

# Annual Progress Report

FY 2064/65 (2007/2008)



**Institute of Local Governance Studies (Inlogos)**

**August, 2008**

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## Foreword

Nepal prepares itself for a federal structure, the details of which are yet to be determined. However, it has to be taken into account that the real sense of decentralized service delivery and participatory development can be achieved through empowering and involving people in decision making, resource sharing and the local governance system. The basic assumptions of people-centred development through the political governance, promoting local democracy can only be happens when multi-ethnic communities with their social, economic, geographic concern and political ideology get easy access to the state machineries. Inlogos, with such a visionary approach has been providing its services to the country especially in the sectors of policy, planning, monitoring and human resource development, for the last three and half years.

During the fiscal year 2007/2008, Inlogos focused its activities in the sectors of anti-corruption, good governance, human resource development and system and procedures reform. The study, research and assessments, policy, guidelines and strategies and the monitoring mechanisms proposed by Inlogos addressed the issues of mainstreaming marginalized and disadvantaged groups of people in participatory development initiatives. This report covers major progress and achievements of Inlogos in the last fiscal year. I would like to take this opportunity to thank all institutions, professionals, individuals, and the authorities who have helped us in moving ahead. Comments and suggestions from its readers will be highly appreciated. Inlogos welcomes cooperation and partnership with like minded institutions.



Khem Raj Nepal

Executive Chairman

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## Acronyms

ADB	: Asian Development Bank
ADDCN Committee, Nepal	: Association of District Development
CCO	: Canadian Cooperation Office
CD	: Custom Department
DDC	: District Development Committee
DDF	: District Development Fund
DEPROSC	: Development Projects Service Centre
DFID Development	: Department for International
GA	: General Assembly
GRDCP	: Governance Reform and Decentralization Cluster Programme
GTZ	: German Development Cooperation
HSSP	: Health Sector Support Programme
HUGOU Unit	: Human Rights and Governance
IFAD	: International Fund for Agriculture Development
Inlogos Studies	: Institute of Local Governance
LDFB	: Local Development Fund Board
LSGA	: Local Self Governance Act
LSGR	: Local Self Governance Regulation
MuAN	: Municipal Association of Nepal
NCDC Centre	: Namsaling Community Development
NCF	: Namsaling Cooperation Forum
NGO	: Non-Governmental Organization
NVC	: National Vigilance Centre
PPTA Assistance	: Project Preparation Technical
PRAD	: Policy, Research and Development
QUT	: Queensland University of Technology
RDIF	: Rights, Democracy and Inclusion Fund

SWC	: Social Welfare Council
TMS	: Total Management Services
UNCDF	: United Nations Capital Development Fund
UNDP	: United Nations Development Programme
VDC	: Village Development Committee
WH	: Women's Hand

## Background

Institute of Local Governance Studies (Inlogos) is a non-governmental, non-political and non-profit making organization operated by a team of highly qualified and experienced development professionals and local governance experts. Established in April 2005, it is registered with the District Administration Office, Kathmandu, and affiliated with the Social Welfare Council (SWC) of Nepal. It has been providing necessary support to local level institutions (district, city and village levels) in the fields of human resources development, management improvement and technology transfer. Inlogos has designed and implemented different programs to support the central and local government institutions in enhancing their capacity to provide clear and reliable services that are necessary for ensuring human rights, democracy and power devolution at the local level.

Inlogos' mission is to promote local democracy through strengthening local governance system. It

has a strong belief that Nepal's sustainable development is possible only through a decentralized and participatory approach at all levels of governance. Inlogos has been focussing on the field of planning, sustainable development, research and training establishing trust worthy local governance system within the country and hence support to establish capable local institutions. The focus of the institution is to promote decentralization, local level planning (rural, urban, and regional) and strengthening of the local governance system.

General Assembly (GA) is the apex body of Inlogos. Generally it is convened once a year. Major functions of the GA are: to review physical and financial progress; approve annual programme and budget, and approve policies and bylaws. The Executive Committee meets bi-monthly and takes decisions to implement the policies as approved by the GA. The Secretary and Director supported by a team of staff carry out the day-to-day functions under the directives of the Executive Chairperson.

