

(Final)



Ministry of Federal Affairs and General Administration (MoFAGA)
Provincial and Local Governance Support Programme (PLGSP)

Second National Steering Committee Meeting
8th July 2022

Meeting Minute

Chaired by the Hon'ble Minister, Rajendra Shrestha, MoFAGA

1. Decisions:

- i. The NSC reviewed the decisions taken at the 1st NSC meeting, held on 10 December 2021, and recognized the Actions Taken in light of these Decisions
- ii. The NSC reviewed the decisions taken at the 6th NEC meeting held on 26 May 2022.
- iii. Semi-annual Progress Report comprising PLGSP progress 16 July 2021 – 31 June 2022 noted.
- iv. Guiding principles, strategies and approaches adopted to the formulation of the ASIP 2022/23 was noted. The Committee endorsed the PLGSP ASIP FY 2022/23 with a total budget of NPR 3328.628 million, including the suggestions from the participants pertaining to budget allocation to PCGG renovation/construction and IPF.
- v. The MTR Recommendations, implications & stakeholder engagement related to TA was noted. The meeting instructed PCU to develop a stakeholder engagement process to consult, build consensus on the recommendations among the stakeholders and propose the re-designing / extension of the programme in next NSC meeting scheduled in November 2022.
- vi. The summary presentation on the revised PLGSP MEL framework was welcomed and noted.


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Annex-1 is discussion and suggestions from the participants and Annex-2 is list of attendees/participants of the meeting.

ANNEXES

Annex-1: Discussion and suggestions from the participants

1. Reflection on the 1st NSC Decisions & actions

NPM, Chiranjivi Timsina updated progress against the first NSC decisions and actions (10 Dec 2021), all of which were complete.

2. Reflection on the 6th NEC meeting decisions and actions

NPM, Chiranjivi Timsina updated progress against the 6th NEC meeting decisions. The decision included approval of PLGSP's annual progress report 2020/21, PLGSP's Fiduciary Risks Reduction Action Plan (FRRAP) and the fiduciary risks assessment frameworks, take note of Mid-Term recommendation and formation of TASK group comprising MoFAGA, PCU, Development partners and the UNTA.

3. Progress Update July 2021- June 2022

NPM, Chiranjivi Timsina updated NSC on progress against the Programme Outcomes and presented financial delivery progress against ASIP. Since many activities are ongoing, financial expenditure will increase above current levels along with the completion of ongoing activities. TA expenditure to June 2022 is NPR 258.96 million (55.32%) of a total budget of 468.12mil.

Total JFA budget for current fiscal year is NPR 2956.7mil, with expenditure at 493.867mil (as of 13 April 2022); Provincial expenditure varied from 12.54% to 18.12% with average of 14.3%. FCGO expenditure was at 18.58% whilst PCU expenditure was 27.42%.

NPM, Chiranjivi Timsina briefed that several challenges remained crucial including delay in implementing of IPF. Issues of low expenditure are expected to be addressed through the implementation of activity which are in pipeline, including the development of Capacity Development infrastructure In PCGG and accelerated training delivery by PCGGs. The creation of PLGs' websites has been instrumental in providing public access to people on budgetary information, programmes and priorities of LGs.

4. PLGSP ASIP 2022-2023

NPM, Chiranjivi Timsina presented ASIP 2022/23 highlighting the principles priorities, , key activities, budget and deliverables. He pointed out that the ASIP has been prepared based on a participatory & transparent approach fully responsive to meeting the needs of PLGs and with increased horizontal and vertical coordination among LGs, PGs and all three tiers of government.


National Program Manager

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5. PLGSP Mid-Term Review

The Mid-Term Review (MTR) of PLGSP has been completed by an independent consulting firm. NPM presented the key six recommendations of the MTR. The MTR report noted that PLGSP remains highly relevant, given the federal setup. A TASK group will be formed to prepare an action plan and lead the process of full stakeholder engagement. The outcome of the consultation and re-programming of PLGSP will be presented to National Steering Committee (scheduled for November 2022) for their approval.

