State-people relations in post-conflict Nepal

Bishnu Raj Upreti, PhD

Gopikesh Acharya, MA

Annal Tandukar, MA

Acknowledgement

On 21 November 2016, Nepal completed 10 years of the signing of the Comprehensive Peace Agreement (CPA) between the government of Nepal and the then Communist Party of Nepal (Maoist). The parties that signed the CPA made several commitments to Nepali people through different articles and sub-articles in the CPA, ranging from transitional justice, to socio-economic transformation to effective governance and service delivery. In this context, NCCR, as a member of the Secure Livelihoods Research Consortium, conducted research for six years, focusing specifically on state-building processes (how do Nepalis' perceptions, expectations and experiences of the state affect its legitimacy, its ability to provide basic services, and under what circumstances, if any, does this lead to state-building) and international engagement with the post-conflict capacity building in Nepal (focusing on the question: what processes, approaches, and modalities of interactions between international actors and state (national and local) institutions enable the capacity of the state to deliver social protection and basic services?).

One of the key priorities of the CPA was to strengthen state-people relationship as a means of facilitating state-building process in Nepal. One of the key aspects of strengthening state-people relations is through improving the effectiveness of basic service delivery provisions the state provides to its people. However, the decade long armed conflict (1996-2006) had severely weakened the state capacity to deliver the intended services and heavily divided the people. The legitimacy of the state was questioned during the war time. Hence, our research is focused in the analysis of public perceptions of the state in terms of service delivery (health, education, water and sanitation, and social protection)

and in finding the gap between public expectations and capacity of the state, and response of the state. The empirical evidences were generated from Ilam, Rolpa and Bardiya districts.

One of the most often asked questions in the public debate is the effectiveness of support of international actors in capacity building of the state and their modes of engagement. Strong state institutions are of foremost importance to Nepal, which is suffering a fragile post-conflict transition after the end of a decade-long insurgency. The structural capacity and strength of the state institutions are vital to deliver efficient basic services, offer state-led social protections, and secure the livelihoods of the people of all strata. The reciprocal engagements between international actors and state constitute as one of the integral elements of the post-conflict state capacity building in Nepal. International actors are engaged in Nepal with their multiple supports (e.g. technical, financial, administrative cooperation, etc.) and state authorities which are shouldered with qualitative, timely, functional and fair delivery of services.

It is important to assess how the international engagements have contributed in building capacity of the state institutions to deliver basic services. As service delivery is directly related to livelihoods of people affected by conflict, this book analyses these aspects, which we hope will be helpful for civil society, researchers, academicians, policy makers, practitioners and national and international organisations working in different issues of state building.

This book offers insight to the status of service delivery of health, education, water and social protection and presents the role of international actors engaged in promoting livelihoods of conflict-affected and marginalised people and providing basic services to them. This book is the outcomes of collective efforts of many people. Even if it is not possible to individually mention them, we express our gratitude to all of them for their valuable information, inputs, comments and suggestions through different means and mechanisms.

We would like to extend our sincere thanks to all the people from our research sites. They not only participated in meetings and discussions and offered valuable perspectives on service delivery and livelihood options but also offered great hospitality during our field work. Further, we express sincere gratitude to our dedicated team of research assistants, enumerators and field supervisors working to collect the data upon which this book is based.

We are particularly thankful to the SLRC CEO Dr Paul Harvey and Research Director Dr Rachel Slater who were supportive to our idea of developing a synthesis of six years of research work, presented previously as different working papers, in the form of book. We also extend thanks to all the authors of working papers on the basis of which this book is developed.

We acknowledge all forms of support we received from Mr. Siddhi Manandhar, Managing Director and Ms Apsara KC, Administration and Finance Officer of Nepal Centre for Contemporary Research (NCCR) during the entire period of developing this book. We also offer our appreciation to Ms Sony KC, Mr. Amit Maharjan and Ms Sharmila Shivakoti for their support to the authors on different occasions.

<div align="right">

Bishnu Raj Upreti, PhD
Gopikesh Acharya, MA
Annal Tandukar, MA

December 2016
Kathmandu

</div>

Acronyms and Abbreviations

ADB	Asian Development Bank
AED	Academy for Educational Development
AI	Amnesty International
APP	Agriculture Perspective Plan
CA	Constituent Assembly
CAP	Conflict-Affected Person
CBS	Central Bureau of Statistics
CCOMPOSA	Coordination Committee of Maoist Parties and Organizations in South Asia
CDC	Child Development Centres
CDO	Chief District Officer
CPA	Comprehensive Peace Agreement
CPN	Communist Party of Nepal
CPN (M)	Communist Party of Nepal (Maoist)
CPN (UML)	Communist Party of Nepal (United Marxist-Leninist)
DAO	District Administration Office
DDC	District Development Committee
DFID	Department for International Development
DLPC	District Local Peace Committee
DoHS	Department of Health Survey
DWMC	Drinking Water Management Committee
DWP	Drinking Water Programme
DWRC	Drinking Water Resource Committee
DWS	Drinking Water and Sanitation