A pool of resource persons of proven background and professional achievements carry out the projects entrusted to Inlogos through direct awards and competitive proposals. Inlogos also associates with other specialized firms as and when necessary. This report highlights the outputs and the activities accomplished by

Inlogos during the Fiscal Year 2064/65 (2007/2008).

## 1. Achievements

### 2.1 Good Governance

Promotion of good governance is a must to institutionalize democracy and establish the governance system in any country. Transparency, skill, participation, equality, responsiveness and inclusiveness are some of the basic pillars of good governance. Good governance is equally important to ensure local development and human rights in the country. Corruption and good governance cannot go together. Acts of misappropriation and corruption have been remaining as prime obstacles to promote good governance effectively in our public organizations.

The existing economic condition of the country, social norms and values, low level of political commitment and weak administration have been playing an important role to take actions against corruption in Nepal. In the context, the service delivery institutions are required to overcome their existing weaknesses and adopt means to strengthen the service delivery capacity to combat corruption. Slow and cumbersome and costly and situation specific decision making processes

are some of the charges levelled by the community people upon the existing service delivery system of the government institutions. In order to create public acceptance and effective service delivery, it has become imperative for the service institutions to enhance their service delivery capacity and develop themselves as responsible and reliable service providing local institutions.

### **2.1.1 Anti-Corruption and Municipality Good Governance Support**

Inlogos and DanidaHUGOU jointly agreed to conduct Anti-Corruption and Municipal Good Governance Support Project in Biratnagar and Birgunj sub-metropolitan municipalities and in Madhyapur Thimi Municipality. Basically the project aimed at reducing corruption through the promotion of good governance in three municipalities having different characteristics and locations. The two sub-metropolitan Municipalities (Biratnagar and Birgunj) represent resourceful, comparatively experienced and geographically large municipalities. The one in the valley (Thimi Municipality) in comparison to other two is smaller (in area and internal resources) and newly emerging Municipalities of the country.

In view of the diverse nature of services that municipalities are providing and the magnitude of

resources that they are mobilizing, municipalities are more vulnerable to corruption in comparison to other local level institutions. Hence, it is required to improve the service delivery capacity of municipalities through promotion of good governance. However, the followings are the major outputs of the project.

### **a) Anti-Corruption Strategy**

Inlogos has developed an anti-corruption and good governance strategy and strategic activities for three municipalities (one from Kathmandu Valley and two Terai based sub-metropolitan Municipalities) after rigorous and intensive field work of seventeen months (November 2006 to March 2008). The strategy was developed based on the findings of situation analysis on; (a) decision making process in municipality (b) process and provision related to revenue authorities, revenue forecasting and collection procedure; (c) expenditure authorities and expenditure estimation and (d) budgeting; and procurement and property handling process. On the basis of the opinion survey and the situation analysis, seven different parameters were identified to combat corruption and promote good governance in Municipalities.



These seven parameters identified to combat corruption and promote good

governance in municipalities are: (i) Policy, Legal and Institutional Provisions, (ii) Sound financial Management and Accounting System (iii) Effective Enforcement Mechanism: quality of works and services, (iv) Meritocratic Bureaucracy based on professionalism and competence, (v) Transparent Public Procurement, (vi) Effective Internal Control: Minimum External Pressure and (vii) Independent and Effective Audit. It is considered that these parameters are applicable to all municipalities of the country. Being based on the field experience gained, the Municipalities developed anti-corruption and good governance promotion parameters that are expected to be more realistic and applicable to other Municipalities as well.

The municipality councils of the respective municipalities (where the project was conducted) have approved and adopted the strategy and also have developed an action plan for implementation. The action plan spells out the responsible section of the Municipality for implementing specific activity along with the time frame and means of verification.

## **b) Service Delivery Functions**

Assessing the job descriptions, workloads and the quality of services



delivered, the three project Municipalities, under the technical support of Inlogos, have developed a service delivery matrix and a capacity development strategy document to improve on their existing service delivery system. The report has spelled out existing service delivery functions of the municipality in detail and analysed existing strengths and weaknesses.

