Government of Nepal
Provincial and Local Governance Strengthening Programme
(PLGSP)

Madhesh Province Capacity Needs Assessment, Partnership Mapping Findings Best Practice Options and Potential TA Deployments

Provincial Consultation Note

June 2025

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ABOUT THIS NOTE

This document provides a summary of results emerging from fieldwork, institutional analysis, and key informant interviews conducted across Madhesh Pradesh Province to assess core capacity needs and partnership options in governance, public financial management, and service delivery under Nepal's federal framework. It identifies ***primary capacity needs as a long list for provincial prioritization***, while also mapping existing partnerships, identifying areas of strategic alignment and opportunity, and distilling best practices that can be upscaled.

The report is merely provided as an input to shortlisting priority actions by provincial authorities, and it does not provide a detailed institutional ecosystem analysis, as institutional issues (capacities, partnerships etc.) will only be covered in the final partnership mapping and capacity assessment report.

Based on the findings, the analysis proposes two technical assistance (TA) positions—focused on public financial / local revenue generation management and digital governance (beyond ICT)—to be taken forward under the Provincial and Local Governance Strengthening Programme (PLGSP).

1. PROVINCIAL GOVERNANCE PROFILE

Madhesh Province, located in the southeastern plains of Nepal, operates under the federal democratic republican system established by the Constitution of Nepal 2015. The provincial government is organized into three key branches: executive, legislative, and judicial.

- *Executive Branch*: The Governor serves as the ceremonial head of the province, while the Chief Minister leads the provincial government. The Chief Minister chairs the Provincial Cabinet, which includes ministers responsible for various sectors such as Physical Infrastructure Development, Economic Affairs, and Social Development.

- *Legislative Branch*: The Madhesh Provincial Assembly is a unicameral legislature consisting of 107 members—64 elected through the first-past-the-post system and 43 through proportional representation. The assembly has a five-year term unless dissolved earlier. The assembly's term is five years. The current composition includes representation from multiple political parties, with seats allocated to ensure inclusivity in line with GESI principles, including women, Dalits, and marginalized groups as mandated by the constitution.

- *Judicial Branch*: The Janakpur High Court functions as the apex judicial authority in the province, tasked with delivering justice and upholding the legal framework within its jurisdiction. It is noted that the Janakpur High Court, while functioning within the province, is not under the authority of the provincial government. The judiciary remains centralized under the federal structure and has not yet been devolved to provincial authority."

- *Administrative Structure*: Madhesh Province comprises eight districts: Bara, Dhanusha, Mahottari, Parsa, Rautahat, Saptari, Sarlahi, and Siraha. These are further divided into 29 municipalities and 59 rural municipalities. Each local unit functions with administrative autonomy, managing local development, public services, and governance based on the specific needs of its communities. Although the province comprises eight districts, it is important to note that districts are not administrative units of the provincial government. The Chief District Officers (CDOs), as per existing legislation, report to the federal government.

- *Fiscal Structure*: Under Nepal's federal constitutional framework—primarily Article 57, Article 60, and the Intergovernmental Fiscal Arrangement Act (2017)—the division of fiscal authority is clearly delineated across Schedules 5, 6, 8, and 9 of the Constitution. Madhesh Province has the power to levy its own taxes, including agricultural income tax, vehicle tax, entertainment tax, and service charges, as outlined in Schedule 6. While property tax falls under local government jurisdiction (Schedule 8), the province receives fiscal transfers from the federal government, including equalization, conditional, and special grants, as well as a share of national revenue based on a formula recommended by the National Natural Resources and Fiscal Commission (Article 60). These resources support the province's administrative functions, infrastructure, and development programs. Table 1 provides the structure of sub-national fiscal assignments.

Table 1.	PROVINCIAL, LOCAL GOVERNMENT AND SHARED FISCAL ASSIGNMENTS
Provincial Fiscal Assignments	
Tax Type	**Details / Notes**
Vehicle Tax	Includes registration, ownership transfer, and annual renewal of vehicles.
Entertainment Tax	Applied to cinema halls, events, shows, and other commercial entertainment.
Advertisement Tax	On advertisements displayed in public spaces, billboards, etc.
Agricultural Income Tax	Provinces may impose this on larger-scale farming activities (non-subsistence).
Tourism Fee / Tax	Includes trekking permits, entry fees, and related provincial tourism charges.

Service Charges / Royalties	For the use of provincial services, licenses, and natural resources (e.g., forests).
Provincial Property Tax (if any)	Rarely imposed; often overlaps with local government mandates.
Local Government Fiscal Assignments	
House and Land Tax (Property Tax)	Imposed annually based on land and building valuations.
Business Tax / License Fee	For operating commercial entities within local jurisdictions.
Rental Tax	On rental income from properties (usually residential or commercial leases).
Advertisement Tax	For ads displayed in local public areas (can overlap with provinces).
Vehicle Entry Tax	On commercial vehicles entering local territory, often for goods transport.
Market Tax / Haat Bazaar Tax	Fees on vendors or marketplaces within local boundaries.
Entertainment Tax	Events, local fairs, movie halls (may overlap with provincial taxes).
Service Fee / Local Royalties	For use of community services (e.g., water, waste management).
Heritage / Culture Fee	For visiting temples, monuments, etc. under municipal control.
Tourism Fees (local level)	Entry or facility use charges (e.g., for local trekking routes or home stays).
Shared Taxes Across Tiers of Government	
Value Added Tax (VAT)	Collected by federal government, shared with provinces/local.
Excise Duty (on local goods/services)	Shared between federal and subnational levels.
Natural Resource Royalties	Revenue from hydropower, forests, mines shared as per formula.

Source: Constitution of Nepal (2015) and Devkota, K., L., (2020)

This multi-tiered governance arrangement empowers Madhesh Province to address regional development priorities effectively while ensuring consistency with national laws and constitutional guidelines.

2. NOTE PURPOSE

This Note serves to consolidate key findings from the capacity gap assessment, partnership mapping, and field-based identification of scalable best practices across Madhesh Province under the Provincial and Local Governance Strengthening Programme (PLGSP). Its purpose is threefold:

▪ *Diagnose Provincial Capacity Gaps*: The Note provides an evidence-based overview of institutional, organizational, and systemic deficits across planning, fiscal management, digital governance, and service delivery functions. Drawing on structured interviews, administrative reviews, and local government diagnostics, it outlines 47 capacity gaps requiring prioritization by the province.

▪ *Map Strategic Partnerships*: It identifies current and emerging partnerships with development actors—including INGOs, bilateral programs, and UN agencies—and evaluates their alignment with PLGSP objectives. The mapping highlights potential synergies, innovation channels, and duplication risks, offering a roadmap for integrated development cooperation.

▪ *Inform Future Technical Assistance Deployment*: Based on the assessment, the Note proposes targeted technical assistance (TA) placements and models for scaling best practices. It emphasizes high-impact, cross-cutting roles—particularly in public financial management, digital governance, and inter-governmental coordination—that can unlock reform momentum and strengthen federalism in practice.

By aligning institutional analysis with practical entry points, the Note will inform future PLGSP support, donor coordination, and provincial strategic planning processes—helping ensure governance in Madhesh Province is inclusive, accountable, and resilient.

3. CLARIFYING INSTITUTIONAL GAPS

While the primary aim of this Note is to consolidate a comprehensive list of capacity needs across sectors and governance functions, based on field survey results, several overarching institutional themes emerged during provincial consultations. These warrant a brief mention to inform future planning and support.

- *Provincial Assembly's Legislative Role*: The Provincial Assembly's potential remains underutilized, particularly concerning the volume of legislation required to operationalize provincial mandates. Capacity gaps in legislative drafting, public consultation, and alignment with federal frameworks are evident. Establishing a legislative support unit within the Assembly Secretariat and strengthening linkages with sectoral ministries could address these challenges.

- *Intergovernmental Relations (IGR)*: While formal IGR structures exist, their functionality varies. Emphasis should be placed on enhancing existing forums—such as the Provincial Planning Commission and OCMCM-chaired coordination meetings—to improve coordination. Integrating digital tools like the Project Bank and GEOMIS can further reduce fragmentation.

- *Inclusivity in Decision-Making*: Despite the mainstreaming of GESI principles in law, practical mechanisms to ensure the participation of women, youth, Dalits, Janajatis, and persons with disabilities in planning and budgeting processes are limited. Institutionalizing participatory tools such as community scorecards and Ward Citizen Forums can enhance inclusivity.

- *Law-Making Process*: The legislative process faces constraints due to procedural ambiguities and limited legal drafting capacity. Supporting procedural reforms and digitizing legislative workflows, drawing on models piloted by organizations like UNDP, can streamline law-making.

Cross-Cutting Importance of GESI and Social Inclusion

The integration of Gender Equality and Social Inclusion (GESI) serves as a foundational, reflecting PLGSP's commitment to structural transformation and inclusive governance. Strengthening GESI is both a strategic opportunity and a necessity. A more comprehensive and systematic analysis is picked up on the main assessment report to understand how institutional capacities—or the lack thereof—affect historically marginalized groups including women, Dalits, Indigenous Peoples, Madhesis, persons with disabilities etc. Embedding this lens is essential to expose entrenched power imbalances and to articulate the program's ambition to disrupt the status quo.

This decentralized governance model enables Madhesh Province to respond effectively to regional needs while ensuring alignment with national priorities and constitutional provisions.

4.   CAPACITY ASSESSMENT RESULTS

The Capacity Assessment is a key component of the Provincial and Local Governance Strengthening Programme (PLGSP) in Nepal. This assessment evaluates the institutional, organizational, and individual capacities of provincial and local governments (PLGs) to ensure they function effectively within the federal governance framework. By identifying strengths, shortcomings, and capacity needs, the assessment provides a data-driven foundation for designing targeted interventions that enhance governance performance and service delivery addressing those identified capacity needs.

This exercise examines governance structures, human resources, policy implementation, financial management, and service delivery mechanisms across the seven provinces and selected local governments. It identifies systemic, institutional, and individual-level challenges, ensuring that PLGSP's support aligns with the specific needs of each province and municipality. The assessment also contributes to the development of capacity-building strategies, informing PLGSP's technical assistance (TA) deployment, staffing recommendations, and training priorities.

