, insufficient efforts had been made to empower Dalit women, who often faced limited opportunities after their tenure was over.

The implementation of the quota system has significantly increased Dalit

participation in governance, enabling them to occupy planning and decision-making positions. However, challenges persisted, including limited representation in high-level bureaucratic roles and lack of involvement in critical decision-making processes, among others. Also, the intersectionality within the Dalit population was something that had not received enough attention, with the Hill Dalit population at an advantage in terms of project selection and budget allocation when compared to Tarai Dalits. The same was the case with Madhesh-based parties. There was uneven access to opportunities, with groups like Tarai Dalits, Muslims and women remaining unincluded at the level of decision-making.

The situation of other marginalised groups was not much better when it came to their own particularistic causes. While federalism had opened doors for their engagement in governance, elected representatives from such historically excluded communities often prioritised party agenda over community interests, hindering substantive empowerment and inclusion at various levels of government. The status of participation and inclusion of the LGBTIQA+ community, too, remained challenging due to persistent societal stigma and reluctance among elected representatives to fully favour their rights. With regard to religious minorities, some positive changes have been noted post-federalism such as increased identity affirmation. But the political inclusion of groups like Muslims and Christians remains limited, marked by struggles to voice their demands and secure government support for their institutions. When it comes to persons with disabilities (PWDs), while there had been some successes in influencing budget allocations through informal networks, there was little in the way of their representation in governance structures.

Local elites in the study perceived the coordination between the three tiers of government in federal Nepal to be quite inadequate even though they believed communication between and among them to be slightly better. The primary reason behind this state of affairs included infrequent and ineffective meetings of the various coordination bodies, the federal government's failure to support provincial legislation, and political instability. Likewise, there was a lack of coordination between federal and provincial planning commissions. Structural issues in the formation and appointment processes of provincial planning commissions were also seen as limiting their impact on balanced regional planning.

On the issue of corruption following the implementation of federalism, there was the perception that it had increased at the federal and provincial levels. But there was also the sense that corruption at the local level was less pervasive than at higher levels, attributed mainly to increased public and media scrutiny locally.

The local elites in the study expressed concerns about political patronage, favouritism, and the dominance of influential figures within political parties, suggesting a complex

interplay of political power and governance, often overshadowing the intended inclusive and equitable federal framework. They also acknowledged the influence of civil society leaders and activists in planning and decision-making processes as well as their contributions to local-level advocacy efforts. However, there was also an observed decline in the role of this group as a result partly because of government usurpation of their functions and the increasing dominance of politicians and political parties of the public sphere.

NOTES

1. Robert P. Inman & Daniel L. Rubinfeld, 'Rethinking Federalism', *Journal of Economic Perspectives* 11, no. 4 (1997): 43–64; Elliot Bulmer, 'Federalism: International IDEA Constitution-Building Primer 12' (International Institute for Democracy and Electoral Assistance, 2017), https://www.idea.int/sites/default/files/publications/federalism-primer.pdf.

2. Mikhail Filippov & Olga Shvetsova, 'Federalism, democracy, and democratization', in *Federal Dynamics: Continuity, Change and the Varieties of Federalism*, edited by Arthur Benz & Jorg Broschek, 167-184 (Oxford University Press, 2013); Nirjan Rai, 'The Implementation of Federalism and Its Impact on Nepal's Renewable Energy Sector: A Political Economy Analysis, 2019/2020', https://pei.center/publication/implementation-of-federalism; Ganesh Prasad Pandeya & Shree Krishna Shrestha, 'Does Citizen Participation Improve Local Planning? An Empirical Analysis of Stakeholders' Perceptions in Nepal', *Journal of South Asian Development* 11, no. 3 (2016): 276–304, https://doi.org/10.1177/0973174116667097; Pranab Bardhan, 'Decentralization of Governance and Development', *Journal of Economic Perspectives* 16, no. 4 (2002): 185–205; Iain Payne & Michael G. Breen, 'Hourglass Federalism in Nepal: The Role of Local Government in Post-Conflict Constitutions', *Indian Law Review* 7, no. 2 (2022): 177–200. https://doi.org/10.1080/24730580.2022.2162281.

3. Henry Bienen, Devesh Kapur, James Parks & Jeffrey Riedinger, 'Decentralisation in Nepal', *World Development* 18, no. 1 (1990): 61-75, https://doi.org/10.1016/0305-750X(90)90103-5; J.M. Grumbach & J. Michener, 'American Federalism, Political Inequality, and Democratic Erosion', *The ANNALS of the American Academy of Political and Social Science* 699, no. 1 (2022): 143–155. https://doi.org/10.1177/00027162211070885.