### **c) Participatory Monitoring System**

The main objectives of the activities are to develop monitoring manual and tools and to establish participatory monitoring system in the municipality. It was found that none of the project municipality had monitoring tools. They had been using reporting forms developed either by the Ministry of Local Development or National Planning Commission. It was observed that the municipal authorities need orientation to realize the differences between reporting and monitoring functions. The participatory monitoring manual developed by Inlogos is expected to be useful to all municipalities nationwide.

The municipalities also revised existing citizen's charters. Revision was made on the basis of strategic activities and proposed service delivery action plan. The revised citizen charter has tried to cover all kinds of services that are required to be provided by the municipalities.

### **d) Training on Anti-Corruption Strategies**

As part of implementing anti-corruption strategies, Municipality staffs were provided orientation training. The training program was organized at two levels. One was organized in each project Municipality and the other in Kathmandu. In total eighty authorities participated in the training program. Inlogos has plans to use these training manuals in other municipalities as well.

### **2.1.2 Preparing the Governance Reform and Decentralization Cluster Program I**

In order to support Government of Nepal in its poverty alleviation endeavour, ADB initiated a Governance Reform and Decentralization Cluster Program (GRDCP 1) for project preparation technical assistance (PPTA). The PPTA aims to support initiatives of Nepal Government in ensuring good governance, at the central and local government administration, as well as better frontline service delivery and less corruption in the public sector, through active public participation. Over all goal of the program is to support in inclusive poverty reduction by ensuring that rural poor, in particular, have better access to services provided by local level service agencies. The GRDCP 1 with 12 months duration is implemented under the joint management of Total Management Services (TMS), Inlogos and Policy, Research and Development (PRAD). A Steering Committee within

the Prime Minister office oversees and extends directives to the project. A team of professionals drawn from local governance and decentralization, administration and management, agriculture and livestock and education and infrastructure development are executing the Project.

The project has adopted four basic strategies to carry out the study:

- i. Institutional study of central and local level agencies engaged in service delivery which included, among others, Ministry of Local Development, Ministry of Agriculture and Cooperatives and field institutions covering DDC, Municipalities, VDCs and district and local sector agencies.
- ii. A house holds survey to evaluate status of access of citizens to services in Morang, Solukhumbu, Kavre, Bhaktapur, Kaski, Rupandehi, Dailekh, Jumla, and Kanchanpur.
- iii. Case study of poor, marginalized and minority segment of population such as, Tharu, Chepang, Rajbansi, Muslims, Dalit, Gurung and Women. In addition, a quick survey of poverty status was conducted to assess their access to services.

- iv. Pilot study in selected VDCs and Municipalities selected out of aforementioned eight districts. These VDCs and municipalities are Parroha VDC and Siddharthanagar municipality (Rupandehi), Hemja VDC and Lekhnath municipality (Kaski), Jhalari VDC and Mahendra Nagar municipality (Kanchanpur), Dullu VDC (Dailekh) and Nele VDC (Solukhumbu).

### **Lessons learnt from the project**

1. Long term periodic plans for long-term vision and long-term resource projection to be revived and record keeping and database in VDC to be strengthened along with adequate technical and financial management know-how of VDC Secretary.
2. As opposed to conventional planning module, facilitate local government planning agencies to adopt holistic approach in planning and budgeting by encompassing non-infrastructure related activities within the Plan as well. Discontinue vertical programs and projects from central ministries, departments, and regional bodies and from the DDC.
3. For the interim period, until promulgation of new LSGA under the upcoming Constitution and State Restructuring, inclusive, representative and functional local bodies should remain as principal agenda for reformation. Therefore, as required in the Interim Constitution, the local government agencies should be restored and functionalized. In the meantime, 'consensus mechanism', which has been developed during the transition period as process tool for operating the VDC business and for carrying out