By establishing a baseline for future capacity enhancement efforts, this assessment helps provincial and local governments strengthen governance mechanisms, improve coordination, and deliver more inclusive and effective public services. It ensures that PLGSP interventions are evidence-based, responsive, and sustainable, contributing to the long-term goal of functional, accountable, and resilient provincial and local governance in Nepal.

Note: Although this report provides only a short summary of capacity needs, the main final report will map capacity constraints more explicitly against the 21 areas of exclusive constitutional competence assigned to provinces.

Summary of Capacity Needs Assessment Findings

The capacity challenges facing Madhesh Pradesh reflect systemic constraints across the public sector management spectrum. While institutional mandates have expanded under federalism, the ability to translate these into coordinated planning, sound fiscal management, and effective service delivery remains limited. Fragmentation between federal, provincial, and local levels undermines strategic coherence, while critical functioning of Province Development Action Committee (PDAC), of Provincial Coordination Committee (PCC), need for post legislative policy scrutiny, revenue generation, strengthening integrated sectoral planning, capacity gaps of the human resources and digital infrastructure continue to stall reform momentum. Social protection, employment creation, inter-municipality coordination, and innovation are treated in approached in a fragmented manner, often with limited or inconsistent resourcing. This summary provided in Table 1 below provides the long list for provincial prioritization, based on needs identified from the provincial and local government work, in broad terms as follows:

Functioning of Province Development Action Committee (PDAC), and Provincial Coordination Committee (PCC): Regular meetings of PDAC and PCC could address various IGR related issues in the province. PDAC plays a vital role in ensuring that development policies and plans are executed efficiently at the provincial level. **Similarly, regular meetings of (PCC) is essential for strengthening** federal governance and ensuring effective coordination among different levels of government

Post legislative policy scrutiny: Post-legislative policy scrutiny is essential to ensures that laws and policies function as intended after being enacted. As many of the policies drafted at the provincial level have followed the templates of the federal government, it is important that a policy audits are done to ensure policy effectiveness, accountability, transparency, public trust and engagement.

Planning Fragmentation and Under-Developed Inter-Governmental Coherence: Persistent challenges exist in harmonizing planning and budgeting processes across government tiers. Despite the

rollout of a software-based Project Bank, utilization remains low due to insufficient staff training and limited localization. The absence of connected digital systems limits coordination between levels of government. Capacity development support is needed for spatial planning, digital mapping, and project identification guidelines to enhance alignment between provincial and local planning.

Underutilized Exclusive Rights in Agriculture and Revenue Domains: While the province holds exclusive mandates in agriculture and some revenue areas, these are underleveraged due to the absence of analytical studies on fiscal potential. The CD framework calls for studies on revenue capacity and expenditure needs and the development of a Digital system on local revenues estimates, collection and revenue sharing between the municipality and Province

Budgeting systems needs review for equitable allocations: There is a need for equalization grant allocations formula considering geographical proximity and revenue potential, along with improved conditional grant allocation mechanisms that apply KPI-based conditionality in coordination with NNRFC.

Budget Unrealism and Need to Strengthen Fiscal Futures: Budget formulation remains disconnected from realistic forecasts. Capacity building is required in budget tracking (especially for Gender, SDG and climate-linked spending), audit documentation, and understanding of revised revenue-sharing frameworks. Strengthening internal audit systems and building technical backstopping for PFM software such as RIMS, PAMS together with Electronic Government Procurement (e-GP) system enhance transparency, efficiency, and accountability in revenue management, asset management and public procurement. are also prioritized.

Sectoral and Infrastructure Planning Capacity Needs Strengthening: Core service delivery sectors—specially infrastructure—continue to suffer from fragmented planning processes, duplication of efforts, and limited cross-governmental coordination. Planning is often reactive rather than strategic, hindered by inadequate data use and constrained institutional capacity in information and data sharing between the three tires of the government.

Need for System strengthening in Improving Internal Control System: System to build fiscal discipline for reducing fiduciary risk -Addressing disallowable audit issues is important for the province. Strengthen arrears settlement is needed. Developing a Develop a system of result-based financing is seen important to improve the financial discipline.

Capacity constrains among the elected representative: This issue is a major gap to develop a strong institutional mechanism in the implementation of federalism in the province and the local government.

Capacity Constraints in Local Economic Development (LED) and Employment Creation: LED strategies are fragmented and need to be strengthened. The CD table calls for programs that go beyond subsistence to expand the provincial revenue base. Structured approaches, including identifying revenue-enhancing programs and promoting private sector engagement, are essential to long-term economic resilience.

Justice, Social Protection, and Inclusion Mechanisms Require Strengthening: Public awareness of local justice mechanisms is low. The table recommends training for legal facilitators, public outreach campaigns using FM and digital platforms, and incorporating mandatory budget provisions for women, children, and disadvantaged groups.

Digital Systems and Knowledge Platforms Remain Fragmented and Underutilized: Despite significant investments in digital tools under PLGSP, many platforms are now non-functional, with limited data integration, poor system interoperability, and inadequate institutional ownership. Ministries lack real-time monitoring and centralized digital infrastructure. There is a pressing need to operationalize platforms such as Government Integrated Office Management System (GIOMS), and

Integrated Document Management System (IDMC), and a digital interface at provincial level that connects with LG to access list of Acts and regulatory Frameworks developed by the Local Government in Coordination with DoIT, build robust system for LISA and FRA assessment, potentially integrating them into performance-based grant systems. A digital blueprint developed by the Prime Minister's Office in Kathmandu offers a model for provinces, which are expected to establish corresponding "action centers" within their OCMCMs. These centers would act as digital secretariats, equipped for real-time governance, policy implementation, and coordination with the federal level. A comprehensive provincial digital reform strategy is now needed—anchored in platform interoperability, digital literacy, and province-wide adoption of performance-linked digital tools. This agenda applies across all provinces and warrants a harmonized, system-wide approach.

***Institutional Needs in Innovation Systems*:** Innovation as a cross-cutting enabler remains institutionally unanchored. While not explicitly detailed in sector-specific terms, the table points to the absence of dedicated mechanisms or funding to support innovation-led service delivery or governance improvements, suggesting an area for future strategic focus.

Table 1 provides a list of 47 actions to be considered by provincial authorities in their prioritization process, ideally down to the priority 10-15 actions to be targeted by the PLGSP program over the course of the next 4-5 years.

Table 2.	LONG LIST OF MADHESH PRADESH CD NEEDS & RECOMMENDATIONS FOR PRIORITIZATION	
Capacity Needs		**Recommendations**
A.	**Issues Common Across All Provinces**	
1.1.	*Intergovernmental coordination* across the three tiers of government is limited, with the provincial government acing significant capacity constraints, and the unbundling exercise needs to be embedded in each sector service delivery model.	To address limited intergovernmental coordination and provincial under-capacitation, sector-specific *Shared Service Agreements (SSAs)* based on agreements reached between comprising federal, provincial, and local representatives. These SSAs will assign responsibilities based on actual capacity, embed coordination within sectoral frameworks and budgets, and align with ongoing unbundling efforts. A national *Shared Services Support Cell (SSSC)* could backstop implementation.
1.2	*Coordination challenges limit strategic coherence*, Vertical coherence between federal, provincial, and local levels remains weak. Planning and budgeting processes are not harmonized, digital systems are non-integrated, and data flows are inconsistent or dysfunctional. Provincial capacities to operationalize exclusive mandates are constrained by the lack of sector-embedded coordination mechanisms and interoperable tools. This undermines service delivery, delays reforms, and leads to duplication of efforts.	*Institutionalize sector-specific Intergovernmental Coordination Units (ICUs)* with clear mandates to align federal, provincial, and local planning. These units could be supported by a province-wide interoperable digital platform enabling shared data access, synchronized project management, and real-time fiscal tracking. Formalized Shared Service Agreements (SSAs) and a provincial-level Shared Services Support Cell (SSSC) could be deployed to standardize tools, offer technical backstopping, and coordinate with digital governance partners to ensure sustainable, cross-tier collaboration.
1.3	*Decreasing Equalization Grant and increasing conditional grant*. The rising share of conditional grants over equalization grants risks limiting provincial autonomy and flexibility. Provincial governments lack localized tools and procedures to comply with updated CS grant allocation guidelines.	*Review* of Fiscal Equalization Grant Allocation Formula used for fund disbursement under its domain from grants obtained from the Federal Government and its resources on the basis of need for expenditure and revenue capacity of the LGs. Coordinate with NNRFC. *Review* and advocate for KPI-linked conditional grant allocation mechanisms; develop provincial funding structures mirroring conditional grant principles. Coordinate with NNRFC. Develop KPI-based conditional grant allocation systems, with TA support and inclusive consultation. *Design* and implement operational CS grant guidelines tailored to the provincial context. *Develop* an Online System development for CG Grant call monitoring and reporting at the provincial level. Coordinate with DoIT.
1.4	Use of other PFM software and inadequate capacity to implement PAMS, RIMS, E- GP	To address the fragmented use of public financial management (PFM) software and limited capacity to implement systems such as PAMS, RIMS, and e-GP, a comprehensive capacity-building program could be introduced across all provinces. This may include targeted training for IT officers in networking and GIS, engineers in electronic government procurement (e-GP) in coordination with the PPMO, and in managing infrastructure functions across sectors such as roads, water, and construction. Finance and administrative personnel could be trained in policy development, procurement, internal control systems (ICS), SuTRA revenue models, VERS, PAMS, and audit management. Coordination with the DTCO, FCGO, and PPMO could

