Governance Conflicts and Cooperation in Federal Nepal

June 2024

Table of Contents

Preface

Violent conflicts are a threat to democracy and democratic development everywhere. It is one of the most enduring risks that disrupts state-society harmony, hinders efficient public service delivery, and reduces trust between the citizens and democracy[1]. Especially when conflict arises and exists among the governing bodies, the system, or the process, its effects are exacerbated and realized at almost all areas of governance. In countries with multiple levels of governance structures, authorities and interests often intersect and detangling these junctures are challenging, resulting in governance conflicts.

However, not all conflicts are inherently harmful. Under right conditions, conflict may lead to positive social transformations, by excavating issues that may have been overlooked and fostering constructive channels of conflict transformation or resolution.

In the past two years, Centre for Social Change (CSC) through its flagship research initiative- Governance Monitoring Centre (GMC) Nepal has invested into understanding the relevant factors, actors and circumstances that hinder effective governance and located that these elements play a key role in bearing and extending governance conflicts, amassing multiple actors with their respective agendas, especially since the promulgation of new Constitution in 2015 and adoption of a federal governance structure.

With the main aim of fostering a thriving space for peaceful governance, GMC Nepal through mixed methods of research has shed light on the challenges that federal Nepal currently faces in achieving effective governance, mainly in four areas, i.e., Natural resource, Development, Political and Ethnocultural governance. GMC Nepal has disseminated the research findings through study reports- Triggers of Governance Conflicts in Federal Nepal, Quest for Peaceful Governance and Governance Watch, a bimonthly report series and various local, province and national level dialogues.

Captivating the findings gathered from the ongoing research initiative, this report comprises of three sections. The first section provides readers a snapshot of the existent governance conflicts in Nepal relevant to natural resources, development, ethnocultural and political governance, documented through events and cases, using media monitoring as an approach. It summarizes the findings of nine reports yielded under 'Governance Watch' series. The following section then gives an overview of the horizontal and vertical dynamics of intergovernmental conflicts in federal Nepal, i.e., amid the local, provincial and national tiers. The third section then delves into governance conflicts that have extended beyond the frontier of three government tiers and affected the citizens, focusing on how such governance conflicts have fueled the citizen's dissatisfactions and civil unrest. By and large, this report highlights the potential of governance conflict transformation through cooperation among multiple layers of state and non-state actors.

GMC Nepal would like to thank each person for their contribution to this study, from its conceptualization to execution. Consultations with a handful of relevant experts and scholars have also guided this endeavor. We truly appreciate their input and especially of CSC team at Kathmandu, Rupandehi, Sunsari and Bara districts of Nepal.

---

[1] Conflict, Governance and Legitimacy Assessment Framework. 2021. International Republican Institute iri-conflict-governance-framework-120221.pdf

Verity of governance conflicts in federal Nepal: An overview of findings

Introduction

Ranging from geopolitical disturbances to civil upheavals, resource distribution to power devolution, climate concerns to economic instability, the intensity and extent of conflicts vary from country to country. In relevance, studies suggest that developed nations with stable democratic governance tend to be more peaceful (Gat, 2005) and in recent times, although mixed with criticisms of the current status of democracy; an urge for democratic governance with stronger political voices has been realized globally (Wike & Fetterolf, 2021). Nevertheless, history shows that conflicts affect democratic and non-democratic, developed and developing countries alike and a profound understanding of the nature of these conflicts is crucial in identifying potential risks and developing effectual plans and strategies.

Recognizing the changing tides of civil and political preferences of democratic institutions around the globe, the essence of governance has altered according to the most pressing agendas of the corresponding times. Nonetheless, scholars have linked the benchmarks of peaceful democracy to effective governance (Armingeon & Guthmann, 2014; Mishler & Rose, 2002). On this matter, with the growing interests of researchers around the world, components of democracy are now inquisitively investigated, with a significant focus on identifying mechanisms through which democratic institutions prevent conflict and sustain peace.

2. The Nepali context

In the context of Nepal, one of the most optimistic prospects that arrived with the adoption of the new Constitution in 2015 and the adoption of a federal governance structure, was the establishment of seven Provinces and 753 Local Government Units (LGUs), each with their own governing systems and the provision of exclusive and concurrent rights. By conception, a federal governance structure not only supported the transference of power from central to provincial and local units, but also promised to bring Nepali citizens closer to their elected representatives, ensuring enhanced democratic spaces for the participation of people in political processes henceforth.

Then again, one cannot overlook that Nepal stands on a history of centralized orderliness. Shifting from the preset perceptions and practices of a consolidated system, the country is progressively getting accustomed to a federal governance model. It has been almost nine years since this historic transformation, and Nepal continues to navigate its way through the merits of federalism, but also its complexities, amid the institutional rearrangements, materialization of new policies and guidelines and designations of roles and responsibilities concerning power devolution and jurisdiction. Steering against the waves of political instabilities, authoritative power struggles, political agenda and societal as well as regional disparities, the federal governance system currently faces some evident and some underlying threats of multifaceted conflicts, and these circumstances are further exacerbated by deep rooted assumptions of weak state capacity and a lack of efficiency of government entities.

In the years that followed the enactment of the new constitution, Nepal has successfully accomplished two general elections, a milestone success for the young federal nation. With that, the governance restructuring process is underway, comprising the essentials of a federal system, institutions, and policies. However, its effective functioning has faced a fair set of challenges that have opened avenues for horizontal and vertical forms of intergovernmental conflicts, affecting the rationale of federalism in its entirety and fueling civilian dissatisfaction.

Based on these correlations, GMC Nepal, in the past two years, has attempted to understand the attributes of a sustainable and peaceful democracy through the lens of governance conflicts in Nepal. By governance conflicts, the study refers to observable clashes, disputes, complaints, protests, legal cases, etc. among the local, provincial, and federal governments of Nepal and between the government and citizens as well. It refers to the horizontal dynamics of intergovernmental conflicts among the three government tiers as well as the vertical.

What are these governance conflicts, what factors has triggered these conflicts within and beyond Nepal's federal governance structure, and how has it hindered the crux of the federal democratic republic nation? Exploring these queries, this report attempts to provide an overview of the status of governance conflicts in Nepal, highlighting the key challenges in four governance areas that are most pertinent in the Nepali context- natural resource, development, ethnocultural and political governance with relevant recommendations as a way forward.

Considering the underlying causes of contestation brought by unclear or disputed jurisdictions within and between the three tiers of governments, the question remains how the institutional restructuring will shape the sustainability of resources and development agendas, undertaking local, national, and global promises. Also, Nepal's exit from a unitary governance in 2015 with a new constitution, aimed to address the historically embedded ethnocultural issues and create a sound political environment, but how is that working out?

Recognizing natural resources, development, ethnocultural and political governance as some of the most crucial governance areas that involve multiple layers of jurisdiction, agendas, institutions, guidelines and policies, possibilities of contestation are high. In these areas, concurrent powers can potentially coincide while transferring constitutional prerogatives to sub-national levels. Moreover, policies, plans and strategies in these four mutually exclusive areas can ultimately affect the actual needs of the communities, coherence among the diverse groups of people, viability of the resources, and sustainability of development efforts. This study thus aims to address the complexities in these four governance areas, through the lens of governance conflicts, intergovernmental relations, and civilians' displays of dissatisfaction.

3. Methodology

To identify the occurrence of governance conflicts related to natural resource, development, ethnocultural and political governance in Nepal, the study has vigilantly monitored five news media sources (i.e., Kantipur, Annapurna Post, The Kathmandu Post, Online Khabar and Setopati), as the primary source of quantitative data. In the span of two years (June 2022 to May 2023), the database recorded a total of 1584 news and events of governance conflicts related to the four governance areas, as reported by the five media outlets. The study has further clustered and analyzed these events to understand their triggering factors, influence of actors, timeline, location of occurrence, and other attributes. The adopted media monitoring methods assess the following major indicators to understand the four areas of governance and governance-related conflicts in these areas:

Table 1. Indicators and their descriptions

Indicators	Description
Legal and policy frameworks	Enforcement of laws and regulations, policies and procedures enacted by the legislative bodies in accordance with broader governance and societal reform.
Government bodies and mechanisms	Institutional arrangements of government bodies and autonomous bodies under federal structure and their interaction.
Roles and responsibilities	Power relations and functions of government bodies (both executing and implementing agencies) along with civil society, international bodies, media for fully functional of federal structure, better governance and rule of law.

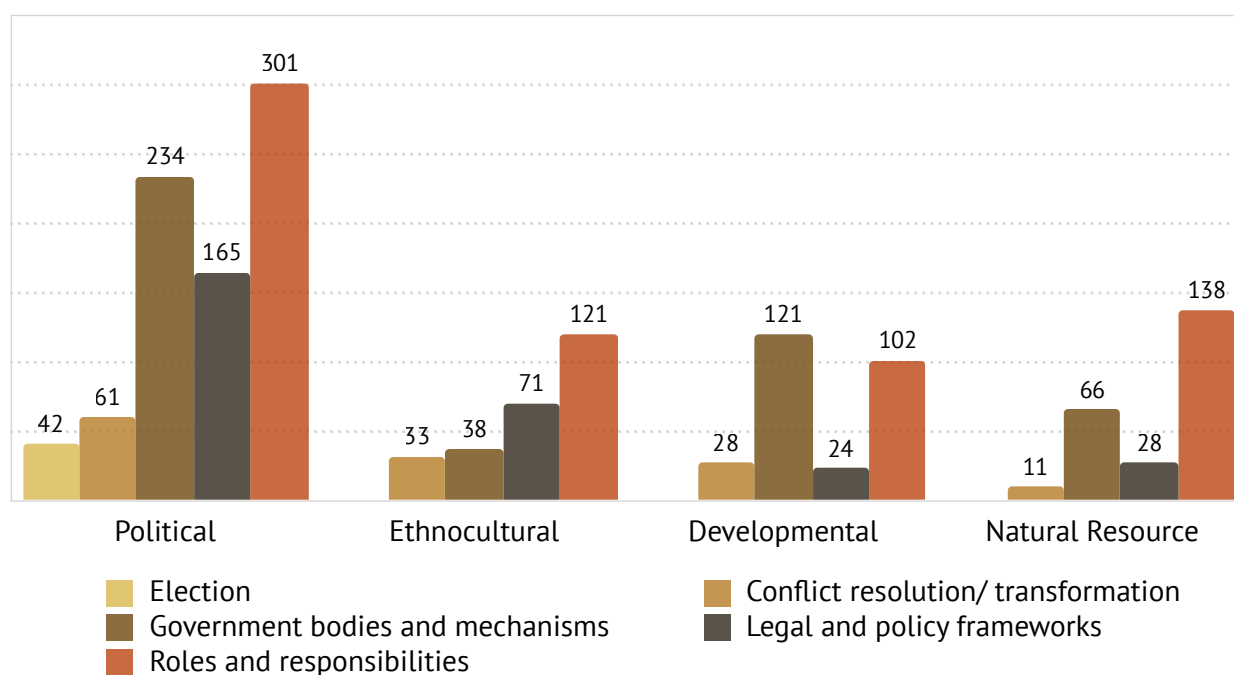| Indicators	Description
Conflict resolution/ transformation	Existing mechanisms and provisions dedicated to resolving conflicts, providing access to justice and ensuring participation and representation of marginalized communities and indigenous people.

The media-monitoring methods analyze the above indicators to understand the gaps and challenges existent within the federal governance system. Understanding effectiveness in formation as well as implementation of the indicators is the major focus of this report to derive governance related conflicts and relevant opportunities for conflict resolution. Additionally, the database includes event types, sub-events, actor/s, event location and conflict themes as specific variables to understand the characteristics associated with governance-related conflicts in the four areas focused on by the study.

To understand the IGR and intergovernmental conflicts in Nepal, in addition to the data gathered through media monitoring, the secondary data also includes a review of academic literature, policy documents, and reports. Likewise, primary data is gathered through an action research approach in four provinces of Nepal, namely, Koshi, Madhesh, Bagmati, and Lumbini, with nearly 100 individuals representing elected leaders, political party members, civil society leaders, local government officials, and media persons. While the secondary data mostly comes through the real-time media monitoring of governance conflict events on four different themes (political, development, ethnocultural and natural resources) and those that have occurred across the country, this study also incorporates information associated with the writ filed at the Supreme Court of Nepal from different provinces, local governments, and individuals against the Federal Government.