4. L. García-Montoya & P. Manzi, 'From Economic to Political Power: Economic Elites and Policymaking During Times of Crisis', *Journal of Politics in Latin America* 15, no. 2 (2023): 138–167, https://doi.org/10.1177/1866802X231180897; Stabilization Unit, 'Elite Bargains and Political Deals Project: Nepal Case Study', https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/766039/Nepal_case_study.pdf.

5. Ora John Reuter, Noah Buckley, Alexandra Shubenkova & Guzel Garifullina, 'Local Elections in Authoritarian Regimes: An Elite-Based Theory with Evidence from Russian Mayoral Elections', *Comparative Political Studies* 49, no. 5 (April 2016): 662–697, https://doi.org/10.1177/0010414015626439.

6. Young Whan Kihl, 'Local Elites, Power Structure, and Legislative Process in Korea' *Journal of Korean Studies* 3, no. 1 (1981): 147–180, https://sci-hub.se/https:/doi.org/10.1353/jks.1981.0000; Tze-ki Hon, 'Local Elites in Ming-Qing China', *Chinese Studies*, 2013, https://doi.org/10.1093/obo/9780199920082-0062; Subrata Kumar Mitra, 'Room to Maneuver in the Middle: Local Elites, Political Action, and the State in India', *World*

Politics 43, no. 3 (1991): 390-413, https://www.jstor.org/stable/2010400?seq=2#metadata_info_tab_contents.

7. See Gülşah Dark 'EU Seen from the Outside: Local Elite Perceptions on the Role and Effectiveness of the EU in the Mediterranean Region', *MEDRESET Policy Papers* No. 5 (2018), https://www.iai.it/sites/default/files/medreset_pp_5.pdf); A.T. Sulistiyani, Sutarno, P. Setyono & R.D. Wahyunengseh, 'The Local Elites Perception of "Hamemayu Hayuning Bawana" Philosophies in the Green Village Program in Yogyakarta Province', *Earth and Environmental Science* 724, no. 1 (2021), 10.1088/1755-1315/724/1/012099.

8. David M. Paul and Clyde Brown, 'Testing the Limits of Elite Influence on Public Opinion: An Examination of Sports Facility Referendums', *Political Research Quarterly* 54, no. 4 (2001): 871–888, https://doi.org/10.2307/449239.

9. Young, 'Local Elites, Power Structure'.

10. Ibid.

11. Sulistiyani et al, 'The Local Elites' Perception'.

12. Young, 'Local Elites, Power Structure'.

13. Basundhara Bhattarai, 'What Makes Local Elites Work for the Poor? A Case of a Community Forestry User Group in Nepal', Proceedings: International Conference on Poverty Reduction and Forests, Bangkok, September 2007.

14. Sulistiyani et al, 'The Local Elites' Perception'.

15. Jean-Benoit Falisse & Hugues Nkengurutse, 'Citizens Committees and Local Elites: Elite Capture, Captured Elites, and Absent Elites in Health Facility Committees', *The European Journal of Development Research* 34, (2022): 1662–1683, https://doi.org/10.1057/s41287-021-00443-8.

16. S. Sujarwoto, 'Why Decentralisation Works and Does Not Work? A Systematic Literature Review', *Journal of Public Administration Studies* 1, no. 3 (2017): 1–10, https://doi.org/10.21776/ub.jpas.2017.002.01.1.

17. Harry Blair, 'Participation and Accountability at the Periphery: Democratic Local Governance in Six Countries', *World Development* 28, no.1 (2000): 21–39, https://doi.org/10.1016/S0305-750X(99)00109-6.

18. Jean-Benoit Falisse & Hugues Nkengurutse, 'Citizens Committees and Local Elites: Elite Capture, Captured Elites, and Absent Elites in Health Facility Committees', *The European Journal of Development Research* 34, no. 3 (2022): 1662–1683, https://link.springer.com/article/10.1057/s41287-021-00443-8.

19. Sanjeev Nepal, 'Local Government is Rather Slow in Engaging People to Implement SDGs: Dr. Islam', *Khabarhub*, 2021, https://english.khabarhub.com/2021/04/188123.