		ensure effective technical backstopping, system integration, and long-term institutional strengthening.
1.5	*Duplication of infrastructure plans* across government levels need rationalizing and harmonizing	Create a digital infrastructure planning platform accessible to LGs and PGs to avoid duplication; include LG-level mapping.
1.6	Provincial governments *lack structured, tech-enabled coordination units,* reducing efficiency and alignment with federal systems.	Support the rollout of provincial-level action centers based on the Prime Minister's Office model, with full technical implementation support.
1.7	*Multiple, incompatible software platforms* exist across PG and LG levels, limiting data integration.	Develop Provincial Level Data Bank with unified digital platform to harmonize provincial and local level systems.
1.8	System outages and website stagnation occurred after TA support ended with PLGSP's closure.	Revitalize and maintain Line Ministries' websites with technical TA support. Coordinate with respective Ministries. And DOIT/ MoICT
1.9	*Low digital literacy* among users reduces uptake of e-governance tools and systems.	Promote digital literacy with best-practice learning methods tailored to demand-side users.
1.10	Provincial governments *lack localized tools and procedures to comply with updated CS grant allocation guidelines*.	*Design* and implement operational CS grant guidelines tailored to the provincial context. *Develop* an Online System development for CG Grant call monitoring and reporting at the provincial level. Coordinate with DoIT.
1.11	Provincial staff have limited understanding of how to use the *NPC's online project bank system* effectively, including Project Bank Guidelines and Localization.	Support effective uptake and integration of existing NPB and NPBMIS systems by building LG capacity, simplifying user interfaces, and piloting applied use cases to improve project planning and ownership. Provide structured training for spending unit staff on the project bank platform and CS grant operations, coordinated with NPC and PPC.
1.12	Use of the NPC/MoFAGA planning process remain limited.	Strengthen the application of existing NPC/MoFAGA planning guidelines by developing a practical project identification tool and targeted support to improve their use during provincial planning, drawing on lessons from Karnali.
1.13	Weak policy coherence between federal, provincial and local government levels	Update Periodic Plans and MTEF to align with the 16th Five Year Plan; deliver online capacity building on MTEF formulation. Develop and implement a provincial Policy Coherence Framework to align plans, budgets, and sectoral priorities, supported by coordination mechanisms and integrated planning tools.
1.14	*Poor data integration* and siloed IT systems hinder coordination across federal, provincial, and local levels.	Support integrated data centers (IDMC/GIDC) to centralize and streamline multi-level coordination.
1.15	*Lack of user training and technical understanding delays effective use of the GIOMIS* system in Ministries.	Conduct targeted *capacity building for* Government Integrated Office Management System (GIOMS), **and** Integrated Document Management System (IDMC)**,**
B. Non-Functional Systems Initiated at the Federal Level		
1.16	System strengthening for Policy Improvement	Conduct Post-Legislation Scrutiny/ Policy Audits for many of the regulatory frameworks developed at the provincial levels. Develop Province Statistics Acts.
1.17	Absence of legal and structural data security protocols affects safe data handling and inter-system coherence.	Support Provincial Government to *formulate a Provincial Data Protection and Coherence Act*.
1.18	Key public sector data is outsourced to private firms, with weak oversight and major data migration challenges.	Support GIOMIS rollout through coordination with MoCIT, aligned with the 2022 Electronic System Directive.

1.19	The current Equalization Grant formula lacks precision and fails to address provincial fiscal disparities effectively.	Provide TA to review and revise the Equalization Grant formula to enhance equity and fiscal balance, coordinating with NNRFC.
1.20	The rising share of conditional grants over equalization grants risks limiting provincial autonomy and flexibility.	Develop KPI-based conditional grant allocation systems, with TA support and inclusive consultation.
1.21	The prior PLGSP-supported online monitoring tools are inactive due to lack of follow-up support.	Develop real-time "*Action Monitoring*" tools, procure IT logistics, and ensure on-call vendor support.
1.22	Suboptimal use of LISA/FRA/LED results for LG rewards	Advocate for linking LISA/FRA results to LG grant systems; ensure TA for effective and robust assessment mechanisms.
C. Provincial Specific Issues		
1.23	Policy and Mechanism Gaps in improving inter-municipality co-operation	To address policy and mechanism gaps in strengthening inter-municipality cooperation, policy-making efforts could focus on establishing formal coordination mechanisms and joint operational processes among Palikas. Successful models, such as the shared ambulance management system in Dhangadhimai RM—where municipalities jointly cover fuel costs—could be reviewed and replicated to promote resource pooling, cost-sharing, and improved service delivery across municipalities.
Public Service Commission and PRTA		
1.24	The provincial Public Service Commission **lacks modern tools and infrastructure** for efficient, transparent, and merit-based recruitment processes.	Implement a ***comprehensive digital upgrade package*** with advanced recruitment software, automated scoring (OMR) for Merit Based Recruitment (MBR) result tracking systems, and fully equipped computer labs.
1.25	Operational and management (O&M) structures vary across local governments, creating inefficiencies and inconsistencies in service delivery.	Provide technical assistance to design and adopt a unified O&M standard framework across all local levels.
1.26	**Weak coordination** among the Provincial Planning Commission (PPC), PSC, and OCMCM hampers a cohesive approach to Human resource development at the provincial and local government level.	Establish a ***formal coordination platform*** among the Provincial Planning Commission (PPC), PSC, and OCMCM for coordinated efforts on O& M study and fulfillment of the vacant public service staff, positions in the Ministries and Local Government level, ensure quality of job entry and in-service training and develop standardized systems for ensuring sectoral training centers.
1.27	PRTA Policy Enhancement	To enhance the policy and institutional effectiveness of the Provincial Research and Training Academy (PRTA), the enactment of the Madhesh Pradesh PRTA Act could be prioritized alongside the completion of the Organization and Management (O&M) study to define its functional structure. Drawing on best practices, the Training Management Information System (TMIS) implemented by the Gandaki Province Training Academy (GPTA) could be replicated to streamline training coordination and delivery. Additional logistics support may be required to strengthen the PRTA's capacity to meet rising training demands. Furthermore, the successful model of a Procurement Clinic—consisting of a dedicated two-member team providing hands-on mentoring to local

		governments—could also be replicated to improve procurement competencies across the province.
1.28	The province **lacks structured induction training programs** for newly recruited civil servants, affecting their readiness and performance.	With PRTA design and adapt existing similar courses in other provinces and deploy online, modular pre-service induction programs in partnership with sectoral training institutes.
1.29	Existing job entry and in-**service training is irregular** or misaligned with evolving job requirements.	With PRTA create a **continuous professional development system with needs-based,** role-specific training modules and digital tracking. And develop strategy to meet the high demand. Consider developing a strategy to align also with the sectoral training units
1.30	Limited awareness in **Royalty and Revenue Sharing**	Establish a sustained intergovernmental information and coordination mechanism on royalty and revenue sharing, supported by periodic capacity-building, simplified legal guidance notes, and integration of revenue provisions into routine LG and PG planning and budgeting cycles. Undertake a province-wide study to assess and recommend revenue potential and expenditure demands to inform fiscal policy and budgeting.
1.31	**Absence of an integrated staff inventory system** limits workforce planning, redeployment, and capacity analysis.	Roll out a centralized *Integrated Public Service Management Information System (IPFMIS)* at the provincial level. Coordinate with Federal PSC with live staffing data, linked to planning and budgeting systems. Support Execution of the Personal Information System (PIS) system at the Department of Provincial Personal Records (civil). Introduce E_ Service to check the personal details and online "Sheet roll" registration system at the Department of Provincial Personal Records (Civil).
Strategic Planning and Policy Coherence		
1.32	s	Provide technical assistance in economic data analytics and applied policy research to strengthen provincial-level planning accuracy. This support will build on the annual Economic Survey by the Ministry of Finance and analytical outputs of Nepal Rastra Bank, translating national-level insights into actionable guidance for PLG planning. Capacity-building will focus on enhancing the ability of PPCs to interpret, localize, and apply economic data for evidence-based policy formulation.
1.33	System strengthening in Institutional development on project selection and prioritization	Support the execution of the Project Bank Software being developed by the province. Develop an MTEF data portal with API from DoIT for better organizing planned expenditures efficiently over multiple years with data exchange facility with the federal provincial and local level
1.34	System strengthening in Policy alliance Monitoring mechanism	Execution of M&E Framework Procedural Guideline Linking with PEFA assessment recommendations. Capacity Building in using Result Based reporting systems.
1,35	Developing system of policy feedback	TA to establish Policy Lab and its execution to provide policy feedback
1.36	Capacity Building support to spatial Planning	Deliver technical assistance and GIS training as part of a broader effort to institutionalize spatial planning within provincial governance systems. This will include

		developing standard operating procedures, integrating GIS into planning workflows, and strengthening the capacity of technical staff and planning units to sustainably manage and utilize spatial data for evidence-based decision-making.
1.37	Need for digitizing the local resource information	Support development of digital maps for Rural Municipalities to improve local resource tracking.
1.38	Ownership Issues at LG level for policy documents	Promote co-creation of key policy documents with LG officials through facilitated planning clinics and embed policy formulation in routine LG functions to strengthen ownership and sustainability and developing accredited Local Resource persons to facilitate the process.
Public Finance Management (PFM)		
1.39	Budgetary Planning: Need for reporting on climate and SDG	Develop budget tracking guidelines aligned with climate and SDG goals; build PG and LG capacity for expenditure and results-based reporting.
1.40	Audit Issues: Need for strengthening internal auditing	Support LGs with tools and training to systematically document and manage audit-relevant information.
1.41	Procurement and e-bidding capacity building needs	Coordinate with PPMO to design and deliver tailored capacity building for procurement systems, including e-bidding.
1.42	Building Fiscal Discipline	System to build fiscal discipline for reducing fiduciary risk therefore addressing ineligible expenditures, Controlling revenue leakage to different responsible agencies. Strengthen arrears settlement. *Experienced retired government officials with expertise on audit to be provided.* Develop a system of result-based financing.
Sectoral Development and Economic Policy		
1.43	Complexity in accessing health service data	Develop an online Health Information System (HIS) to provide access to personal medical data, prescriptions, and reports. Proposed for Pilot Bardibas RM linking with Bardibas Hospital - replication from Biratnagar Municipality
Service Delivery and Inclusion		
1.44	Unmet social protection measures for children and women in Budgetary Planning	Provide TA to develop mandatory budget cap provisions for women, children, and disadvantaged groups in planning and budgeting processes to streamline and mainstream.
1.45	Local Justice System Awareness remains low, with limited public engagement and visibility.	Train legal facilitators and launch public outreach using FM radio and digital platforms to disseminate justice-related information.
1.46	Public Service Delivery: slow effort to improve public service delivery	Replicate and scale up one-stop service delivery models with office automation systems to improve service efficiency.
Civilian Oversight		
1.47	Capacity Building needs of the Elected Representatives	Conduct targeted sessions for elected representatives and council members on: (i) revenue sharing provisions and LG roles (ii) project identification and planning processes (iii) Integration of social, gender, and climate issues into planning (iv) concept and use of the Project Bank and (v) organize exposure visits and short executive learning programs on governance and development policy

5. PARTNERSHIP MAPPING RESULTS

This section outlines the outcomes of the initial provincial-level partnership mapping, highlighting how key development actors are contributing to federalism-related reforms in Madhesh Province. The examples emphasize areas of thematic convergence, opportunities for coordination, and potential

duplication risks with PLGSP interventions. Several initiatives also reflect programming underway in Sudurpaschim for example (as captured in that report), offering cross-provincial learning potential. The selected cases—spanning youth engagement, civic oversight, and inclusive governance—illustrate how a diverse set of stakeholders can complement and reinforce PLGSP's aims. The section is divided into two parts: (i) priority program examples featuring three in-depth cases, and (ii) a summary table of additional partnership opportunities in Madhesh to inform the final report.