EAFS	Enhancing Access to Financial Services
EDR	Eastern Development Region
EFA	Education for All
EHCS	Essential Health Care Services
EPI	Expanded Programme on Immunisation
EU	European Union
FCHV	Female Community Health Volunteer
FGD	Focus Group Discussion
FY	Fiscal Year
GDP	Gross Domestic Product
GHI	Global Hunger Index
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
GNI	Gross National Income
GoN	Government of Nepal
HDI	Human Development Index
HFOMCs	Health Facility Operational Management Committees
ICG	International Crisis Group
ICRC	International Committee of the Red Cross
IDMC	The Internal Displacement Monitoring Centre
IDP	Internally Displaced Person
ILO	International Labour Organisation
INGO	International Non-Governmental Organisation
INSEC	Informal Sector Service Centre
JICA	Japan International Cooperation Agency
KII	Key Informant Interview
LGCDP	Local Governance and Community Development Programme
LPC	Local Peace Committee

LRP	Livelihood Recovery for Peace
LSGA	Local Self Governance Act
MDGs	Millennium Development Goals
MEDEP	Micro Enterprise Development Programme
MoE	Ministry of Education
MoF	Ministry of Finance
MoLD	Ministry of Local Development
MoPR	Ministry of Peace and Reconstruction
MoWCSW	Ministry of Women, Children and Social Welfare
MPI	Multidimensional Poverty Index
MT	Metric Ton
NC	Nepali Congress
NCCR	Nepal Centre for Contemporary Research
NDHS	National Demographic Health Survey
NFC	National Food Corporation
NGO	Non-governmental Organisation
NLSS	National Living Standard Survey
NPC	National Planning Commission
NPR	Nepali Rupees
NPTF	Nepal Peace Trust Fund
NSCSP	National Steering Committee on Social Protection
OAA	Old Age Allowance
ODA	Official Development Assistance
ODI	Overseas Development Institute
OECD	Organisation for Economic Co-operation and Development
OPHI	Oxford Poverty and Human Development Initiative

PHC	Primary Health Care
PM	Prime Minister
PPPUE	Public Private Partnership of Urban Environment
RLS	Rural Livelihoods System
RUPP	Rural-Urban Partnership Programme
SDIP	Safe Delivery Incentives Programme
SLC	School Leaving Certificate
SLRC	Secure Livelihoods Research Consortium
SNPC	Strengthening Planning and Monitoring Capacity
SPA	Seven-Party Alliance
SPI	Social Protection Index
SSRP	School Sector Reform Plan
SWAP	Sector-wide Approach
TBA	Traditional Birth Attendants
TLO	Tole/Lane Organisation
ToR	Terms of Reference
UCPN	Unified Communist Party of Nepal
UCPN (M)	United Communist Party of Nepal (Maoist)
UK	United Kingdom
UNCDF	United Nations Capital Development Fund
UNDESA	United Nations Department of Economic and Social Affairs
UNDP	United Nations Development Programme
UNFPA	United Nations Population Fund
UNICEF	United Nations Children Fund
UNMIN	United Nations Mission in Nepal
UNSG	The Secretary General of the United Nations

US	United States of America
USAID	United States Agency for International Development
USD	United States Dollar
VAM	Vulnerability Assessment and Mapping
VDC	Village Development Committee
VLPC	Village Local Peace Committee
WECS	Water and Energy Commission Secretariat
WEP	Women's Empowerment Programme
WFP	World Food Programme
WHO	World Health Organisation
WUG	Water Users Group

List of contents

List of Boxes

List of Tables

List of Figures

Revisiting the past and envisioning the future[1]

1.1   Introduction

Nepal has experienced tremendous changes over the last 25 years. The country is in a pivotal state of extreme transition. In the last two decades, it changed from a monarchy to a republic, an authoritarian system of governance to a democracy, a Hindu kingdom to a secular country, and from being a centralised state to a federal country (Upreti, 2010). Hence, Nepal is at the 'crossroads' of being 'redefin[ed] [as] both nation and state' (UNDP, 2009: 2) and a new social order is emerging (Adhikari, 2014). Peoples' perceptions on state-provided basic services, social protection, and livelihood assistance services determine the state-people relationship. We have examined these dimensions in this book, for which conceptual and contextual factors are discussed in this chapter with special reference to basic services (health, education and drinking water), social protection and livelihoods.