20. Ghazala Mansuri & Vijayendra Rao, 'Community-Based and -Driven Development: A Critical Review' *The World Bank Research Observer* 19, no. 1 (2004): 1–39; Jean-Philippe Platteau & Fred Eric Gaspart, 'The Risk of Resource Misappropriation in Community-Driven Development', *World Development* 31, no. 10 (2003): 1687–1703, https://doi.org/10.1016/S0305-750X(03)00138-4.

21. Krishna Khanal, 'State-Society Covenant at the Subnational Level', in *The Politics of Change: Reflections on Contemporary Nepal*, edited by Deepak Thapa (Social Science Baha and Himal Books, 2019); Lok Raj Baral, 'Nepal: The Restructuring of a Neo-Patrimonial State', in *Nepal: New Frontiers of Restructuring of State*, edited by Lok Raj Baral (Adroit Publishers, 2008).

22. The Asia Foundation, *Political Economy Analysis of Local Governance in Nepal with Special Reference to Education and Health Sectors*, n.d. https://www.dfat.gov.au/sites/default/files/analysis-local-governance-nepal.pdf.

23. Constitution of Nepal, 2015, Schedules 5, 6, 7, 8 & 9.

24. Bandita Sijapati, 'Local Governance and Inclusive Peace in Nepal', in *Two Steps Forward, One Step Back: The Nepal Peace Process*, edited by Deepak Thapa and Alexander Ramsbotham (London: Conciliation Resources, 2017), https://www.politicalsettlements.org/wp-content/uploads/2018/09/2017_CRAccord_Nepal.pdf.

25. The Asia Foundation, *Diagnostic Study of Local Governance in Federal Nepal 2017* (Kathmandu: DFAT and TAF, 2017), https://asiafoundation.org/wp-content/uploads/2018/07/Diagnostic-Study-of-Local-Governance-in-Federal-Nepal-07112018.pdf.

26. These were the first local-level elections in 20 years. Although local elections were held in 53 municipalities in February 2006 under the direct rule of then King Gyanendra, they were boycotted by the major political parties and saw low voter turnout. The Asia Foundation, *Political Economy Analysis of Local Governance.*

27. Local Governance Operation Act, 2017, s. 11.

28. Local Governance Operation Act, 2017, Article 12.2.1.

29. The seven-step process consists of the following: Step 1: preparatory phase: i) submission of revenue/expenditure estimates to federal government, and ii) receive budget ceiling and guidelines from federal and provincial governments; Step 2: resource projection and determination of budget ceiling; Step 3: project identification at the settlement (tole) level; Step 4: project selection and prioritisation at the ward level; Step 5: budget formulation at the municipal level; Step 6: approval of budget by municipal executive; and Step 7: approval of budget by municipal assembly.

30. Local Governance Operation Act, 2017, Article 24.5.

31. Intergovernmental Fiscal Arrangement Act, 2017, s. 5(1).

32. National Natural Resources and Fiscal Commission Act, 2017.

33. Ministry of Federal Affairs and General Administration, *Provincial and Local Governance Support Programme (PLGSP): Programme Document* (Government of Nepal, 2019).

34. National Natural Resources and Fiscal Commission Act, 2017.

35. 'New Federal Civil Service Bill to Be Registered', *The Himalayan Times*, 5 September 2023, https://thehimalayantimes.com/kathmandu/new-federal-civil-service-bill-to-be-registered.

36. Employee Adjustment Act, 2017.

37. Constitution of Nepal, 2015, s. 227.

38. Biratnagar Metropolitan Office of Municipal Executive, *Annual Review Meeting Report 2078/2079* (Government of Nepal, 2022); Suryodaya Municipality, *Suryodaya Municipality's Annual Report of Fiscal Year 2078/79* (Government of Nepal, 2022); Democracy Resource Center Nepal, *Functioning of Local and Provincial Governments in Nepal* (Democracy Resource Center Nepal, 2019), https://www.democracyresource.org/wpcontent/uploads/2019/04/DRCN_OPPG_PeriodicReportIV_Eng_041219-1.pdf.

39. The Asia Foundation, *Assignment of Functions Across Levels of Government in Nepal* (DFAT and TAF, 2020), https://asiafoundation.org/wp-content/uploads/2020/10/Assignment-of-Functions-Across-Levels-of-Government-in-Nepal.pdf.

40. Ministry of Federal Affairs and General Administration, *Report on the Comparative Study of Laws Issued by the Local Level, 2077* (in Nepali) (Government of Nepal, 2020).

41. Khim Lal Devkota, 'Unbundling Federalism', *The Kathmandu Post*, 22 August 2023, https://kathmandupost.com/columns/2023/08/22/unbundling-federalism.

