



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

# **Sudurpashchim Province Capacity Needs Assessment Partnership Mapping Findings Best Practice Options and Potential TA Deployments**

Provincial Consultation Note

June 2025

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**Developed with the Support of:**

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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 Sudurpashchim Province to assess core capacity needs and partnership options in governance, public financial management, and service delivery under Nepal’s federal framework. It identifies **45 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

Sudurpashchim Province, located in the far-western region of Nepal, operates under the federal democratic republican framework established by the Constitution of Nepal 2015. Following the constitutional intent, the provincial government is structured with three main branches: executive, legislative, and judicial.

- **Executive Branch:** The Chief of Province serves as the ceremonial head of the province, while the Chief Minister is the head of the provincial government. As of August 5, 2024, Kamal Bahadur Shah of the Nepali Congress party holds the position of Chief Minister. The Chief Minister leads the Provincial Cabinet, which includes nine ministers responsible for various portfolios such as Physical Infrastructure Development, Economic Affairs, and Social Development.
- **Legislative Branch:** The Sudurpashchim Provincial Assembly is a unicameral body comprising 53 members, with 32 elected through first-past-the-post voting and 21 through proportional representation. 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 Dipayal High Court serves as the apex judicial authority in the province, overseeing the administration of justice.
- **Administrative Structure:** Sudurpashchim Province is comprised of nine districts: Achham, Baitadi, Bajhang, Bajura, Dadeldhura, Darchula, Doti, Kailali, and Kanchanpur. These districts are further subdivided into 89 local governments, comprising one sub-metropolitan city (Dhangadhi), 33 municipalities, and 54 rural municipalities. Each local unit functions autonomously, managing local administration, development projects, and public services, thereby ensuring governance and development initiatives are tailored to local needs.
- **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.

<b>TABLE 1. PROVINCIAL, LOCAL GOVERNMENT AND SHARED FISCAL ASSIGNMENTS</b>	
<b>Provincial Fiscal Assignments</b>	
<i>Tax Type</i>	<i>Details / Notes</i>
<i>Vehicle Tax</i>	Includes registration, ownership transfer, and annual renewal of vehicles.
<i>Entertainment Tax</i>	Applied to cinema halls, events, shows, and other commercial entertainment.
<i>Advertisement Tax</i>	On advertisements displayed in public spaces, billboards, etc.
<i>Agricultural Income Tax</i>	Provinces may impose this on larger-scale farming activities (non-subsistence).
<i>Tourism Fee / Tax</i>	Includes trekking permits, entry fees, and related provincial tourism charges.
<i>Service Charges / Royalties</i>	For the use of provincial services, licenses, and natural resources (e.g., forests).
<i>Provincial Property Tax (if any)</i>	Rarely imposed; often overlaps with local government mandates.
<b>Local Government Fiscal Assignments</b>	
<i>House and Land Tax (Property Tax)</i>	Imposed annually based on land and building valuations.

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

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

This multi-tiered governance structure is meant to ensure that Sudurpashchim Province addresses local needs effectively while aligning with national policies and frameworks.

## 2. NOTE PURPOSE

This Note serves to consolidate key findings from the capacity needs assessment, partnership mapping, and field-based identification of scalable best practices across Sudurpashchim Province implemented by different stakeholders. Its purpose is threefold:

- **Diagnose Provincial Capacity Needs:** The Note provides an evidence-based overview of institutional, organizational, and systemic needs across planning, fiscal management, digital governance, and service delivery functions. Drawing on structured interviews, administrative reviews, and local government diagnostics, it outlines 45 capacity needs 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 Sudurpashchim 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.

These observations, while not expanding the current mandate, provide a light-touch diagnostic to guide future Phase II support under PLGSP and related programs. ***These issues will be developed in the full final consolidated national partnership mapping and capacity assessment report.*** They highlight priority areas for deeper inquiry and investment to enable provinces to fully realize their constitutional functions within Nepal's federal system, helping to rationalize and harmonize

## **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 Sudurpashchim Province 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 needs in revenue generation, sectoral planning, and digital infrastructure continue to stall reform momentum. Social protection, employment creation, 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:

***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, along with improved grant allocation mechanisms that apply KPI-based conditionality and localized operational guidelines—key actions to be implemented across all provinces, potentially through a Joint Financing Arrangement (JFA) coordinated by the PCU.