1.2   Reflection on the decade-long Maoist insurrection

The Communist Party of Nepal (Maoist), hereinafter referred as UCPN (Maoist)[2], waged a decade-long insurrection against the state from 1996 (Upreti, 2009; Baechler et al., 2008). Murshed and Gates (2005) argued 'horizontal inequalities' in Nepal were

---

[1] *This chapter is based on the NCCR-SLRC Working Paper (7) entitled 'Livelihoods, Basic Services and Social Protection in Nepal'. Authored by Bishnu Raj Upreti, Sony KC, Richard Mallett and Babken Babajanian, with Kailash Pyakuryal, Safal Ghimire, Anita Ghimire and Sagar Raj Sharma, the Working Paper was published by SLRC/ODI/NCCR in 2012.*

[2] *The CPN (Maoist) and the Unity Centre united in January 2009 and the name CPN (Maoist) was changed into the United Communist Party of Nepal (Maoist) or UCPN (Maoist). A small faction CPN (Maoist) kept its original name CPN (Maoist) after the formation of the UCPN (Maoist).*

the causes of the Maoist insurrection. Do and Iyer (2010) looks to spatial dimension of conflict and argues geography and poverty, instead of horizontal group inequality, are the significant reasons for conflict intensity. Geographical factors, such as mountainous terrain, uneven elevation and the presence of forests provided favourable environment for the insurgents to hide and escalate the fighting (Gersony, 2003). Upreti (2006; 2009; 2010) argue the major causes of the Nepal's armed conflicts were related to structural inequality, exclusion and discrimination (based on caste, class, gender, geography), concentration and abuse of power by ruling elites and bureaucrats, poverty and unemployment, failure of state governing system and politically divided and opposing ideologies.

Governance in Nepal did not succeed to address key challenges such as corruption, poor service delivery, and the selective/discriminatory implementation of laws (Ali et al., 2011; Upreti, 2006; 2010). At the central level, the capture of state power and exploitation of resources by a handful of elites and powerful groups created and deepened the economic and political exclusion of the Nepali majority (ICG, 2007; Upreti, 2006; 2010). The high ratio of poverty, unemployment and a skewed distribution of resources exacerbated this situation (Mahat, 2005; Upreti, 2008; 2009). Centuries-old inequalities based on gender, class, caste, ethnicity, religion and geography – all of which were likely to have been deepened by externally-driven liberalisation policies (Deraniyagala, 2005: 61) – further fuelled social discontent (Hutt, 2004; ICG, 2003a; 2003b; 2004; 2005a; 2005b; 2006a; 2006b; 2007). Environmental factors such as demographic pressure and control over poor people's use of natural resources, especially land, acted as further catalysts for conflict (Bhattarai, 2003; Upreti et al., 2009). The main causes of the conflict are summarised in Table 1.

Table 1: Main causes of the armed conflict of Nepal

1. Structural causes	2. International sources	3. Triggers and catalysts
Political: political power struggles and tensions between the political parties, between the royal palace and political parties and within individual parties **Socio-economic:** discriminations based on gender, caste, class, religion, geography, social inequalities; rampant poverty and wide-spread unemployment and under-employment; social exclusion **Geographical isolation:** marginal areas, remote areas, areas with weak political representation, **Constitution and legal:** selective implementation of rule of laws (laws to be respected by the weak but often violated by the powerful) **Ideological:** democratic v/s communists **Governance:** corruption, red-tapism, nepotism and favoritism, poor service delivery, and lack of livelihoods options,	**International context:** E.g., terrorist attack on Twin Towers in New York on September 11, 2001, expansion of radical communists and insurgents in India, change in the power relations (government) in India/US **Interests of powerful nations** (political, economic: natural resources, water and forest; historical legacy; religious; strategic and military). For example: constant engagement of India in Nepal (alleged giving shelter to Nepali Maoists, arms supply to army, etc.) **Competition of international actors in Nepal:** strategies of India, China, USA, UK to expand their influence in Nepal, brining political parties of their favour, etc. Poor performance of development programmes and projects funded by donors and development cooperation partners	**Vested interests:** specific interests of certain domestic and external actors in Nepal's armed conflict **Specific circumstance:** the 1st June 2001 Royal massacre (which changed the entire political landscape in Nepal and became the beginning of the end of more than 200 years of the monarchy **Specific role of some influential people:** for example, the two deputies (Tulashi Giri and Kirti Nidhi Bista) of the King Gyanendra during his takeover in 2005 **Psychological factors:** mentality of revenge and retaliation, fear and mistrust, threats and insecurity, denial and resistance; capitalisation of frustration of people on poor performance of state service delivery and livelihood options

(Source: Adapted from Upreti and Sapkota, 2016)

