



A *palika* Legal and Policy Framework for Agriculture

This is the second Briefing Note in a series drawing on the experiences of the Nepal Agriculture Services Development Programme or Prayas (January 2016 - November 2020), a bilateral initiative of the Governments of Nepal and Switzerland (Swiss Agency for Development and Cooperation, SDC) with technical support from Helvetas Nepal. The project covered 61 selected *palikas* in provinces 1, 3 - Bagmati and 6 – Karnali (the latter in collaboration with the ASDP, Agriculture Sector Development Project).

Nepal's 2015 Constitution and the Local Government Operation Act (LGOA), 2017 set the areas of responsibility of the three spheres of governance – federal, provincial and local. These may be exclusive to one government sphere or concurrent (shared) between two or all three. Local governments or *palikas* have an exclusive mandate to formulate, enact and implement agriculture development and extension-related policies, laws, standards and programs. In addition to a full understanding of the relevant constitutional provisions and legislation (see the table further below), this requires a clear knowledge of agriculture and a vision for sectoral development. These are specialist competences that most elected *palika* representatives did not have when taking up office. The LGOA foresees five thematic areas of *palika* functioning, each with their own committee; agricultural development falls under the Economic Development Committee and must be aligned with the goals of this sector. In addition, all *palika* legislation must be coherent with provincial and federal legislation. As some of the concurrent functions

of provinces and *palikas* regarding agriculture are still unclear, there is room for subjective interpretation. A continued lack of clarity in this regard has potential to lead to conflict over resource allocation, both in terms of funds and competent staff.

Schedule of powers across the three governments for the agriculture sector

Powers of governments	Concurrent and/or exclusive	Sphere of government
Regulatory services: food safety	Concurrent	Federal and Provincial
Plant quarantine and livestock quarantine	Exclusive	Federal
Research and development	Concurrent	Federal and Provincial
Agriculture and livestock extension services	Exclusive	Local
Environment, protection and conservation: soil health, forest, water use	Concurrent	Federal, Provincial and Local
Land use, land tenure, land reform	Concurrent	Federal, Provincial and Local
Irrigation	Concurrent	Federal, Provincial and Local
Rural infrastructure	Concurrent	Federal, Provincial and Local
Agricultural education	Unspecified	
Seed safety	Unspecified	
Source: Constitution of Nepal, 2015		

What did the project do?

Through a series of workshops in each *palika*, Prayas staff assisted elected representatives and staff to understand the constitutional and LGOA provisions concerning agriculture, and the importance of establishing an appropriate legal and policy framework as soon as possible. They also facilitated a mapping exercise of all the *palika*'s legal and policy arrangements related to their exclusive functions for agriculture. This led to the *palikas* identifying and prioritizing what sectoral policies, procedures and laws they needed to formulate, and proceeding accordingly - also adapting their Gender Equality and Social Inclusion (GESI) framework to specifically include agriculture. Prayas staff also supported the *palikas*' agriculture sectoral committees and legislation (*Bidhayan*) committees to become effective, functioning bodies. They provided technical support in drafting the framework and supported the process of deciding who does what, when, and how – so that the *palika* developed an action plan. Prayas staff then supported the implementation of the action plan, sharing and receiving inputs from the team and experts, and ensuring that the provisions were harmonized as far as possible with those for the provincial and federal governments. Overall, the frameworks were drafted by the sectoral committee in collaboration with the legal committee and PADC (*palika* Agriculture Development Committee), and then passed to the *palika* executive committee for endorsement (in the case of guidelines, procedures) or the assembly (for an Act). Following endorsement, the documents were shared with provincial and federal authorities. Depending on their situation, some *palikas* developed a Local Agriculture Development Programme Operation and Management Procedure (LADPOMP) – which could be done relatively quickly; others formulated their own Agricultural Development Act.

Key achievements

- All 61 of the Prayas-supported *palikas* are now prioritizing agriculture as a major sector of economic development based on appropriate guidelines, procedures and standards.
- All 61 *palikas* have been able to draft and enact at least one legal instrument and implement the standards required for agriculture sector management. Guided by either their LADPOMP or Agriculture Act, they are formulating sector related policies and plans.

- With their agriculture sector legal and policy framework now in place, all 61 *palikas* have been able to develop annual sectoral plans and integrate them into their overall programs and budget. Many have also developed appropriate institutional frameworks (eg: 60 *palikas* have PADCs and 61 of them have service networks in place).
- All 61 *palikas* have adopted a GESI targeting approach, meaning that they have specific provisions supporting women and disadvantaged individuals in agriculture.
- Having clarity over their exclusive responsibilities for agriculture, *palikas* are now requesting clarification of the concurrent functions with provincial and federal governments.
- Elected and technical *palika* staff report that they have a better understanding of policy and legal processes, also for other aspects of their work, and that this has enhanced the efficiency and quality of their work.