***Budget Unrealism and Need to Strengthen Fiscal Futures:*** Budget formulation remains disconnected from realistic forecasts. Capacity building is required in budget tracking (especially for 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 PAMS are also prioritized.

***Sectoral and Infrastructure Planning Capacity Needs Strengthening:*** Core service delivery sectors—including education, health, and infrastructure—continue to suffer from fragmented planning processes, duplication of efforts, and limited cross-sectoral coordination. Planning is often reactive rather than strategic, hindered by inconsistent data use and constrained institutional capacity. The CD plan recommends strengthening provincial and local planning systems through capacity-building in evidence-based planning, intergovernmental coordination, and joint project appraisal—particularly in roads, education, and drinking water. This would include harmonized planning templates, routine data sharing protocols, and better vertical alignment of plans between tiers of 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 GEOMIS and IDMC, and to build sustained capacity for tools like LISA and FRA, 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 45 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 SUDURPASHCHIM CD NEEDS		
Capacity Needs	Recommendations	
<b>A. Issues Common Across All Provinces</b>		
1.1.	<b>Intergovernmental coordination</b> across the three tiers of government is limited, with the provincial government facing 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 <b>Shared Service Agreements (SSAs)</b> 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 <b>Shared Services Support Cell (SSSC)</b> could backstop implementation.
1.2	<b>Coordination challenges limit strategic coherence.</b> 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.	<b>Institutionalize sector-specific Intergovernmental Coordination Units (ICUs)</b> 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	<b>Decreasing Equalization Grant and increasing conditional grant.</b> 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 and advocate for KPI-linked conditional grant allocation mechanisms; develop provincial funding structures mirroring conditional grant principles. Coordinate with NNRF. 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.
1.4	Use of other PFM software and lack of capacity to implement PAMS	Cutting across all provinces provide capacity building on PAMS use; coordinate with DTCO and FCGO for technical backstopping and integration.
1.5	<b>Duplication of infrastructure plans</b> 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 and pilot under Su.PA.
1.6	Provincial governments <b>lack structured, tech-enabled coordination units,</b> 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	<b>Multiple, incompatible software platforms</b> exist across PG and LG levels, limiting data integration.	Develop a 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	<b>Low digital literacy</b> 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 <b>lack localized tools and procedures to comply with updated CS grant allocation guidelines.</b>	Design and implement operational CS grant guidelines tailored to the provincial context.
1.11	Provincial staff have limited understanding of how to use the <b>NPC’s</b>	Support effective uptake and integration of existing NPB and NPBMIS systems by building LG capacity,

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	<b>online project bank system</b> effectively, including Project Bank Guidelines and Localization.	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.
1.1 2	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.
1.1 3	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.
1.1 5	<b>Poor data integration</b> 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.
1.1 4	<b>Lack of user training and technical understanding delays effective use of the GEOMIS</b> system in Ministries.	Conduct targeted <b>capacity building for GEOMIS</b> implementation across provincial agencies.
<b>B. Non-Functional Systems Initiated at the Federal Level</b>		
1.1 5	Absence of legal and structural data security protocols affects safe data handling and inter-system coherence.	Support Provincial Government to <b>formulate a Provincial Data Protection and Coherence Act</b> .
1.1 6	Key public sector data is outsourced to private firms, with weak oversight and major data migration challenges.	Support GEOMIS rollout through coordination with MoCIT, aligned with the 2022 Electronic System Directive.
1.1 7	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.
1.1 8	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.
1.1 9	The prior PLGSP-supported online monitoring tools are inactive due to lack of follow-up support.	Develop real-time “ <b>Action Monitoring</b> ” tools, procure IT logistics, and ensure on-call vendor support.
1.2 0	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.
<b>C. Provincial Specific Issues</b>		
<b>Public Service Commission</b>		
1.2 1	The provincial Public Service Commission <b>lacks modern tools and infrastructure</b> for efficient, transparent, and merit-based recruitment processes.	Implement a <b>comprehensive digital upgrade package</b> with advanced recruitment software, automated scoring (OMR) for Merit Based Recruitment (MBR) result tracking systems, and fully equipped computer labs.
1.2 2	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.
1.2 3	<b>Weak coordination</b> among the Provincial Planning Commission (PPC), PSC, and OCMCM hampers a cohesive approach to	Establish a <b>formal coordination platform</b> among the Provincial Planning Commission (PPC), PSC, and OCMCM for coordinated efforts on O& M study and