The court cases presented here are based on the Supreme Court's annual report for FY 2078/79; thus, newer versions of the annual report may provide updated information. Also, the media-monitoring approach adopted by

Table 2. Recorded number of events by types

Nature	Type	Count
Nonviolent		1231
	Peaceful protest	733
	Dispute	138
	Legal/Policy decision	90
	Legal case registration	66
	Official decision	63
	Arrest/Seize	57
	Agreement	41
	Delegation/ Memorendum	31
	Official meeting	12
Violent		353
	Animal attack	103
	Protest with intervention	71
	Mob violence	54
	Attack/Assault	47
	Violent demonstration	43
	Looting/Property destruction	23
	Illegal poaching/ hunting	8
	Bomb explosion	4
Grand Total		1584

Figure 1. Recorded number events by theme and indicators

Legend:
- Election
- Government bodies and mechanisms
- Roles and responsibilities
- Conflict resolution/ transformation
- Legal and policy frameworks

this study relies on limited media sources, thus, the study leaves scope for further validation of the cases and events analyzed by this study. Since the study only focuses on natural resource, development, ethnocultural and political governance conflicts in Nepal, this report does not incorporate information on other areas of governance.

4. Overview of Findings

Between the period of June 2022 and May 2024, a total of 1584 news stories and events relevant to governance conflicts in Nepal were recorded. These events were strictly observed in the natural resource, development, ethnocultural, and political governance areas. A breakdown of those events by their characteristics and distributions is explained in this section.

As Figure 1 shows, among the four governance areas focused on by this study, most of the recorded governance conflicts were political in nature. These events encompassed issues ranging from disagreements over allocation, reallocation, and delay in allocation of human and financial resources among different government tiers to public and political protests over matters like identity, injustice, and compensation.

Tensions escalated between the Madhesh province government, and the federal government, particularly Prime Minister's administration, over the issue of police force adjustment. Expressing frustration during a press conference in Janakpur, Chief Minister of Madhesh Province stated the challenges faced by the provincial government due to this unresolved matter and issued a 30-day ultimatum, demanding that the police administration, which falls under the exclusive powers of the province, be placed under provincial jurisdiction. (Online khabar, Setopati 11/08/2023)

Figure 2. Recorded number of events by province and theme
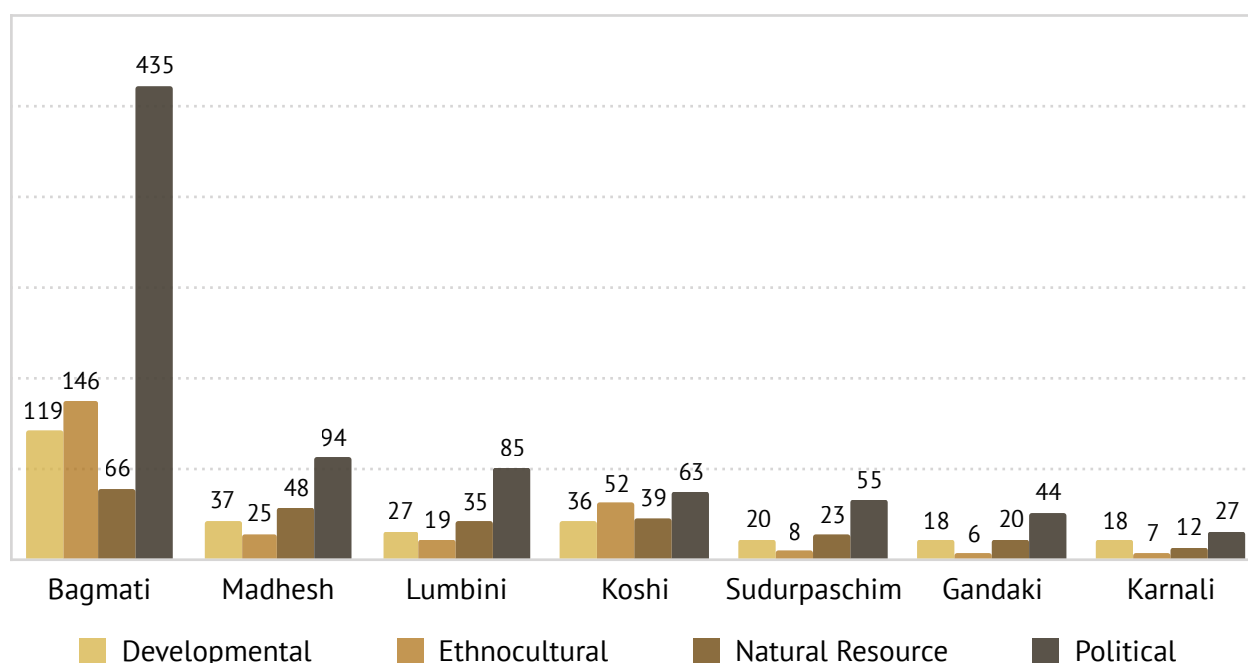
In addition, the recorded events mainly highlighted intergovernmental struggles in fully realizing their roles and responsibilities in execution of their duties, power distribution, and coordination between the three government tiers. Similar issues were observed in the other three areas of governance, where events reflected the frustrations of actors over either absent or unresponsive authorities. The issues exposed a power imbalance among representatives, raising concerns about the appropriate conduct of officials. At the same time, the figure shows a significantly low number of events relevant to conflict resolution. This calls serious attention to the high existence of governance conflicts versus extremely low efforts to resolve them.

Further on, a province-level distribution of the recorded events shows that the majority of government conflicts occurred in Bagmati Province. A Significant number of citizens from outside the Kathmandu valley, throughout the seven provinces of Nepal, came to Kathmandu to protests when their demands and issues were not addressed by their respective local or provincial governments. A closer look at this finding highlights a centralized practice, as citizens, political parties, civil servants and other actors carried out demonstrations on their relevant issues in the capital city Kathmandu to draw the attention of the federal government. This may be due to the centralized mindset of all protest groups, believing that their demands can be addressed when the power-holders in Kathmandu listen to them. . This also indicates a low level of citizens' trust in the local and provincial governments to fulfill their demands. As the data shows, Bagmati province witnessed the highest numbers of governance conflicts related to all four governance areas focused on by this study,

> Locals from Birgunj district marched to Kathmandu, carrying the polluted water of the Sirsia River. They organized a sit-in protest at Maitighar Mandala, demanding actions from the central and their local governments against pollution and encroachment of Sirsia River in Birgunj. (Online Khabar, 7/6/2023)

highlighting that the core spirit of a decentralized governance model is yet to be achieved.

An analysis of the actors involved in the governance conflicts in the four governance areas focused on by this study shows that the involvement of civilians[2], government actors, and political parties was significantly higher when compared to other stakeholders. These actors were observed both as instigators of conflict and as groups affected by the impacts of governance conflicts. This study emphasizes that identifying the relevant actors in such circumstances can be crucial in planning conflict resolution strategies, tailored to the needs and demands of the respective parties. The study realized that a detailed breakdown of the events involving these major actors is necessary. Thus, a summary of this breakdown is presented in the later section, 'Dissatisfactions and Grievances'.

Figure 3. Actors Involved

---
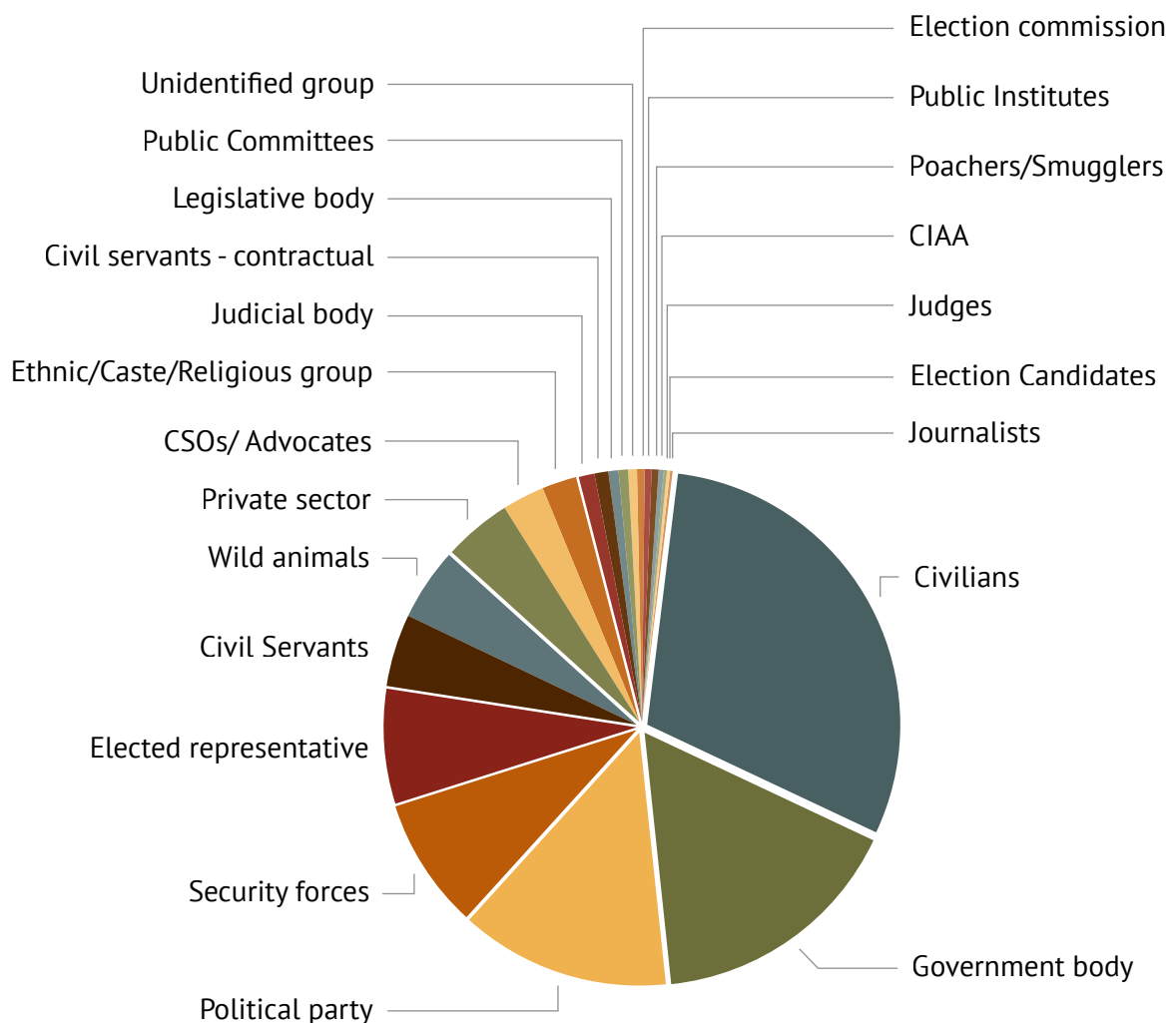
[2] In this study, civilians refer to individual/s who are part of the conflict but not associated with any political or organized group.

Now, in the following section, the study presents a snapshot of the nature of governance conflicts observed in each governance area focused on by this study-

5. Natural resource governance conflicts

Natural resource governance fundamentally suggests norms, institutions, and processes that determine how power and responsibilities over natural resources and climate are exercised, how decisions are taken, and how citizens (including women, men, youth, Indigenous people, and local communities) participate in and benefit from the management of natural resources. In Nepal's context, longstanding natural resource conflicts concerning resource appropriation, distribution, and control are linked to their management, ownership, allocation, and utilization (Upreti, 2001). Despite the current federal structure, a centralized mindset exists among stakeholders in the federal government, with both the bureaucracy and employees favoring authoritative decision-making and power consolidation. This challenges the constitutionally mandated separation of state powers (Bhattarai, Shrestha, & Neupane, 2019).

This transformation has posed challenges in achieving effective governance of natural resources in Nepal, stimulating natural resources governance conflicts. Amid the vertical and horizontal realms of the three government tiers and between the government and other actors like civilians, civil society, and private companies, these governance conflicts sanction prospects of systemic corruption, and exploitation of natural resources, exacerbating the recurrence and impacts of human-nature conflicts. The following is a figurative demonstration of the key issues observed in natural resource governance and its major impacts. It is based on the findings of the study and is presented in a framework to provide an outline of what the study gathered.