Challenges

- An early challenge was to **build team spirit** between the elected representatives and technical staff. The former were under pressure to deliver services, while the staff members felt disempowered with no mechanism for service delivery. As politically neutral outsiders to the *palika*, with specialist knowledge to offer, Prayas staff could facilitate shared understanding and team building, and thus help develop the necessary policies, plans and budgets.
- A continuing challenge, still being addressed, is the lack of a proper mechanism for **inter-palika coordination, cooperation and collaboration** or for legal and policy development between the *palikas* and the **provincial and federal governments**, particularly regarding concurrent functions.
- There is still a **“subsidy-oriented” mindset** in some *palikas*, whereby a few, favored farmers receive inputs at greatly reduced cost whilst many others receive nothing. Prayas has supported *palikas* in developing a socially inclusive system of agricultural extension; this includes linking resource-poor farmers to cooperatives and other institutions providing affordable credit, supporting training on promising new crops or techniques, and building networks of diverse service providers.

Lessons learned

- The starting point in supporting *palikas* to function under the new federal structure according to their exclusive mandated functions is the **development of their own legal and policy framework**. This enables them to deliver services, which is felt by their citizens. Local agriculture sector development is relatively easy in this respect, given the exclusive rights accorded to *palikas*.
- Facilitating discussions between the *palika* authorities (both elects and staff) and concerned citizens is a crucial part of developing *palika* level policies and plans. Ensuring **well facilitated, participatory interactions and decision-making** is the best way to establish local ownership - leading to appropriate and effective service delivery, citizen satisfaction, and positive *palika* – citizen relations.
- The framing of the legal and policy framework should also be a **shared responsibility between the palika executive, the sectoral committees and sections, and the palika legislation committees**. This helps to ensure that adequate knowledge is brought to the task, and that there is coherence between different sector legal and policy frameworks.
- To ensure the above shared responsibility, a process of **accompaniment** is needed – providing the members of committees and sections with support through simplified training packages, resource materials and regular follow-up (coaching).
- Ideally, *palikas* should develop their legal and policy frameworks according to **both their exclusive and concurrent functions**. In practice, this has not been possible given the continuing lack of clarity over

certain functions that are concurrent with provincial and federal governments. Harmonizing legislation in line with concurrent functions remains an important task for the future.

- It is very important that **palikas communicate with their citizens** about the practical implications of legal and policy frameworks and related guidelines and standards. This should be done in clear, appropriate language through a variety of media – by radio, website, public notices and other means.

“Federalism initiated inclusion by providing quotas for women, marginalized and disadvantaged groups in the form of constitutional provision. And our duty was to exercise this provision. Hence, when the palika was engaged in making plans, Prayas guided us technically to explicitly include gender and social inclusion focused programs. Hence, by analyzing the situation of women, Dalits and the disadvantaged, we developed programs focusing on agro-enterprises, particularly on goat and pig rearing and poultry farming in Halesi. By providing support to the neediest, we have been able to graduate the poorer households to income-generating households and nothing makes us more satisfied and happier than seeing this in our own palika. The policy and plan we developed have guided us to execute inclusive programs and we are thankful to programs like Prayas for their immense guidance...”

Bimala Rai, Deputy Mayor, Halesi Tuwachung *nagarpalika*

“At the beginning of federalism, a lot of challenges and vagueness in the understanding of policy guidelines appeared. First, the local government did not have experience in implementing agriculture and livestock related programs and the local elects and staff were unclear about their roles. Also, executing agriculture related programs were difficult due to the lack of guidelines. During this time, the PADC facilitated the formulation of a Local Agriculture Development Programme Operation and Management Procedure (LADPOMP), for which Prayas provided technical support and advice. There were also trainings organized to enlighten the staff and elects about their duties and responsibilities, clarity about the plans and policies and financial matters. Today the palika’s human resource are aware of their roles for service delivery...”

Hari Bahadur Bhattarai, Chief Administrative Officer, Khotehang *gaunpalika*

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Photos:

(first page) A municipal assembly conducted in Khadachakra *nagarpalika* to endorse its annual plan and budget for the Nepali fiscal year 2077/2078 (2020 - 2021) and an Agriculture Act.

(last page) left: Sunita Timsina, a poultry entrepreneur in Barapokhari *gaunpalika*, manages a flock of 600 local chickens and generates over NRs 400,000 [approx. USD 3,355] sales revenue in a year.

(last page) Right: Ram Krishna Rai, a young returnee migrant and a goat entrepreneur from Rawabesi *gaunpalika* - the *palika* has focused on returnee migrants to promote youth engagement in agriculture enterprises.