5.1 EXAMPLE PARTNERSHIP OPPORTUNITIES

Section 4.1 provides a summary of three illustrative cases highly relevant to PLGSP operations in Madhesh Pradesh Province. The three examples include (i) the Asia Foundation/DFAT (ii) People in Need/Accountability Lab/EU, and (iii) Helvetas Nepal/EU. These are provided here as examples but will be developed in the final main report which covers federal, provincial and local partners of significance to PLGSP. A more comprehensive partnership landscape analysis especially of locally rooted NGOs, cooperatives, and civic networks will be presented in the main partnership mapping and capacity assessment report. Again, this report is merely to support provincial authority shortlisting of priority actions.

5.1.1 NEPAL SUBNATIONAL GOVERNANCE PROGRAMME (SNGP) – PHASE II

SNGP is a flagship governance initiative funded by the Government of Australia's DFAT and implemented by The Asia Foundation (TAF) in partnership with the Government of Nepal. Currently in its second phase, SNGP works in an adaptive, politically-informed manner, convening a "coalition of influence" across government, civil society, and experts. The program has defined five End-of-Program Outcomes (EOPOs) that echo PLGSP aims: (i) stronger intergovernmental coordination mechanisms, (ii) more inclusive and evidence-based local policies (with a focus on public health services), (iii) inclusive economic policies at subnational level, (iv) more inclusive service delivery responding to women's and marginalized groups' needs, and (v) integration of climate change considerations into subnational plans (this fifth outcome was introduced in 2023).

- **Presence in Madhesh:** Under Phase II the Programme facilitated policy dialogues and supported evidence-based planning exercises in Madhesh's provincial government and a handful of its municipalities on issues like public health and local economic development. It also convenes cross-provincial learning, notably in which youths from Madhesh participated in a Youth Sounding Board that informs the program's youth engagement strategy. SNGP had expanded to cover 136 local governments in Madhesh Province; this includes 1 metropolitan, 3 sub metropolitan, and 73 municipalities, and 59 rural municipalities.

- **Key Activities & Alignment with PLGSP:** SNGP's activities are tailored to its EOPOs. Key interventions include: supporting the design of inter-governmental coordination forums and dispute resolution mechanisms between provincial and local governments (addressing PLGSP outcome 1 on inter-governmental functioning); technical assistance to provincial ministries for evidence-based policy and to municipalities for data-driven planning (advancing PLGSP outcome 2 on efficient, inclusive institutions); and capacity development for elected representatives on participatory planning, with an emphasis on inclusive practices (linked to PLGSP outcome 3).

  For example, under SNGP, policy labs were organized in Madhesh to help local governments formulate policies on public health service delivery using data and community input, aligning with PLGSP's push for quality local services. The program also actively mainstreams GESI and climate resilience in local planning. Notably, SNGP often works through granting and mentoring local CSOs and research institutions to carry out studies or pilot programs, thereby fostering a local knowledge base and civic engagement in governance.

- **Innovations and Lessons:** SNGP is known for its adaptive programming approach, iteratively adjusting activities based on what works (a "learning by doing" ethos similar to a Problem-

Driven Iterative Adaptation model). One innovation is the establishment of Provincial Research and Research Centers (often through Provincial Center for Good Governance collaboration) that produce evidence for policy-making. This has been piloted in provinces including Madhesh, helping ground provincial plans in data. SNGP has documented lessons on inter-governmental relations: for instance, in facilitating dialogues on functional assignments between Madhesh's provincial ministries and its local governments, a best practice emerged to use neutral conveners (like TAF or academia) to mediate discussions, which improved trust.

Another success under SNGP is the integration of participatory planning tools (like community scorecards and public hearings) into the annual planning cycle of certain partner municipalities, which led to more citizen-centric local development plans (a practice that can be scaled). SNGP's mid-term review notes successful practices in gender-responsive Budgeting support—some municipalities in Madhesh, with SNGP guidance, prepared budgets that earmark funds for women, Dalits, and persons with disabilities, illustrating inclusive governance in action.

- **Potential Duplication or Synergy with PLGSP**: Given that SNGP and PLGSP are both broad governance programs, coordination is crucial. However, they both have clear niches. Whereas PLGSP is a government-led framework program focusing on formal capacity development (training curricula, systems like LISA, etc.), SNGP operates more flexibly, often testing approaches and focusing on specific thematic areas (public health, economic policy, etc.). SNGP's support to inter-governmental coordination (e.g., helping form provincial coordination councils or federal-provincial dispute resolution committees) directly complements PLGSP's work on institutionalizing such mechanisms.

- One area to watch is training, as both programs deliver training to local officials, however as SNGP often channels training through Provincial Research and Training Center (PRTC) established by PLGSP, this is already largely managed. In Madhesh, for example, SNGP experts contributed to developing curricula for the Provincial Research and Training Center on inclusive planning, rather than running parallel training. The risk of overlap can still be managed by regular donor and government coordination (DFAT/TAF coordinate with MoFAGA and PLGSP's donors).

Table 3.	THE ASIA FOUNDATION / DFAT – PLGSP OPTIONS				
Name of Partner Project/Initiative Name(s)	Best Practices Identified	Potential Areas for Synergy with PLGSP	Overlap/Duplication Risks	Entry Points for PLGSP Engagement	Coordination Mechanisms Proposed
Subnational Governance Programme (SNGP)	Use of adaptive programming; facilitation of policy labs for provincial-local dialogue; establishment of Provincial Research and Training Centers; mainstreaming of GESI and climate considerations into provincial/local planning; inclusive planning tools	Support in building intergovernmental coordination mechanisms; collaboration on inclusive and evidence-based local planning processes; alignment on GESI and climate resilience in governance frameworks.	Possible redundancy in provincial/local capacity building trainings; thematic overlap in GESI and planning support could result in duplicated sessions if uncoordinated.	Partner with SNGP on evidence generation and dissemination through PRTC; integrate inclusive and data-driven approaches into PLGSP training modules; jointly convene policy forums for local governments.	Quarterly joint planning and reflection workshops; shared development of training curricula; establishment of a joint learning hub at the provincial level integrating both PLGSP and SNGP resources.

	like community scorecards.				

5.1.2 ACCELERATING CIVIL SOCIETY'S ROLE IN SECURING EDUCATION FOR ALL (ACCESS)

ACCESS is a European Union-funded project (2023–2026) focused on the education sector governance at the provincial and local level. It is implemented by a consortium led by People in Need (PIN) in partnership with Accountability Lab Nepal (ALN), the National Campaign for Education (NCE Nepal), and the Nepal Disabled Women Association (NDWA). The program aims to enhance the accountability of education service delivery and ensure inclusive education plans in Nepal's federal context. A signature approach used is ALN's CivActs (Citizen Helpdesk) model, which gathers community feedback, shares information, and facilitates dialogue between citizens and authorities on inclusive education.

▪ **Presence in Madhesh:** ACCESS has a multi-province scope with a focus on Madhesh Pradesh, Sudurpaschim and Karnali Provinces. Within these, it targets 60 local government units (municipalities) as pilots for its interventions. In Madhesh, 12 local government units are targeted to work collaboratively with the program to enhance educational access and ensure inclusive education for all the children. The project partners with several municipalities, like Siraha, Saptari, Baram Parsa, Mahottari, and Dhanusha, where it supports local civil society organizations to engage in education planning oversight. In March 2025 the program held provincial-level multi-stakeholder meetings in Dhangadhi and Karnali, bringing together provincial officials, educators, and civil society to addresses regional disparities in education outcomes and leverage the province's local structures (such as education committees at municipal level) for improved governance

▪ **Key Activities & Alignment with PLGSP:** ACCESS introduces the CivActs model to the education sector at the local level. The innovation here is creating a feedback loop: community volunteers gather real-time information on issues (like teacher absenteeism or lack of textbooks), ALN then circulates "civic issue bulletins" that inform both citizens and officials of the findings, and dialogues are held to solve problems. This model has proven effective in other sectors for bridging information gaps, and in education it is expected to yield improved responsiveness from local governments. Early lessons from the project (as shared in consortium meetings) note the importance of engaging existing local structures (e.g., School Management Committees) as allies in accountability. In several target municipalities in Madhesh, civil society input (channeled by ACCESS forums) has already led to changes in policy.

▪ **Innovations and Lessons:** ACCESS introduces the CivActs model to the education sector at the local level. The innovation here is creating a feedback loop: community volunteers gather real-time information on issues (like teacher absenteeism or lack of textbooks), ALN then circulates "civic issue bulletins" that inform both citizens and officials of the findings, and dialogues are held to solve problems. This model has proven effective in other sectors for bridging information gaps, and in education it is expected to yield improved responsiveness from local governments. Early lessons from the project (as shared in consortium meetings) note the importance of engaging existing local structures (e.g., School Management Committees) as allies in accountability. In several target municipalities in Madhesh Pradesh, civil society input (channeled by ACCESS forums) has already led to changes in policy.

▪ **Duplication/Overlap or Synergy with PLGSP:** As PLGSP does not have a sector-specific focus on education, ACCESS occupies a complementary niche with little risk of duplication with PLGSP activities. Instead, ACCESS can be seen as supporting PLGSP by drilling down into the education sector to demonstrate how local governments can be made more accountable and inclusive. A strong potential synergy is in area of GESI, given that PLGSP encourages local government to develop GESI strategies while ACCESS provides concrete content by ensuring local education plans are gender- and inclusion-responsive.