Figure 4. Key issues observed in natural resource governance[3]

---
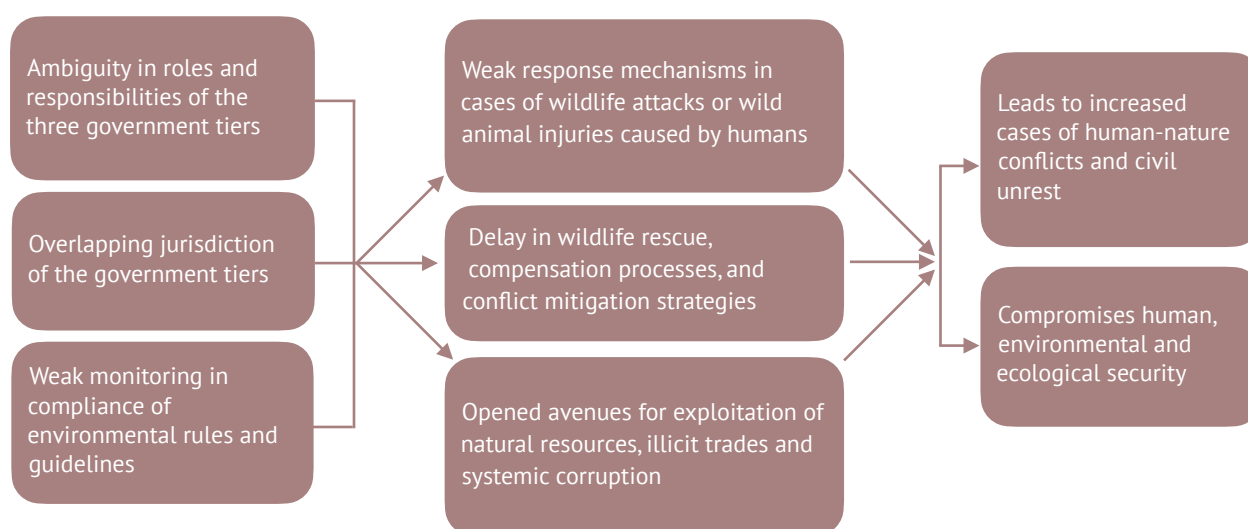
[3] Findings also refer to GMC Nepal's previous study reports- Triggers of Governance Conflicts in Federal Nepal, Quest for Peaceful Governance and Governance Watch

To elaborate on Figure 4, lack of clarity in the division of roles and responsibilities, and weak compliance with legal and policy frameworks among the federal, provincial, and local levels of government have slackened true decentralization of governance, triggering natural resource conflicts in Nepal. Also, concurrent jurisdiction of the three government tiers over access and management of natural resources has made equitable resource, revenue, and benefit sharing challenging by creating pressure among the three government tiers and other actors to exploit resources for maximum revenue generation, especially in cases of river-based material extraction and use of timber and forest products.[4] This complexity is exacerbated by poor implementation of response mechanisms, compensation policies, and mitigation strategies in cases of displacement instigated by conservation projects, has resulted in loss of livelihoods, worsening poverty, and increased grievances among people. Also, the absence of strict and functional monitoring authorities has led to systemic corruption and illicit activities. The study shows a high recurrence of human-wildlife conflicts resulting in injuries, displacement, deaths, and other forms of distress and injustice, endured by both humans and wildlife. In such cases, grievances and demands from civilians were persistently made

> Locals of Madhuban Municipality, Bardiya, led a strike burning tires on the road and blocking Gularia-Rajapur road section, drawing attention of the government to the increasing tiger attacks in areas close to Chameli Gaudi Community Forest. Protestors were angry over the government's lack of response towards victims of wildlife attacks victims, in terms of compensation, prevention measures, or timely interventions. A woman was killed in the clash between police and protesters while many others were injured. (Kantipur, 06/06/2022)

towards the local government, situating civilians, wild animals, and the government as major actors in natural resources governance conflicts, both as instigators of conflict and the victims. This indicates that suppressed grievances of victims of natural resource conflicts that were neglected for a long time without real-time and pragmatic solutions from the government or private companies result in larger civil resistance, severely compromising human, environmental, and ecological security.

Key recommendations

1. The concurrent and exclusive powers of the three tiers of government over access, use, and management of natural resources in Nepal need clarification. For this, the role of institutional bodies like the National Natural Resources and Fiscal Commission (NNRFC) must be strengthened to collaborate with three government tiers and ensure balanced allocation of funds, financial harmonization, and just distribution of natural resources, benefiting the people and uplifting the sustenance of natural resources.

2. Relevant authorities must adhere to a precise chain of reactive and preventive responses to tackle human-wildlife conflict events, minimize their impact and recurrence, and enable

---

[4] Case example- CIAA filed charges against 7 people, including the then chairman of Temal Rural Municipality, Chief Administrative Officer and owners of several construction companies, Kavrepalanchowk district, alleging collision between the chairman and businessmen over leaked revenue in contract related to the extraction of river materials. Link- राजस्व चुहावट गरेको आरोपमा तेमाल गाउँपालिकाका तत्कालीन अध्यक्षसहित सात जनाविरुद्ध मुद्दा :: सेतोपाटी संवाददाता :: Setopati- Setopati, 18/12/2022.

human-wildlife coexistence. Authorities must ensure strict measures to control illicit activities like hunting, poaching, and the illegal trade of wildlife. Simultaneously, community-led initiatives like community patrols, and wildlife-friendly farming practices, must be encouraged with the active roles of conservation practitioners, community leaders, researchers, elected representatives, local and Indigenous groups, and government officials.

3. Addressing natural resource conflicts requires an integrated approach, involving technical expertise, policy coherence, and a precise understanding of the social, economic, and political dynamics surrounding these resources. For this, access to prospects for local-level dialogue is essential to deescalate the impacts of the conflict.

6. Development governance conflicts

The Organization for Economic Co-operation and Development (OECD) states that sound infrastructure supports long-term inclusive economic, environmental, and social growth of a country by contributing to low-carbon transition, protecting biodiversity and raising access to economic opportunities while addressing disparities and inequalities.[5] However, large scale infrastructure investment is a complex practice and poor governance plays a major role in failure of such projects in terms of budget, timeframe and service delivery objectives.

In the case of Nepal's development plans and strategies, the current governance framework ensures a proactive involvement of local governments in planning, implementation, and management of development projects and allows the participation and representation of local stakeholders in the development processes (Acharya, 2018), but the local initiatives often conflict with federal guidelines and vice versa, denoting poor participation of local citizens in the planning and decision-making processes.

Such complexities have influenced the governance of social and infrastructure development by compromising coherence between policy formulation, program design, budget allocation, and administrative reforms, affecting the achievement of annual targets and/or short-term, mid-term, and long-term goals and objectives set for the social and economic development of Nepal. In relevance to this pertinent issue, GMC Nepal has already accomplished two studies. It is important to reiterate the findings gathered from those studies, as it serves relevance in understanding the aspects of this study as well. A figurative demonstration of those findings is presented in Figure 5.

Figure 5 discusses that a lack of fair, transparent, and strict regulatory mechanisms has obstructed efficient utilization of the infrastructural development budget in Nepal; moreover, such misdeeds occur during large-scale construction projects like road construction, bridge construction, and other public structures. Also, planning and implementing urban development strategies is a major issue in the newly elected federal governance system of Nepal, as the conflicting interests between the government bodies in three different tiers and various business enterprises and consumer groups invite challenges and complexities. Also, the

---

[5] Recommendation of the Council on the Governance of Infrastructure. OECD Legal Instruments. Adopted on 17/07/2020

study shows that low civic participation in infrastructural development planning, designing, and implementation widens the gap in ensuring immediate public needs, compensations, and alternative livelihood opportunities.[6]

Figure 5. Key issues observed in development governance[7]
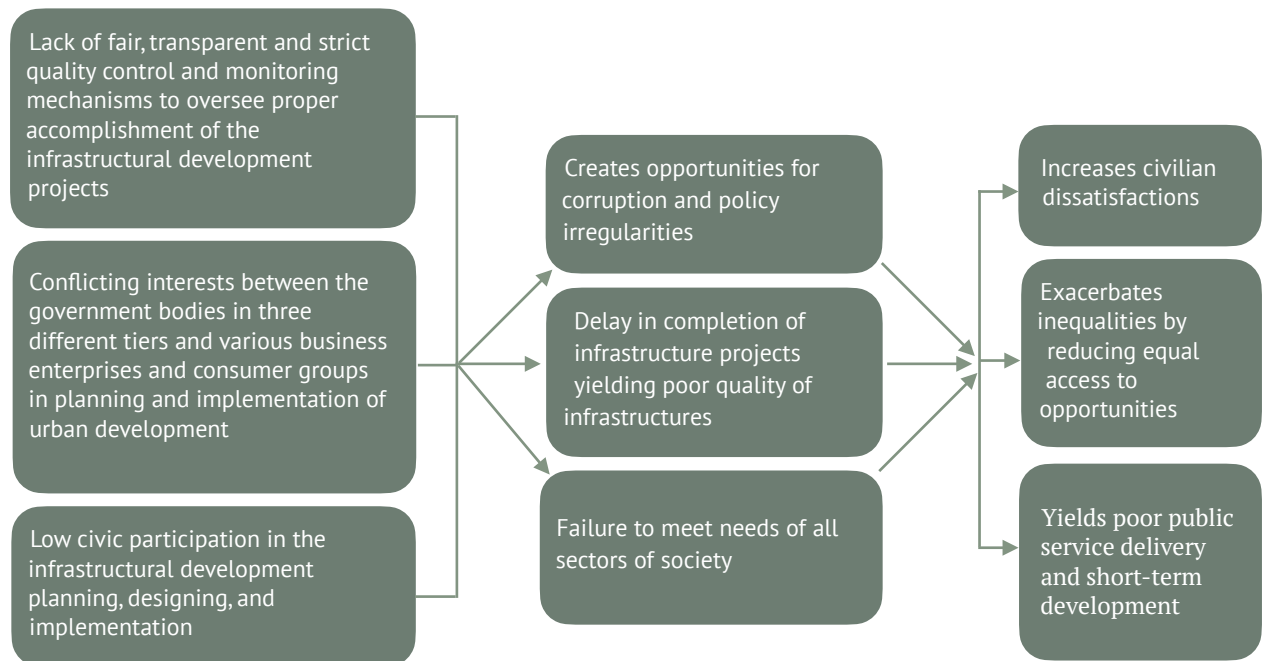
It is imperative to state that the state's monitoring and regulatory mechanisms under the development governance system are inefficient and inadequate to curb the misuse of development financing in Nepal. Such low-quality assurance of infrastructure development has increased frustrations and dissatisfactions among the public and consumers, affecting the public service delivery and reducing access to growth and opportunities.

Key recommendations

1. The potential weighted cost of the development projects is significant to avoid under-financing and delayed payments, reducing the chances of conflict over budget and project completion targets. However, the government, with its capital expenditure, must also focus on improving the productive capacities of development projects through both public and private sector investments.