42. Khim Lal Devkota, 'Some Measures Towards Cost Management on Federalism' (in Nepali), *Kantipur*, 21 October 2020. https://ekantipur.com/opinion/2020/10/21/160324578696874537.html; Khim Lal Devkota, 'The Local Level is Giving Identity to the New Generation' (in Nepali), *Onlinekhabar*, 4 March 2022, https://www.onlinekhabar.com/2022/03/1088722; Khim Lal Devkota, 'Fine-tuning Fiscal Federalism', *The Kathmandu Post*, 7 February 2023, https://kathmandupost.com/columns/2023/02/07/reform-fiscal-federalism; Khim Lal Devkota, 'Bring Federalism-centric Budget', *The Kathmandu Post*, 16 May 2023, https://kathmandupost.com/columns/2023/05/16/unveiling-federalism-centric-budget.

43. Santosh Ghimire, 'Federalism: Learning by Doing', *My Republica*, 5 September 2019.

https://myrepublica.nagariknetwork.com/news/federalism-learning-by-doing.

44. Khim Lal Devkota, 'Fine-tuning Fiscal Federalism'; Khim Lal Devkota, 'Bring Federalism-centric Budget', https://kathmandupost.com/columns/2023/05/16/unveiling-federalism-centric-budget.

45. Krishna Hachhethu, 'Democracy and Nationalism Interface Between State and Ethnicity in Nepal', *Contributions to Nepalese Studies*, 30, no. 2 (2003).

46. Dinesh Paudel, 'Ethnic Identity Politics in Nepal: Liberation from, or Restoration of, Elite Interest?', *Asian Ethnicity* 17, no. 4 (2016): 548–565, https://doi.org/10.1080/14631369.2016.1179567; Narayan Khadka, 'Crisis in Nepal's Partyless Panchayat System: The Case for More Democracy', *Pacific Affairs* 59, no. 3 (1986): 429–454, https://doi.org/10.2307/2758328.

47. Y.B. Malla, 'Changing Policies and the Persistence of Patron-Client Relations in Nepal: Stakeholders' Responses to Changes in Forest Policies', *Environmental History* 6, no. 2 (2001): 287–307, https://doi.org/10.2307/3985088.

48. Henry Bienen, Devesh Kapur, James Parks & Jeffrey Riedinger, 'Decentralisation in Nepal', *World Development* 18, no. 1 (1990): 61–75, https://doi.org/10.1016/0305-750X(90)90103-5.

49. Keshav K. Acharya, Raj K. Dhungana & Hari P. Guragain, 'The Position of Marginalized Groups in the Elite Captured Local Level Planning Process in Nepal', *Nepal Public Policy Review* 2 (2022): 1-26, https://doi.org/10.3126/nppr.v2i1.48394.

50. Bhattarai, 'What Makes Local Elites Work for the Poor?', 2007; 'Divide and Rule', *The Kathmandu Post*, March 15, 2023, https://kathmandupost.com/editorial/2023/03/15/divide-to-rule#:~:text=If%20one%20word%20succinctly%20describes,on%20self%2Dserving%20political%20calculations.

51. The Asia Foundation, *Political Economy Analysis of Local Governance*; Amit Gautam & Jeevan Baniya, 'Interest Groups, Patronage Politics and Democratic Governance in Nepal', in *Rooting Nepal's Democratic Spirit*, edited by Chandra Dev Bhatta (Friedrich-Ebert-Stiftung, 2022), https://library.fes.de/pdf-files/bueros/nepal/19322.pdf#page=103.

52. Bishnu Raj Upreti, 'Relationships between Resource Governance and Resource Conflict', *Journal of Legal Pluralism* 50 (2004), https://commission-on-legal-pluralism.com/system/commission-on-legal-pluralism/volumes/50/upreti-art.pdf.

53. Netra Timsina, 'Empowerment or Marginalization: A Debate in Community Forestry in Nepal', *Journal of Forest and Livelihood* 2, no. 1 (2002): 27–33.

54. Gautam & Baniya, 'Interest Groups, Patronage Politics'.

55 The Local Government Institutional Capacity Self-Assessment (LISA) is a self-assessment tool that helps in understanding institutional gaps that continue to exist in governmental processes. The goal of LISA is to develop the capacity and effectiveness of local governments by taking stock of local processes and accomplishments, identifying their strengths and weaknesses, learning about their shortcomings in development and good governance, gathering data for periodic review, and developing comparable indicators between rural municipalities and municipalities. Government of Nepal, *Local Government Institutional Self-Assessment Procedure, 2077* (in Nepali) (Kathmandu: Ministry of Federal Affairs and General Administration, 2077), https://plgsp.gov.np/node/609. For details on the LISA score for all local governments across the country, see https://lisa.mofaga.gov.np/report.