Additionally, ACCESS's model of civic engagement can feed into PLGSP's citizen engagement frameworks (like Ward Citizen Forums or periodic public hearings mandated by law). By partnering with provincial authorities (e.g., Provincial Education Directorate) for dialogues, ACCESS also strengthens provincial-local linkages in the education sector, something PLGSP encourages across all sectors.

Table 4.	PEOPLE IN NEED / ACCOUNTABILITY LAB NEPAL / EU / PLGSP OPTIONS				
Project/Initiative Name(s)	**Best Practices Identified**	**Potential Areas for Synergy with PLGSP**	**Overlap/Duplication Risks**	**Entry Points for PLGSP Engagement**	**Coordination Mechanisms Proposed**
ACCESS – Accelerating Civil Society's Role in Securing Education for All	CivActs model for closing feedback loops between citizens and authorities; grassroots data collection and dissemination via civic bulletins; direct engagement with school management committees; mobilizing youth and mothers' groups to track education service delivery; inclusive education policy advocacy.	Strengthen civic engagement frameworks under PLGSP using ACCESS's citizen monitoring tools; apply inclusive planning and budgeting methods to other local service sectors beyond education.	Low risk; however, PLGSP and ACCESS may independently organize citizen engagement activities or GESI audits without harmonization if not well coordinated.	Adopt CivActs or similar community monitoring tools in PLGSP municipalities; incorporate ACCESS's CSO capacity development content into PRTC training materials; facilitate joint citizen forums for integrated planning feedback.	Establish an inter-agency civic engagement working group under PLGSP; coordinate community-level feedback sessions with local education units; invite ACCESS consortium members to PLGSP provincial consultations

5.2 OTHER MADHESH PRADESH PROVINCE PARTNERSHIP OPTIONS

Table 4 below provides a more concise summary of the primary partnership options available to the program, to be developed for the main report. The table includes the names of partners, their thematic focus areas, and the organizations involved. Each row is expected to showcase an illustrative project and its implementation status within the province. The table also evaluates alignment with the PLGSP, highlighting innovative approaches, identifying best practices suitable for scaling, and assessing the risk of duplication with existing initiatives. This structure helps guide strategic coordination and maximize impact.

Table 5.			MADHESH PROVINCE PARTNERSHIP OPTIONS					
#	Partner Name	Thematic Area	Partner Organization(s)	Illustrative Project	Implementation in Madhesh	Linkage with PLGSP	Innovation	Best Practice for Scaling	Risk of Duplication
Federal Institutions								
	Ministry of Finance (MoF)	PFM and Fiscal Management	.	Nepal Disaster Resilience DPC + Cat DDO (Ongoing) Budget support operation to enhance disaster resilience through fiscal instruments and policy reforms		Fiscal framework alignment	Contingent financing for disaster resilience	Budget tagging for resilience expenditure	Moderate – requires PLGSP policy sync
	Ministry of Women, Children, Senior Citizens Development (MoWCSC)	Health, Education, and Nutrition		WFP School Meal Programme Mid-day meal program targeting ECD to Grade 6 in rural districts, nutrition-linked with education outcomes.		Indirectly via service delivery	systems Nutrition education service integration	School-based food security systems	Low – strong operational structure
	Ministry of Physical Infrastructure Transport (MoPIT)	Infrastructure Planning and Management		Infrastructure Project Bank and Planning (In Development) Development of centralized digital platform for managing and tracking all infrastructure projects with planning alignment.		Overlaps in infrastructure planning at local level	Web-based infrastructure project bank	Multi-tier digital project tracking systems	Moderate – needs harmonization with federal tools
	Ministry of Agriculture Livestock Development (MoALD)	Agriculture and Livelihoods		Digital Agriculture and Irrigation Development Promotion of agri-infrastructure, apps, and digital systems for crop monitoring and service delivery.		Indirectly via service delivery	App-based service delivery to farmers	Public-private extension and irrigation tech	Moderate – overlaps with federal schemes
	Public Service Commissions (PSC)	Human Resources and Recruitment		Provincial Civil Service Reform Support to merit-based recruitment and training for provincial civil service		Coordination on HR policy and training	Unified provincial recruitment standards	Integrated HR systems between PG and LGs	Low – clear mandate

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				cadres in line with federal guidelines.				
	European Union	Federalism, Education, and Nutrition		Support to Federalism and MSNP Phase III Sector Budget Support to strengthen federal structures and improve service delivery in education and nutrition through MSNP.		Aligned on federalism and decentralizatio non	Budget support linked to performance in federal reforms	Multi-sector budget support with joint indicators	Low – embedded in government systems
	DFAT	Subnational Governance		Subnational Governance Programme (SNGP) Phase II Supports local governance strengthening, planning, budgeting, and intergovernmental coordination.		Complements programming at the local level	Inter-governmental fiscal alignment	Joint planning and budgeting units with LGs	Moderate – overlaps if not coordinated with PLGSP
	Norwegian Government	Education, Gender, food and nutrition security	UNDP, SAHAS	Support to School Education Sector Plan (SESP) Contributes to inclusive, quality education with a focus on girls' education and federalism support. Energy to food project		Sectoral but aligned with decentralized delivery Integrated Periodic Plans (PPs)	Gender-responsive school financing Climate Smart Entrepreneurship	Education budget tagging for equity Climate Investment Plan for Agriculture Sector	Low – in JFA mechanism moderate duplication in DRRM and CCA policy frameworks
	Swiss Development Cooperation (SDC)	Revenue and PFM Reform		Revenue Administration Support (RAS III) Support to subnational revenue and fiscal reform, including tax systems and PFM strengthening.		Links on PFM systems	Subnational tax system digitization	integrated tax and financial systems across levels	Moderate risk if uncoordinated with MoFAGA
	World Bank	Disaster Resilience, PFM, Infrastructure		Disaster Resilience DPC + Cat DDO / ACCESS Budget and infrastructure projects focused on disaster resilience, connectivity, and fiscal management.		Overlaps in fiscal space and infrastructure policy	Contingent financing + regional transport link	Cat DDO as fiscal buffer model for provinces	Moderate— requires strategic sync

Asian Development Bank (ADB)	PFM, Infrastructure, Trade		PFM & Customs Reform / Public Investment Management Supports implementation of devolved PFM systems, logistics/customs reforms, and public investment performance improvement.		Overlaps on PFM and planning	Customs and investment reform at SNG level	Performance-linked investment implementation TA	Moderate – with other PFM projects
UNDP	Governance, Justice, Preparedness		Access to Justice / SUPER / Parliament Support Multiple streams including legal empowerment, disaster preparedness (SUPER), grievance systems and provincial assembly support.		Governance, demand-based enterprises, Legal aid, Earthquake preparedness, institutional capacity	Integrated governance and justice model	Link grievance redress to digital governance	Low – strong alignment with PLGSP
UNICEF	Child Rights, Nutrition, WASH, Education		Suaahara II / Child-Centric Programming Multi-sectoral programming supporting health, education, WASH and child protection through local governance.		Linkage through decentralized service delivery	Child-focused integrated governance services	WASH + Education + Nutrition convergence	Low – fits service delivery model
UN Women	Gender Equality and Social Inclusion (GESI)		Gender Responsive Governance and Budgeting Support GESI integration in governance, budgeting, and local planning processes.		GESI mainstreaming	Gender budgeting in provincial systems	Institutionalized GESI focal points with budget power	Low— complementary to PLGSP GESI strategy
International Organization for Migration (IOM)	Disaster Risk and Migration Governance		SIKAI – Institutional Knowledge for DRM Strengthening DRM capacity at the local/provincial level through institutional knowledge systems.		Overlaps on disaster response systems	Localized DRM data and coordination systems	Provincial disaster platforms	Moderate – overlaps with MoHA DRR roles

World Food Programme (WFP)	Food Security, Education, Nutrition		School Feeding Programme (Food for Education) Food distribution, nutrition education, and capacity building for schools in rural Madhesh.		Indirectly supports MoSD delivery	Integrated nutrition and education delivery	Food-for-education linked to local agriculture	Low – institutionalized via MoSD
FAO	Agriculture and Food Systems		Agri-Food System Resilience Projects Capacity development for local governments in agriculture, including value chain, policy support, and data systems.		Relevant to MoA systems at local level	Food systems and value chain governance	Provincial agri-data systems + PPP platforms	Moderate – risk with parallel MoA initiatives
WHO	Health governance policies, NCD and EPI	PGs, LGs	Provincial Health policies, NCD, EPI		Low-Relevant to MoSD with PGs, LGs service delivery	Health system governance,	Provincial service delivery on non-communicadiseases, Expanded programme on immunization	Low– risk parallel with MoSD initiatives
ILO	Climate change, information economy, Child labor	MoSD, SAHAS	Climate strategy, community engagement and economic sustainability		Medium-CCA policies, community engagement	Climate governance	integrated approachCommunity engagement	Low-risk MoSD, LGs
Provincial Institutions in Madhesh								
Province Research and Training Center(PRTC)	Training and Capacity Building	LGs, PG of Madhesh	Cluster-Based Training & Curriculum Development KPTA provides training to local officials, partners with academic institutions and central training agencies to develop curriculum and deliver provincial training	All the LGs and , PG Madhesh	Strong- linkage given delivery of PLGSP through training modules	Demand-based, decentralized training modules	Inter-provincial training community of practice	Low – fills clear niche in the training landscape
Ministry of Finance (MoF)	Economic Policy and Investment		Provincial Economic Development Planning (Planned) Supports economic planning, budget		Link to PFM, Coordinates on planning systems	Public-private investment forums	Joint venture-based financing of provincial growth hubs	Low – tailored to provincial strategy