2. Urban development strategies must foster civic engagement and should strengthen the legal and institutional framework to ensure the resettlement, rehabilitation, and compensation

---

[6] This gap is repeatedly observed in instances of clashes between business owners/ street vendors and Kathmandu Metropolitan City (KMC) over KMC's efforts to clear public spaces of informal businesses and vendors. Case example- महानगरविरुद्ध सडक व्यापारीको विरोध प्रदर्शन- उपत्यका - कान्तिपुर समाचार (Kantipur, 16/09/2022)

[7] Findings also refer to GMC Nepal's previous study reports- Triggers of Governance Conflicts in Federal Nepal, Quest for Peaceful Governance and Governance Watch
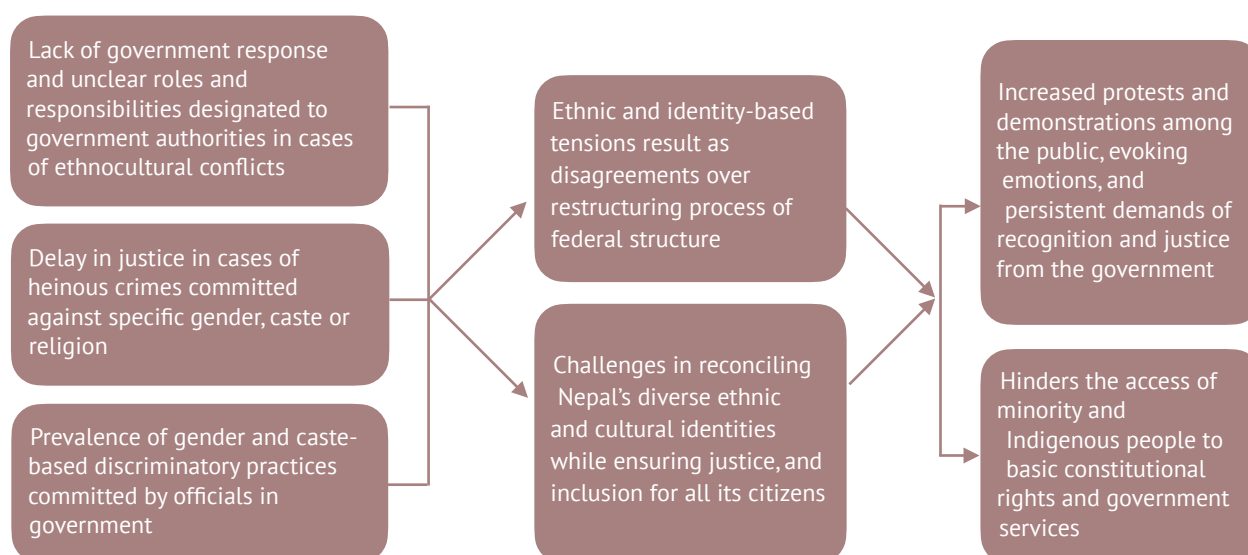
processes and alternate livelihood opportunities for displaced populations through urban development projects.

3. The role of vigilant monitoring authorities like the CIAA needs to be strengthened and resourceful to curb the corruption committed by government authorities and persons in power in development projects. Alongside, nonviolent measures like strategic and meaningful dialogues are necessary to address development governance conflicts. By filling the communication gaps among the conflict actors, such measures can provide opportunities to identify the roots of the governance conflict and relevant solutions.

7. Ethnocultural governance conflicts

Following the promulgation of the 2015 constitution, Nepal became a Federal Democratic nation. Establishing central, provincial, and local tiers of governance across all functional and sectoral jurisdictions required major restructuring at both policy and institutional levels. However, in the years that followed the enactment, Nepal faced multi-layered challenges in institutional rearrangement, policy materialization, and the designation of roles and responsibilities, especially concerning power devolution in a decentralized governance model. In a diverse country like Nepal, this transformation has posed challenges to ensuring the rights, opportunities, and security of all citizens, especially historically marginalized and minority groups, without imposing prejudice based on their identity, culture, gender, region, language, and ethnicity, increasing instances of conflicts among multiple actors. Following is a glance at the key findings and corresponding recommendations to address ethnocultural governance conflicts in Nepal.

Figure 6. Key issues observed in ethnocultural governance[8]

Lack of government response and unclear roles and responsibilities designated to government authorities in cases of ethnocultural conflicts		Ethnic and identity-based tensions result as disagreements over restructuring process of federal structure		Increased protests and demonstrations among the public, evoking emotions, and persistent demands of recognition and justice from the government
Delay in justice in cases of heinous crimes committed against specific gender, caste or religion		Challenges in reconciling Nepal's diverse ethnic and cultural identities while ensuring justice, and inclusion for all its citizens		Hinders the access of minority and Indigenous people to basic constitutional rights and government services
Prevalence of gender and caste-based discriminatory practices committed by officials in government				

---

[8] Findings also refer to GMC Nepal's previous study reports- Triggers of Governance Conflicts in Federal Nepal, Quest for Peaceful Governance and Governance Watch

As highlighted in Figure 6, the study shows that ethnic and identity-based tensions persist in Nepal, as observed in disagreements over the restructuring process of the federal structure, especially the renaming of province 1. Also, delays of justice in cases of heinous crimes committed against specific genders, castes, and religions have triggered public outcry and outrage.

Notably, with a history of a decade-long civil war driven by the historical exclusion of indigenous and ethnic groups, Nepal continues to face the challenge of reconciling its diverse ethnic and cultural identities[9] while ensuring justice, and inclusion for all its citizens. However, despite the constitutional provisions, government bodies and institutions inducing and endorsing discriminatory practices increase marginalized groups' (particularly the Dalit community's) vulnerabilities to caste-based discrimination and injustices.

In addition, a lack of government response and unclear roles and responsibilities designated to government authorities majorly hinder the access of minority groups to basic citizenship rights and government services. This gap thus affects the basic constitutional rights of minority and Indigenous groups[10]. On all these matters, protests and demonstrations are visible among the public, evoking emotions, and persistent demands of recognition and justice from the government.

Key recommendations

1. Addressing the dissatisfaction within pro-identity groups requires concrete efforts to facilitate meaningful negotiation and dialogue that is aimed at reaching a conclusive resolution, prioritizing a sustainable and long-term solution. It is imperative to proactively engage with all stakeholders involved, listen to their grievances, and work towards finding mutually agreeable solutions that respect cultural and religious identities while ensuring social harmony and stability.

2. Historically, women have endured persistent oppression and exclusion, challenges that persist. Despite existing laws, it is crucial for state and government actors to take robust measures to implement these laws effectively. Moreover, expediting legal proceedings is essential to delivering swift justice to victims and survivors of heinous crimes and their families.

3. The escalating number of group clashes based on religious sentiments highlights a significant disruption in social cohesion. Therefore, the government must actively pursue

---

[9] The struggles for recognition of ethnic and cultural identities were observed during protests that occurred after naming of Province 1 as Koshi Province. The pro- identity groups demanded their name to reflect the Kirat/ Limbuwan identity of the people. प्रदेश १ को नाम 'किरात' राख्न माग गर्दै प्रदर्शन :: सेतोपाटी संवाददाता (Setopati, 18/06/2022)

[10] To give a case example, a writ petition was filed in the Supreme Court demanding the issuance of Nepalese citizenship certification to the endangered 'Raute' Indigenous group, against the Office of the Prime Minister and the Council of Ministers, the Ministry of Home Affairs and the District Administration Office Dailekh. It was filed by two civilians stating that the government had violated the Raute community's right to obtain citizenship based on the Constitution of Nepal and prevailing laws. https://annapurnapost.com/news/raute-for-citizenship-220191 (Annapurna Post, 14/12/2022)

methods to restore cohesion and preserve harmony in society. Exploring various conflict resolution measures, including open dialogue, becomes imperative to achieve this overarching goal.

4. The growing ethnocultural leverage in the Nepali polity, with identity movements based on ethnicity, caste, religion, and region, has gained momentum in recent years. In such a context, the government must find measures to address rising ethnocultural sentiments and nationalism while ensuring sustained democracy and peace. Civic spaces and platforms for productive dialogues may help reduce the brewing tensions before they turn into larger conflicts.

8. Political governance conflicts

Over time, Nepal's political journey has been marked by diverse systems, each with its own philosophy and impact on participatory democracy. The current federalist system emphasizes local governance, citizen involvement, and a participatory governance system. However, this transformation has hindered the practices of federalism among different tiers of governments and between the government and the people.

Also, Nepal's politics runs within a parliamentary republic with a multiparty system, leading to competitiveness among the political parties and between the parties and the government. This has brewed an unhealthy nature of competitiveness among the political actors and power holders, diverting the spotlight away from the actual needs of the citizens. Hence, practices of federalism among different tiers and organs   of governments and between the government, people and other relevant factors are important to understand. This study thus presents its key findings and corresponding recommendations to address Nepal's political governance conflicts.

Figure 7. Key issues of political governance[11]

---
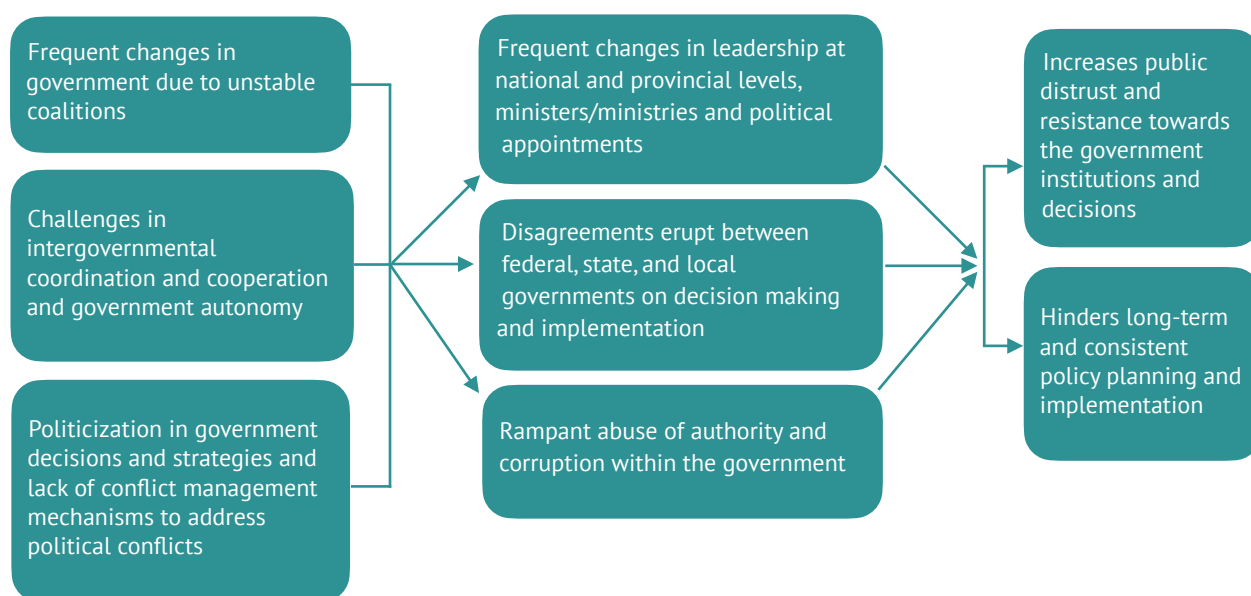
[11] Findings also refer to GMC Nepal's previous study reports- Triggers of Governance Conflicts in Federal Nepal, Quest for Peaceful Governance and Governance Watch

The figure 7 highlights that Nepal's political landscape is characterized by frequent changes in government due to unstable coalitions. Also, Nepal's federal system faces challenges in intergovernmental coordination, cooperation, and government autonomy. Consequently, disagreements often erupt between federal, state, and local governments on issues such as public holidays, resource rights, and project implementation. Also, the recorded legal battles over federal acts and local defiance highlight a lack of clear power distribution among the three tiers. In addition, the internal political struggles worsen the effects of such intergovernmental conflicts, making way for rampant corruption within the government. This gravely weakens public trust and discourages both public and private investment opportunities. Such lack of transparency has fueled public suspicion and cynicism towards the government.

Moreover, Nepal's volatile political environment has led to frequent changes in leadership at national and provincial levels, ministers/ministries and political appointments in committees thus hindering long-term and consistent policy planning and implementation. As a consequence, public dissatisfaction towards economic hardship, government services, and lack of government transparency and representation have fueled multiple public protests and social unrest.

Key recommendations

1. It is essential to ensure a clear and defined guideline describing the distribution of power and authority between federal, provincial, and local levels through potential constitutional amendments. This can potentially mitigate jurisdictional disputes and enhance the effectiveness of the federal governance system, but it requires investment in the capacity-building of administrators, officials, and elected representatives.

2. Recognizing the withstanding conflicts between political actors, mediation between different government levels and within administrations and political parties is important. Political actors should strategize conflict resolution mechanisms, so the impact of their conflicts does not extend to the performances of local bodies, civil servants, and civilians.

3. The central government needs to prioritize the enactment of the Civil Service Act, which provides a framework for the adjustment of civil servants and further guidelines for provincial and local governments in employee recruitment and management processes.

4. Nonviolent measures like strategic and meaningful dialogues on ongoing governance-related conflicts are necessary. By fundamentally filling the communication gaps among the conflict actors, these dialogues provide opportunities to identify existing problems within federal governance systems, clarify their roots, and explore relevant solution.