56 Mithilesh Yadav, 'Development Works at the End of Fiscal Year: Outright Corruption' (in Nepali), *Nagarik*, 9 July 2021, https://nagariknews.nagariknetwork.com/video/571531-1625825075.html; Mithilesh Yadav, 'Irregularities at the Local Level: The Local Level Is Afraid to be Transparent' (in Nepali), *Nagarik*, 20 October 2021, https://nagariknews.nagariknetwork.com/politics/648581-1634691822.html; Kanak Mani Dixit, 'Our True Leaders' (in Nepali), *Himalkhabar*, 25 August 2022, https://www.himalkhabar.com/

news/131848; 'Local Agitation after 750 Meters of Road Not Built Even in 7 years', *Onlinekhabar*, 29 November 2020, https://www.onlinekhabar.com/2020/11/912292; 'Two Lakh Relief from the Local Leader to the Fire Victims', *Thaha Khabar*, 20 June 2019, https://thahakhabar.com/news/72336/; 'Irregularity at the Local Level: Local Levels Scared to Be Accountable', *Nagarik Daily*, 20 October 2021, https://nagariknews.nagariknetwork.com/politics/648581-1634691822.html.

57 A couple of points should be highlighted regarding the attribution of quotations. Direct quotes have been attributed to general categories of people to ensure anonymity since providing more specific information would have made it easier to identify the said individual. Also, caste/ethnicity have been mentioned only when the identity of the interviewee has a bearing on the matter being discussed.

58 The classification of population groups used in this study follows Pitamber Sharma, *Some Aspects on Nepal's Social Demography: Census 2011 Update* (Kathmandu: *Himal Books, 2014),* https://soscbaha.org/wp-content/uploads/2019/11/some-aspects-on-nepals-social-demography.pdf). Note: 'Tharu' has been presented as a separate group in Table 4. The 2021 figures on caste/ethnicity are derived from: National Statistics Office, *National Population and Housing Census 2021: National Report on Caste/ethnicity, Language & Religion* (Kathmandu: National Statistics Office, 2023), https://censusnepal.cbs.gov.np/results/files/result-folder/Caste%20Ethnicity_report_NPHC_2021.pdf.

59 Since the trend in Nepali politics has been for the composition of provincial governments to mirror the centre, the responses are identical. At the time of the study, the ruling coalition at the federal level consisted of the Nepali Congress, the CPN (Maoist Centre), the Janata Samajbadi Party, the CPN (Unified Socialist), the Janamat Party, the Nagarik Unmukti Party, the Loktantrik Samajbadi Party, and the Socialist Party of Nepal.

60 Marius Ioan Tătar, 'Selective or Generic Activism? Types of Participants, Political Action Repertoires and Mobilisation Capacity in a Post-communist Society', *Europe-Asia Studies* 67, no. 8 (2015): 1251–1281; Kenneth L. Wilson & Anthony M. Orum, 'Mobilizing People for Collective Political Action', *Journal of Political & Military Sociology* (1976): 187-202.

61 Mukta S. Tamang, 'Social Movements and Inclusive Peace in Nepal', in *Two Steps Forward, One Step Back: The Nepal Peace Process*, edited by Deepak Thapa & Alexander Ramsbotham (2017): 97–106; Saubhagya Shah, *Civil Society in Uncivil Places: Soft State and Regime Change in Nepal* (Policy Studies 48) (East West Center, 2008); Jeevan Baniya, 'Civil Society, Social Movements, and Democratisation: A Case Study of Nepal', PhD Disst (University of Oslo, 2014).

62 The so-called Red Book consists of the itemised details of income and expenditures produced annually by all three tiers of government, and inclusion in its pages is a pre-condition for any government funding.

63 The term used for kickbacks in Nepal is 'commission'.

64 In common usage, *dharmashala* refers to shelters or resthouses, particularly for pilgrims.

65 Elected official, Madhesh.

66 See, for instance, *Vinay Kumar Panjiyar v. Medical Education Commission, Office of the Prime Minister and Council of Ministers.*

67 The 'backward areas' consist of the districts of Kalikot, Jajarkot, Jumla, Dolpa, Mugu and Humla in Karnali, and Accham, Bajhang and Bajura in Sudurpaschim.