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	Human resource development at the provincial and local government level.	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.
1.2 4	The province <b><i>lacks structured induction training programs</i></b> 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.
1.2 5	Existing in- <b><i>service training is irregular</i></b> , outdated, or misaligned with evolving job requirements.	With PRTA create a <b><i>continuous professional development system with needs-based</i></b> , role-specific training modules and digital tracking.
1.2 6	Limited awareness in <b><i>Royalty and Revenue Sharing</i></b>	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.
1.2 7	<b><i>Absence of an integrated staff inventory system</i></b> limits workforce planning, redeployment, and capacity analysis.	Roll out a centralized Provincial Human Resource Information System (PHRIS) with live staffing data, linked to planning and budgeting systems.
<b>Strategic Planning and Policy Coherence</b>		
1.2 8	Inadequate Economic analysis during planning	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.
1.2 9	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.
1.3 0	Need for digitizing the local resource information	Support development of digital maps for Rural Municipalities to improve local resource tracking.
1.3 1	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.
<b>Public Finance Management (PFM)</b>		
1.3 2	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.
1.3 3	Audit Issues: Need for strengthening internal auditing	Support LGs with tools and training to systematically document and manage audit-relevant information.

1.3 4	Procurement and e-bidding capacity building needs	Coordinate with PPMO to design and deliver tailored capacity building for procurement systems, including e-bidding.
<b>Sectoral Development and Economic Policy</b>		
1.3 5	Complexity in accessing health service data	Develop an online Health Information System (HIS) to provide access to personal medical data, prescriptions, and reports.
1.3 6	Complexity in accessing transport services and mobilizing transport related revenue streams	Develop an online transport platform for license, tax payment, and token systems; link it with revenue departments and the Ministry of Economic Affairs.
<b>Service Delivery and Inclusion</b>		
1.3 7	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.
1.3 8	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.
1.3 9	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.
<b>Civilian Oversight</b>		
1.4 0	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 provides the results of the initial provincial-level mapping exercise, illustrating how key development partners are supporting federalism-related reforms in Sudurpashchim Province. The examples focus on thematic alignment, coordination opportunities, and potential risks of overlap with PLGSP interventions. These working examples demonstrate how diverse actors—ranging from those engaged in youth participation to civic monitoring and inclusive planning—can contribute to and align with PLGSP’s objectives. This section is split into Priority Program Examples (three detailed examples provided) and a table of all other Sudurpashchim province partnership options to be explored in the final report.

### 5.1 Example Partnership Opportunities

Section 4.1 provides a summary of three illustrative cases highly relevant to PLGSP operations in Sudurpashchim 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.

### 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: (1) stronger intergovernmental coordination mechanisms, (2) more inclusive and evidence-based local policies (with a focus on public health services), (3) inclusive economic policies at subnational level, (4) more inclusive service delivery responding to women's and marginalized groups' needs, and (5) integration of climate change considerations into subnational plans (this fifth outcome was introduced in 2023).

- ***Presence in Sudurpaschim:*** Under Phase II the Programme facilitated policy dialogues and aimed to support evidence-based planning exercises in Sudurpaschim'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 Sudurpashchim participated in a Youth Sounding Board that informs the program's youth engagement strategy. However, despite progress, much of this is still not practiced by the Provincial Government. SNGP had expanded to cover 33 local governments in Sudurpashchim Province, with intentions to gradually include all 88 local units.
- ***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 (which could be replicated by PLGSP) were organized in Sudurpaschim 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 Policy and Research Centers (often through Provincial Center for Good Governance collaboration) that produce evidence for policy-making. This has been piloted in provinces including Sudurpaschim, helping ground provincial plans in data. SNGP has documented lessons on inter-governmental relations: for instance, in facilitating dialogues on functional assignments between Sudurpaschim'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.
- While a mandatory requirement of government supported by cooperation partners, 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 Sudurpaschim, 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 centers (PCGGs) established by PLGSP, this is already largely managed. In Sudurpaschim, for example, SNGP experts contributed to developing curricula for the Provincial Center for Good Governance 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).