			formulation, and provincial investment forums for resource mobilization.					
Ministry of Sports, Social Development (MoSSD)	Health, Education, Nutrition, Sports		Social security, social Inclusion, youth,sports, WFP School Meal Programme Mid-day meal program targeting ECD to Grade 6 in rural districts, nutrition linked with education outcomes.		Indirectly via service delivery systems	Nutrition-educaservice integration	School-based food security systems, disability inclusions	Low—strong operational structure
Ministry of Physical Infrastructure (MoPID)	Infrastructure Planning and Management		Infrastructure Project Bank and Planning (In Development) Development of a centralized digital platform for managing and tracking all infrastructure projects with planning alignment.		Overlaps in infrastructure planning at local level	Web-based infrastructure project bank	Multi-tier digital project tracking systems	Moderate – needs harmonization with federal tools
Ministry of Land Management, Agriculture and Cooperatives (MoLMAC)	Agriculture and Livelihoods		Digital Agriculture and Irrigation Development Promotion of agri-infrastructure, apps, and digital systems for crop monitoring and service delivery.		Indirectly via service delivery	App-based service delivery to farmers	Public-private extension and irrigation tech	Moderate – overlaps with federal schemes
Provincial Public Service Commissions (PPSC)	Human Resources and Recruitment		Provincial Civil Service Reform Support to merit-based recruitment and training for provincial civil service cadre in line with federal guidelines.		Coordination on HR policy and training	Unified provincial recruitment standards	Integrated HR systems between PG and LGs e	Low – clear mandate
Bilateral/Multilateral Development Partners in Madhesh								
UNDP (A2J, climate finance, Support to school,	Governance, Capacity Building, Agroforestry, Climate Change,	MoFAG A, OCMC M, PGs,	Support for policy, strategy, and action plan preparation for DRR,Local	Madhesh Province, Sarlahi, Rautahat, i	Directly supports governance, and service	Evidence-based strategies for climate resilience and	Institutionalize through local government and civil society	Medium-needs harmonization with federal

	Sustainable agriculture and land degradation)	Legislative Drafting, Health, Education	LGs, MoLJPA, AEPC, LIBIRD, WFP, ICIMODs	governance capacity building and climate action		delivery through policy formulation and climate action	disaster recovery, drafting laws, and climate action in local governance	engagement	gov. aligns with LGs
	UNICEF	Humanitarian WASH Interventions, Education, Child Protection, Health & Nutrition, Social Protection		WASH and child protection programs, education and health support	Madhesh Province	Low-Helps strengthen governance in child protection, WASH, and education	Multi-sector Incorporation of WASH with child protection and education systems	Expand collaboration with local schools and health services	Low-works with Health institutions, fits to LGs' need
	WHO	Health System Strengthening	MoHP, DoHS, Health Institutions, UNFPA, UNICEF, LGs, PGs, Educational Institutions	Health governance strengthening and nutrition programs	Madhesh Province	Low-Links with PLGSP's health service delivery governance	Focused approach on improving nutrition and health governance	Institutionalize through health systems strengthening and educational institutions	Low-Allign with the health sector policy of Madhesh
	WFP	Humanitarian Assistance, Emergency Logistics Preparedness	MoALD, MoHA, FAO, UNICEF, Local Farmers Group, CBOs, Educational Institutions, LGs, MoSSD	Emergency logistics preparedness and food security programs	Birgunj ICP, Bardibas, Mahottari	Low-Supports PLGSP's goal of enhancing local capacity in emergency preparedness and service delivery	Expansion of national and local-level emergency logistics preparedness	Expanding Systematized through local CBOs, educational institutions, and government partnerships	Low-work with PG, NDRRMA, MoHA

	FAO	Food and Nutrition Security, Rural Livelihood, Climate-Resilient Agriculture	MoALD, MoFE, MoLMCPA, Forest Farm Facility, Farmers and Farm Producer Organization, LGs	Food security and climate-resilient agriculture programs		Moderate-Helps governance in rural livelihood and climate resilience	Climate-Use of climate-resilient agricultural practices	Organized through local farmer organizations and government collaboration	Low-Closely work with MoLMAC, LGs, PG
	UN Women	GBV Prevention, Economic Empowerment, Leadership and Participation	MoWCSC, MoFAGA, NGOs, Private Sectors, LGs, UN Agencies	GBV prevention and economic empowerment programs		Moderate-Links-to PLGSP's goal of strengthening gender equality and service delivery	GBV prevention through empowerment and leadership programs	Expended through women's groups, local authorities, and the private sector	Low-Work with MoHA, PG, LGs
	UNFPA	GBV Prevention, Adolescent and Youth Programs, Reproductive Health Services	MoHP, DoHS, Health Institutions, LGs, PGs	GBV prevention and reproductive health services		Links with PLGSP's health sector governance and service delivery objectives	Comprehensive reproductive health services with a focus on youth and GBV	Replicated through local health institutions and youth-focused NGOs	Low-works with MoSSD, MoHP, LGs
	UNOPS	Security & Justice, GBV Prevention, Infrastructure for Women & Children	MoHA, MoFAGA, PG, LGs, Nepal Police	Construction and supervision of Women, Children, and Senior Citizen Service Centers	Simraungadh Municipality (Bara), Janakpurdham (Dhanusha), Barahathawa (Sarlahi), Surunga (Saptari)	Strengthens governance and service delivery in justice and protection sectors	Construction of centers for women and children's protection and rehabilitation	Enhanced through partnerships with government and security agencies	Medium-Ensure collaboration and coordination with MoSSD, PLGSP programs, MoHA

Non-Governmental Organizations Operating in Madhesh								
Action Aid Nepal	Women and Girls' Rights, Education, Resilient Livelihood, DRR & Climate	Dalit Jankalyan Yuba Club, Women Empowerment Mission (WEM), Divya Development Resource Center	Gender equality, inclusive livelihood, disaster resilience programs		Supports gender equality, inclusive livelihood, and disaster risk reduction at local levels	Community-based women's rights and disaster resilience programs	Extending through local community involvement and training	Low-Work closely with LGs, MoSSD
AHF Nepal	Health: HIV Treatment, Care & Prevention - ART Clinic	Bagmati Welfare Society Nepal (BWSN), CDAFN	ART clinics for vulnerable populations		Links with health sector governance and improving service delivery at local levels	ART clinics and HIV care for vulnerable populations	Strengthening ART programs for long-term sustainability	Low-involvement of Health institutions
BNMT	TB Program	Health Institutions, LGs	TB prevention and care programs		Contributes to improving health systems and service delivery in local government health institutions	TB care and prevention programs in local health systems	Expansion through integration with local health facilities	Low-LGs involvement
CARE Nepal	Adolescent Support, SBCC, Youth, Health System, Governance	Aasaman Nepal, BWSN, Divya Development Resource Centre, FECOF	Youth health programs integrated into local governance	Dhanusha, Mahottari, Sarlahi, Rautahat, Bara, Parsa	Strengthens youth empowerment, health systems, and governance at local levels	Youth health and governance programs integrated into local services	Scaling through youth-focused service delivery in municipalities	Medium-PLGSP needs to ensure activities with municipals

		UN						
Catholic Relief Services (CRS) Nepal	DRR and Emergency Response; Agriculture & Livelihood	Aasaman Nepal, BWSN, FECOF UN, NFGF, Ratauli Youth Club (RYC), Campaign Nepal	DRR, agricultural livelihoods, shelter programs		Focuses on emergency response, DRR, and improving local government coordination	Integrated disaster risk reduction and livelihoods programs	Proceeding Cross-sectoral partnerships with government agencies for scaling	Medium-ensure scope of partnership
CRS Nepal-USAID MOMENTUM Project	FP, Adolescent Sexual Reproductive Health, Private Sector	LGs	Community-based family planning services	Dhanusha, Mahottari, Sarlahi, Rautahat, Bara, Parsa	Enhances governance in health service delivery, strengthening the capacity of local health institutions	Community-based family planning programs tailored to local needs	Replicating through improved access to reproductive health services	Low-Link with health institutions
Curvey Wustrow (German INGO)	Peacebuilding, Gender & Inclusion	LGs	Gender-responsive peacebuilding	Siraha, Dhanusha, Sarlahi	Aligns with PLGSP's goal to strengthen local governance systems and gender inclusivity	Gender-responsive peacebuilding programs, inclusion of marginalized groups	Facilitating through local peacebuilding initiatives and training	Low- Align with PLGSP, PG, LGs supportive activities
DAI Global UK	Distributed Sustainable Energy / Universal Energy Access	LGs	Energy access and sustainability	All 8 districts	Helps governance and local service delivery through energy access	Sustainable energy solutions in underserved areas	Expanding energy access at local levels through partnerships	Low-LGs, PG coordination

FCA	Livelihood, Microenterprise Development, GBV Prevention	Ratauli Youth Club (RYC)	Microenterprise training, GBV prevention programs	Dhanusha & Mahottari	Supports local livelihoods and strengthens local government service delivery in communities	Microenterprise training and GBV prevention programs	Increasing through integration with local government support systems	Medium-Ensure LGs program alignment
FHI 360	HIV & STI Prevention, Health Commodities, AMR	Nepal CRS Company	HIV/STI prevention and capacity strengthening	All 8 districts of Madhesh	Back up local health governance and strengthen health systems at the municipal level	HIV and STI prevention programs and capacity building for local health systems	Enhancing health system strengthening with local health providers	Low link to health institutions
Global Green Growth Institute	Climate Smart Agriculture	LGs, PGs	Climate-smart agriculture programs	Dhanusha & Mahottari	Links with PLGSP's climate resilience and governance strengthening initiatives	Climate-smart agricultural practices and policy support at local levels	Replicating climate-smart agriculture through local government partnerships	Low-LGs partnership, coordination with MoLMAC, LGs
GNI Nepal	Education, Public Health, Climate Friendly Agriculture	Asman Nepal, PAC Nepal, DSWCN	Climate-resilient education and public health programs	Madhesh Province	Provisions educational governance, public health, and climate resilience	Climate-resilient education and public health programs	Scaling through local educational institutions and municipalities	Low-Collaborationdducational institutions
Green Growth Nepal (GGN)	Green, Resilient & Inclusive Growth	LGs, PGs	Inclusive green growth initiatives	Madhesh Province	Connect inclusive growth, environmental sustainability, and governance capacity	Green growth initiatives that promote inclusive development	Expanding inclusive green growth through local government programs	Low-PLGSP ensures the partnership opportunities
Habitat For Humanity International - Nepal (HFO-East)	Safe Shelter Project (Land Rights, Housing, DRR, WASH)	MCDC, Save the Saptari Bhawani Integrated	Safe shelter and housing solutions	Dhanusha, Saptari, Siraha	Moderately connect housing and disaster resilience	Safe shelter and housing solutions integrated with local governance	Upscale through partnerships with local government and communities	Low-Close to MoPID, PPPC, LGs