Understanding an intricate nexus: Intergovernmental relations and conflicts in federal Nepal

Introduction

Countries with decentralized or federal governance systems often make some legal and institutional arrangements for ensuring a harmonious relationship between different layers of government. In general terms, those legal and institutional arrangements are the intergovernmental relationships (IGR) mechanisms, which facilitate the processes of interaction, communication, information sharing, decision-making, understanding of the roles and responsibilities, allocation of resources, transfer of knowledge and skills, and addressing disputes observed between and across these governments. In a federal governance system, a harmonious IGR is key to making all layers and levels of government effective and efficient in their governing, planning, and service delivery roles (Ojo, 2014; Kössler, et. al. 2017). Most of the federal or decentralized states have adopted both formal and informal mechanisms for IGR, whereas some countries even take advantage of alternative and indigenous dispute resolution mechanisms for the same (Kössler, et. al. 2017). However, constitutionally and legally guaranteed formal political, bureaucratic, as well as judicial mechanisms are quite common to address the concerns associated with IGR (Kössler, et. al. 2017).

Despite many different legally defined and binding IGR mechanisms in place, each country practicing a decentralized or federal governance system often experiences conflicts between different tiers of government. Most of these intergovernmental conflicts are clustered as administrative, financial, functional, legislative, and jurisdictional ones, depending on their nature and characteristics. Some of these types of conflicts are deeply rooted and heavily influenced by political and ideological factors, whereas others are purely functional and driven by the lack of communication and coordination (Sebayiga, 2023). Likewise, some root causes of IGR conflicts are similar in many countries, whereas others are also context specific. For instance, previous studies have identified the issues of resource control, ambiguous tax jurisdictions, competition over the allocation of revenue, and the construction of local government structures as triggering factors in the intergovernmental conflicts (Ojo, 2014; Chima, et. al. 2018). Other studies have shown the political party rivalry and the lack of commitment from government agencies as ushering to local-provincial conflicts (Phakathi, 2020). The domination of centrally guided policies, along with the misunderstandings between different tiers of governments on legal, social, and economic matters, have also fueled intergovernmental conflicts in several countries (Chima, et. al. 2018). In sum, allocation of resources, democratic transfer of powers to the locals and provinces, boundary demarcations, and naming and phrasing of particular territory have stood as main causes of conflicts between different levels and layers of governments. Some states have been successful in resolving some of these core conflicts through the effective functioning of IGR mechanisms, whereas others are unable to do so for various reasons.

Applied to the present context of Nepal, nine years have passed since the promulgation of the new constitution in 2015 and the adoption of the federal governance structure. In Nepal, simultaneous execution of 761 governments in three tiers, each exercising exclusive as well as concurrent rights with proactive lawmaking, planning, and implementing roles, has fostered conditions for poor IGR, leading to intergovernmental conflicts[12]. Considering this fact, this chapter of the report attempts to understand the attributes of intergovernmental conflicts and their multiple dimensions, outlining their core drivers and exploring avenues for resolution. Findings gathered in relation to intergovernmental conflicts in Nepal and their relevant attributes are shared in the following sections.

2. IGR mechanisms in Nepal

Following table shows a list of some major mechanisms existent in the federal governance systems that upholds the intergovernmental relations-

These prevalent mechanisms mentioned in the table above have their own specified roles to advance the idea of intergovernmental cooperation, coordination, coexistence, and managing conflicts between different levels and layers of governments. The existence of all these policies as well as institutional arrangements demonstrate the state's commitment to advance IGR in

---

[12] Part of a conference paper presented titled- Intergovernmental Conflicts in Federal Nepal: Are they Constructive or a Source for Destruction? Link- Intergovernmental-conflicts-in-Federal-Nepal_CSC-Nepal.pdf (ku.edu.np)

Constitution of Nepal (2015)	Principle of cooperation, coordination and coexistence.
Institutional Arrangements	National Coordination Council (NCC)
	Sectoral committees (at the ministry and operational level)
	Provincial Coordination Council (PCC)
	Intergovernmental Fiscal Council (IFC)
	National Natural Resource and Fiscal Commission (NNRFC)
	District Coordination Committees (DCCs)
Informal Arrangements	Chief Ministers' Summit
	Provincial Planning Commission Vice-chairs' summit
	Provincial Chief attorney summit
	Municipal Association of Nepal (MUAN)
	National Association of Rural Municipalities in Nepal (NARMIN)
	MUAN and NARMIN summits
	CSO led initiatives

the best interests of all three levels of government. However, in practice, IGR stands as one of the most highly contested and ineffective issues.

Notably, IGR, a crucial facet of federalism, encompasses cooperative, coordinated, and coexistent interactions between governments. Simultaneously, they also involve conflictual processes marked by tensions, collusion, competition, control, and, at times, coercion. The intricate dance of cooperation and conflict within intergovernmental relations is a defining characteristic of federal systems across various contexts.
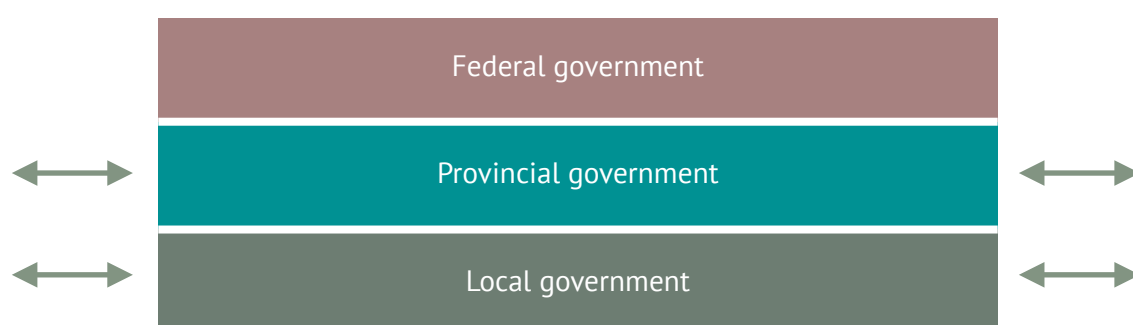
3. Multilayered dynamics of intergovernmental conflicts

While assessing the nature and characteristics of IGR and conflicts in federal Nepal through the 1584 cases recorded under media monitoring, the study observed that there are vertical and horizontal dynamics to the intergovernmental structures, linking to six different types of conflicts, i.e., a) between the three tiers of governments, b) between the federal and the province governments, c) between the province and local governments, d) between the federal and the local governments, e) among the local governments, and f) among the province governments.

Figure 8. Vertical dynamics of intergovernmental conflicts

Figure 9. Horizontal dynamics of intergovernmental conflicts

This study highlights that it is imperative to understand the multilayered aspects of the vertical and horizontal dynamics of each of these conflicts to better understand intergovernmental conflicts, and to find policy and pragmatic solutions to each.

Additionally, this study suggests that jurisdictional problems instigated by a lack of clearly defined laws, policies, and institutional arrangements, power struggles and competitions between different units of government, identity struggles for coexistence between distinct levels of government, and poor approaches to dealing with conflicts are some of the core factors behind the occurrence and emergence of intergovernmental conflicts. This is further escalated by the provision of exclusive as well as concurrent rights. When different layers of governments lack coordination and collaboration while formulating policies and programs, it creates impacts beyond the territories of each government. Moreover, power holders' perspectives and understanding of the new governance system and their flexibilities and interests in collaborating with other governments, have the potential to contribute to intergovernmental conflicts in federal Nepal.

4. Intergovernmental conflicts reported in the media

Total recorded cases related to intergovernmental conflicts- 34

Figure 10. Recorded number of intergovernmental conflicts by theme

- ● Political
- ● Developmental
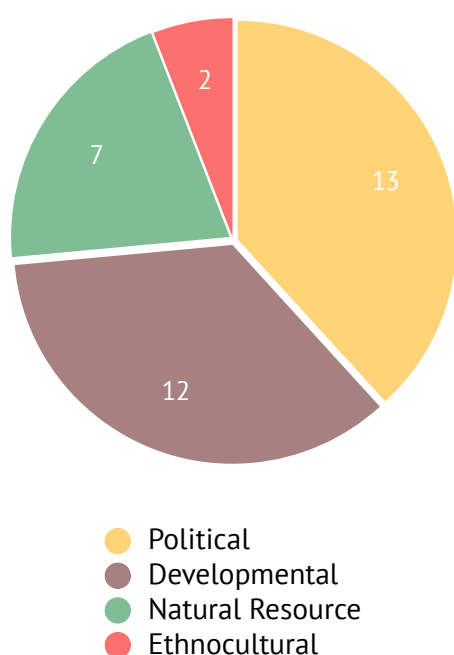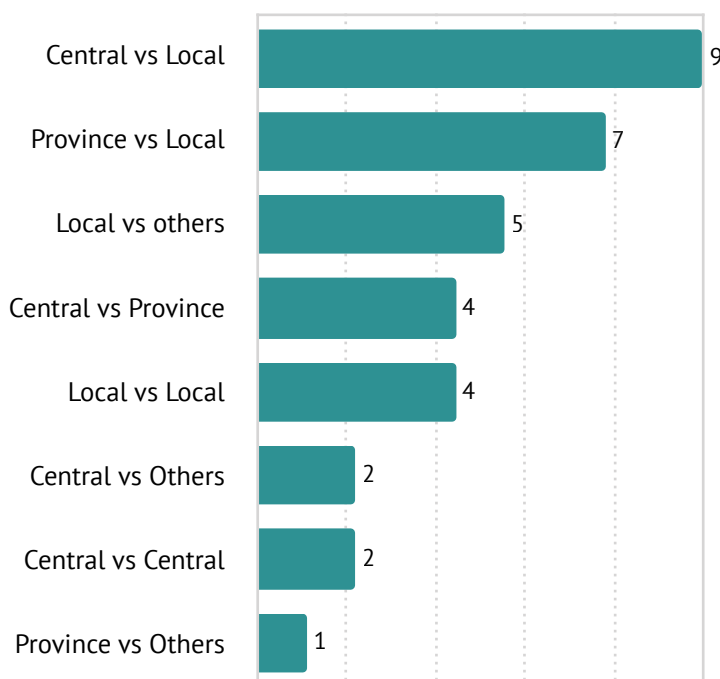- ● Natural Resource
- ● Ethnocultural

Figure 11. Actors in intergovernmental conflicts

Between the periods of June 2022 and May 2024, the study recorded 34 cases related to intergovernmental conflicts. As shown by the above figure 10, most of these intergovernmental conflicts were related to political governance, followed by development governance-related conflicts. Also, demonstrating the vertical dynamics of IGR, most of the conflicts occurred between the federal and local governments, followed by conflicts between the provincial and local level. In comparison, the horizontal level of conflicts at the federal, provincial and local levels was lower in numbers. Some examples of cases are presented in the table following.

Examples of cases showing vertical dimension of intergovernmental conflicts-

Government tiers involved	Examples of cases
Central vs Local	Conflict arose from allegations made by the National Federation of Rural Municipalities, claiming central government's delay in disbursing funds and collected revenue to the local units. They stated this delay violated the power and resource sharing arrangements granted by the law. In response, the Ministry of Finance spokesperson attributed the delay to technical reasons, explaining that accounts settlement causes delays in transferring revenue-sharing amounts in the last days of June, to be completed in the later months of the year. The conflict highlighted financial strains and disagreements between federal and local government levels in Nepal. (Kantipur 27/09/2023)

Government tiers involved	Examples of cases
Province vs Local	Disagreement occurred between Koshi Province and Itahari Sub-metropolitan City concerning the utilization of natural resources, revenue sharing, and delays in implementing forest regulations by the state government. Despite repeated directives from the Division Forest Office to halt the extraction of stones and pebbles from the river, Itahari Sub-Metropolitan City persisted with excavation activities, instigating tensions between the province government and the sub-metropolis by f violating the law by not conducting the required initial environmental impact assessment and following guidelines. (Online Khabar, 22/08/2023)
Central vs Province	A writ petition was filed by Bagmati Province government against the Urban Area Public Transport Management Authority Act imposed by the Federal government. The Act designated the Urban Area Public Transport Authority, responsible for transport management in the Kathmandu Valley, under Federal control. However, Bagmati province government argued that the Constitution granted them the right to manage transportation within the province, including the capital, Kathmandu. (Online Khabar, 30/10/2023)

Examples of cases showing horizontal dimension of intergovernmental conflicts-

Government tiers involved	Examples of cases
Central vs Central	Conflict revolves around the construction of the Postal Highway, a national pride initiative. A dispute arose between Chitwan National Park and the Postal Highway Directorate, leading to the halt of highway construction work. The Directorate alleges that Chitwan National Park has not granted permission to cut trees, hindering progress on the 12.5 km road and seven bridges in Parsa and Chitwan districts. Without proper interventions to address the dispute, tensions existed between the contractors, the Postal Highway Directorate, and Chitwan National Park. (Kantipur ,01/02/2022)
Province vs Province	Most of the conflicts including provinces showed a vertical dimension of intergovernmental conflicts. The recorded events do not show horizontal level of conflicts between the provinces.