<b>TABLE 3. THE ASIA FOUNDATION / DFAT – PLGSP OPTIONS</b>					
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 Policy and Research Centers; mainstreaming of GESI and climate considerations into provincial/local planning; inclusive planning tools like community scorecards.	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 PCGGs; 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.

### 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 Sudurpaschim:** ACCESS has a multi-province scope with a focus on Sudurpaschim, Karnali, and Madhesh Provinces. Within these, it targets 12 local government

units (municipalities) as pilots for its interventions. In Sudurpaschim, the project partners with several municipalities where it supports local civil society organizations to engage in education planning oversight. In March 2025 the programme held provincial-level multi-stakeholder meetings held in Dhangadhi, 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’s core activities involve capacity building and grants for local CSOs to monitor education services, facilitate community consultations, and advocate for improvements in schools. While many activities under ACCESS fall outside the scope of PLGSP, the programme also convenes multi-stakeholder dialogues with local governments to review progress on education plans; collecting data and citizen feedback (via surveys or civic forums) to inform evidence-based recommendations; and working with local governments to incorporate these recommendations into their annual plans and budgets for education. This advances outcome 3 under PLGSP by increasing citizen and civil society involvement in local decision-making and oversight of service delivery. When local governments respond to citizen-generated feedback on schools, it enhances accountability and satisfaction with services, aligning with the PLGSP goal of citizen-centric governance.
- **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 Sudurpaschim, 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, so 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.

<b>TABLE 4. PEOPLE IN NEED / ACCOUNTABILITY LAB NEPAL / EU / PLGSP OPTIONS</b>					
<b>Project/Initiative Name(s)</b>	<b>Best Practices Identified</b>	<b>Potential Areas for Synergy with PLGSP</b>	<b>Overlap/Duplication Risks</b>	<b>Entry Points for PLGSP Engagement</b>	<b>Coordination Mechanisms Proposed</b>
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	Strengthen civic engagement frameworks under PLGSP using ACCESS’s citizen monitoring	Low risk; however, PLGSP and ACCESS may independently organize citizen engagement activities or GESI audits without harmonization	Adopt CivActs or similar community monitoring tools in PLGSP municipalities; incorporate	Establish an inter-agency civic engagement working group under PLGSP; coordinate

	engagement with school management committees; mobilizing youth and mothers' groups to track education service delivery; inclusive education policy advocacy.	tools; apply inclusive planning and budgeting methods to other local service sectors beyond education.	if not well coordinated.	ACCESS's CSO capacity development content into PCGG training materials; facilitate joint citizen forums for integrated planning feedback.	community-level feedback sessions with local education units; invite ACCESS consortium members to PLGSP provincial consultations.
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## Promotion of Youth Engagement in Local Governance (PROYEL)

PROYEL is a project dedicated to empowering youth to participate in local governance processes. Funded by the European Union and co-funded/implemented by Helvetas Nepal, PROYEL works through local NGO partners to activate youth groups and institutionalize their engagement with municipal authorities. The project emerged in the post-federalism context to address the gap in youth voice in local decision-making. PROYEL's approach involves forming and strengthening Youth Panels at the palika (municipality) level and linking them with local government planning processes.

- **Presence in Sudurpaschim:** PROYEL is active in multiple provinces, notably Sudurpaschim, Karnali, and Madhesh. In Sudurpaschim, the project has engaged youth in districts like Achham, where a Youth Panel was formed and supported to liaise with the municipality in development planning. Helvetas reports indicate that youth from at least one municipality per target district are involved.
- **Key Activities & Alignment with PLGSP:** Key activities under PROYEL include forming Youth Panels at the municipal level and training them on local governance (roles and processes of municipalities); facilitating the involvement of these youth groups in the annual planning and budgeting cycle of local governments (e.g., helping youth prepare and submit priority lists to the Ward offices); running Good Governance Schools for youth (similar concept to civic education sessions) to raise awareness on governance, rights, and accountability (this approach mirrors the Good Governance School model used by other NGOs in the province); and implementing small youth-led projects to address community issues (with matching funds from municipalities as a way to foster cooperation).