		Development Center (BIDC), CIC, RYC			programs at the local level			
Handicap International Nepal	Inclusive Education, Health, Disability Inclusion	LGs	Disability-inclusive education and health programs	All districts of Madhesh	Links disability inclusion and governance capacity building programs	Disability-inclusive education and health programs	Expanding disability-inclusive services through local government and NGOs	Low-Link health and education institutions
Helvetas ReMI	Vocational Skills Training & State Building	LGs, PG, NARMIN, MUAN, TdH, CMC Nepal, MoLESS, DEPROSC	Vocational training and state capacity building for local governance	Dhanusha, Saptari, Siraha, Mahottari, Sarlahi, Rautahat, Bara	Helps local government capacity building and vocational training for enhanced service delivery	Vocational training and state capacity building for local governance	Strengthening through local government and educational partnerships	Medium-Cordination with civil LG association, PG, LGs
Helvetas_SaMi	Safer Migration Program	Mitra Dhanusha, Helvetas, MoLESS	Migration support programs, including legal access, skill training	Dhanusha, Mahottari, Sarlahi, Rautahat, Saptari, Siraha, Bara, Parsa	Supports local governance in managing migration and labor force	Migration support programs, including legal access, skill training	Upscale through migration services integrated into local governance	Low-coordination with PRTA, MoSD
ICF	Humanitarian Assistance: Nepal Urban Resilience Programme (NURP)	LGs	Urban resilience programs for improved local governance	Janakpur Sub metropolitan City	Strengthens urban governance and resilience at the local level	Urban resilience programs for improved local governance	Enhancing through local urban planning and development programs	Low-PCC, LGs, LEOC

	ICIMOD	Environmental Protection: Clean Brick Kilns	LGs	Clean brick kiln technology for environmental sustainability	Dhanusha (Nagrain), Bara (Prasauni)	Supports environmental governance and policy development goals	Clean brick kiln technology for environmental sustainability	Expanding clean energy practices through local government partnerships	Low-Work with LGs
	International Alert	Strengthening Access to Holistic, Gender Responsive, and Accountable Justice in Nepal	LGs	Gender-responsive justice programs integrated with local governance	Saptari, Dhanusha, Mahottari, Sarlahi	Links and focus on strengthening justice and governance systems	Gender-responsive justice programs integrated with local governance	Covered through local justice systems and community-based approaches	Medium-Works with LGs, PG, MoSSD
	Ipas Nepal	Sexual and reproductive health and rights	LGs	Expanded reproductive health and safe abortion access through local health services	Sarlahi (hospital-based expansion)	Supports health sector governance and strengthening service delivery	Expanded reproductive health and safe abortion access through local health services	Extending learning and best pracitce to other community hospital	Low-Link with health institutions
	Islamic Relief Nepal	Food security & livelihood, WASH, Child protection, GBV, DRR & climate resilience	Rural Development Centre (RDC), JJYC, BWSN, DSWCN, Mahottari	Disaster risk reduction, GBV prevention, and livelihoods integration	Mohottari, Sarlahi, Rautahat, Bara	Helps disaster resilience, gender equality, and community livelihood services at the local level	Disaster risk reduction, GBV prevention, and livelihoods integration	Improved through community-based approach and local government collaboration	Medium-ensure alignment with LGs program
	Johns Hopkins Center for Communication	Reducing Child, Early and Forced Marriage	Aasaman Nepal	Child, early, and forced marriage prevention programs in local governance	Rautahat, Mahottari	Strengthens child protection and local governance systems in addressing forced marriage	Child, early, and forced marriage prevention programs in local governance	Expanding through multi-stakeholder collaborations and community outreach	Low-Link with MoSD, LGs

Louis Berger (Lead), IOM Consortium	Education: Skills for Employment	All Palikas	Skills for employment programs targeting vulnerable populations	All Palikas in Madhesh Province	Supports governance by building local capacity for education and skills development	Skills for employment programs targeting vulnerable populations	Expanding partnerships with local authorities for scaling vocational training	Low-Ensure PRTC involvement
Marie Stopes International (MSI)	Safe Abortion and Post Abortion Care	Sunaulo Parivar Nepal (SPN)	Access to safe abortion and post-abortion care through local health systems	Parsa, Siraha, Sarlahi, Dhanusha, Rautahat	Enhances reproductive health governance and service delivery at local levels	Access to safe abortion and post-abortion care through local health systems	Facilitate through collaboration with local health institutions	Low-Link to health institutions
Mercy Corps Nepal	Strengthening Disaster Resilience in Nepal: Resilience Plus	LGs, PG	Building resilience in vulnerable communities through local governance	Madhesh Province	Focus on strengthening local governance, disaster resilience, and basic needs	Building resilience in vulnerable communities through local governance	Upscale through local disaster preparedness and resilience-building programs	Low-Ensure LEOC, LGs programs
NLR Nepal	Leprosy control & prevention	LGs, PG	Leprosy control through local health initiatives and disability management	Dhanusha, Mahottari, Sarlahi, Saptari	Supports local health governance and inclusion of marginalized groups	Leprosy control through local health initiatives and disability management	Expanding local health capacity to include leprosy services	Low-Coordination with health institutions
OCS Consortium	Nepal Health Sector Support Program	LGs, PG	Health sector support, focusing on leadership and governance	MoSD, Health Directorate	Helps to health governance systems and enhances service delivery capacity	Health sector support, focusing on leadership and governance	Extend through coordination with local health institutions and officials	Low-Ensure Health Institutions of the province
One Heart Worldwide (OHW)	Maternal and Newborn Health	Ratauli Youth Club (RYC), CNRD,	Integrating maternal health services into local health systems	Bara, Rautahat, Sarlahi, Mahottari	Strengthens maternal and newborn health services at local	Integrating maternal health services into local health systems	Strengthen through training of health workers and collaboration	Low-Involvement of Health Institutions

		Rautahat Mandwi, JJYC			health institutions		with local authorities	
Orbis International	Health: To reduce visual impairment due to uncorrected refractive error	LGs	Visual impairment prevention programs in schools	Siraha, Parsa	Relate with health service delivery and accessibility	Visual impairment prevention programs in schools	Expand through local health and educational institutions	Low-LGs coordination, MoSD
Oxfam in Nepal (OiN)	Climate Change, Disaster Risk Reduction, Livelihood & WASH	LGs	WASH and DRR programs integrated into local governance	Rautahat, Sarlahi	Connect with PLGSP's climate resilience and service delivery goals	WASH and DRR programs integrated into local governance	Expanding local governance capabilities to include climate resilience	Medium-allign with PLGSP for synergy
PEI - Policy Entrepreneurs Incorporated	Governance / Federalism Research	Aasaman Nepal, CFWA, SDRC, JWAS Support Nepal	Evidence-based approach to governance and adaptive programming	Dhanusha, Mahottari, Rautahat, Bara, Parsa	Supports governance reform, federalism, and capacity building in local governments	Evidence-based approach to governance and adaptive programming	Regularized through knowledge dissemination and stakeholder engagement	Medium alignment with PLGSP, PG program
People In Need (PIN)	Education, Emergency response, GBV prevention & protection	Social Organization District Coordination Committee, CSRC	GBV prevention, education, and emergency response integration	Bara, Rautahat, Dhanusha, Mahottari, Saptar, Siraha	Strengthens emergency response capacity and governance in GBV prevention	GBV prevention, education, and emergency response integration	Replicating through coordination with local authorities and services	Medium-Coordination with MoSD, DEOC. LGs
Plan International	Child Protection, Early Childhood Development, SRHR and Youth Empowerment	Aasaman Nepal, Bgmati Welfare Society Nepal	Early childhood development programs and SRHR initiatives	Dhanusha	Links with focus on child protection and governance capacity building	Early childhood development programs and SRHR initiatives	Strengthening through integrated local services and multi-sectoral approaches	Low-Working with MoSD, PG, LGs

PLGSP (Provincial and Local Governance Support Programme)	Government and State Building	OCMCM, LGs, PGs	Capacity building for local government officials	All districts in Madhesh Province	Core PLGSP objective of strengthening governance and service delivery capacity	Capacity building for local government officials	Expanding government capacity-building through direct interventions	Low working with OCMCM, PPC, PRTC Madhesh
PSI-Nepal	Maternal and Newborn Health	LGs	Expanding access to maternal health services	Saptari, Dhanusha, Parsa, Siraha, Mahottari, Sarlahi	Enhances maternal health governance at the local level	Expanding access to maternal health services through local health systems	Scaling through integration with local health facilities	Low-closely working with Health institutions
SNV	WASH, Urban and Rural	LGs, PG	Strengthening WASH systems at the provincial level	Parsa, Sarlahi (Ramnagar, Sarlahi RM)	Supports WASH system strengthening at the provincial level	Climate-resilient and inclusive WASH services	Strengthening through local government capacity-building programs	Low-incordination with LGs, PG, MoPID
Street Child of Nepal	Education: Foundational Level Learning Recovery Program	Aasaman Nepal	Foundational education recovery and ReAL plan alignment	Dhanusha, Mahottari, Sarlahi, Rautahat, Parsa	Strengthens local education governance and recovery programs	Focused on foundational education recovery and ReAL plan alignment	Engaging through schools and local education institutions	Low-Work with LGs, MoSSD
The Asia Foundation	Data and Evidence, Civil Society, Media, Education, Government and State Building	PG, LGs, NGOs	Data for development, evidence-based decision-making	Madhesh Province, Parsa (Birgunj Metropolitan City), Policy Commission (Province 2's Government)	Supports data-driven governance and state-building efforts at local and provincial levels	Data for development, evidence-based decision-making	Enhancing through policy reforms and capacity-building for data systems	Medium-PLGSP, PPC, PRTC ensure coordination with LGs
The Leprosy Mission International / Nepal	CLDP: Treatment of Leprosy, Disability Management	LG, Health Institutions	Leprosy treatment and disability-inclusive services	Madhesh Province	Helps health service delivery and inclusion of leprosy patients in local health systems	Disability-inclusive health services and leprosy treatment integration	Extending through local health systems and collaboration with NGOs	Low-District Hospital, health institutions

The Palladium Group	Government and State Building: Economic Policy Incubator	LGs, Educational Institutions, NGOs	Economic policy incubation at the local government level	Policy Commission (Madhesh) Government)	Supports economic policy development and governance capacity building	Economic policy incubation at the local government level	Scaling through partnerships with local governments and educational institutions	Low-coordination PPC, PGs
UK Aid (NHSSP)	Nepal Health Sector Support Program	MoHP, MoSD, DHO, Health Institutions	Health sector support in leadership, quality assurance, data	Madhesh Province, MoHP,	Strengthens health sector governance and service delivery at local levels	Leadership and governance in health sector improvements	Expanding health sector programs through local and national partnerships	Low-FG health sector policy
United Mission to Nepal	Resilient Livelihoods, Health and Education	LGs, NGOs	Integrated health and livelihood programs	Bara, Nijgadh Municipality	Supports local governance in health and livelihood services	Integrated health and livelihood programs	Proceeding through coordination and capacity building in local governments	Low-Integrated in LGs plan
USAID Adolescent Reproductive Health	Adolescent Reproductive Health, Family Planning, Education	PG, LGs	Adolescent health and family planning programs	Dhanusha, Mahottari, Sarlahi, Rautahat, Bara, Parsa	Enhances governance in reproductive health and education services	Adolescent health and family planning integrated into local governance	Gradding through integration and incorporation of local education and health services	Low-Involving school, Health facilities, LGs
VSO (Lead), ACTIVE Project	Youth Empowerment, Inclusive Education, Youth Responsive Health	Jan Jagaran Youth Club (JJYC), ASSAM AN Nepal, NFGN	Youth empowerment programs for governance and health	Gaur Municipality, Rautahat	Strengthens youth governance and inclusive education services	Youth empowerment programs for governance and health	Facilitating through youth participation, education services in local levels	Low-complement LGs program, PG, PROYELL
Welthungerhilfe (WHH)	Sustainable Food and Nutrition Security	Forward Nepal,	Integrated nutrition and food security programs at the local level	Saptari, Siraha, Rautahat	Supports food security governance and	Integrated nutrition and food security	Scaling through partnerships with local	Medium-allign with LGs, national flagship

		Sabal Nepal			nutrition programs at local levels	programs at the local level	governments and communities	
World Education	Inclusive Education, Pandemic Prevention, Green Recovery	Rastrya Rojgar Prabadhan Kendra, CPO, RDC	Green recovery programs integrated with inclusive education	Sarlahi, Rautahat	Strengthens inclusive education governance and pandemic recovery	Green recovery programs integrated with inclusive education	Expending through educational institutions and disaster recovery efforts	Low-LGs, community schools, MoSSD
World Vision International	Education including ECCD, Livelihood, WASH, Child Sponsorship, Child Protection	Rastrya Rojgar Prabadhan Kendra, CPO, RDC	Holistic child protection and education program	Sarlahi, Mahottari, Rautahat	Supports local governance in child protection, education, and WASH	Holistic child protection and education programs	Strengthening through integration with local child protection systems	Low-coordination with LGs, MoSSD
Zoological Society of London	Environment Protection: Socio-economic Resilience in Rural Communities	PG, FG, LGs	socioeconomic resilience through community-based environmental protection	Dhanusha	Connects with environmental governance and wildlife protection at local levels	Socioeconomic resilience through community-based environmental protection	Expanding through local government, buffer zone collaboration, and environmental education	Low-Collaboration with FG, MoFE, Buffor Zone

6. BEST PRACTICES FOR SCALING

Table 6 presents a set of best practice models drawn from the partnership landscape mapped in Madhesh Pradesh Province. Categorized by thematic focus, these practices aim to strengthen coordinated, inclusive, and sustainable local development. They offer actionable entry points that can be embedded within the PLGSP framework to enhance its provincial implementation.

Table 6.	BEST PRACTICES IDENTIFIED FROM THE FIELD
Thematic Area	*Upgraded Best Practice for Scaling*
Inter-Governmental Coordination	**Establish formal Shared Services Agreements (SSAs)** backed by sector-specific Intergovernmental Coordination Units (ICUs) and interoperable digital platforms to align mandates, pool resources, and coordinate budgeting across federal, provincial, and local tiers.
Infrastructure	**Co-develop multi-stakeholder infrastructure platforms** that consolidate LG-PG-INGO financing for public infrastructure, enabled through project banks and real-time digital tracking dashboards to reduce duplication and accelerate delivery.
Health and Education	**Adopt cross-jurisdictional service models** in health and education with shared physical infrastructure, pooled investments, and common digital monitoring systems for outreach, equity, and learning outcomes.
Economic Development	**Institutionalize inter-municipal economic corridors and innovation zones**, jointly managed by LGs and PGs to support SMEs, promote cluster-based industrial growth, and facilitate cross-border trade.
Disaster Risk Management	**Operationalize integrated DRM coordination structures** across PG, LGs, and NDRRMA using three-tier contingency planning, real-time emergency response protocols, and resilience-linked budget tagging.
Environmental Sustainability	**Implement climate-smart, community-based projects** co-financed by local governments and CSOs, with harmonized environmental performance indicators and citizen-reporting interfaces embedded in monitoring systems.
Capacity Building	**Scale province-led modular training systems** via PRTA and PCGG, with adaptive curricula, online course offerings, and localized digital platforms for continuous professional development across LG cadres.
Provincial OCMCM Action Centers	**Establish tech-enabled Provincial Action and Performance Centers**, drawing from the PMO model, to serve as digital governance hubs for policy coordination, planning analytics, and real-time service delivery oversight.
Policy Harmonization	**Institutionalize inter-tier policy summits** to synchronize fiscal frameworks, legislative calendars, and sectoral planning cycles across government levels, promoting coherence and collective accountability.
Funding and Resource Mobilization	**Launch blended finance vehicles via digital project banks**, facilitating co-investment by LGs, PGs, and external partners (donors, CSOs, private sector) in climate, agriculture, health, and infrastructure priorities.
Public Awareness & Community Voice	**Embed civic accountability mechanisms** such as civic scorecards, public hearings, and platforms like CivActs into

	formal governance frameworks to foster transparency, grievance redress, and community trust.
Agriculture and Livelihoods	**Promote smart contract farming and cooperative systems**, linked to digital agri-tech platforms and backed by academic and INGO-supported technical advisory units to enhance productivity and farmer resilience.
Digital Literacy and Innovation	Develop province-wide digital skill programs in partnership with universities and incubators; integrate e-governance into school curricula.
Governance and Accountability	Mainstream participatory M&E systems across tiers using common KPIs, social audits, and peer reviews to drive accountability.
Social Inclusion	Implement participatory budgeting and planning protocols that prioritize women, youth, elderly, and marginalized groups with embedded GESI indicators.
Urban Planning and Tourism	Integrate cultural heritage and eco-tourism into periodic and master plans, with climate-smart urban infrastructure design standards.

7.   SUGGESTED PROVINCIAL TA

Based on the identified capacity gaps and implementation priorities, two high-value technical assistance (TA) positions are proposed for consideration by provincial authorities. These roles address critical, cross-cutting challenges in fiscal governance, strategic planning, digital transformation, and inter-tier coordination. The Public Financial Management and Revenue Advisor will focus on improving budget realism, revenue optimization, and performance-linked fiscal frameworks. Meanwhile, the Strategic Planning and Digital Governance Sspecialist will complement existing IT support by driving integration across digital platforms, enhancing data interoperability, and embedding innovation systems to streamline planning, service delivery, and citizen engagement—including harmonized tools for revenue collection and performance monitoring.

1.   Senior PFM, Revenue, and Results-Based Financing Advisor

Madhesh Province faces acute challenges with budget realism, fragmented fiscal frameworks, and poor utilization of exclusive tax rights. Internal audit systems are weak, arrears settlement is delayed, and coordination across PFM systems remains inconsistent. Additionally, there is no structured mechanism to implement results-based budgeting or climate-SDG aligned tracking.

Responsibilities:
- Operationalize the Budget Realism Strategy, integrating MTEF forecasting and fiscal scenario modelling tools into budget planning across ministries.
- Conduct fiscal gap assessments and prepare sectoral revenue blueprints using disaggregated data on exclusive tax mandates.
- Support rollout of real-time revenue dashboards for LGs and PGs, enabling transparent collection, reporting, and forecasting using digital tools.
- Build a **result-**based financing framework linked to SDG and climate tagging, with guidance notes for ministries and LGs.
- Establish an Arrears Clearance and Audit Risk Reduction Taskforce, backed by digitized audit trails and training for LG finance officers.
- Facilitate alignment with ADB, SDC, and MoF fiscal policy reforms and ensure uptake of updated equalization and conditional grant mechanisms.

2. Strategic Planning, Digital Governance, and Innovation Systems Specialist

Planning fragmentation, lack of digital infrastructure, and ad hoc performance monitoring have left provincial institutions unable to drive coherent, inclusive, and forward-looking development. Existing systems like FRA, LISA, and LED are not interoperable, while innovation remains structurally unsupported.

Responsibilities:
- Lead the design and rollout of an Integrated Digital Planning and Coordination Platform, linking Project Bank, MTEF, and spatial planning tools at PG and LG levels.
- Establish a Provincial Innovation and Data Systems Unit (IDSU) anchored in the OCMCM to coordinate digital reforms and innovation pilots.
- Support spatial planning by integrating GIS layers and standard operating procedures into sectoral planning processes.
- Deploy data interoperability protocols for digital integration of LISA/FRA/LED tools with budgeting, audit, and M&E systems.
- Coordinate with SPRTA and PRTA to develop digital learning ecosystems, including modular e-governance and planning curricula.
- Provide technical assistance to launch the Madhesh Action Center, a real-time governance and coordination hub modeled after the PMO digital secretariat.

Both roles are pivotal for aligning Madhesh Pradesh's governance with federal principles, improving fiscal discipline, and institutionalizing data-informed decision-making.