The poor performance of government agencies responsible for service delivery hampered the country's development, while uneven development and geographical disparities with concentration of state resources in urban areas, cities and electoral constituencies of the powerful leaders (Raj, 2004; Sharma, 2003; Upreti, 2004a, 2004b) further fuelled public frustration that, as a result, contributed to alienate people from the state. In such a context, Maoists spread propaganda on ideological dichotomies such as 'rulers vs. ruled', 'rich vs. poor', 'aristocrat vs. proletariat' (Bhattarai, 2003; Onesto, 2005). Soon, Maoist propaganda began to attract the poor, innocent, and marginalised rural mass to support the newly introduced Maoist agendas that were designed to establish communist rule by bringing down the existing political system (Bhattarai, 2004; Upreti, 2010). Hence, the causes of the conflict and political instability in Nepal are not as simple as have been understood and interpreted by local interests groups and external actors who often reflect on one-dimensional narratives of 'horizontal inequality' and inter-group discrimination (as reflected in Murshed and Gates, 2005). The study of Gersony (2003) has also demonstrated that caste and ethnic divisions were not central at the onset of the insurgency. It is obvious that inequalities and group differences were one of the multiple causes of the conflict. Thus, it is important to assess the multiple factors and interactions so as to better understand the real causes of conflict in Nepal and to make real sense of the country's post-conflict situation.

Further, the armed conflict escalated rapidly because of a) fear of the Maoists from their systematic and strategic coercion, violence and threat (e.g., they decreed at least 1 person from each house must participate in the insurgency), b) the Maoist slogan of ending centuries-old caste, class, religion, geography and gender-based discriminations, social exclusion, political marginalisation and economic exploitation (Baechler et al., 2008) and to improve their living standard by establishing communist political system (Upreti, 2010), c) brutal repression of the insurgents' sympathisers by state security forces, d) the ambiguous and dual role of India in Nepal, e) failure of political parties to gain trust and hope from people, f) dual role of the monarchy, and g) sympathy of European countries

towards Maoists and negative attitude towards the government. Enormous economic and social costs and a huge loss of human lives have been reported from the armed conflict. Figure 1 presents the number of killings (by the state and the Maoists) during the decade long armed insurrection.

Figure 1: Number of killings in Nepal during armed insurrection (1996 to 2006)
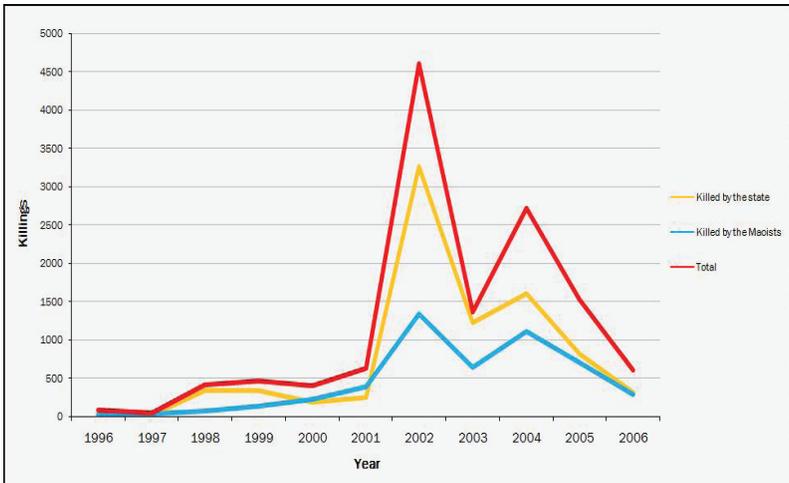
[Source: INSEC (2008) (Reproduced in Thapa, 2011: 1)]

Once the armed insurrection escalated, on one side the warring parties faced enormous pressure from citizens, human rights groups and international communities to sit for dialogue and to negotiate for peace, while on the other side both sides realised the need for internal reorganisation to prepare better. As a result, a series of peace talks (2000, 2001; 2003; 2006) were organised. The first peace talk in 2000 was held between the then Deputy Prime Minister and Home Minister Ram Chandra Poudel and Mr. Rabindra Shrestha (central level leader of the Maoist) but it failed because of lack of preparation and commitment.

The massacre of the royal family in June 2001 changed the conflict dynamics once the new king Gyanendra Shah came into power. He wanted to give a positive public image of his rule, so he instructed

Prime Minister Sher Bahadur Deuba to announce ceasefire and start negotiation. The Maoists also accepted the announcement of ceasefire. Hence, the government formed a negotiation team led by Chiranjibi Wagle with members Chakra Prasad Bastola, Mahesh Acharya and Bijay Kumar Gachchadar in the team, while the Maoists formed a negotiation team led by Krishna Bahadur Mahara. However, the first 3 rounds of talks (first on 30 August 2001 at Godavari, second in Thakurdwara, Bardia, and third in Godavari again) failed to bring solutions immediately, because the Maoists' demand of a new Constituent Assembly (CA) was not agreed upon by all the negotiators from the government side. Again the third round of peace talks began in late 2003 but failed due to both sides taking strong and unbending positions (multi-party democracy and constitutional monarchy were not compromised by the government, while round-table conferences and elections to the CA were not compromised by the Maoists.)