These activities align with PLGSP outcome 3, which seeks to enhance the capacity of elected representatives and civil servants *and* their responsiveness to citizens – in this case, young citizens. By empowering youth to interface with local officials, PROYEL helps make local governments more accountable and attuned to youth needs (youth-friendly budgeting is one result). It also indirectly supports outcome 2 (inclusive institutions) by institutionalizing youth participation in decision-making, hence broadening inclusion. For example, a municipality that, due to PROYEL, now consults its Youth Panel when formulating its annual development plan is moving towards a more inclusive governance model, as advocated by PLGSP.

- **Innovations and Lessons:** PROYEL demonstrates an innovative model of structured youth engagement in governance. The creation of formal “**Youth Spaces**” within government planning (for example in the creation of a Youth Desk or officially Youth Panel in some municipalities) is illustrative. This is a departure from treating youth as mere beneficiaries, but instead as stakeholders in governance.

Another lesson emerging from PROYEL's implementation is the importance of mentorship: the project pairs Youth Panels with mentors (often local NGO workers or more experienced community leaders) to navigate bureaucratic processes, which has proven effective in building

youth confidence and ensuring continuity even when local governments initially hesitated to listen.

- **Synergy with PLGSP Outreach Approach:** PLGSP includes GESI and citizen engagement as cross-cutting issues but does not have a dedicated youth-focused intervention and as such, PROYEL largely complements PLGSP. The only area of potential overlap might be general governance training as both PLGSP and PROYEL conduct trainings/orientations on governance principles (PLGSP for elected reps and officials, PROYEL for youth and community groups). Nonetheless, because the target audiences differ, this is more complementary than duplicative. In fact, PROYEL’s youth engagement mechanisms could be incorporated into official practice (a synergy opportunity). As Sudurpashchim’s Provincial Government already has a Youth Policy; PROYEL’s on-groundwork gives life to such policies, supporting PLGSP’s broader aim of policy implementation.

<b>TABLE 5. HELVETAS NEPAL / EU / PLGSP OPTIONS</b>					
Project/Initiative Name(s)	Best Practices Identified	Potential Areas for Synergy with PLGSP	Overlap/Duplication Risks	Entry Points for PLGSP Engagement	Coordination Mechanisms Proposed
PROYEL – Promotion of Youth Engagement in Local Governance	Institutionalization of Youth Panels in municipal governance processes; creation of youth-inclusive planning forums; implementation of Good Governance Schools for youth civic education; small-scale youth-led local development projects co-funded by municipalities.	Build structured youth engagement frameworks into PLGSP’s civic participation pillar; support the replication of youth-led consultative processes across PLGSP municipalities.	Minor overlap in foundational governance training content between PLGSP and PROYEL, especially if targeted to new ward members and youth groups without differentiation.	Promote youth engagement as a formal part of the planning process; use PROYEL’s model to create youth consultation spaces within PLGSP municipalities; co-brand Good Governance Schools under PLGSP’s capacity building component.	Joint events at ward/municipality level for youth-municipal dialogues; coordination through provincial youth desks and PCGGs; co-hosting youth policy review sessions.

## 5.2 OTHER SUDURPASHCHIM PROVINCE PARTNERSHIP OPTIONS

Table 6 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.

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**TABLE 6. SUDURPASHCHIM PROVINCE PARTNERSHIP OPTION S**

#	Partner Name	Thematic Area	Partner Organization(s)	Illustrative Project	Implementation in Sudurpashchim	Linkage with PLGSP	Innovation	Best Practice for Scaling	Risk of Duplication
<b><i>Federal Institutions</i></b>									
12	Ministry of Economic Affairs (MoEA)	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
13	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
14	Ministry of Economic Affairs (MoEA)	Economic Policy and Investment		Provincial Economic Development Planning (Planned) Supports economic planning, budget formulation, and provincial investment forums for resource mobilization.		Coordinates on planning systems	Public-private investment forums	Joint venture-based financing of provincial growth hubs	Low – tailored to provincial strategy
15	Ministry of Social Development (MoSD)	Health, Education, 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
16	Ministry of Physical Infrastructure Development (MoPID)	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
17	Ministry of Agriculture	Agriculture and Livelihoods		Digital Agriculture and Irrigation Development		Indirectly via service delivery	App-based service delivery	Public-private extension and	Moderate – overlaps with

