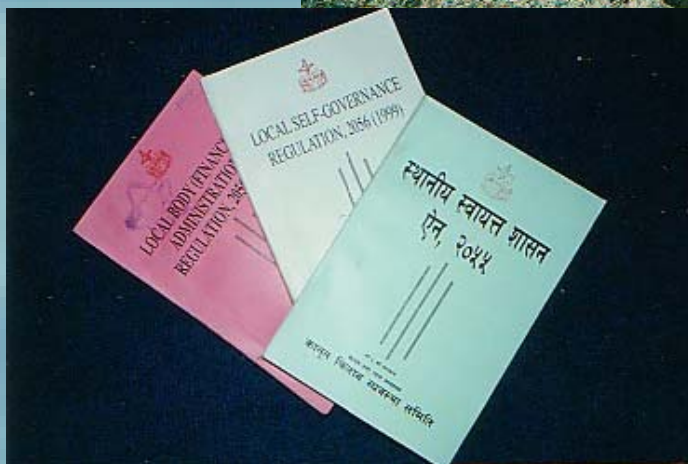




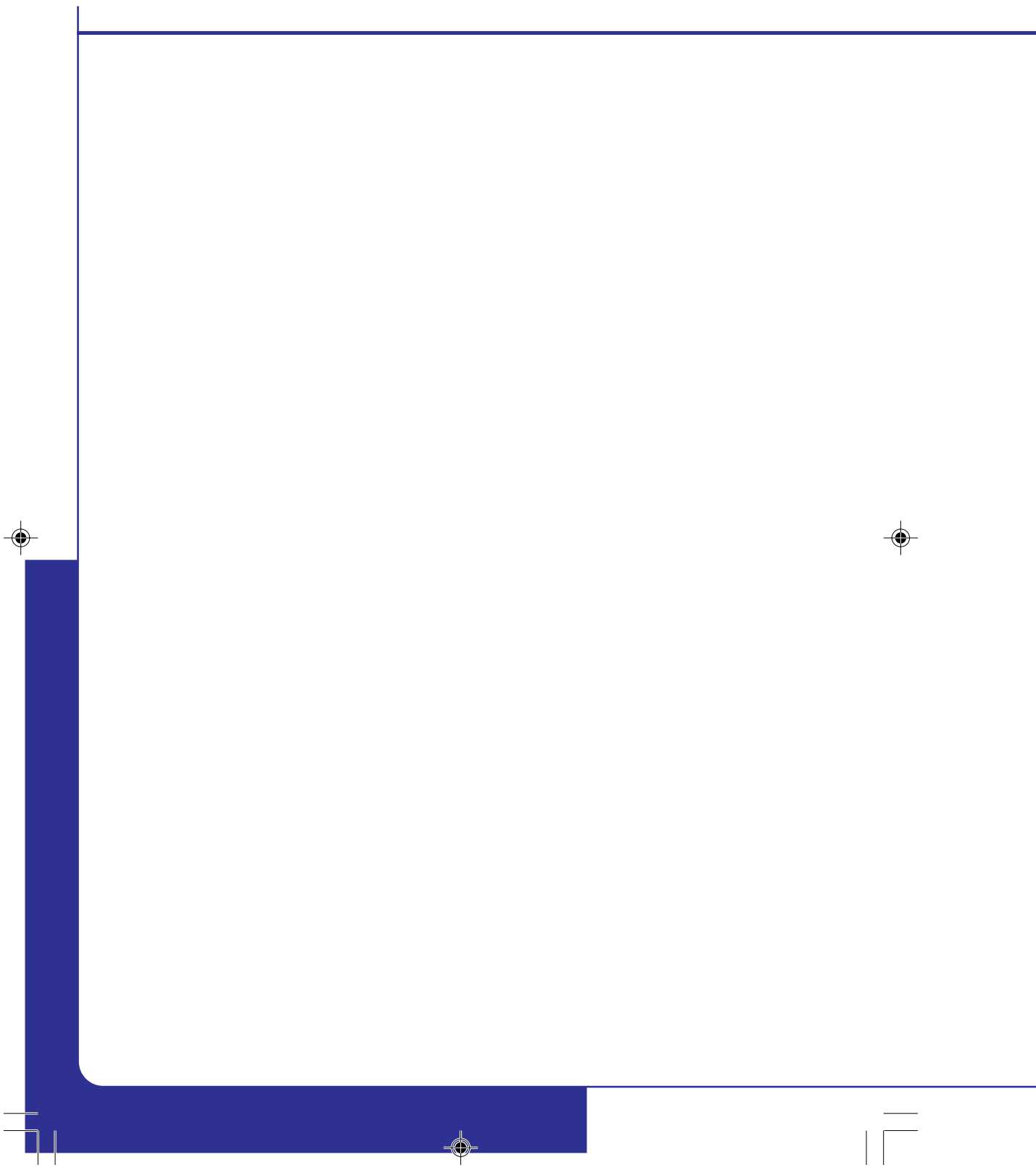
# Ministry of Local Development

## Achievements of 2003



Ministry of Local Development  
Pulchowk, Lalitpur, Nepal  
2004







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## Foreword

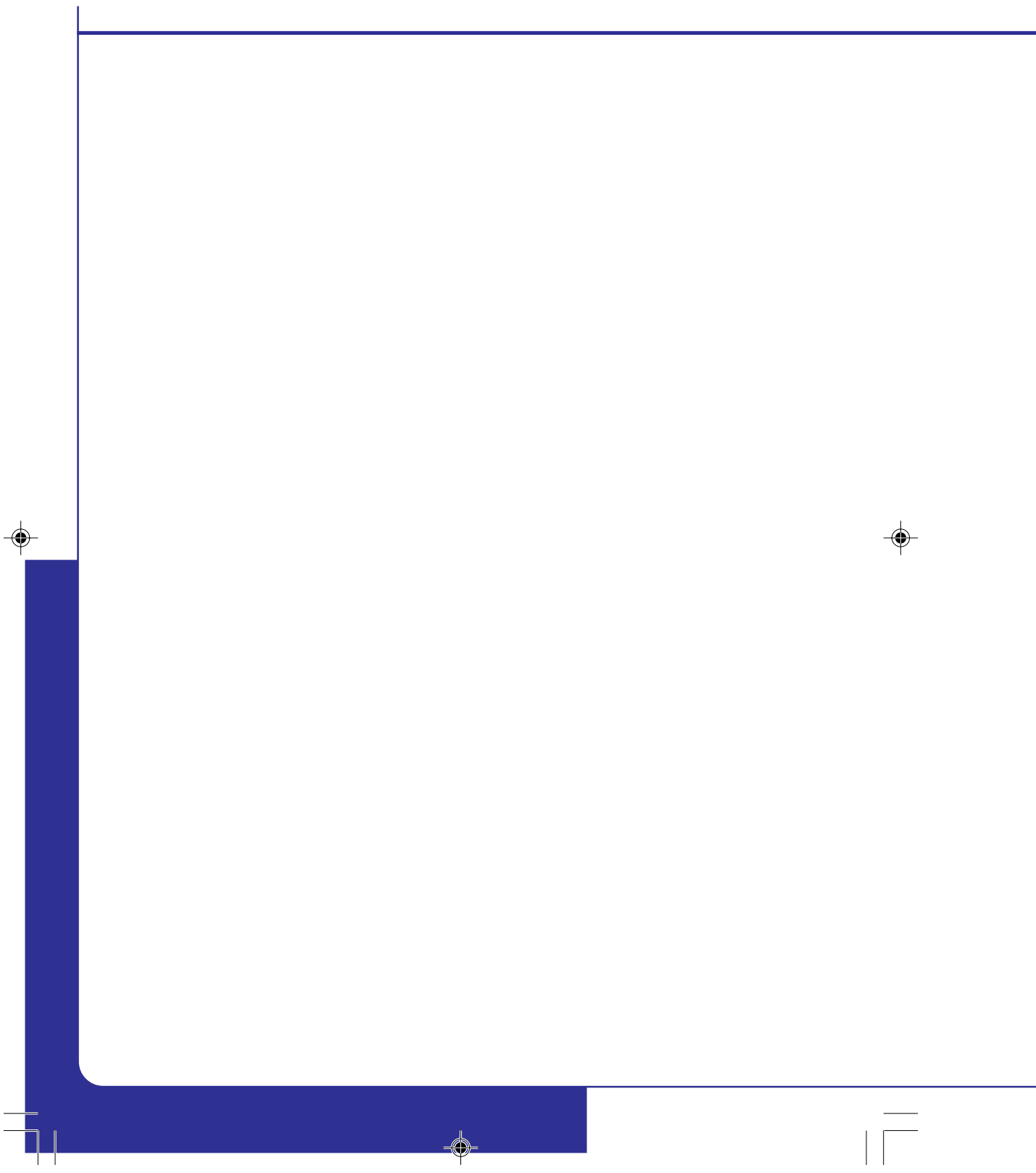
The Ministry of Local Development (MLD) has been a focal institution for decentralized governance and local development. The objective of the MLD is to strengthen the efficiency and capacity of local bodies for the strengthening of local governance system. Uplifting the socio-economic status of deprived and disadvantaged groups is one of our primary objectives. It has performed several tasks with key achievements in the year 2003.

We firmly believe in transparent management system. In this context, the MLD has come out with this document to chronicle its achievements in 2003. This publication highlights the fourteen key areas in which the MLD focused its attention in 2003. Besides the achievements, it also offers a glimpse of various policies and plans of the MLD, which have helped shape its programs and projects.

It is hoped that this publication will prove to be a useful tool for partners and policy makers, staff, researchers, donors and other interested parties to better understand the various functions of the Ministry and gain maximum benefit from it.

Finally, I would like to thank everyone involved in bridging out this document.