6. PLGSP MEL Framework

NPM presented the summary of PLGSP's MEL framework, which included additional indicators based on the local demand and specification of the PLGs. The indicators included Fiduciary Risk Assessment Framework (FRAF), Internal Control System (ICS), Mid-term Expenditure Framework MTEF) and Periodic Plan for LGs. The framework is fully aligned with the JFA result matrix, with complete information technically and sufficient to accommodate the local need of the provincial and local governments.

7. Suggestions and Remarks from NSC Participants

Representatives of Local Governments (Mayors/Deputy Mayors)

PLGSP should focus developing the capacity of the LGs on law making process with adequate knowledge. The Land use policy exists but the SoP has not been developed by the federal government so far and it has been difficult to the LGs to proceed with the land use policy formulation. The programme should focus on addressing Gender Based Violence (GBV) including the development of measures for judicial committee. LISA serves as an effective tool to guide LGs for institutionalizing their internal system and procedure. Suggested PCU to schedule meeting on timely manner and communicate with participants in advance, as the invitation to NSC was received only a day before this time.

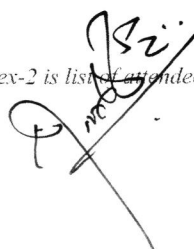
UNDP

UNDP welcomes the continued collaboration/partnership and working with DPs, MoFAGA & PLGs to deliver and accelerate federalization. UNDP has been implementing a complementarity initiative of PLGSP called EU Supported Inclusive Federalism (EUSIF) project in Karnali province in partnership with EU. UNDP is committed to closely working with MoFAGA, DPs and a full range of PLGSP stakeholders, as an active partner, going forward. Thanked, everyone, MoFAGA colleagues, and DPs for having UNDP in the current roles.

FCDO

On behalf of DPs, congratulated Gopi Krishna Khanal (former NPD of PLGSP) for his contribution to PLGSP. The past two years of PLGSP remained challenging due to several reasons. It's been quite difficult to change the direction of the programme in terms of opportunity and recognition. The key message of this programme is federalizing the provincial and local governments and we have to prove the contextualization of PLGSP in the sense of learning by doing process. FCDO acknowledge that ASIP is quite comprehensive and look forward to continued partnership and support.

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Norwegian Embassy (NE)

This is a very important meeting for us. Two points are very crucial for the approval of ASIP, as there is a significant amount of budget in this year plan for the implementation of IPF and PCGG renovation/construction. The final approval for a first and limited round of IPF Funding in ASIP 2022/23 is conditional to the agreed actions mentioned in the ASIP being taken forward to ensure innovation & compliance of the IPF Guideline. The second is construction of PCGGs infrastructure, where the required legislative, legal provision of the PCGG is a necessary condition to implement the PCGG renovation and construction related budget item. In addition, NE requested MoFAGA that there is no duplication in the mandate of the Federal Training Academy Act (FATA) and the PCGGs.

ED Madhesh Province/PCGG

Appreciated the thorough presentation. PCGG has been able to deliver lots of training which are supportive to strengthening federalism. PCGG has been supporting LGs to ensure quality service delivery by them. PCGG has initiated GESI-related activities to enhance the status of backward and excluded people. The delivery is effective and in this scenario, this meeting is very effective to give way forward. PCGG has proposed a considerable budget for the construction of the PCGG's infrastructure and it would be spendable only if there is a multiyear expenditure provision.

Principle Secretary, Madhesh Province

PLGSP's activities should be revisited to better contextualize the programme as per the demand of the local context. The GESI-related activities should be implemented through the Women and Children Section of LGs. As per MTR recommendation, the enabling environment should be created to make the SNGs functional. Since the federal concept is new and the constitution has given new mandates to all three tiers of government, the programme should focus on institution buildings support. Experts should be reoriented to direct their efforts toward making the institutional mechanisms functional. There should be integrated laws for the use of natural resources such as Mines, and stone grabble; this programme should support in formulating laws in this sector. The programme outputs should be reoriented focusing more on institutional buildings of PLGs.