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	(MoA)			Promotion of agri-infrastructure, apps, and digital systems for crop monitoring and service delivery.			to farmers	irrigation tech	federal schemes
18	Provincial Public Service Commissions	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	Low – clear mandate
19	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 decentralization	Budget support linked to performance in federal reforms	Multi-sector budget support with joint indicators	Low – embedded in government systems
20	DFAT	Subnational Governance		Subnational Governance Programme (SNGP) Phase II Supports local governance strengthening, planning, budgeting, and inter-governmental 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
21	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
22	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
23	World Bank	Disaster Resilience, PFM, Infrastructure		Disaster Resilience DPC + Cat DDO / ACCESS		Overlaps in fiscal space and	Contingent financing +	Cat DDO as fiscal buffer model for	Moderate – requires

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				Budget and infrastructure projects focused on disaster resilience, connectivity, and fiscal management.		infrastructure policy	regional transport link	provinces	strategic sync
24	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
25	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
26	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
27	UN Women	Gender Equality and Social Inclusion (GESI)		Gender Responsive Governance and Budgeting Support to 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
28	International Organization for Migration (IOM)	Disaster Risk and Migration Governance		SIKAI – Institutional Knowledge for DRM Strengthening DRM capacity at 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
29	World Food Programme (WFP)	Food Security, Education, Nutrition		School Feeding Programme (Food for Education) Food distribution, nutrition education, and capacity		Indirectly supports MoSD delivery	Integrated nutrition and education delivery	Food-for-education linked to local agriculture	Low – institutionalized via MoSD

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				building for schools in rural Sudurpashchim.					
30	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
31	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-communicable diseases, Expanded programme on immunization	Low– risk parallel with MoSD initiatives
32	ILO	Climate change, information economy, Child labor	MoSD, SAHAS	Climate strategy, community engagement and economic sustainability		Medium-CCA policies, community engagement	Climate governance	integrated approach Community engagement	Low-risk MoSD, LGs
<b><i>Non-Governmental Organizations Operating in Sudurpashchim</i></b>									
1	World Vision International Nepal	Protection and Community Engagement in Sponsorship Program, Inclusive Quality Education	ASTHA Nepal, WAC Achham PYS Bajhang CEAD Doti, CDC Doti WACT Tikapur, DBS Bhajani	Community Engagement in Sponsorship Program	Achham, Bajhang, Doti, Kailali, Kanchanpur	Indirectly linkage with MoSD, directly with the education section in LGs	Community engagement, quality education	Community-driven solutions, education models	Low –WVI requires LGs priority, coherency with the designated section
2	Felm Nepal	Education Support Project, PwD/Mainstreaming of Psychosocial Disability, Mental Health of Migrant Workers	KOSHIS H, CMC - Nepal, Forward Looking CAHUR AST,	Education Support PwD/Mainstreaming, DRR, CCA of Psychosocial Disability, Mental Health of Migrant Workers	Kailali, Kapunchanpur, Doti, Dadeladhura, Baitadi, Bahhang	Linkage with MoSD, DRR livelihood, working with LGs,	Capacity building through working with LGs for DRR, CCA	Community mobilization and empowerment on CCA and DRR strategies	Low –Felm Nepal is working in coordination with LGs