Government tiers involved	Examples of cases
Local vs Local	A border dispute persisted for five years among Chandrapur and Vrindavan municipalities in Rautahat and Bagmati municipality of Sarlahi district, over the ownership of the western part of the Bagmati River. Despite the municipalities awarding contracts for river product extraction, they face obstacles in exporting them due to the unresolved dispute. Lack of coordination between the municipalities has hindered dispute resolution, which has also affected the Chandrapur-Gujara border, with conflicting claims over jurisdiction and village boundaries. (Kantipur, 10/12/2022)

In examining these horizontal and vertical levels of intergovernmental conflicts, it is evident that the evolving federal governance framework in Nepal has presented challenges when it comes to establishing harmonious relationships and ensuring smooth coordination among and across the three tires of government. As the nation continues to adapt to its federal structure, addressing these vertical as well as horizontal conflicts and their   multilayered impacts on diverse areas becomes crucial to fostering effective governance and intergovernmental cooperation, coordination, and coexistence.

5. Intergovernmental conflicts filed in the Supreme Court of Nepal

One of the approaches this paper used to further understand intergovernmental conflicts in Nepal is through the study of registered court cases by one tier of government against another. In this regard, the Annual Report of the Supreme Court (FY 2078/2079)[13] showed 301 pending cases in the Constitutional Bench (FY 2078/2079), of which only 18 cases were settled, and 283 cases were remaining. While these cases include general disputes, the disputes under conflict of jurisdiction were specifically concerned with the issues of Powers/Jurisdiction of each level under the Constitution.

Although the cases at the Phant (फाँट), Registry of Constitutional Bench, have   not been segregated according to the subject matter of the case or the Article under which the case has been filed, the Constitutional Bench Phant reveals that there are around 10 cases running in the court that are concerned with the subject matter of conflict of jurisdiction. Among them, seven cases have been filed by several ministries of the Provincial Government of the Madhesh Province, and the remaining three are filed by individual litigants as Private Interest Litigations. Of the seven cases filed by the Madhesh Province, two were concerned with the ownership and management of Forest Resources and The Forest Act, three cases were relevant to the allocation and management of human resources (officers and police personnel); and the remaining two were related with encroachment of the jurisdiction of the Provincial Government to make penal laws and impose administrative fines and concerned with the management of an irrigation

---

[13] Supreme Court Annual Report. FY. 2078/79. Link- सर्वोच्च अदालत नेपाल (supremecourt.gov.np)

project . While five of the subject matters of the cases concerned are pertinent and applicable to all the provinces, only Madhesh Province is seen to have raised a constitutional dispute.

Similarly, there were also several pending cases regarding the location of province capital, District Headquarter and Municipal Center. These cases further concentrated on issues like where the development budget allocated for the development of the capital should be invested. Further, the change in party-power dynamics after the elections created a deadlock which displayed Federal government's reluctance to provide lands for development of the Capital despite the completion of the requisite formalities.

Intriguingly, this study shows that no cases were filed by the Local Government on matters of jurisdiction against the Federal or Provincial Governments. However, a higher number of cases were related to the inconsistencies between Local Education laws and Federal Education laws.

An analysis of the observed court cases showed that among the seven provinces of Nepal, Madhesh Province was the province that most actively filed cases against encroachment of its jurisdiction by the Federal Government. However, it was simultaneously observed that the party dynamics in the province reciprocated with the party dynamics at the central level. Meaning, if the Central and Provincial Governments have the same political party in power, the issues of jurisdiction are rarely raised or are resolved politically, but, when there are opposing parties in power, such cases are amplified into conflicts, and these issues are raised, demanding larger attention. Nonetheless, a glaring problem that was identified by this study was the caseload of the Constitutional Bench and its inability to provide prompt, immediate decisions. This delay further deepened the impacts of intergovernmental conflicts and lengthened their timeline. This emphasizes the need to create conflict resolution mechanisms and stresses the urgency of strengthening the already existing bodies and mechanisms dedicated to intergovernmental conflict resolution.

6. Intergovernmental conflicts at psychological/perception level

Several anecdotal accounts, field-based interviews, and observations during the study indicate that significant numbers of intergovernmental conflicts are at the psychological or perception level. To this, several factors have contributed.

First, a strong sense of autonomy, in particular felt by the local governments, is one of the prominent factors in this regard. Most local governments perceive that they are fully independent and autonomous to exercise their exclusive constitutional rights. Thus, they often overlooked the constitutional principle of Nepal's federal model, which required all 761 governments to operate under the framework of cooperation, coordination, and co-existence.

Secondly, federal authorities hold the fear or concern of losing their traditional control over resources and leverage due to the devolution of power as per the current constitutional provisions. Whereas the local and provincial authorities are trying to gain as much autonomy as possible. Also, the local government authorities have critiqued that political and bureaucratic leadership at the federal level operated with a centralized mindset, thus becoming less cooperative to facilitate the process of federalism. The accumulation of such grievances against

the federal authorities is psychologically preparing the local governments to resist them in one way or another.

The third psychological battle revolves around the existence of the province structure in the new governance framework of the country. Several interactions with authorities from all three tiers indicate that, both the Local and Federal authorities question the function of Province structures as to independently exercise power and mobilize resources, either at the central or local level. Also, the function of Provinces was criticized by the public regarding their effective role in serving on the best interests of the people. Provinces, on the other hand, complained about their high dependency on the Federal actors- from forming governments to their overall execution, with very few independent decision-making roles in all their affairs. Thus, there is a tendency for the Federal and Local government authorities to contravene the existence of the provinces and be less cooperative with this newly established structure.

Lastly, intergovernmental conflicts are also influenced by public sentiment towards a particular governance structure, in particular against the provinces. Our observations and interactions with the province authorities suggest that provinces are highly criticized by the public regarding their least effective roles in serving the best interests of the people and feel pressure to be demanding and to take against the Local as well as Federal governments. As reported by the media lately, the immediate Chief Minister of Madhesh province had threatened to call for a street-based protest against the Federal government for being less responsive to their demands, in particular for not formulating laws that are supportive of the effective execution of the Provinces.[14] Lal Babu Raut, Former Chief Minister of Madhesh province, along with other cabinet ministers, even participated in a sit-in protest in August 2022 against the Federal government demanding immediate adjustment of the police force.[15] Likewise, a meeting with Chief Ministers held in Kathmandu in February 2019 was vocal about the centralized mindset of the Federal government and delay in drafting relevant laws, as well as delay in delegating full-fledged fiscal authority to the Provinces as key impending factors behind the less effective presence of the Province governments.[16]

The overall sentiment and psychology around IGR demand immediate responses to latent as well as surfaced level conflicts through adequate policy and institutional arrangements as well as vertical and horizontal dialogues among the three government tiers. Mainly, the position of provinces in the current governance framework is critical to transforming or minimizing the level of intergovernmental conflicts. Thus, the political parties' and bureaucratic leadership's perspective towards strengthening the province's structure through policy as well as programmatic solutions seems vital.

---

[14] Case example- https://myrepublica.nagariknetwork.com/news/madhesh-province-govt-to-announce-protest-against-federal-govt/

[15] Case example- https://kathmandupost.com/province-no-2/2022/08/14/madhes-government-members-stage-sit-in-protest-demanding-police-adjustment

[16] Case example- https://kathmandupost.com/national/2019/02/19/chief-ministers-press-for-devolution-of-power

7. Conclusion and recommendations

Intergovernmental conflicts are a common phenomenon when a country adopts a new governance system with the provision of multiple layers of governments, each exercising exclusive and concurrent rights. Such conflicts are even more common when different layers of government have to operate under the principles of coordination, cooperation and coexistence. Also, post-conflict and post-movement governance arrangements have the potential to increase intergovernmental conflicts, as they are formed under power sharing arrangements between the agitating parties and interest groups, which may not necessarily be constructed with the best satisfaction of all parties. What is required to tackle this problem are robust conflict resolution structures and mechanisms, along with a clear strategic mindset and political will to confront the challenges. In addressing intergovernmental conflicts observed in Nepal, here are some key recommendations this study draws-

1. Immediate formulation of all federal laws as per the new constitution can be an important step in addressing confusions and disagreements observed at all levels of government. In this regard, the federal government and the federal parliament should play a proactive role to speed up the lawmaking process with adequate consultation with the province and local governments as well as other relevant stakeholders.

2. There is an utmost need to address the unclarity and ambiguity observed in the constitutional roles of all three levels of government. In this regard, Schedules implementation of the Unbundling Report recommendations made by the Federalism Implementation and Restructuring Directive Committee formed in 2016 to clarify the division of responsibilities between the federal, provincial, and local levels outlined in Schedules 5–9 of the Constitution.

3. Mutually agreed plans and policies, along with clarity in guidelines supporting equitable allocation of resources and revenue distribution at all three tiers of government, should be prioritized for addressing the ever-increasing resource-based conflicts.

4. Constructive dialogues that create channels of communication for coordination and cooperation are extremely important to not only restore effective governance at all three tiers, but also enhance the public delivery system, strengthen social justice, and rebuild trust between civilians and the government as an entity.

5. A common commitment among the political leadership is necessary to make the new governance structure fully functional. Thus, political and bureaucratic leadership needs a thorough understanding of the roles and functions of all levels of governance structures, and possible risk analysis regarding the viability of those structures is necessary. In particular, the role of the bureaucracy to make IGR is pivotal, as they are the permanent actors to implement federalism in the country. Thus, a post-conflict country like Nepal needs to work towards changing the bureaucratic mindset and practices through radical bureaucratic reform.

6. Public pressure, along with the establishment of an independent IGR monitoring mechanism, can serve as a watchdog for the governance strengthening processes. Hence, citizen grievances and displays of outrage or complaints towards governments must be seriously considered and addressed timely through dedicated channels and specified mechanisms.

7. While dialogues on IGR amid the overall governance structure and system of the county are essential, multistakeholder-level dialogues concerning diverse areas of governance are crucial to enhance communication and cooperation among the specific actors involved and responsible in the decision-making processes of respective areas. These efforts should be simultaneous to improve the IGRs among the different government tiers and the governance areas as well.

Dissatisfactions and grievances: An examination of civilian engagement in governance conflicts
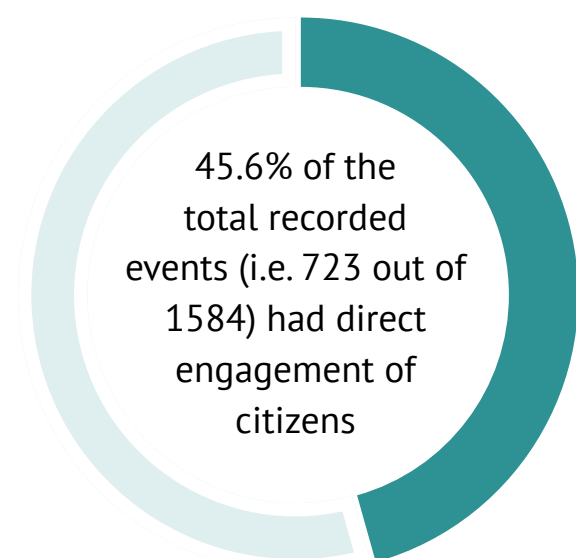
Introduction

Previous research suggests that dissatisfaction is one of the fundamental reactions displayed by citizens when they want to express concerns or opinions over different issues, like the climate and environment, the status of public service delivery, the fluency of state policies, the fulfillment of basic rights and necessities, political changes, and social transformations (Kowalewski, 2019). After all, the crux of a democratic nation lies in ensuring equal opportunities for all citizens to participate in decision-making processes (Bellinger, 2019), upholding their sentiments, and freedom to express those sentiments. In this regard, previous studies also state that such reactions from citizens have the potential to affect the decisions and actions of institutions (Goodwin & Jasper, 1999), but what matters is how these dissatisfactions are communicated. This display of dissatisfactions may exist in the form of 'grumbling', keeping it to oneself or a close circle of trusted people, or it can occur in a formal participatory form, taking the shape of larger civil resistance, both violent and nonviolent in nature, that could have positive, negative, or neutral consequences.