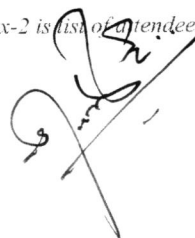
Secretary / Federal MoWCSC

He expressed his opinion that since Women and Children Offices dissolved, the issue of GESI has been abandoned and this is the right time to think about this while mid-term review has recommended changing the modality of the programme. He added further that the DP's interest is to channel at least 33% budget into GESI initiatives, but our development model focuses on building infrastructure. As per the concept of SINGH DARBAR at doorstep, he suggested PLGSP to focus on institution building.

Secretary of MoFAGA

PLGSP is close to completing its 4th year and it is focused on capacity building of provincial and local governments. The PCGGs have been established in all 7 provinces and they are delivering a series of training and other capacity-building initiatives. Recently, the newly elected LGs' Chiefs and deputies have been trained through the PCGGs. Under the support of PCGG, LGs have made Periodic plans and are being implemented. PLGSP is supporting such

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activities and some other organizations are also supporting that. The sample laws have been developed and provided to LGs. It helped well to the LGs in the formulation of their laws.

LISA has been established to assess the weakness and strengths of LGs and it helps to enhance their capacity based on their gaps. In a such way, PLGSP has supported such activities. Building institution is quite important but, the PLGSP is supporting in another way to make the LGs/PGs functional.

Responding to the query of Deputy Mayor Ishrat Pravin, he suggested that discussion should be initiated in Palika. Laws have already provided enough rights to Deputy Mayors. DPs' have raised concerns about the Federal Civil Service (NIJAMATI) Act which is already initiated. FATA is not going to be established at the provincial level. FATA would research on bottlenecks of implementation of federalization. It would be a platform to conduct policy dialogues and it would not be a parallel training center as PCGG. He added that may be the "T" in FATA might not be needed as training might duplicate functions with other training centers. He stressed that it will be a forum of experts and will conduct research on inter-governmental relations and on international best practices.


Hon'ble Chief Minister, Madhesh Province

Thanked the Hon'ble Minister of MoFAGA for holding this meeting in Madhesh Province. He suggested PLGSP to follow the bottom to top approach to make the programme more effective. He pointed out that the PCGG is implementing capacity development activities for the provincial and local governments intensively. He further informed that the center has recently oriented the newly elected LGs' chiefs and deputies on their roles and responsibilities which remained quite effective. He highlighted that the Madhesh Pradesh have passed the Provincial Civil Service (NIJAMATI) Act from the assembly where 50% of seats are reserved for women. He further added that the Madhesh Pradesh is close to completing the O&M Survey of PGs' organizations and have already started appointing staff through Provincial Public Commission. He stressed the need for well-trained employees in the province and highlighted the challenge around frequent transfers of government staff and gave example that in his tenure this is the 6th Principle Secretary. He expressed his commitment to pass PCGG Act to establish legally a well-managed training center to deliver capacity building training to the elected representatives and government staff. He expressed his opinion that the PCGG can be used to create a platform for dialogue between Mayors and Deputy Mayors for strengthening the federal system. He said that the federalism is all about listening to the local voices not imposing from the center. The PLGSP has created a coordinated space for collaboration which is commendable.

Hon'ble Minister, MoFAGA

Expressed his hope that all the members of the steering committee will continuously support the implementation of the programme. Orientation organized by the PLGSP in various areas such as; IT development, SuTRA and GESI is contributing to strengthening Federalism. He appreciated the Madhesh Pradesh for making progressive acts in terms of reservation for women and marginalized communities. He expressed his opinion that the situation of entertaining equal rights in state power is important to create ownership and inclusion for all people in the governance system. He pointed out that the LISA is an effective tool to keep the LGs on track in terms of functioning and performing well, a provincial self-governance system