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		Freed Haliya Empowerment, Nutrition and Livelihood, DRR and CCA	RMHSF -N, LI-Bird, LWF						
3	The Lutheran World Federation Nepal	Integrated Program: Livelihoods, Quality Service, Protection and Social Cohesion, COVID-19 Recovery	DBS Bhajani	Livelihoods, Quality Service, Protection and Social Cohesion	Kailali, Doti, Dadeldhura, Baitadi, Bajura	Low linkage with livelihood, DRR,	Social cohesion in livelihoods and quality services	wide approach to livelihoods and protection	Low- It requires coordination with LGs
4	United Mission to Nepal, Doti	Integrated Community Transformation, Resilient Development, Climate Change Mitigation	RCDC Doti, CEAD Nepal Doti	Community Transformation, Resilient Development, Climate Change Mitigation	Doti, Bajhang	Medium linkage with climate change adaptation, DRR,	Public awareness and action taken on climate change mitigation	Community transformation on CCA	Low – LGs leveraging resources from NGO
5	AIDS Healthcare Foundation (AHF) Nepal	HIV and AIDS	Local Hospitals	HIV and AIDS support	Doti, Achham, Kailali,	Low involvement in governance	Development of Survivors' life skills	Community-based PLWHA interventions	Low involvement of PLWHA
6	GIZ (LPED/GRAPE)	Climate Smart Agriculture, Agriculture Value Chains	LI-BIRD, Heifer International	Climate Smart Agriculture,	Doti, Dadeldhura, Kailali	Medium role in economic development	Inclusive agriculture value chain development	Multistakeholders' approach in agriculture product	Low – Lead farmers' engagement in the activities
7	Save the Children-Global Fund Program	Health: HIV, TB, Care for PLHIV	NNSW A, Trishuli Plus, NAP+N	HIV, TB, Care for PLHIV	Kailali, Kanchanpur, Dadeldhura, Doti, Achham, Baitadi, Bajhang, Darchula, Bajura	Minimal-involvement in social security, governance	Transforming the landscape of HIV and TB care, making treatments more effective, accessible, and patient-centered	Early Diagnosis HIV, TB and Linkage to Care	Low–structured protocol introduced
8	Handicap International Federation	Inclusive Education (Disability)	Local partners	Education for all	Kailali, Dadeldhura	Low- linkage with education accessibility	Strategies for inclusive education for kids with impairments	Enhancing access to education for children with disabilities	Low – Linkage with LGs
9	Habitat For Humanity Nepal	Safe Shelter, Land Advocacy, DRR &	Rastriya Dalit	Land Advocacy, DRR & CCA	Kanchanpur, Kailali	Low- linkage with DRR,	safe housing alternatives for	Enhancing resilient housing	Low – Linkage with Resilient

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	(Habitat Nepal)	CCA	Network (RDN)			CCA	underserved communities	options and incorporating disaster risk reduction (DRR)	Housing
10	Mercy Corps Nepal	DRR Governance, Economic Development, Disaster Preparedness, Education	Local partners	DRR Governance, Value chain, Disaster Preparedness	Kailali, Kanchanpur, Dadeldhura, Doti, Bajhang, Darchula,	Low- linkage with governance, DRR	Integrated disaster risk reduction (DRR) initiatives' and value chain development	Developing value chains to strengthen local economic systems and getting communities ready for disaster response	Low – Linkage with DRR governance
11	Sudurpaschim Province Research and Training Academy (SPRTA)	Training and Capacity Building	LGs, PG of Sudurpachim	Cluster-Based Training & Curriculum Development SPRTA 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 Sudurpachium	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 training landscape

## 6. BEST PRACTICES FOR SCALING

Table 7 summarizes possible best practices derived from the identified partnership options in the Sudurpashchim Province mapping. These practices are organized by thematic areas and are designed to support sustainable, inclusive, and coordinated local development efforts. These can be integrated into the PLGSP program.