Khem Raj Nepal  
Secretary  
Ministry of Local Development



## List of Abbreviations

ADB	Asian Development Bank
ADDCN	Association of District Development Committees of Nepal
CBO	Community Based Organization
CIAA	Commission on Investigation for Abuse of Authority
CO	Community Organization
COPE	Community Owned Primary Education
DACAW	Decentralized Action for Children and Women
DASU	Decentralization Advisory Support Unit
DDC	District Development Committee
DFDP	Decentralized Financing Development Program
DIMC	Decentralization Implementation and Monitoring Committee
DIP	Decentralization Implementation Plan
DoLIDAR	Department of Local Infrastructure Development and Agricultural Roads
DPP	District Partnership Program
DRSP	District Road Support Program
DTP	District Technical Office
EIA	Environment Impact Assessment
FWW	Food for Work
FY	Fiscal Year
GARDP	Gulmi Agrakhanchi Rural Development Program
GIS	Geographical Information System
IEE	Initial Environment Examination
KMC	Kathmandu Metropolitan City
LBFC	Local Body Fiscal Commission
LDF	Local Development Fund



LPBPP	LGP/PDDP Bridging Phase Program
LSGA	Local Self Governance Act
MDF	Municipal Development Fund
MLD	Ministry of Local Development
MoF	Ministry of Finance
MTEF	Medium Term Expenditure Framework
NPC	National Planning Commission
PPP	Public Private Partnership
RAP	Rural Access Program
RCIW	Rural Community Infrastructure Works
RDP	Rural Development Program
RIDP	Rural Infrastructure Development Program
RIP	Rural Infrastructure Program
RRMF	Rural Road Maintenance Fund
RUPP	Rural Urban Partnership Program
RWSSP	Rural Water Supply and Sanitation Program
SDC	Swiss Development Cooperation
SNV	Netherlands Development Cooperation
ToT	Training of Trainers
UDLE	Urban Development through Local Efforts
UG	Users Group
VDC	Village Development Committee





## Introduction

With the advent of multi party democracy in Nepal in 1990, the governance system underwent a major change. The Constitution of the Kingdom of Nepal, in its directive principle, has stated “the chief responsibility of the state shall be to maintain conditions suitable to the enjoyment of the fruits to democracy through wider participation of the people in the governance of the country and by way of decentralization”.

To abide the principle, MLD works with local bodies from the central level to the grass roots to achieve the goals of decentralization and poverty alleviation.



*Ministry of Local Development*

## Objectives

The major objectives of the Ministry are to:

- Assist in strengthening of governance system to strength local bodies as capable, effective and responsible institutions.
- Enhance the efficiency and capacity of the local bodies.
- Make institutional arrangements for uplifting the socio-economic status of deprived and disadvantaged groups.
- Facilitate development process in remote areas.
- Facilitate poverty alleviation programs through social mobilization.

## Roles & Responsibilities

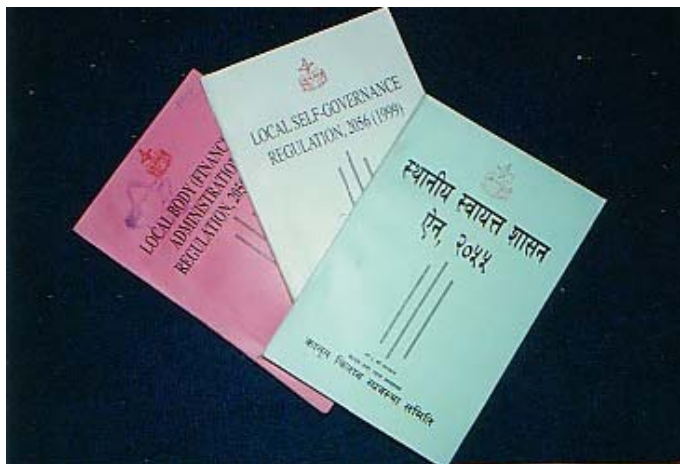
Roles and responsibilities assigned to MLD are as follows:

- Formulation, implementation and monitoring of policies and programs on local governance, remote area development, integrated rural development
- Policy formulation, program implementation and monitoring of programs relating to decentralization
- Demarcation and mapping of VDCs, municipalities and districts
- Research and development and coordination of local development programs
- Local human resource development and mobilization of peoples' participation
- Focal Ministry for international relations on local governance and development
- Vital registration
- Local infrastructure and agricultural roads including rural drinking water and sanitation
- Appropriate technology development at local level
- Works related to deprived, disadvantaged and ethnic groups
- Social security
- Solid waste management
- Liaison and coordination between local bodies

### Decentralized Governance and Local Development in Nepal

Nepal has experimented with different forms of decentralization ranging from delegation to deconcentration to devolution of authority. The Constitution of the Kingdom of Nepal 1990 visualizes decentralization as the fundamental board for democratic constitutional framework. The Directive Principles and Policies of the State underline that the chief responsibility of the State shall be to “maintain conditions suitable to the enjoyment of the fruits of democracy through wider participation of the people in the governance of the country and by way of decentralization.” The overarching goals of the decentralized governance in Nepal are to strengthen pluralist democracy and poverty reduction.

Nepal’s experience with decentralization goes as far back at 1960s when a four-tiered democracy was promoted rising from the village to the district, zone and the center. But a landmark decision was taken with the enactment of LSGA and its Regulations in 1999, which provides local bodies with greater latitude and legal framework for financial and other development responsibilities like sectoral devolution and resource mobilization. The Act and its Regulations transfer comprehensive central decision-making powers and the implementation authority of the local level development issues to the local bodies. They provide a framework for the process of devolution. They clarify further on the authority and responsibility in revenue collection and sharing between central agencies and the local bodies.



## National Policy Framework

Local Self Governance Act (LSGA), based on the recommendation of Decentralization Co-ordination Committee in 1996, has given VDCs, Municipalities and DDCs greater political and financial powers to lead, facilitate and manage local self-governance and participatory development. It creates a framework for decentralization under which community members at the grassroots identify their needs, collectively develop appropriate programs to meet such needs and implement them with greater accountability and transparency.

### Salient Features of LSGA 1999 and its Rules

- Outlined tasks, functions, responsibilities, structures and composition of Local Bodies
- Provisioned for resource sharing and local resource mobilization
- Provisioned for financial management and auditing system
- Has given Local Bodies power to create positions and frame conditions for local services
- Provisioned the establishment of sectoral units within Local Bodies
- Enabled the establishment of Local Bodies Fiscal Commission
- Enabled the formulation of DIMC and its Working Committee
- Provisioned participatory planning process (periodic plan, annual plan), resource mapping and establishment of information and documentation unit.
- Provisioned for compulsory inclusion of women and deprived and disadvantaged groups in Local Bodies and their activities

### Principles of LSGA

- Devolution of power to Local Bodies to make them capable and efficient in local self-governance.
- Development of institutional mechanism and functional structure in Local Bodies capable of bearing responsibilities.

- Devolution of power to Local Bodies to collect and mobilize resources required to discharge function, duty & responsibility.
- Orient Local Bodies towards establishing the civil society based on democratic process and people's participation
- Make Local Body accountable to the people.
- Encourage the private sector to participate in local self-governance in the task of providing basic service

### **Decentralization Implementation Plan**

Decentralization Implementation Plan (DIP) is a time bound plan developed and approved by Decentralization Implementation and Monitoring Committee (DIMC) in 2000, which is chaired by the Prime Minister. It makes a significant departure in Nepal's decentralization efforts. First, it calls for a time-bound implementation of decentralization reform process to operationalize the provisions of LSGA. Second, it marks the first effort at devolution as opposed to deconcentration or delegation of authority. Local bodies will gradually assume sectoral functions managed before by sectoral line agencies. Also it lists responsible institutions for implementing the decentralization objectives.

### **Capacity Building Initiatives**

Different capacity building initiatives have been launched at the local level through various donor-supported programs. A major initiative has been to strengthen management and planning capacity at the center as well as at almost all the 75 districts. Sixty districts receive technical support under LGP/PDDP Bridging Phase Program (LPBPP). An additional seven receive it through District Partnership Program (DPP), two under Decentralization Advisory Support Unit (DASU), two under Gulmi Argakhanchi Rural Development Program (GARDP now terminated) and three through Rural Development Program (RDP). Some programs complement the on-going initiatives in the districts like Decentralized Action for Children and Women (DACAW) and twenty districts by Decentralized Financing Development Program (DFDP).

Twelve municipalities receive capacity building package through Rural Urban Partnership Program (RUPP) and five through Urban Development through Local Effort (UDLE). However capacity building support to VDCs is not enough. The Village Development Program (VDP) supported by LPBPP utilizes the basic concept of social mobilization and is supporting poverty alleviation initiatives in 662 VDCs of Nepal through Local Development Fund (LDF) arrangements, which has been established under LSGA in 68 district and is fully operationalized. Also some International NGOs such as CECI have provided some support to VDCs.

Rural Road Maintenance Fund (RRMF), Municipal Development Fund (MDF) and DFDP also help some programs in various districts and municipalities. In the infrastructure sector, Rural Infrastructure Program (RIP), RWSSP, RIDP, RCIW, RAP, SBD, Suspension Bridge and DRSP through ADB, World Bank, DFID, WFP/GTZ, FINIDA and Swiss support are laying down the basic infrastructure required to facilitate local development.

### **Institutional Structure**

The institution for initiating policies and implementing decentralization is well defined in the LSGA. They include Decentralization and Implementation Monitoring Committee (DIMC), National Planning Commission (NPC), Ministry of Local Development (MLD), Ministry of Finance (MoF), Civil Society Organizations and private sector at the central level; and VDCs/ Municipalities, Community Organizations (COs), Users Groups (UGs), Community Based Organizations (CBOs), Non-Government Organizations (NGOs), Line Agencies and private sector at the district, village/municipal and community level.

Under the provision of LSGA, DIMC chaired by Prime Minister and represented by all ministers, Local Body Associations and other relevant agencies, has been formed to oversee the implementation of LSGA.

### **Key Achievements in the Year 2003**

The Ministry of Local Development has been performing its various tasks. A brief description of some of the major activities is highlighted below.

## I Decentralization/Devolution

### I.1 Fiscal Decentralization

A Local Body Fiscal Commission (LBFC) has been created to strengthen fiscal decentralization. For decentralization to be successful, the local bodies require an easier access to and control over financial resources to meet their local responsibilities and accountability requirements primarily through inter-governmental fiscal transfers and internal revenue generation. At present this area has started receiving increased attention in Nepal.

The LBFC has recognized four major areas for policy consideration. These include:

- Legal infrastructure, institutional framework and coordination processes
- Base of financial resources of the local bodies and their fiscal relationship with the center
- Management capabilities of the local bodies
- Efficient uses of financial resources to meet the public expectations

Equally important is to focus capacity building measures especially on expenditure management of the local bodies to instill sound financial, accounting and auditing systems.

The Commission has approved a road map for fiscal decentralization. An annual program has been prepared and is being implemented. A training on fiscal decentralization for policy and professional level LBFC stakeholders was also planned. The Commission initiated the study of expenditure assignment for clear delineation of tasks and responsibilities matching financial resources to the local bodies and revenue potential of five municipalities. A minimum condition and performance criteria for fund allocation has been initiated in pilot basis. A formula based grant allocation system is being designed by the Commission to incorporate the spirit of interim grant distribution formula to DDCs.

## Food Security and Infrastructure Building

Rural Community Infrastructure Works (RCIW) popularly known as “Food for Work” programme supported by WFP and GTZ aims to alleviate the temporary food shortage of disadvantaged people living in 30 remote and food insecure districts. It mobilizes individuals, groups and communities to create productive assets as rural roads, small irrigation schemes, river control measures, plantation and rural finance system required for long term food security. During the year, about 210 km of green roads and 244 km of Terai roads were constructed. Each of over 1000 micro saving credit groups saved NRs. 6000 per year in average. RCIW responding to food and shelter need of ex-Kamaiya has been providing 250 kg rice to support the construction of each house besides what they earn from working FfW projects. RCIW has been responding to its target vulnerable people in Humla providing 300 tons of rice every year transported through Tibet to construct Hilsa- Simikot rural road. For the year’s total activities RCIW utilized 15000 tons of rice, NRs. 120 million for infrastructure development and substantive amount for social mobilization.

### 1.2 Decentralized Fund Flow

A mechanism to flow funds into the districts in a decentralized manner has been introduced. The District Development Fund (DDF) has been institutionalized and operationalized as a non-operating fund. Hence, government as well as donor support in districts have been channeled through DDF.

### 1.3 Sectoral Devolution

The DIP has made provisions for sectoral devolution in four major areas, which are:

- a. Agriculture
- b. Primary Education
- c. Health
- d. Postal Service



The Ministry has revised the devolved sectoral guidelines for agriculture, health and education so that they are more responsible towards the community. Keeping this in mind, about 600 primary schools have been handed over to the communities. The agriculture/livestock extension activities have also been devolved in all the districts. Similarly, 468 sub-health posts have been handed over to the VDCs. The postal service though devolved not yet fully operationalized.

#### **1.4 District Technical Office (DTO)**

Each district has a technical office to enhance the various technologies and innovations taking place. The Ministry has brought all such DTOs under the umbrella of the DDC as its technical hand so that the technical work of the district is more streamlined. It has thus helped to enhance the technical capacity of the DDCs.

#### **1.5 Hand over of Trolley Bus Service to Local Bodies**

The trolley bus services had been providing service to people from Kathmandu and Bhaktapur for a long time. Due to financial difficulties, the service had to be stopped for some time. This year, the Government handed over trolley bus assets and management to Kathmandu, Madhyapur Thimi and Bhaktapur municipalities and they are operating services jointly.

## **II Legal and Procedural Framework**

### **2.1 Kathmandu Metropolitan City (KMC) Act**

The LSGA provided a number of responsibilities to municipalities. But Kathmandu Metropolitan City is now facing directly the development issues of a rapidly growing metropolis – increasing demand for facilities, infrastructure and services – compounded with the national, economic and social issues such as employment, poverty, health and education.

A preliminary draft of the KMC Act is already completed to carry out these duties. Provisions to resolve issues and practical problems have been incorporated in the draft. Once the Act comes into practice, it will devolve functions to KMC to manage the capital city of Kathmandu.

## **2.2 Local Body (Personnel) Service**

The Ministry has initiated the drafting of the Local Body (Personnel) Service Act. Once this draft comes into being, it will facilitate in the hiring process of the staff of the local bodies. The Act will supervise the overall human resource development, transfers, promotions, and general welfare of the staff.

## **2.3 Amendment of Contradictory Acts**

LSGA has not been able to be fully operation yet because 23 Acts are found to be contradictory. The Ministry has started an exercise to amend those Acts so that the provisions mentioned in the LSGA can be brought to fruition in a smooth manner. At present ten of these Acts are in the parliament, while three are being reviewed by a high level Coordination Committee, chaired by the Chief Secretary.

The Ministry has prepared draft amendments of Local Self Governance Regulations and Local Body (Financial Administration) Regulation.