- development activities, should closely be monitored for transparency and accountability.
4. Post of VDC Secretary should be upgraded with adequate training. The Secretary should be supported with technical, financial and administrative assistance. In order to address weak staffing situation in the servicing agencies, a non-conventional approach, such as out sourcing of staff can be initiated. Vacant post of VDC secretaries needs to be filled up; VDC office should be relocated to its original place. To improve the technical backstop of the VDCs, own staffing outfits under the LSGA should be created.
  5. In order to synchronize the services with resources, geographical areas of service centres and VDC should be redrawn to make these two units co-terminus. Agriculture and livestock service centers should be provided with adequate technical capacity, equipments, manpower and supplies of materials and drugs to cope with the demands of local services. They need autonomy of decision in programming and in resource allocation. Private sector and NGO sector initiatives in technical and material supply should be encouraged and supported.

### **2.1.3 Modality of Anti-Corruption Strategy Formulation**

To increase the confidence of urban people towards the municipal services by removing existing weaknesses in their functioning and increase their service quality and strengthen their internal resource mobilization capacity, Inlogos has developed a modality of anti-corruption strategy formulation.

## a) Objectives

- ?? To analyze the existing strengths and weaknesses of municipal functioning and support to identify the areas for improved service quality.
- ?? To support municipality to develop strategies and functional strategies that are necessary for improved services.
- ?? To provide necessary tools and processes for improving the functional capacity of municipalities and develop them as self-governed, organized, well managed, and transparent and clean public local institutions.

## b) Expected Outputs

- ?? The existing strengths and weaknesses of administrative network and service delivery system of the municipality identified.
- ?? Anti-corruption strategy with its action plan matrix formulated.
- ?? The existing municipal services classified and action plan to improve their existing service delivery system prepared.
- ?? Necessary monitoring and evaluation formats are developed and monitoring and evaluation skills transferred to Municipal authorities.

Inlogos expects that concerned municipality, governmental and non- governmental agencies, national and international organizations and concerned individual will support to achieve objective set by this program. The program is

designed to enable them to enhance their existing capacity through their own efforts.

## **2.2 System and Procedures Development**

### **2.2.1 Effectiveness of *Kumarickowk* *Tatha* *Kendriya Tahashil Karyalaya***

Rule of law is one of the primary components of good governance. The state should have a will and capacity in maintaining law and order on its administrative mechanism. Financial accountability is associated with the major themes of rule of law. Financial accountability also includes the mechanism of recovering public dues and dues exemption following transparent financial laws and policies. But the government entities specified for such task need to have capacity of taking their responsibility in a transparent and accountable manner. Available information shows that the public dues in Nepal are increasing day by day. One of the major reasons behind the situation is the lack of proper efficiency in the functioning of the assigned entities. However, there are a number of challenges causing such functional inefficiencies.

During the Rana regime *Kumarickowk* office was established to administrate the government accounts and financial management regulations.

After the emergence of democracy in 1950, two different entities namely i) Office of the Financial Comptroller; and ii) Department of the Auditor General were established to regularize the accounting and auditing process, respectively. Record Court was established during the year 1961 integrating different institutions assigned for recovering public dues. And with necessary amendments the court was converted to *Kumarichowk tatha Kendriya Tahashik Karyala* in order to recover public dues. Inlogos has made an assessment on the effectiveness of the *Kumarichowk tatha Kendriya Tahashik Karyala* and made necessary recommendations concerning policies/legal, managerial and organisational structure in order to have an efficient and effective functioning in the task of recovering public dues and dues exemption as envisaged by the governing Acts. The following are major recommendations made:

#### a) Legal and Policy Level

?? To facilitate the process of coordination functions among different agencies including executive, judiciary and other constitutional bodies including local bodies, development committees, a separate but unified Act on public debt recovery is needed;

?? Availability of clearly specified terms of reference with judicial obligations to each of the concerned

staff and officials is suggested to penalize those who are not following the law in forwarding proper records on public dues, to the *Kumarichowk tatha Kendriya Tahashik Karyala*.