Recognizing citizens as powerful actors in supporting significant political and social transformations, this study dives deeper into understanding the existent forms of dissatisfaction of the Nepali citizens targeted towards the government's performance or pledges. Here, citizens' dissatisfactions are also studied as a potential consequence of governance and intergovernmental conflicts, as discussed in the previous sections. This study hence suggests that citizens' dissatisfactions towards their government can be implied as a reaction, and at the same time, they can also be the result of existing governance conflicts.

This section thus provides a quick overview of civilian dissatisfaction prevalent in the current federal Nepal, highlighting their key concerns and forms of involvement.

2. Governance conflicts with civilian involvement

45.6% of the total recorded events (i.e. 723 out of 1584) had direct engagement of citizens

Figure 12. Nature of events with direct civilian engagement

Violent 31%

Nonviolent 69%

As the above data shows, 45.6% of the total recorded events, i.e., almost half of the governance conflicts recorded in the past two years, had the direct involvement of the citizens. A total of 69% of these events were nonviolent in nature, and the rest, 31% were violent events involving citizens. Although lesser in number, violent events significantly threaten citizens' security and peaceful governance. Such events thus must be considered to be able to timely address the civil unrest and peacefully resolve governance issues.

Upon closer look at these events, the study emphasizes that governance conflicts with the direct involvement of citizens occur in different forms and on diverse issues. For example, these events include instances of civil dissatisfaction, freedom of expression, demands against social injustices, and institutional reforms, among others. At the same time, these events also include incidents of police brutality, gender or caste-based violence, and injustices committed against

Table 3. Civilian involvement by event types

| Nature	Type	Count
Nonviolent		500
	Peaceful protest	393
	Legal/Policy decision	22
	Dispute	21
	Agreement	20
	Delegation/ Memorendum	16
	Legal case registration	11
	Official meeting	9
	Arrest/Seize	8
Violent		223
	Animal attack	100
	Protest with intervention	37
	Violent demonstration	35
	Attack/Assault	22
	Mob violence	22
	Looting/Property destruction	7
Grand Total		723

 citizens.

As table 3 shows, civilians are mostly involved in peaceful protests to display their dissatisfaction towards government institutions, representatives, or policy decisions. On the other hand, in violent accounts, the majority of the events include incidents of animal attacks resulting in loss of life, injuries, property damage, or displacement of people. As mentioned in the former section, human-nature conflict also has another side where humans have caused atrocities towards wildlife in the form of poaching, hunting, killing, and trading. These incidents are a significant indicator of the human-nature conflict that needs serious attention from the government.

3. Provincial level distribution of governance conflicts involving civilians

Figure 13. Recorded events with involvement by province
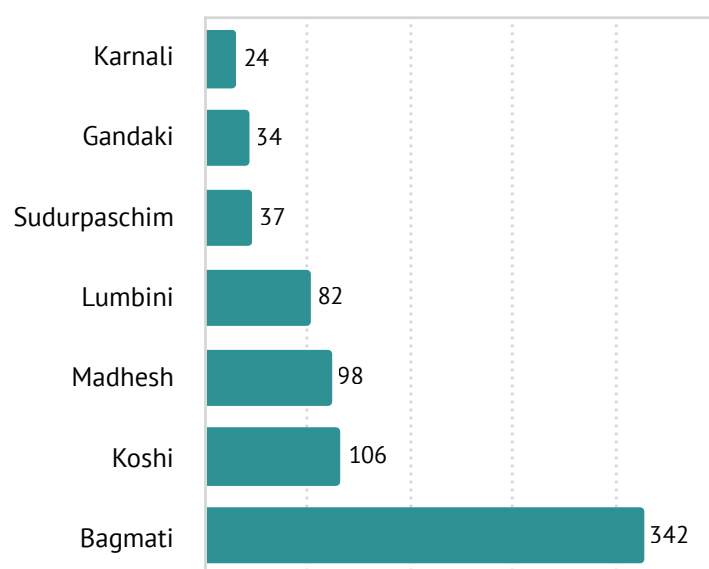
Figure 14. Civilian involvement in each province
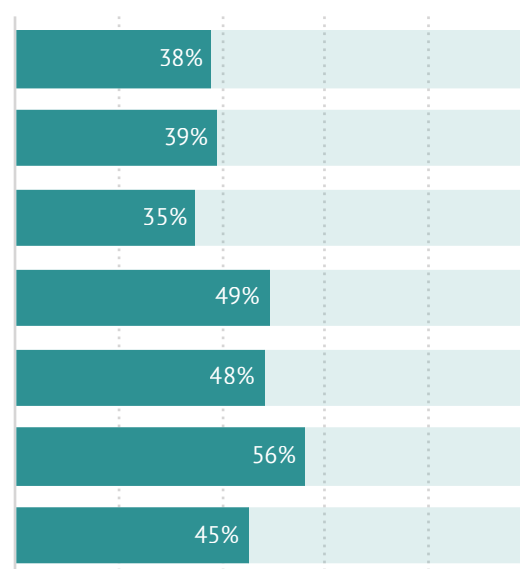
A province-wise breakdown of the civilian engaged governance conflicts shows the majority of the events occurred in Bagmati province. These events include civilian demonstrations on Bagmati's own issues like urban management disputes with squatters, informal business and street vendors, political struggles via different groups, etc. At the same time, it also includes protests led by people from provinces other than Bagmati, demanding attention from the central government. This validates the previously discussed finding that although Nepal has adopted a federal structure, its power devolution model is not effectively implemented yet. This again shows a centralized practice of carrying out demonstrations in the capital city of Kathmandu to draw the attention of the federal government. Also, from a data analysis point of view, this means that although the event's origin is not Bagmati, these protests and demonstrations are still counted as events that occurred in Bagmati, depicting a high count of events in the province in comparison to other provinces. In contrast, we can see the least number of civilian engaged governance conflicts were recorded in Karnali, followed by Gandaki,

but does this really mean civilians are not as involved in their provincial matters as Bagmati and other provinces?

Looking from a different lens, if we compare the level of civilian engagement to the total governance conflicts in each province, then we see that civilians in fact have raised their voices on governance matters in all the provinces. Bagmati has certainly served as a hot spot for demonstrations from all provinces of Nepal, on top of its own people and issues, but if we look at the status of the other six provinces and compare the civilians' involvement in the matters of their own provinces, then the difference is not that significant. This lens of analysis is also important to validate the findings and truly understand the conflict trends. As Figure 14 shows, most of the civilian engagements occurred in Koshi province. These events mainly include the protests that erupted after the naming of Province 1 as Koshi province. People wanted the name of the province to reflect their Kirat/ Limbuwan ethnic identity. Also, news and events of animal attacks on local citizens are frequently reported by the media in the case of Koshi province.

4. Thematic distribution of governance conflicts involving civilians

A thematic dispersal of the overall civilians-involved governance conflicts shows that most of the civilian protests occurred around political governance[17]. However, another layer of analysis, in comparison to the total governance conflicts in a specific thematic area, shows that civilians as actors are most involved in ethnocultural conflicts. These concerns include protests against gender, caste, and ethnicity-based discrimination. Figure 16 shows that citizens involvement is also high when it comes to issues over natural resources (including human-nature conflicts) and development projects, but when it comes to political governance conflicts, their engagement is the least among the four themes focused on by this study.
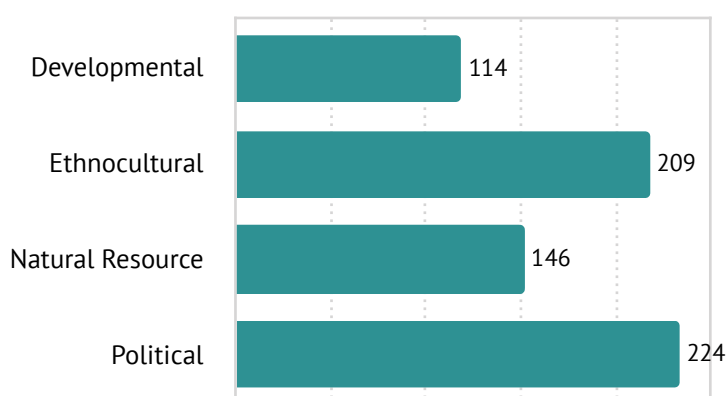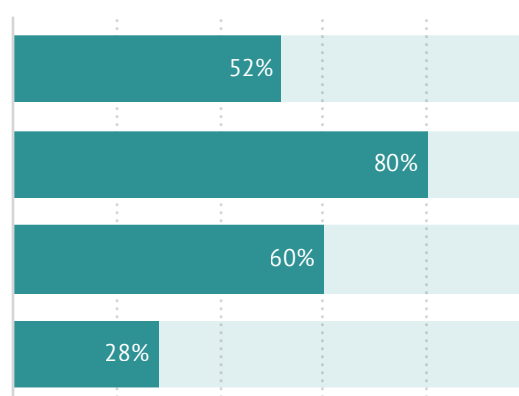
Figure 15. Recorded events with involvement by theme

Figure 16. Civilian involvement in each thematic area

---

[17] Some examples of cases relevant to political governance- लुम्बिनीको स्वास्थ्य राज्यमन्त्री वलीलाई कारबाही गर्न माग गर्दै प्रहरी कार्यालय अगाडि प्रदर्शन :: सेतोपाटी संवाददाता :: Setopati, आन्दोलनरत चिकित्सकसँग प्रधानमन्त्री कार्यालयमा वार्ता जारी – Online Khabar, माइतीघरमा कम्युनिस्ट पार्टीका किसान संगठनहरुको प्रदर्शन- समाचार - कान्तिपुर समाचार (ekantipur.com)

5. Civilian display of dissatisfactions

The study thus further investigates the various means or forms by which the civilians have displayed their dissatisfaction (between June 2022 and May 2024), along with the issues that triggered these events. Following is an overview of the findings-

Means of citizens' dissatisfaction	Issues of dissatisfaction
Protest/ Demonstration	• Education and Health (Protests regarding tuition fee structures against Tribhuwan University, neglect of curriculum-related matters by the principle of Bhairahawa Medical College, and payment of wages lower than the minimum wage designated by the government) • Development Projects (Protests by affected locals against hydropower projects, wildlife reserve establishment, demanding compensation for land used by the government for East west 132 KV transmission Line) • Justice and rights (Cases related to human rights violations such as amnesty decisions to free people under murder charges, action against police officers for sexual assaults, protests by doctors demanding increased physical security, and legal action against attackers following physical assaults on medical professionals) • Disagreements over disability rights (Protests by civil servants regarding disability quota reservations in the Civil Service Bill) • Calls for recognition of cultural identity (Identity groups demanding the naming of province based on their ethnic identity)
Disputes	• Forced displacement (Recognition of indigenous justice practices, forced displacements by hydropower projects, road construction projects, waste management agreements) • Environmental concerns (Local protests over excessive extraction of river-based materials, riverbank development projects) • Water bodies and land encroachment (Encroachment of ponds and lakes by government structures or private industries)

Means of citizens' dissatisfaction	Issues of dissatisfaction
Delegations/ Memorendum	• Environmental campaigns (Pollution free and sewage management campaigns) • Practices of social inequalities (Demands against social inequalities like bonded labor and equal access to medical care) • Protection of wild animals (Concerns over the killing of wild animals) • Preservation of urban spaces (Campaign to preserve open spaces in urban areas)
Legal Actions/ Writ Petition	• Lack of enforcement of law (Death of a schoolgirl by a heavy vehicle during a road construction project, caste-based discrimination cases like ban of Dalit community to enter temples, illegal mining of river materials) • Against judicial decisions (Arti Sah's husband and father-in-law charged with her murder were released on bail and presidential amnesty pardoning Yogesh Dhakal (Regal) who was sentenced to life imprisonment for murder charges)

Exploring the pertinent areas that have triggered civilian dissatisfaction in Nepal, the study finds that civilian-involved governance conflicts were directed towards three major dynamics of governance in Nepal- the overall governance system, the ineffectiveness of policies and structures, power relations, and the working style of those in power holding positions. Furthermore, a deeper analysis of the findings shows these factors affect the occurrence and intensity of intergovernmental conflicts as well. A figurative demonstration is shown below-