## **2.4 Operational Guidelines**

The Ministry has started developing Project-specific Operational Guidelines as general guidelines. Keeping this in mind, an Operational Guideline for Local Development Fee Reserve Fund has been prepared as well as approved. An Operational Guideline for Decentralized Action for Children and Women (DACA) up to its activities for the grass root level has been prepared. LDF By-laws and operational manuals have been drafted and forwarded to concerned DDCs for approval. All the DDCs have approved the By-laws and manuals for their smooth operation and internalization. The Guideline for DFDP was revised and the Engagement Guideline for local level NGOs was drafted. The Ministry has also finished drafting an Operational Guideline for Municipal Development Fund (MDF).

# **III Revenue Sharing and Financial Management**

## **3.1 Review on Revenue Sharing of Local Bodies**

Though the Government has started a policy of sharing revenue with the local bodies, this has not come into practice as much as it should.

As a result a review was undertaken to make the practice of revenue sharing more efficient and effective. The sharing of revenue generated from various tourism activities like trekking and expedition has been initiated. Also revenue sharing mechanism for Kaligandaki has been implemented. It is hoped that other such practices will also come into effect. Recently, the Government has adopted new policy to share 50 percent of the electricity royalty with the districts of the concerned region. The royalty sharing mechanism is yet to be finalized.

### **3.2 Clearance of Misappropriation (Beruju)**

Misappropriation worth a sum of Rs. 503.3 million was cleared during this year from various sources.

### **3.3 Revenue and Expenditure Breakdown of Municipalities**

A detailed Revenue and Expenditure breakdown of 58 Municipalities from Fiscal Year 1997/98 to 2001/02 was published.

## **IV Policies, Planning and Programming**

### **4.1 Policies and Planning**

To make the performance of the Ministry more streamlined and efficient, an Annual Action Plan and a monthly work calendar is maintained. Besides this, Activity Plans have been prepared and implemented successfully for immediate action plan, budgetary policies, direction by the right honorable prime minister, medium term policy matrix and a public sector management program. A draft report of sectoral foreign aid policy of the Ministry has been prepared. A Middle Term Expenditure Framework (MTEF) has also been prepared. About 50 DDCs have prepared their District Periodic Plans (DPP) by integrating the plans and programs of all the sectors.

### **4.2 Continuation of Local Bodies Operation**

The local bodies have no elected representatives for more than a year. This has created a vacuum at the local level as far as managing the local bodies is concerned. The Ministry has created a mechanism to manage the local bodies through civil servants for the time being. Realizing the fact that the



Local Bodies should be managed by the local politicians, the government has nominated Chairpersons, Vice-Chairpersons, Mayors, Deputy Mayors and executive members to fulfill the political vacuum and started work at the local level.

#### **4.3 Introduction, Extension and Expansion of Programs**

The Ministry has formed partnership with a number of donor-funded programs and projects to execute development related activities. It has merged two Programs funded by UNDP, namely Local Governance Program (LGP) and Participatory District Development Program (PDDP), which were basically doing the same work in social mobilization and capacity building, into one program – LGP/PDDP Bridging Phase Program (LPBPP). The Program now covers sixty districts and has been extended upto March 2004. Altogether more than 360,900 households have been mobilized through social mobilization in more than 662 VDCs. The Program has taken 100 more VDCs from the mid west and far west conflict ridden districts to fast track the program inputs focussing to include deprived and disadvantaged people of these regions. It has also initiated the process of framing the resource mobilization for the next phase of LPBPP by developing a new phase project document.

The Ministry has also made a no-cost extension of Community Owned Primary Education (COPE), another UNDP funded project, in six districts. Netherlands Development Cooperation (SNV) supported programs in Karnali and Mechi zones have merged as LGSTP and is in operation in seven districts. The Ministry in cooperation with Western Terai Poverty Alleviation Program has started livelihood programs for ex-bonded laborers (ex- Kamaiyas) from which 10,000 households have benefited. Similarly, Western Upland Poverty Alleviation Project has begun work in four very remote upland districts of far west and mid west regions. Also, DFDP has been extended to 12 new districts bringing the number to twenty districts. Orientation program for the new staff has already been conducted.

Environment improvement programs in Dharan-Biratnagar corridor (supported by FINNIDA) has created two types of funds. The fund is supporting for the capacity enhancement of local bodies in one hand and

it helps industries for environment friendly productions on the other hand. Likewise a well equipped regional laboratory has been established in the premise of Morang Merchant Association, Biratnager which will help in examining various environment-related matter.

Four districts (Nawalparasi, Palpa, Kavre, and Sindhupalchowk) have been selected and program is being implemented for improving the environment in various aspect under Community Environment Awareness and Management Project (CEAMP) with support from CIDA.

#### **4.4 Municipal Periodic Planning**

As per the provisions of LSGA, it is mandatory for the municipalities to prepare their Periodic Plans. Such plans should contain long term vision and goals to guide their development activities as well as formulate strategies. Keeping this in mind, a guideline for Municipal Periodic Planning has been approved. A Training of Trainers (ToT) on the application of the Municipal Periodic Planning Guideline was provided to the municipal staff by Rural Urban Partnership Program (RUPP), a UNDP funded project working for the development of 17 municipalities in the country.