#### b) Management Level

- ?? Measures of Human Resources Development and creating working environment including the management of physical facilities for capacity enhancement of the concerned staff and officials is recommended to motivate them in their duties and responsibilities,
- ?? Multi-sectoral professionals, staff and officials is to be placed for responsive functioning,
- ?? Strong database system is to be developed. Computer package database system on public dues and its recovery is suggested,

#### c) Organizational Level

- ?? The name of this institution is not self-explanatory and thus renaming has been recommended e.g. *Sarbajanik Banki Pharshot Karyalaya*. The following options for organizational restructuring are recommended:
  - ☞☞ Under the direct chain of command of the Office of the Prime Minister and Council of Ministers with special class

officer/secretary level as a chief of office;

☞☞ Special department under the Ministry of Finance with Joint Secretary as departmental head;

☞☞ Establish an independent commission and assign the task by formulating a separate Act

☞☞ Integrate the Inland Revenue Offices in Kathmandu Valley and assign additional task of recovering public dues in Nepal.

?? Authorize such entity to take necessary actions on the Auditor General report as specified by prevailing laws on financial management.

### **2.2.2 Study on the Management of District Development Fund (DDF)**

Local Self Governance Act (LSGA), 1999 is considered as one of the milestones in the history of decentralization and local governance in Nepal. District Development Committee (DDC) is the lead local governance institutions at the district level. LSGA has authorized DDCs to collect revenues including tax and non-tax revenue at the local level and also to receive conditional and non-conditional grants from the government including the financial assistance from donors and other institutions. However, each of the budget received by DDC needs to be deposited at the District Development Fund (DDF) - the non-operating account of DDC. Inlogos has

made an assessment of the effectiveness of the DDF in five selected districts, under the support of Local Body Fiscal Commission (LBFC), in order to assess the effectiveness of the fund. Based on the assessment findings following are some of the major suggestions made by Inlogos for effective operation of the DDF:

#### a) Planning and Monitoring

- ?? As per the clauses mentioned in LSGA most of the DDCs have prepared their first Periodic District Development Plan. Among the five selected DDCs (Jhapa, Rasuwa, Rupendehi, Banke, Doti) Rupendehi is still lagging behind. It was difficult to understand the functioning of DDF in the absence of periodic plan. So, Rupendehi DDC is suggested to prepare a periodic plan and the remaining DDCs have been suggested to review and evaluate their periodic plans.
- ?? All districts are recommended to follow the supervision and monitoring process as spelled out by clause 202 of the Local Self Governance Regulation (LSGR), 2000.

#### b) DDF Management

- ?? The DDCs which are not depositing donor supported fund, especially the budget received through the bank cheque, in DDF account are recommended to strictly follow the system of depositing that money first in DDF and then only transferring to appropriate operating account.

- ?? It is recommended to train the staff of account section and modify certain areas in the existing computer package for the effective functioning of DDF.
- ?? All DDCs have exceeded their ceiling of operation cost. It is mandatory to follow the specified ceilings.
- ?? Proper policy is to be introduced in mobilizing the credit fund of Local Development Fund Board (LDFB), as there is a significant level of overdue amount.

### c) Auditing

- ?? A unified policy and guideline in auditing budgets transferred through DDF including conditional and unconditional grant of the government, operation cost, public construction works and LDFB credit fund, is needed to facilitate and simulate the financial auditing practices.
- ?? Organizing regular training and exposure in the sectors of financial auditing for the concerned staff of account and internal audit sections of DDCs is recommended.

### **2.2.3 Preparation of Small-Scale Health Infrastructure Development Projects**

Health Sector Support Programme (HSSP) has been assisting the Department of Health Services (DoHS) in the development and management of small health infrastructure, medical equipment and health care waste management system and infection prevention since 1998. With the inception of HSSP's third programme phase, GTZ proposed to change the modality in which funds for small-

scale infrastructure development are administered.

Inlogos has developed an operational guideline and the contractual documents to support the process of project implementation under the new modality. Under this new modality, funds will be channelled through the District Development Committee (DDC) as opposed to GTZ's previous practice of directly getting into the contractual obligation with the management committees of beneficiary health facilities.