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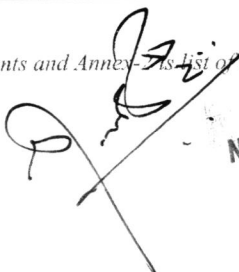
is also essential to promote good governance. Responding to the query of the Deputy Mayor that they are resourceless to respond to the aspiration of their citizens, the Hon'ble Minister said that the Deputy Mayors have rights to present budget and they chair nine different committees and have enough power but the patriarchal mentality is creating hindrance. He mentioned that there has been a principal agreement made on the Civil Service Act and consultations are ongoing. After the enactment of this the province government will be able to recruit their own staff through the province civil service commissions. He added that he is hopeful that the act will be passed soon but of course it will depend on the parliament. Hon'ble Minister also clarified on the role of FATA and said that it will be more of an academic research center and will also coordinate with PCGGs. Finally, the Hon'ble Minister/the Chair of the meeting closed the meeting by thanking all the development partners for their effective collaboration and partnership in the implementation of the PLGSP, and the participants for their active participation in the meeting.

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Annex-2 List of the Attendees/Participants of the 2nd NSC meeting
Bardibas, Madhesh Prades, 8 July 2022

SN	Name of Participant	Position	Office
1	Hon'ble Minister Rajendra Shrestha	Minister	MOFAGA
2	Hon'ble CM Lalbabu Raut	Chief Minister	OCMCM, Madhesh Province
3	Mr. Suresh Adhikari	Secretary	MOFAGA
4	H.E. Nona Deprez	EU Ambassador	EU
5	Mim Hamal	SPM	EU
6	Krishna Bahadur Raut	Provincial Secretary	OCMCM, Madhesh Pradesh
7	Hari Prasad Mainali	Secretary	MOWCSW
8	Gopi Krishna Khanal	Secretary	GoN
9	Andrew Long	Team Leader, Governance Politics and Services Team	FCDO/British Embassy
10	Ian MacDougall	Fed Gov Spec & DP Coord	UNDP
11	Jiwan Subedi	Political Affairs Officer	EU
12	Shradha Rayamajhi	National Programme Officer	SDC
13	Raj Kumar Dhungana	Sr. Governance Advisor	Royal Norwegian Embassy
14	Shailee Manandhar	Senior Programme Manager	FCDO/British Embassy
15	Satar Ansari	ED	PRTC, Madhesh Province
16	Shivnath Paudel	PPD	PLGSP
17	Ashok Kumar	Chair	Baragadhi RM, Baraa
18	Suraj Maharjan	Under Secretary	MoFAGA
19	Sherpa Gambu	Chair	Khijidemba RM, Okhaldhunga
20	Prakash Bhandari	Mayor	Sharada Municipality, Salyan

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National Program Manager

(Final)

21	Pramod Bhandari	-	Sharada Municipality
22	Ran Bahadur Rai	Mayor	Suryodaya Mun., Ilam
23	Dipesh Rai	-	Suryodaya Mun., Ilam
24	Vaiju Prasad Gupta (Dipak)	Chair	Palhinandan RM
25	Raja Ram Tandukar	Private Secretary	MoFAGA
26	Sirjana Burlakoti Aryal	Deputy Mayor	Tarakeshwor Mun. Kathmandu
27	Lhamu Sherpa	Personal Assistance	Khijidemba RM
28	Rudra Singh Tamang	Joint Secretary	MOFAGA
29	Sarita Kumari	Vice-Chair	Basbariya Rural Mun.
30	Ishrat Parbin	Deputy Mayor	Rajbiraj Mun.
31	Bernardo Cocco	DRR	UNDP
32	Rajan Thapa	Administrative Officer	PLGSP
33	Pashupati Gupta	Computer Operator	Palhinandan Rural Mun., Nawalparasi, Lumbini
34	Dhan Bahadur Chand	HoFO	UNDP
35	Krishna Prasad Bhattarai	Lead Officer: Project Coordination and Quality Assurance	UNDP


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