Figure 17. Citizen dissatisfactions, intergovernmental conflicts and governance factors
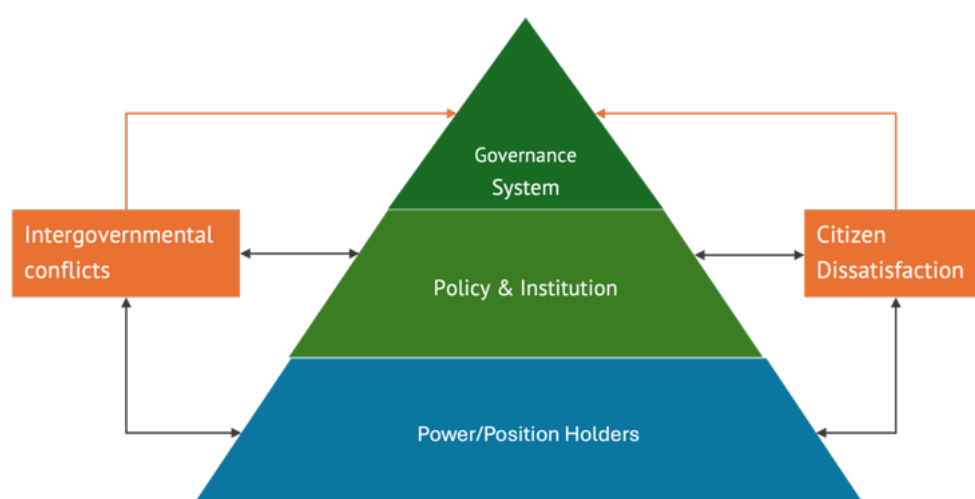
As discussed above, the civilian-engaged governance conflicts were primarily directed towards the people in authority. Their effectiveness and performance in decisions-making, accountability, and transparency were some of the concerns of the civilians. Then after, their dissatisfactions were also stirred by the policy or institution-level operations. Lastly, their concerns involved the functioning of the governance system. As Figure 17 shows, the study further gathered that these three factors influence the citizen dissatisfaction as well as intergovernmental conflicts, ultimately affecting the governance system as a whole.

This finding emphasizes the need for the governing bodies to understand governance conflicts as a phenomenon and not simply as isolated events. These occurrences and their impact ultimately affect the functioning of the governance system, reviving a cyclical nature of conflict concerning multiple levels of actors and factors.

6. Cooperation in governance conflict resolution

This report has highlighted three important areas of governance conflicts in federal Nepal-

Snapshot of existent governance conflicts in political, developmental, ethnocultural and natural resource governance

Nature and characteristics of intergovernmental conflicts

A glance at civilian engagements in governance conflicts

Demonstrating rising incidents of governance conflicts in political, developmental, ethnocultural, and natural resource arenas, the nature and characteristics of intergovernmental conflicts, and areas of civilian engagement in governance conflicts as participants and victims of those conflicts, this report presents evidence to call for immediate policy responses from the concerned stakeholders to shift the governance conflicts towards governance cooperation.

With regards to addressing the broader governance conflicts as outlined in this report, the first and foremost action to be taken by the government is to go for the immediate implementation of the constitutional provisions with the formulation of necessary laws, in particular the federal laws, in close consultations with the province and local governments. Governance conflicts can be potentially addressed by taking initiatives to formulate laws and policies that clearly define and implement the roles of the three tiers of government bodies, as defined by the constitution, for which, proactiveness of lawmaking, judicial, and relevant constitutional bodies is important. However, mere interpretation and declaration of roles and responsibilities may not be sufficient

to achieve better intergovernmental relationships. For this, the capacities of each actor need to be ensured and enhanced to be able to proficiently execute their designated functions.

The second important element in this regard includes the effective functioning of existing policies and institutions that are in place for the implementation of federalism and new governance frameworks introduced in the country. This also includes enhancing the efficiency of key constitutional bodies such as the National Natural Resources and Fiscal Commission (NNRFC), the Commission for the Investigation of Abuse of Authority (CIAA), the Office of the Auditor General, the National Human Rights Commissions, and other sectoral commissions for making all levels of government accountable towards the citizens and adhering to the core spirit of the constitution.

The third aspect is associated with the rapid decentralization of resources and public services, along with the operationalization of effective, accountable, and transparent mechanisms for the best use of resources reached at the local and provincial levels.

Lastly, constructive citizen engagements, from policymaking to the delivery of services, are required to enhance people's ownership towards the new governance system.

In more practical terms, three levels of cooperation framework are proposed to address governance conflicts, as shared below-

Coperation among three tiers of government	• Creates a mutual understanding among the government tiers to minimize encroachment of each other's jurisdictions and constitutional powers • Creates sustained dialogue platforms in resolving the potential and ongoing disputes • Activates formal and informal review and reflection platforms among different government bodies
Cooperation among state and citizens	• Creates responsive and accountable state institutions • Promotes proactive grievance handling platforms and policy feedback mechanisms • Directly connects people with the state on the matter of their concerns
Cooperation among multiple actors	• Enhances responsiveness of power-holders • Highlights policy and institutional failures • Fosters adequate constitutional and policy reforms to meet the expectations of the people

Additionally, to enhance the coherence between the various aspects of the current federal structure, Nepal must invest in improving the mediums of cooperation among multilayered government actors and the citizens. Studies also demonstrate that open and honest communication is a cornerstone of cooperation in conflict resolution. When parties engage in discussions with a willingness to understand each other's perspectives, they're more likely to find common ground and reach a cooperative resolution (De Dreu & Weingart, 2003). Further, the positive interdependence created through cooperation can foster channels and mechanisms of intergovernmental conflict resolution. When stakeholders recognize that they share common goals and rely on each other for the fulfillment of those goals, they are more likely to work together to find solutions. This cooperation can rebuild public trust in its government and strengthen future government endeavors targeted at benefiting the nation and its people.

Also, substantial formal and informal dialogues are necessary among policymakers and government authorities in different layers of the government. Such dialogues have the potential to assemble the challenges and learnings gathered from the nine years of federalism practices and power exercises by different tiers of governments. When these dialogues are focused on how federalism is functioning as compared to previously practiced unitary forms of governance in Nepal, one should be able to draw the existing gaps and possible avenues for resolution. It is significant for these dialogues to be inclusive, open, and critical in every aspect of federal governance practice, where the voices of people are carefully addressed, whether they support or resist federalism.

Similarly, this study has highlighted some of the critical intergovernmental conflicts that exist t in federal Nepal. Although the number of intergovernmental conflicts highlighted in this report may not be high compared to other forms of governance conflict events, these factors reportedly act as catalysts that fuel both underlying and evident layers of intergovernmental conflicts, hindering efficient and peaceful governance. Likewise, overall sentiment and psychology around intergovernmental relations are found to be critical and demand immediate resolutions. In efforts to draw the attention of relevant bodies to address existing and potential triggers of intergovernmental conflicts, it is needed to address them timely, with adequate strategies, and with a deeper level of understanding of the dynamics and direction of the conflict.

In particular, the position of Provinces in the current governance framework is found to be critical to transforming or minimizing the level of intergovernmental conflicts. Thus, the political parties' and bureaucratic leadership's perspective towards strengthening the province's structure through policy as well as programmatic solutions seems vital. Likewise, there is a need to clarify the constitutional scope of the autonomy of the local governments and accustom them to the principle of cooperation, coordination, and co-existence, seems equally vital to clarify through the comprehensive interpretation of the constitutional rights mentioned in Schedules 8 to 9. Consequently, equitable distribution of natural resources and equal distribution of benefits derived from the use of natural resources remains a challenge for Federal management. Hence, plans, policies, and clarity in guidelines supporting the rightful allocation of resources and revenue distribution at all three tiers of government must be prioritized.

Identifying the local and provincial solutions to governance conflicts and the creation of robust conflict resolution structures and mechanisms at all levels, along with a clear strategic mindset and political will to confront the challenges. This especially spotlights the roles, capacities, and also objectives of the local governments, reinforced by equal, if not more, efforts from the Provincial and Federal governments. Therefore, constructive dialogues that create channels of communication for coordination and cooperation are extremely important to not only restore effective governance at all three tiers but also enhance the public delivery system, strengthen justice and judicial systems, and importantly, rebuild trust between civilians and the government as an entity. In addition, to rise from the existing as well as underlying governance conflicts, it is significant to grasp the anticipation of peaceful governance in its entirety. More importantly, the role of citizens in governance processes should be clarified to make them further responsible/accountable to strengthen federalism in Nepal. Hence, local and indigenous knowledge and practices must be incorporated in the decision-making processes to foster inclusiveness and build a sense of ownership among local communities. Solution-driven local political dialogues with the participation of relevant stakeholders can be one way to fulfill this aspiration.

A closer look at the civilian involved protests or their display of dissatisfaction in the four governance areas focused on by this study demonstrates that efforts to resolve the citizens' dissatisfaction or governance conflicts for that matter, are minimal, that a chunk of the population is far out of reach even when solutions arrive. Hence, along with improving IGR and addressing the existent governance conflicts, it is imperative for all three levels of government to understand the voices of their citizens. Expressing one's voice through protests or demonstrations can often be a one-way channel of communication, thus, strategic dialogues or spaces for grievance sharing must be effectively installed to open two-way communication between the government actors and the people, minimize potential conflicts and address their concerns.

The study establishes that a deeper understanding of the governance conflicts is necessary to find potential avenues of resolution. The study's aim is not to criticize the federal governance framework but to highlight its challenges and polish the opportunities. The study emphasizes that governance conflicts existent in federal Nepal are multifaceted; hence, the solutions must incorporate this intricacy. Cooperation among stakeholders is one way to go about it, and its capacities must be explored further, making scope for further research and studies.

References

Acharya, K. K. (2018). The capacity of local governments in Nepal: from government to governance and governability? *Asia Pacific Journal of Public Administration*, 40(3), 186–197.

Armingeon K., Guthmann K. (2014). Democracy in crisis? The declining support for national democracy in European countries, 2007-2011. *European Journal of Political Research*, 53(3), 423-442.

Bellinger, N.M. Why democracy matters: democratic attributes and human well-being. *J Int Relat Dev*, 22, 413–440 (2019). https://doi.org/10.1057/s41268-017-0105-1

Chima, E., Bello, M. B., Okoroafor, F. O., & Obilor, O. I. (2018). Conflict Management in Intergovernmental Relations in Nigeria: Issues and Prospects. *GNOSI: An Interdisciplinary Journal of Human Theory and Praxis*, 1(1), 17-24.

De Dreu, C. K. W., & Weingart, L. R. (2003). *The social psychology of conflict resolution*. Cambridge, England: Cambridge University Press

Gat, A. (2005). The Democratic Peace Theory Reframed: The Impact of Modernity. *World Politics*, 58(1), 73–100. http://www.jstor.org/stable/40060125

Goodwin, J., & Jasper, J. M. (1999). Caught in a winding, snarling vine: The structural bias of political process theory. *Sociological Forum*, 14(1), 27–54.

Kössler, K. P., Woelk, J., Heinemann-Grüder, A., & Keil, S. (2017). *Intergovernmental Relations: Meaning and Relevance for Conflict Management.*

Kowalewski, M. Dissatisfied and Critical Citizens: The Political Effect of Complaining. *Soc*, 56, 453–460 (2019). https://doi.org/10.1007/s12115-019-00398-x

Mishler W., Rose R. (2002). Learning and re-learning regime support: The dynamics of post-communist regimes. *European Journal of Political Research*, 41(1), 5-36.

Ojo, J. S. (2014). An X-Ray of Inter-Governmental Relation Conflicts and Resource Control in the Fourth Republic in Nigeria. *International Journal of Educational Administration and Policy Studies*, 6(3), 43-52

Sebayiga, V. (2023). Resolving Intergovernmental Disputes in Kenya through Alternative Dispute Resolution (ADR) Mechanisms. J*ournal of Conflict Management and Sustainable Development*, 10(2).

About CSC

Centre for Social Change (CSC) is a non-profit making social think-tank based in Kathmandu, Nepal. Since its establishment in 2015, CSC has been actively working to bring positive transformation in the socio-political dynamics of Nepali society through involvements in the fields of research, development practice, education, advocacy, and community mobilization. CSC's current works are focused on issues surround conflict transformation, peacebuilding, democracy and governance, migration, labor and employment, civic space, civil society development, public policy, climate change, and social development.

www.socialchange.org.np
contact@socialchange.org.np
+977-9841370244