#### **2.2.4 Study on the Effectiveness of the Public Service Delivery**

There is no doubt that public service delivery institutions need to be more accountable and transparent. Customs is one of the major sectors of public interest and customs offices are government run institutions dealing with the import and export measures of the country. But the general public have negative perceptions about Customs Offices. It is suspected that there is inefficiency, malpractices, corruption and bribery at the customs offices. However, the Customs Department (CD) has initiated an indicator based monitoring system to combat such mismanagement issues. Inlogos under the support of National Vigilance Centre (NVC) has conducted a study on the effectiveness of public service delivery in sectors of customs mobilization and assessment of existing practices and prepared a set of objectively verifiable monitoring indicators.

Information regarding the functioning of the customs offices was collected from customs officers, related staff, customs agents, and the service seekers. Based on the findings Inlogos has made some recommendations to NVC for the better functioning and monitoring of service delivery system followed by the customs offices in Nepal.

## **2. Events / collaboration**

### **3.1 Constitution Assembly Election**

Mr. Krishna Prasad Sapkota-Inlogos member- was elected in the Constituent Assembly election from, Constituency No.3, Kavrepalanchowk district. Mr Shapkota has worked as DDC Chairman in Kavrepalanchowk for two terms, and also worked as the Chairman of Association of District Development Committee, Nepal (ADDCN) for the last several years. Mr Shapakotas' contribution in the field of decentralization and local governance is highly significant. His experiences and learning in this field is expected to reflect in the new constitution. Inlogos organized a special programme on Baisakh 20, 2065 to congratulate Mr Sapkota and wish for success in his tenure.

### **3.2 General Assembly Meeting**



The third annual general assembly meeting of Inlogos was held on 16 Kartik 2064 (2 November 2007) at Hotel Pension Vasna, in

Dillibazaar, Kathmandu. Out of 33 individuals and 3 institutional members of Inlogos 20 individuals and 2 institutional members participated at the AGM. The meeting was chaired by the Inlogos Executive Chairman Mr. Khem Raj Nepal. The meeting appreciated the annual progress and achievements made by Inlogos and decided to endorse the annual technical report submitted by the Executive Chairman and the financial report including the audit report presented by Dr Chandra Mani Adhikari (Inlogos member) on behalf of the treasurer. One of the major decisions made by the assembly was to explore and harness the opportunities prevailing in the sectors of municipal governance and micro-credit.

### **3.3 Executive Committee Meeting**

The Executive Committee members of Inlogos meet regularly. Four formal meetings of the Inlogos Executive Committee were held in the reporting fiscal year. Review on the on going projects and facilitating the operational procedures were the major agendas of the meeting. Inlogos promotes participatory decision making process and thus prefers to adopt transparency measures while deciding major policies procedures and management issues.

### **3.4 Institutional Linkages and Collaboration**

Inlogos has a good institutional network with local government bodies (VDCs, Municipalities, and DDCs) along with their associations: Association of District Development Committee,

Nepal (ADDCN), Municipal Association of Nepal (MuAN), and the National Association of Village Development Committee in Nepal (NAViN). It has been collaborating with the district, national and international agencies and has built a good institutional relationship with them. Accordingly, Inlogos has been strengthening collaboration with its institutional members namely Namsaling Community Development Centre (NCDC), Illam, Namasaling Cooperation Forum (NCF), and Women's Hand (WH).

During the past reporting year, Inlogos also took steps towards developing and executing collaborative programs. Development Projects Service Centre

(DEPROSC) Nepal is one of the national NGOs in Nepal specialized in sectors of micro-credit and local development. In order to explore the opportunities of mutual cooperation and collaboration,



two meetings were held with DEPROSC-one in Inlogos and the other in DEPROSC. Major focus of the meeting was to share ideas and opportunities in the field of micro-credit. Inlogos is trying to expand its collaboration with Total Management Service (TMS) a reputed company in Kathmandu. Currently, a collaborative project on anti corruption involving Inlogos, TMS and PRAD is underway and strategies for expansion of this project have been built.