#### **4.5 Review of Rural Infrastructure Strategy**

Though an infrastructure strategy was developed for the rural areas in 1997, not much was accomplished. The Ministry is carrying out a review of the strategy making Local Bodies responsible in creating of rural infrastructure by providing technical support by the centre (DoLIDAR & MLD).

#### **4.6 Identification of the Potential Projects for Decentralization and Local Development**

Though there are a number of projects focussed on decentralization and local development, the Ministry is interested to field a few more in this vast area of local development and decentralization that is mentioned in the LSGA. As accordingly, 25 potential projects are being studied, which could be translated into actual projects in the fields. Among the 25, concept notes for ten projects are completed.

#### **4.7 More Authority to District Program Implementation and Co-ordination Committee**

More authority for amendment of Program, transfer of budget has been delegated to District Program Implementation and Coordination Committee with a view to promote development activities in a more flexible and efficient manner.

#### **4.8 Infrastructure and Development Activities (Other than implemented through unconditional grant)**

Infrastructure and development activities of rural roads with track openings of 641 kms are complete. Likewise 285 kms of rural roads have been rehabilitated as well as maintained. Forty-five suspension bridges have been constructed, and 40 gravity water supply schemes were installed. The Ministry has also succeeded in forming 34455 Income Generating Groups related to economic activities.

#### **4.9 Public Private Partnership (PPP)**

The Ministry has adopted the policy on Public Private Partnership for the local bodies to tap the resources of the private sector through policy support of the government.

Besides the policy, the Ministry, after a long discussion, has come up with a lot of provisions in the local self governance regulation amendment draft regarding public private partnership.

#### **4.10 Population and Vital Registration**

Vital events (birth, death, marriage, divorce and migration) are to be registered in the local bodies. The Ministry has published a comprehensive report for first time covering the vital registrations and is strengthening the process of record keeping in this area. The vital registration activity is now supported by different partners such as UNICEF/DACAW, UNFPA/PARHI, Plan and SCF/Japan. The Ministry has also revised the Social Security Program implementation working procedures, which is now ready to be published.

## V Monitoring and Reviews

### 5.1 Monitoring of Local Bodies

The LSGA has outlined that local bodies have to be monitored and reviewed occasionally. Projects and programs need to be evaluated on the basis of performance indicators and their contribution to overall outputs. To meet this, the Ministry has monitored and published report of 30 districts and 24 municipalities. The programs are reviewed periodically to gauge their progress, review their success and learn from the mistakes.

### 5.2 Review of Internal Organizational Structure of the Ministry

In keeping with the changed roles and responsibilities, the internal review of the organizational structure of the Ministry is in progress. This exercise is hoped to bring positive results in the working process of the Ministry so that the work will be streamlined and the services provided by the Ministry will be more efficient and effective.

### 5.3 Regular Policy Coordination Meetings

The Ministry holds regular policy coordination meetings to keep up with policy issues in the government and private sector.

### 5.4 Round Table Discussion with Ex-Secretaries

A Round Table discussion with ex-secretaries of the Ministry of Local Development was organized so that there could be an exchange and sharing of knowledge, skills and experiences. It helped in getting their comments and suggestions for future policies and strategies of the Ministry. Also ex-secretaries were invited to share their rich experiences in formulation of policies and KMC Act.

### 5.5 Decentralized Monitoring Information System

The Ministry has started the practice of decentralized monitoring information system and is pilot testing it in Udaypur district.



## VI Internal Management

### 6.1 Renovation of the Office Building

Kathmandu is in an earthquake prone zone. Considering that risk, the MLD office building, which is an old building, is being renovated to withstand any tremors.

### 6.2 Inventory of Local Body Properties

The Ministry has decided to make an inventory of all the property belonging to the local bodies. This is the first time that such an exercise is being carried out.

### 6.3 Management Audit

The Ministry believes that there should be transparency in all its dealings. Therefore, management audit of District Development Committees (DDCs) and the municipalities is underway.

## VII Capacity Building and Human Resource Development

### 7.1 Mayors' Conference

A Mayors' Conference was organized and they were oriented on their roles and responsibilities. The conference also gave the mayors a chance to interact and share ideas and experiences with one another.

### 7.2 Performance Indicators

Effective organizational performance indicators have been prepared. The indicators will help test the performance of the local bodies.

### 7.3 Review of Programs

A mid term review of various donor-supported programs like DACAW, DFDP and COPE were conducted. A Technical Review exercise was conducted for LGP/PDDP Bridging Phase Program during 2003.



#### **7.4 Job Description**

A revision of the job description of Local Development Officers has been undertaken in order to avoid duplication of work and increase their efficiency.

#### **7.5 HRD Plan**

To prepare a trained pool of human resource, a comprehensive HRD Plan of the Ministry is in progress.