<b>TABLE 7. BEST PRACTICES IDENTIFIED FROM THE FIELD</b>	
<b><i>Thematic Area</i></b>	<b><i>Upgraded Best Practice for Scaling</i></b>
<b><i>Inter-Governmental Coordination</i></b>	Establish formal Shared Services Agreements (SSAs) supported by Intergovernmental Coordination Units (ICUs) and digital platforms to align service delivery mandates and budgets.
<b><i>Infrastructure</i></b>	Co-develop multi-stakeholder infrastructure platforms for joint planning and funding, integrating LG-PG-INGO resources with real-time tracking.
<b><i>Health and Education</i></b>	Adopt cross-jurisdictional shared health and education service delivery models with pooled investment and shared digital platforms for outreach and monitoring.
<b><i>Economic Development</i></b>	Institutionalize inter-municipal economic zones and business incubation hubs jointly managed by PG and LGs to drive SME growth.
<b><i>Disaster Risk Management</i></b>	Operationalize three-tier DRM coordination platforms involving PG, LGs, and NDRRMA with integrated contingency planning and budget tagging.
<b><i>Environmental Sustainability</i></b>	Co-implement climate-smart community-based projects with shared environmental performance indicators and citizen reporting tools.
<b><i>Capacity Building</i></b>	Expand province-led, cluster-based modular training through SPRTA and PCGG, with demand-driven course design and digital learning options.
<b><i>Provincial OCMCM Action Centers</i></b>	Replicate the PMO prototype by establishing tech-enabled provincial Action Centers for real-time coordination, planning, and performance monitoring.
<b><i>Policy Harmonization</i></b>	Hold periodic inter-tier policy summits to align sectoral priorities, fiscal frameworks, and legislative timelines across government levels.
<b><i>Funding and Resource Mobilization</i></b>	Launch blended finance mechanisms through project banks, combining LG, PG, and donor investments in priority sectors.
<b><i>Public Awareness &amp; Community Voice</i></b>	Institutionalize civic scorecards, public hearings, and community monitoring platforms like CivActs to enhance feedback and transparency.
<b><i>Agriculture and Livelihoods</i></b>	Promote contract farming and cooperative models linked to agri-tech platforms and supported by joint academic-INGO technical units.
<b><i>Digital Literacy and Innovation</i></b>	Develop province-wide digital skill programs in partnership with universities and incubators; integrate e-governance into school curricula.
<b><i>Governance and Accountability</i></b>	Mainstream participatory M&E systems across tiers using common KPIs, social audits, and peer reviews to drive accountability.
<b><i>Social Inclusion</i></b>	Implement participatory budgeting and planning protocols that prioritize women, youth, elderly, and marginalized groups with embedded GESI indicators.
<b><i>Urban Planning and Tourism</i></b>	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 capacity needs and implementation priorities two strategic technical assistance (TA) positions are recommended for consideration by provincial authorities. Each responds to cross-cutting needs that impact planning, fiscal governance, digital service delivery, and coordination, with the focus of the digital governance specialist aimed at complimenting the current IT technical assistance provinces, but with a clear focus on harmonizing digital solutions and services, including revenue collection.

### **1. Provincial Public Financial Management and Revenue Advisor**

The province faces serious challenges with budget realism, fragmented fiscal planning, underutilization of exclusive tax rights, and weak coordination between federal, provincial, and local PFM systems. There is also no robust mechanism to track revenue potential or implement fiscal capacity strategies across levels.

#### **Key Responsibilities:**

- Support operationalization of the Budget Realism Strategy, including capacity-building on medium-term expenditure frameworks (MTEF) and fiscal forecasting.
- Conduct fiscal gap analyses, tax mandate mapping, and sectoral revenue potential studies aligned with provincial-exclusive rights.
- Design and institutionalize revenue management systems that integrate digital tools for tax collection and reporting at PG and LG levels.
- Assist in aligning PFM and budgeting tools across provincial ministries and linking with the federal fiscal transfer system.
- Facilitate coordination with partners like MoF, SDC, and ADB to synchronize ongoing PFM and revenue reform initiatives.

### **2. Strategic Planning and Digital Governance Specialist**

Planning fragmentation and weak digital infrastructure severely hamper policy coherence and data-driven development. The absence of interoperable systems across governance levels undermines coordinated planning and service delivery, while performance monitoring remains ad hoc and tool-specific (e.g., LISA, FRA, LED).

#### **Key Responsibilities:**

- Design and deploy a multi-tiered digital planning and budgeting platform linking federal, provincial, and local governments, with real-time data and development partner access.
- Develop centralized digital repositories per sector to enable open data, e-planning, and integrated performance monitoring (LISA/FRA/LED).
- Build capacity within the OCMCM and sectoral ministries to operationalize the Project Bank and mainstream data-informed planning.
- Coordinate with SPRTA and digital innovation partners to provide training on digital tools and support long-term system sustainability.
- Serve as a liaison with GIZ, World Bank, and UNDP initiatives focused on digital governance and infrastructure project banks.

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