CARE is an international organization especially committed to support rural people in Nepal. Most of the programmes of CARE are rural/remote area

focussed. However, it is their interest to intervene the urban focussed programme in the near future. Inlogos as a specialized agency in the sectors of local governance focussing both on rural and urban communities would like to extend its cooperation with the like minded institutions. Along this line a meeting with CARE Nepal was organized by Inlogos to share ideas in promoting municipal governance. The preliminary meeting was fruitful in paving out avenues for further collaboration.

During last November a two member team from Queensland University of Technology (QUT), Brisbane Australia visited Nepal in the process of expanding their cooperation to Nepal. Inlogos had an opportunity to invite them at its office during their visit. A meeting was organized to explore the opportunities of joint collaboration and cooperation. During the meeting it was agreed that Inlogos will support QUE projects in the sectors of decentralization and local governance. The representatives from QUE were positive to work with Inlogos as the local representative of the project to come. Inlogos is looking forward to work with QUE in future.

Inlogos has partnered with projects of UNDP, UNCDF, Danida/HUGOU, ADB, IFAD and other international agencies. Further to expand the partnership Inlogos has submitted different proposals to the multilateral and bilateral agencies including UNDP, CCO, GTZ/UDLE, and RDIF (DFID/SWC). Inlogos is open to partnership with institutions that work in the areas of institutional development, anti-corruption, decentralization, local governance, service delivery and other development sectors including livelihood promotion and poverty reduction.

### **3. Inlogos Publication**

Inlogos has published the following documents during the reporting period (FY 2064/65)

- ?? Inlogos Progress Report  
: 01-00-09-07
- ?? Anti-corruption strategy for municipalities  
: 02-01-03-08
- ?? Participatory Monitoring System  
: 02-02-04-08
- ?? Training Manual on Anti-Corruption Strategy  
: 02-03-04-08
- ?? Modality of Anti-Corruption Strategy Formulation  
: 01-02-05-08
- ?? Governance and Anti-Corruption wall calendar for Year B.S.2065 : 01-03-04-08
- ?? Anti-Corruption advocacy materials  
: 02-04-04-08

### **4. Lessons Learnt on Municipal Governance**

Inlogos has enriched experiences in the field of municipal functioning and has developed anti-corruption and good governance promotion strategy and its action plan during the seventeen months long project. Inlogos also has assessed the existing service delivery capacities of the selected municipalities with appropriate recommendations for improvement. The municipal good governance promotion project has developed participatory monitoring system and tools to improve service delivery system of the project municipalities. Inlogos was assured that the recommendations will be implemented in future. The municipality council of all the project municipalities have approved the developed strategy and adopted for implementation. Although Inlogos has received certain assurance from municipality officials, the recommendations made by the project are expected to be

implemented in phases. However, it has to be seen when and how they apply to improve their service delivery functions. In general the recommendations made by Inlogos can be classified into three categories

- a. Activities that Municipality is technically and financially capable to execute;
- b. Activities that municipality is capable to implement through its own financial resource but needs external technical support; and
- c. Activities that municipality needs both the technical and financial supports from external agencies.

Follow up actions are required to monitor the activities under (a) that municipalities can immediately start. Inlogos can play an important facilitating role in pursuing the three municipalities and provide counselling services, monitor the progress, advocate for the project at central and municipal levels. Inlogos can also support to create awareness among the tax payers and advocate on behalf of both the municipality and the concerned stakeholders including the service seekers.

For activities under (b), Inlogos can provide necessary technical support and develop calendar of operation. Municipality may require support at least for two more years to accomplish the recommended activities and establish itself as trustworthy public institution. The tools developed by the project may turn into an academic paper, if no technical support is provided to the concerned municipality.

Activities under (c) are long term project. The task will begin after accomplishing the task under groups (a) and (b). Municipalities in the mean time may develop its capacity of its own.

External resources may require completing the long term project. Dissemination of the tools developed by Inlogos in other municipalities of the country is equally important for increasing their efficiency and hence reducing corruption. Inlogos may not be able to launch such project with its own resources. Hence external resources are required to disseminate the knowledge gained and apply the tools developed by the project.