#### **7.6 Transfer**

Employees of the Ministry are being transferred based on the legal provisions. A policy has been adopted to transfer the VDC secretaries only during the months of Bhadra (Aug/Sept) and Falgun (Feb/March). Women, oppressed and Dalits) will be given priority in transfers.

### **VIII Governance Reforms**

#### **8.1 Best Office Indicators (Certificate of Excellence)**

Indicators have been developed to select the best office on the basis of performance. To augment this, a mobile service program has been implemented and preliminary steps are being undertaken to establish a Change Unit in the Ministry.

### **IX Information Management**

#### **9.1 Information Management**

The Ministry has a web page that is updated regularly. The URL is [www.mld.gov.np](http://www.mld.gov.np). More than a dozen DDCs and municipalities have started their own web pages. A Master Plan for Information Technology for Local Governance is in the final stages of formulation. The DDCs and municipalities have started using GIS in their planning and development activities.

#### **9.2 Publications**

The Ministry has started publishing various documents. Among them is the resumption in the publication of a journal - Swashashan, which had stopped coming out for some years. An Annual Progress Review of FY

2002/03 of the Ministry and DDCs was also published for the first time ever. The publication of an Annual Program Book was resumed after a break of a couple of years.

## **X Corruption Control and Transparency**

### **10.1 Corruption Control and Transparency**

A drive is on to control corruption and encourage transparency in the Ministry and Local Bodies. As a result of this drive, a total of 262 cases of complaints were registered at the Commission on Investigation of Abuse of Authority (CIAA). Among these, action was taken on 163 cases, while 99 cases are being processed. A nodal officer has been assigned specially to hear the complaints at the Ministry level and a focal point has been assigned to hear complaints and take necessary action on corruption cases related with the Ministry.

To promote transparency, a collection and recording mechanism for the declaration of property of officials of the local body was initiated. A draft of the Code of Conduct was also prepared and discussed in association with the ADDCN. The DDCs and Municipalities are preparing their Citizen Charters to provide better services to the people.

## **XI Gender and Development**

### **11.1 Gender and Development**

A report on Gender Assessment and Gender Budget Audit of the Ministry of Local Development has been submitted. Gender content on equity and equality has been added in the curriculum for teachers' training. The Ministry has prepared 21 Universal Primary Education (UPE) Plans for districts with COPE Programs. Gaur Municipality, which is a COPE area, has initiated the Municipal Education Plan. A VDC working guideline for Gender Issues and Local Governance has been prepared, while Gender and Governance Program with ADB (RETA) support has been started in four districts.

## **XII Upliftment of Nationalities, Backward and Oppressed Communities**

### **12.1 Upliftment of Nationalities, Backward and Oppressed Communities**

A Council and Executive Committee of the National Foundation for the Development of Indigeneous Nationalities have been formed. Work on documenting various languages that are on the verge of extinction like Hayu, Chhantyal and Bhujel are being recorded. Dictionaries on ethnic languages like Baramo, Sherpa, Gurung, Lohorung Rai and Menahang Rai are being prepared.

A separate Act has been drafted for the National Dalit Commission. An analytical study report on national and international laws on oppressed communities as well as a report showing the situation of oppressed communities has been published. Various activities for political, economic and social empowerment of Nationalities and Oppressed communities have also been performed.

## **XIII Solid Waste, Environment and Disaster Management**

### **13.1 Solid Waste Management**

Managing the solid waste of the city is a major concern for the Ministry. It has acquired land at Okharpauwa where 9.21 km of road has been constructed and the Environmental Impact Assessment (EIA) is in the final stages of approval. Compensation has been provided to land and houseowners of that area. The Ministry has started developing the infrastructure at Shishdol, where a short-term landfill site is being constructed.

To make a success of managing waste and keeping the environment clean, it is imperative to have the support and participation of the private sector. Therefore, private sector participation in waste management was initiated. In this regard, an agreement was signed with Luna Nepal Pvt. Ltd.



### 13.2 Environment

The Ministry has approved initial Environment Examination (IEE) reports of eight rural/district roads. It has also approved the EIA performed for landfill site to Mechi Municipality and Medical Waste Management of Kathmandu Metropolitan City. A matching fund has been provided to conduct an environment program in Madjhyapur Thimi and Gularia Municipalities.

### 13.3 Resettlement

Under Padampur Resettlement Program, 1600 bighas of land has been distributed to 1689 households. The evacuated land has been handed over to the National Park. A decision to provide land to additional 239 households as replacement land has also been approved.

### 13.4 Earthquake Risk Reduction

An orientation program was conducted for officials of MLD including DDC and Municipality representatives of Kathmandu valley on the roles and responsibilities of MLD as well as the Local bodies for earthquake risk reduction measures.

## XIV Study and Research

### 14.1 Study and Research

The Ministry carried out a number of study and research works in 2003. Some of them are:

- Decentralization Framework Study (girl child focussed)
- Socio Economic Baseline updating in seven districts
- NGO/Local Bodies Framework Study
- Training Assessment Study (1998 – 2002) of Frontline Worker's ToT
- Reformative Study on Organizational Structure, Human Resources and Physical Properties of LDTA and its Training Centers.