68 Bipin Adhikari, Deepak Thapa, Bandita Sijapati, Sudeshna Thapa, et al, *From Exclusion to Inclusion: Crafting a New Legal Regime in Nepal* (Kathmandu: Social Science Baha and Himal Books, 2022).

69 Gellner has used the term 'macro-categories' to encompass the 'large blocs' of castes and ethnicities, such as Dalits and Janajatis, that appeared in Nepal and Nepali discourse after 1990. David Gellner, *The Idea of Nepal* (Kathmandu: Social Science Baha, 2016).

70 Local Level Election Act, 2015, Part II, Article 6.2.

71 Male journalist, Sudurpaschim.

72 *Tole* is basically a locality.

73 Male Dalit rights activist, Tarai Dalit, Koshi.

74 Female elected official, Hill Caste, Koshi.

75 At the time of fieldwork, Dilli Bahadur Chaudhary of the Nepali Congress was the Chief Minister of Lumbini.

76 These figures are in contrast to just 5 per cent of the Karnali respondents though Madheshis were always encouraged to take part in local government discussions which is understandable since the Madheshi population in Karnali is very small. The figures are higher in Koshi and Lumbini, both of which have significant Madheshi populations.

77 A *gurukul* is a traditional Hindu place of learning where both teachers (guru) and their students live.

78 *Kattha* and *bigha* are units of land area used in the Nepal Tarai. One *kattha* is around 0.03 ha with 20 *kattha* making 1 *bigha.*

79 Article 86 of Constitution of Nepal, 2015; Section 28 (6) of both the House of Representatives Election Act, 2017 and the Province Assembly Election Act, 2017.

80 Elected official, Koshi.

81 Between 2002 and 2017, Nepal's local governments had been run by government bureaucrats since elections had not been possible in the interim, first due to the Maoist conflict and later due to the political transition.

82 The Local Government Operation Act, 2017 (Section 46) has granted the right to resolve minor disputes of non-criminal nature to judicial committees in municipalities and also to mediation centres at the ward level.

83 Elected official, Gandaki.

84 Government official, Karnali.

85 Government official, Karnali.

86 Respondents were asked about their views of corruption before and after implementation of federalism in the case of federal and local governments, and of corruption at the provincial level since the implementation of federalism.

87 Government official, Lumbini.

This page has been left blank intentionally.

ANNEXES

This page has been left blank intentionally.

Annex I: Caste/Ethnic Distribution of Local Elites in Survey Sample (compared to 2021 census population)

Province		Mountain Janajati	Hill Janajati	Hill Caste	Hill Dalit	Tarai Janajati	Tharu	Tarai Caste	Tarai Dalit	Muslim	Other	Total
Koshi		–	**46.7**	**34.4**	**10.0**	**3.3**	**1.1**	**2.2**	**1.1**	**1.1**	–	**90**
Biratnagar Metropolitan City	Survey sample	–	10.0	53.3	10.0	10.0	3.3	6.7	3.3	3.3	–	30
	Census population	–	8.6	26.8	0.9	9.3	2.8	34.9	7.1	8.8	0.7	241,400
Suryodaya Municipality	Survey sample	–	43.3	43.3	13.3	–	–	–	–	–	–	30
	Census population	2.0	64.2	29.1	3.7	0.1	0.1	0.5	–	0.1	0.2	54,555
Mahakulung Rural Municipality	Survey sample	–	86.7	6.7	6.7	–	–	–	–	–	–	30
	Census population	5.6	89.7	1.0	3.4	–	–	–	–	–	0.2	11,847
Madhesh		–	**1.1**	**3.3**	–	**8.9**	**4.4**	**54.4**	**21.1**	**6.7**	–	**90**
Janakpur Sub-Metropolitan City	Survey sample	–	3.3	6.7	–	–	–	73.3	10.0	6.7	–	30
	Census population	–	0.6	1.1	–	5.6	0.3	68.1	13.4	10.8	0.1	193,170
Balan Bihul Rural Municipality	Survey sample	–	–	–	–	10.0	6.7	43.3	36.7	3.3	–	30
	Census population	–	–	0.1	–	10.9	2.0	58.0	24.1	4.8	0.1	23,471
Matihani Municipality	Survey sample	–	–	3.3	–	16.7	6.7	46.7	16.7	10.0	–	30
	Census population	–	–	0.3	–	6.6	–	45.1	18.3	29.8	0.1	35,808
Bagmati		–	**41.1**	**40.0**	**7.8**	**1.1**	**5.6**	**1.1**	–	**2.2**	**1.1**	**90**
Hetauda Sub-Metropolitan City	Survey sample	–	26.7	60.0	3.3	–	–	3.3	–	3.3	3.3	30
	Census population	–	48.8	39.6	4.9	0.4	1.0	3.7	0.2	1.2	0.1	192,076
Khairahani Municipality	Survey sample	–	16.7	53.3	6.7	3.3	16.7	–	–	3.3	–	30
	Census population	–	19.1	39.1	5.5	6.2	25.5	2.7	0.5	1.3	0.1	66,971
Rubi Valley Rural Municipality	Survey sample	–	80.0	6.7	13.3	–	–	–	–	–	–	30
	Census population	–	94.5	–	5.4	–	–	–	–	–	0.1	10,781
Gandaki		**1.1**	**30.0**	**53.3**	**8.9**	**3.3**	–	–	–	**3.3**	–	**90**
Pokhara Metropolitan City	Survey sample	3.3	33.3	50.0	10.0	–	–	–	–	3.3	–	30
	Census population	0.5	36.7	44.3	15.4	0.7	0.6	1.0	0.1	0.7	–	507,260

Province		Mountain Janajati	Hill Janajati	Hill Caste	Hill Dalit	Tarai Janajati	Tharu	Tarai Caste	Tarai Dalit	Muslim	Other	Total
Fedikhola Rural Municipality	Survey sample	–	10.0	83.3	6.7	–	–	–	–	–	–	30
	Census population	–	17.6	54.2	27.9	–	–	–	–	0.1	0.2	10,886
Bhanu Municipality	Survey sample	–	46.7	26.7	10.0	10.0	–	–	–	6.7	–	30
	Census population	–	38.9	34.0	19.6	3.9	0.1	0.5	–	2.8	0.2	42,728
Lumbini		**–**	**18.9**	**44.4**	**8.9**	**1.1**	**12.2**	**8.9**	**1.1**	**4.4**	**–**	**90**
Butwal Sub-Metropolitan City	Survey sample	–	26.7	50.0	10.0	–	6.7	3.3	–	3.3	–	30
	Census population	0.3	29.3	48.0	9.4	0.8	5.4	4.1	0.4	2.1	0.1	192,246
Tilottama Municipality	Survey sample	–	23.3	50.0	13.3	–	10.0	3.3	–	–	–	30
	Census population	0.1	23.3	48.6	5.6	0.9	13.6	6.2	1.0	0.6	0.1	148,917
Susta Rural Municipality	Survey sample	–	6.7	33.3	3.3	3.3	20.0	20.0	3.3	10.0	–	30
	Census population	–	5.5	5.6	0.8	0.8	17.4	39.7	19.9	10.2	0.1	40,417
Karnali		**1.1**	**14.4**	**57.8**	**22.2**	**2.2**	**1.1**	**–**	**–**	**1.1**	**–**	**90**
Birendranagar Municipality	Survey sample	–	13.3	60.0	16.7	3.3	3.3	–	–	3.3	–	30
	Census population	0.2	14.4	61.3	17.4	0.2	4.6	0.3	–	1.3	0.1	153,346
Gurbhakot Municipality	Survey sample	–	20.0	40.0	36.7	3.3	–	–	–	–	–	30
	Census population	0.1	28.0	37.0	34.0	0.4	0.1	0.3	–	0.1	0.1	48,204
Thulibheri Municipality	Survey sample	3.3	10.0	73.3	13.3	–	–	–	–	–	–	30
	Census population	–	4.2	81.8	12.9	–	0.1	0.1	–	0.2	0.6	9,861
Sudurpaschim		**–**	**3.3**	**60.0**	**14.4**	**–**	**20.0**	**–**	**1.1**	**1.1**	**–**	**90**
Dhangadhi Sub-Metropolitan City	Survey sample	–	3.3	46.7	6.7	–	36.7	–	3.3	3.3	–	30
	Census population	–	3.7	50.7	9.1	0.2	34.3	1.2	0.1	0.5	0.1	196,147
Godawari Municipality	Survey sample	–	3.3	50.0	23.3	–	23.3	–	–	–	–	30
	Census population	–	3.2	56.6	21.4	0.1	18.0	0.5	–	0.1	0.1	98,442
Purbichauki Rural Municipality	Survey sample	–	3.3	83.3	13.3	–	–	–	–	–	–	30
	Census population	–	0.3	75.8	23.5	0.2	0.1	0.1	–	–	0.1	21,494
Total	**N**	**2**	**140**	**264**	**65**	**18**	**40**	**60**	**22**	**18**	**1**	**630**