On 1 February 2005, the King took power through a coup, declared himself the executive head of state and imposed a state of emergency. He started arresting and detaining suspected journalists, political leaders and social activists by mobilising the military. The seven political parties formed an alliance [popularly called the Seven Party Alliance (SPA)], against the king's direct rule. The Maoists also supported this alliance. Hence, the power relation changed once again and the Maoists and SPA came together to fight against the King. Then, the SPA called for peaceful protests and the 19-day April Movement in 2006 overthrew the king from direct rule and brought the UCPN (M) into final peace talks. Subsequently, the SPA's coalition government and the UCPN (M) signed a Comprehensive Peace Agreement (CPA) on 21 November 2006 to finally end the armed conflict.

1.3 Post-insurrection context: A brief reflection

The CPA had several provisions to address the causes of the conflict discussed in the preceding section. One of the main provisions was to elect a new CA to write a new constitution that would accommodate provisions included in the CPA. After several rounds

of negotiations, the election of a CA was held on 10 April 2008, from which the Maoist emerged as the largest party followed by the Nepali Congress (NC) and the Communist Party of Nepal (United Marxist-Leninist) [(CPN) (UML)]. The first meeting of the CA on 28 May 2008 made a historic announcement: it ended the 239-year-old monarchy by declaring Nepal a republic country. However, the jumbo 601-member CA failed to bring the desired constitution mainly because of a) INGOs sponsored 'caucases' formed within the CA, especially ones that included CA members belonging to various indigenous groups[3] , b) too much influence of INGOs sponsored NGOs (e.g. activities of Constitutional Dialogue Centre sponsored created by UNDP and supported by some donors, direct engagement of NGO with CA (e.g., Nepal Kanun Samaj) and several NGOs engaged to create confusion in the entire constitutional debate process and thereby raising the   contradictory demands (e.g., numerous types of drafts of the constitution were developed by NGOs as per their vested interests and handed over to CA and circulated in public) which created confusion among CA members and cemented radical demands. Hence, the CA failed to negotiate key political issues to be included in the constitution. Consequently, the then PM Dr. Baburam Bhattarai from the Maoist Party dissolved the CA on 28 May 2012 after its original and extended total tenure of 4 years and declared a new date of 22 November 2012 to elect another CA. However, conducting the election on that date was not possible because other political parties vehemently opposed Bhattarai's decision. In effect, political parties totally failed to rule. Again as per the covert plan of India, major political parties agreed to appoint the sitting Chief Justice Mr. Khil Raj Regmi as Chair of the interim government (who was sworn in on 14 March 2013) to conduct the second CA election. He successfully conducted the CA election in November 2013.

The result of the second CA election changed the entire political dynamic. The largest political party (Maoist) from the first CA election was reduced to third place after the second CA election, while the second-largest party (Nepali Congress) won the most

---

[3] *See the Position paper of Indigenous People's Constituent Assembly Member's Caucus translated by International IDES to know the their position.*

seats in the second CA election. Likewise, the third-largest party (CPN UML) from the first CA election secured second place in the second CA election. Nepali Congress and CPN UML were close on many contentious issues in the first CA against the Maoists and its allies. Tension rose between the Maoists and other two parties (NC - CPN UML), and Maoists vandalised CA infrastructure and even engaged in violence during their obstruction of the CA's sessions. However, due to the earthquakes on 25 April and 12 May 2015, the situation changed slightly. The Maoists and the NC-UML came together to settle the political differences and to promulgate the new constitution. Regrettably however, the Madhes-Terai agitation against the constitution began. Madhesi parties had demanded for one autonomous Madhes province under federal structure covering the entire plain Terai region (east-west). The other parties were against such a demand.

The new constitution has provisions for seven provinces - with two in Madesh/Terai - and it was passed by more than 90 percent of the CA members. However, the Madhes-based parties, who lost out in the second CA election, vehemently opposed the new constitution and started violent agitation in Terai with the direct/indirect support of India. India was always at the forefront in engaging in Nepal affairs (Sharma, 2013; Dixit, 2011) and prevailing in important political events such as the 12-point CPA, holding the CA elections, formation of the government led by chief justice, Terai issues, etc. (Jha, 2013; Upreti, 2015) and changing governments.

Indian engagement in Nepal's conflict and peace negotiation was guided by strategic interests such as security, borders, and India's own Maoist insurgency, etc. (Rajan, 2003; Bhattarai, 2004; Dixit, 2003). Some critics strongly argue that India's influence was felt in all sectors during the conflict and political transition. Sharma (2013) was one of them, who cited numerous evidences on how India influenced the armed conflict and peace process of Nepal[4].

---

[4] *The most comprehensive documentation of the incidences and activities with date, time, venue, actors and activities of Indian engagement and influence in Nepal's politics in general and the armed conflict and peace process in particular can be found in the book of Mr. Sudhir Sharma (the Chief Editor of the Kantipur National Daily) entitled 'Prayogshala: Nepali Sankraman ma Delhi Darbar ra Maobadi (Laboratory: Delhi Palace and Maoists in Nepal's transition). Published in 2013 by FinePrint.*

The main reasons for India's extensive engagement were:

a) Political influence and utilising Nepali ruling elites for its own strategic interests,

b) Security and other concerns related to the porous approx. 1,800 km Indo-Nepal border,

c) Nepal's water for India's water and energy needs (Upreti, 2010; Bhattarai, 2004; Mishra, 2004),

d) Formation of Coordination Committee of Maoist Parties and Organizations in South Asia (CCOMPOSA) on July 1st 2001 and the escalation of Maoist insurgency in different Indian states,

e) Strategic interests to keep Nepal under its security umbrella.

India was pressing to include the demands of Madhesi parties in the new constitution which it assumed were not incorporated in the final constitution. In reaction to this, India imposed an unofficial blockade against Nepal immediately after promulgation of the new constitution that was ratified by more than 90 percent of CA members. The blockade heavily affected the lives of people, resulting in an estimated loss of more than USD 26 billion and economic growth was reduced by 1.5 percent.

Even though Chinese, European, American and other external actors were active in Nepal, the influence of India was enormously higher. Even if the United Nations was directly engaged (through the United Nations Mission in Nepal-UNMIN) in Nepal's conflict and post-conflict affairs, it failed to achieve many of its agreed roles and therefore the government terminated UNMIN's term as it felt the body was against its interests[5]. The work of UNMIN was highly

---

[5] *The Maoists and the government sent identical letters to the UN requesting its support to Nepal's peace process. Then the 5622nd Meeting of Security Council established United Nations Mission in Nepal(UNMIN) by unanimously adopting the resolution 1740 (23 January 2007). The resolution was presented by UK, after reaching an informal agreement with India and China, to the Security Council. However, the trade-off between European countries on one side and India and China on the other was intense at the time of establishment of UNMIN and later during negotiation for its extensions. European countries led by UK were interested to expand UNMINS's role but India and China did not agree and UNMIN was limited to restricted role only; (a) Monitor the management of arms and armed personnel*

contested and main political parties jointly wrote to UNSG. In this regard, the following quote is worth mentioning[6]:

> *'In September 2010, UNMIN had prepared a report of the Secretary-General to the Security Council (S/2010/453) on the status of Nepal's peace process recommending further extension of UNMIN's mandate This report was so unbalanced and objectionable that four former Foreign Ministers of Nepal coming from different political parties – KP Sharma Oli, Chakra Bastola, Ram Sharan Mahat and Prakash Chandra Lohani – wrote a joint letter of protest to Secretary-General Ban Ki-moon. As former foreign ministers, and strong supporters of the United Nations, they registered their objection to the tone and content of the whole report and pointed out several specific paragraphs which were against the letter and spirit of Nepal's Comprehensive Peace Accord and related agreements. They objected the report's treatment of Nepal's national army on par with the former rebel force, whose members were in temporary cantonments awaiting integration and rehabilitation. They also objected the report essentially treating the Government of Nepal on par with the Unified Communist Party of Nepal (Maoist)'.*

Unlike India, until people's movement of April 2006, China was publicly silent. China had traditionally supported the monarchy as long as it existed as a stable and reliable political force in Nepal. From 2008, China became overtly active in Nepal's political affairs and engaged in overt and covert dialogue, especially in case of any possible activities affecting the Chinese interests. In this context, Jha (2013, p. 353) writes:

> *'The turning point in China's approach to Nepal came in March 2008 in the run up to the Beijing Olympics when "free Tibet"*

---

of the Nepal Army and the Maoist army, in line with the provisions of the Comprehensive Peace Agreement, b) Assist the parties through a Joint Monitoring Coordinating Committee in implementing their agreement on the management of arms and armed personnel, c) Assist in the monitoring of ceasefire arrangements, and d) Provide technical assistance to the Election Commission in the planning, preparation and conduct of the election of a Constituent Assembly in a free and fair atmosphere (UNMIN, 2008; Martin, 2010)].

[6] *KC G. (2015), Lost in Transition: Rebuilding Nepal from the Maoist mayhem and mega earthquake. Kathmandu: nepa~laya.*

protest rocked Tibet as well as Kathmandu. Protest continued for almost a month, and the international media, which has no or little access to Tibet itself, descended on to Kathmandu to report the extent of discontent. China was furious with the Nepali government, led by the Nepali Congress for not swiftly reining in the protest. For Beijing, it was the proof that that western influence in Nepal has grown and that the increasingly strong Indo-US strategic partnership meant that Delhi was no longer a reliable partner when it came to keeping international actors out of the region. China felt that the open border between India and Nepal was a major problem because Tibetans could use it not only to flee to exile but also to return to foment protest in Nepal and Tibet.'

Chinese engagement in Nepal was guided by its concerns over the risk of Nepal's land being used for Tibet-focused anti-Chinese activities, strategy of influencing South Asian countries, economic expansion, strategic aims and its assessment of risk of Nepal being used by India for its strategic interests/Indo-US alliance to jeopardise Chinese interests.

The USA was another key external player in Nepal's conflict and post-conflict context. It was actively engaged in supporting not only the government to prevail over the rebels during the war time but also the national dialogues process.

The United Kingdom was another major visible external actor in Nepal's armed conflict and post conflict process. The UK was one of the largest development partners of Nepal and also very active on the political front because of the link of the monarchies of the two countries and the Gurkha recruitment arrangement. Earlier, UK was supporting the twin pillars theory (*constitutional monarchy and multi-party democracy)* and provided military aid to Nepal.

The European Union (EU) was active in helping Nepal at different levels of negotiations and settlement, often away from the centre of influence. Switzerland, Norway, Germany, Denmark, the Netherlands and other European countries were other actors but with less influence at political level but tremendous impacts

on sensitising rights of people, which ultimately lead to tension between state and the government/parties.

International financial institutions such as the World Bank, the International Monetary Fund and the Asian Development Bank were influential external actors working to address the conflict through development and economic sectors (economic development assistance such as economic policy reforms, trade promotion, and investment in basic services such as education, health, drinking water, and rural infrastructures development, promotion of private investment, etc.). However, analysts argue their economic engagement was not prominent to positively impact Nepal's armed conflict (Pyakuryal, 2013; Pyakuryal et al., 2008). Likewise, several international NGOs, human rights, religious and philanthropic agencies such as International Commission of Jurists, Human Rights Watch, International Crisis Group, Amnesty International (AI), Action Aid International Nepal, ICRC, Care International Nepal, Mercy Corps, Lutheran World Federations, Doctors without Borders, Search for Common Ground, The Carter Centre, The Asia Foundation, Academy for Educational Development (AED), and International Idea were directly and indirectly engaged in Nepal with the financial support of bilateral, faith-based missions and philanthropic donors.

1.4 Recognition of economic and social development as basis for state-people relations

One of the most significant determinants of state-people relations is the quality of services provided by the state to its people as and when needed. The spirit and the provisions outlined in the CPA provided basis for improving state-people relations. In this context, the preamble of the CPA states:

By putting democracy, peace, prosperity, progressive social and economic transformation…in the centre-stage…[By] declaring the end of armed conflict…and beginning the new era of peace and co-operation…[And by pursuing a] progressive political solution, democratic restructuring of the state and social,

economic and cultural transformation of Nepal[i] society through the Constituent Assembly.

Similarly, Article 3.5 of the CPA outlines:

End the existing centralised and unitary state system and restructure it into an inclusive, democratic progressive system to address various problems including that of women, Dalits, indigenous community, Madhesis, oppressed, ignored and minority communities, backward regions by ending prevailing class, ethnic, linguistic, gender, cultural, religious and regional discrimination.

The present constitution promulgated in September 2015 takes the provisions and spirit of both the CPA and Interim Constitution (2007-2015) in terms of ensuring services as means of state-people relations through different provisions such as 'Fundamental Rights', including 'Right to freedom', 'Right to equality', 'Right against untouchability and racial discrimination', 'Rights regarding environment and health', 'Education and cultural rights', 'Rights regarding employment and social security', 'Right to property', 'Rights of women', 'Right to social justice', and 'Rights of children'. Hence, it is an important time for the state to implement the provisions of the new Constitution to improve state-people relations which was perceived as being largely poor during the armed conflict and continued for another 10 years of political transition.

The issues of enhancing livelihood security, providing basic services and ensuring social protection have to be incorporated in the government's policies and programmes as per the spirit of the Constitution (2072), the CPA and will of people to achieve post-conflict peace and stability in Nepal.

In the past, despite the severe political tensions and instability, Nepal had made efforts to improve state-people relations through different interventions to promote social inclusion and improve the socio-economic status and well-being of Nepal's historically marginalised groups. The following table (2) indicates the effects of such efforts.

Table 2: Nepal's progress against selected socio-economic indicators, 2001-2011

Indicator	2001	2011
Human development index (HDI)	0.398	0.458
HDI (rank)	129 out of 162	157 out of 187
Adult literacy rate	40.4%	59.1%
Life expectancy at birth	58.1	68.8
GDP per capita	1,237$	1,049$

(Source: UNDP, 2011)

Though Nepal has made some progress in economic growth, poverty-reduction, food security and social inclusion in the post-conflict years, the damage brought by the devastating earthquake in 2015 and the five-month Indian blockade later in the same year have severely affected the pathway to further economic and social development.

An investment-friendly environment and boosting business confidence are said to be the keys of economic growth. However, on-going political uncertainties[7] and Indian blockade negatively affected the investment friendly environment and hindered business confidence.

According to the Millennium Development Goals (MDGs) Needs Assessment Report for Nepal (NPC, 2010a), the proportion of Nepal's population living below the national poverty line has been reduced to 25.4 percent. Nevertheless, there are views that this reduction in poverty has been achieved mainly as a result of the huge outflow of labour migration and the influx of greater remittances.

Nepal's improvement on the poverty situation is generally questioned from different angles. First, how one chooses to measure poverty has major implications for how a country's poverty scenario looks. Bhusal (2012) identifies at least four different poverty rates currently being applied in Nepal: a national poverty rate which is

---

[7] *Growth diagnostic reports for conflict-affected states regularly identify political uncertainty and instability as a contributing factor towards low private investment and poor growth.*

set by the National Planning Commission (NPC) and based on the estimated average cost of basic needs, the World Bank's USD 1.25 per day poverty line, the World Bank's USD 2 per day poverty line, and the UN's Multidimensional Poverty Index (MPI). Second, the reduction in poverty incidence has been concentrated in specific geographical areas and skewed along particular lines of identity. As Joshi et al., (2010: 8) points out, 'Poverty incidence, gap, and severity analysis of the country suggests poverty is more rampant, deeper and more severe in rural areas, and much worse in the Hills and Mountains'. There is also a visible divide between rural and urban areas, which is particularly troubling given that the vast majority of Nepal's population (83 percent) are still living outside towns and cities (UNDESA, 2012).

Third, despite the gains made Nepal remains the poorest country in South Asia (see Table 3).

Table 3: Comparison of key indexes and indicators of countries in South Asia, 2011

Index / indicator	Nepal	Afgha-nistan	Bangladesh	Bhutan	India	Maldives	Pakistan	Sri Lanka
HDI value	0.458	0.398	0.500	0.522	0.547	0.661	0.504	0.691
HDI rank	157	172	146	141	134	109	145	97
GDP per capita (USD)	1,155	1,321	1,416	5,113	3,296	5,476	2,609	4,772
Income Gini Coefficient	47.3	-	31.0	46.7	36.8	37.4	32.7	40.3
Foreign direct investment net flow (% of GDP)	0.3	1.3	0.8	2.9	2.5	7.6	1.5	1.0

(Source: UNDP, 2011)

In terms of food security, Table 4 illustrates food insecurity and hunger have decreased between 1990 and 2010 but continue to affect a large share of the population.

Table 4: Proportion of people suffering from hunger

Indicator	1990	2000	2005	2010	Goal 2015
Underweight children aged between 6-59 months (%)	57	53	43	38.6	29
Population below minimum dietary energy consumption (%)	49	47	40	22.5	25
Stunted children aged between 6-59 months (%)	60	55	n/a	49	30

(Source: NPC, 2010b)

A study conducted by the World Food Programme (WFP, 2009) on the hunger index for Nepal says Nepal ranks 57th out of 88 countries on the Global Hunger Index (GHI)[8] score. With a GHI of 20.6, the severity of hunger in Nepal is alarming. Looking at the data at a more microscopic level, the eastern region fares best amongst all regions, with a hunger index of 20.40, whereas the mid-west appears the most insecure with a hunger index of 28.20. The mountain zones (27.90) also look more insecure compared to both the Terai (23.10) and the Hills (21.50). Inadequate food security for the population across the regions is one of the main causes of hunger in Nepal. High dependence on traditional and subsistence agriculture, low productivity, poor distribution, small land-holdings, limited off-farm and wage-earning opportunities and exclusion based on traditional and socio-cultural beliefs are also major contributing factors. Food security is a complex, multidimensional issue that needs to be addressed with a more holistic approach if Nepal is to move towards attaining sustainable livelihoods for its people.

Findings from two surveys suggest social exclusion is becoming less important as a primary determinant of outcomes. Drawing on data from 2,890 households in four districts, Haug et al., (2009) argues socio-political participation is not determined by ethnic and caste background, and that empowerment has taken place

---

[8] *The GHI is a statistical tool that describes the state of a hunger situation. It is calculated with the use of three variables: undernourished population, underweight children under the age five and children dying before the age of five.*

and inclusion in civil society and political activities is widespread among all segments of the population' (ibid.: 105). