







# **About GMC Nepal**

Governance Monitoring Centre Nepal (GMC Nepal) is a research initiative launched by the Kathmandu-based non-profit social think-tank Centre for Social Change (CSC). The initiative envisions an enabling environment to foster state-society relationships in young federal Nepal through the accountable transfer of accurate and up-to-date governance-relevant information among all stakeholders. GMC Nepal supports this engagement by shedding light on the Government's policies, laws, and execution of plans within four areas of governance- i.e., Natural resources, Development, Ethnocultural, and Political governance. This document summarizes GMC Nepal's key findings relevant to Natural resource governance conflicts in Nepal and their corresponding policy recommendations, thus establishing the scope for future research in the area.

#### Background and context

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 designation of roles and responsibilities, especially concerning power devolution in a decentralized governance model.

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 political parties and the government. In relevance to this pertinent issue, GMC Nepal presents its key findings and corresponding recommendations to address Nepal's political governance conflicts.

### Methodology

This policy brief is based on information gathered through real-time monitoring of governance conflicts in Nepal, as exhibited by nine periodic reports published by GMC Nepal (1658 news and events throughout October 2022 to April 2024). These reports analyzed the changing dynamics of governance conflicts and associated elements, recognizing the crucial role of media to reflect where the latest developments and interests are focused. Thus, the key methods in the study included desk policy and legal review, real-time governance monitoring, real-time media monitoring, data scraping and analysis, and expert consultations.

# Key challenges

- 1. Nepal's political landscape is characterized by frequent changes in government due to unstable coalitions. This leads 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.
- 2. Nepal's federal system faces challenges in intergovernmental coordination and cooperation and government autonomy. Hence, disagreements often erupt between federal, state, and local governments on issues like public holidays, resource rights, and project implementation. Also, legal battles over federal acts and local defiance highlight a lack of clear power distribution. Moreover, internal political struggles worsen the effects of intergovernmental conflicts.
- 3. Nepal's civil service faces a multitude of challenges, including job insecurity for contractual employees, political interference in appointments, and lack of Federal Civil Service Act. These issues, compounded by inadequate salaries, lack of professional development, and internal disagreements, lead to demotivation of civil servants, service disruptions, and public frustration.
- 4. Public dissatisfaction towards economic hardship, government services, and lack of government transparency and representation fuel public protests and social unrest. Furthermore, limited freedom of expression and restrictions on media access make it difficult for citizens to hold officials accountable, further eroding public trust.
- 5. Records of rampant corruption within the government weakens public trust and discourages public and private investment opportunities. The current anti-corruption measures on the matter are perceived as ineffective, allowing corrupt practices to persist. This lack of transparency fuel public suspicion and cynicism towards the government.

# Key recommendations

- 1. It is essential to ensure a clear and defined guideline describing 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 requires investment in 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 performances of local bodies, civil servants and civilians.
- 3. Central government needs to prioritize the enactment of Civil Service Act, that provides a framework for 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 occurring governance related conflicts are necessary. By fundamentally filling the communication gaps among the conflict actors, such dialogues provide opportunities to identify the existing problems in the federal governance systems and clarify their roots and their relevant solutions.