Annex II: Representation of Various Castes/Ethnicities in Key Government Positions at the Provincial and Local Levels

Table AII1: Caste/Ethnicity Distribution of Provincial Assembly Officials in Key Positions

Position	Mountain Janajati		Hill Caste		Hill Dalit		Hill Janajati		Tarai Caste		Tarai Dalit		Tharu		Tarai Janajati		Muslim		Total
	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	
Speaker	–	–	4	–	–	–	1	1	1	–	–	–	–	–	–	–	–	–	7
Deputy Speaker	–	–	–	3	–	–	–	1	–	1	–	–	–	2	–	–	–	–	7
Parliamentary Party Leader	1	–	22	2	–	–	5	1	8	–	–	–	2		2	–	–	–	43
Parliamentary Party Deputy Leader	–	–	6	–	–	–	1	1	–	–	–	–	–	–	1	–	–	–	9
Chief Whip	–	–	12	1	2	–	1	2	4	2	–	–	4	–	–	–	–	–	28
Whip	–	–	1	7	–	1	1	1	1	1	–	–	–	2	2	2	–	–	19
Total	**1**	**–**	**45**	**13**	**2**	**1**	**9**	**7**	**14**	**4**	**–**	**–**	**6**	**4**	**5**	**2**	**–**	**–**	**113**

This table is based on information gleaned from the websites of all seven provincial assemblies as of 2 April 2024. The details have been further verified through phone calls with spokespersons or information officers of the respective secretariats of all seven provincial assemblies.

Table AII2: Representation of Various Castes/Ethnicities and Genders in the Seven Provincial Assemblies

Caste/Ethnicity	FPTP		FPTP Total	PR		PR Total	Total		Total	Percentage
	M	F		M	F		M	F		
Khas Arya	155	5	**160**	13	62	**75**	168	67	**235**	**42.73**
Indigenous People	75	6	**81**	9	59	**68**	84	65	**149**	**27.09**
Madheshi	55	2	**57**	6	24	**30**	61	26	**87**	**15.82**
Dalit	2	1	**3**	4	24	**28**	6	25	**31**	**5.64**
Tharu	18	–	**18**	1	9	**10**	19	9	**28**	**5.09**
Muslim	11	–	**11**	1	8	**9**	12	8	**20**	**3.64**
Total	**316**	**14**	**330**	**34**	**186**	**220**	**350**	**200**	**550**	**–**
Percentage	*95.8*	*4.24*	*100*	*15. 5*	*84.6*	*100*	*63.6*	*36.4*	*100*	*100*

Source: Election Commission and Dignity Initiative, 2022. The source did not provide disaggregated data for Janajati and Dalit groups.

Table AII3: Representation of Various Castes/Ethnicities in Key Positions in the 21 Local Governments Selected for the Study

Position	Hill Caste		Hill Dalit		Hill Janajati		Tarai Caste		Tarai Dalit		Tharu		Tarai Janajati		Muslim		Total	
	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F
Mayor/Chairperson	10	1	–	–	5	1	3	–	–	–	1	–	–	–	–	–	19	2
Deputy Mayor/ Vice-chairperson	3	8	–	1	1	3	1	2	–	–	–	2	–	–	–	–	5	16
Ward Chair	147	3	2	–	67	2	40	1	2	–	14	–	3	–	6	–	281	6
Ward Member	249	146	18	226	143	81	66	39	6	62	39	25	7	11	24	4	552	594
Chief Administrative Officer	17	0	1	–	1	–	2	–	–	–	–	–	–	–	–	–	21	0
Total	**426**	**158**	**21**	**227**	**217**	**87**	**112**	**42**	**8**	**62**	**54**	**27**	**10**	**11**	**30**	**4**	**878**	**618**

Source: Websites of respective municipalities and rural municipalities at the time of the study.

Gauging Elite Perceptions: Views from the Subnational Level provides insights into how local elites perceive the functioning of the three levels of government. Dealing in particular with public service delivery and the level of inclusive participation in planning and decision-making processes, the report seeks to understand the what this important constituent thinks about the implementation of the federal system in Nepal. The findings from this study will serve as a guide to identifying shortfalls of the federalisation process, rectification of which can contribute to the strengthening of the federal structure itself.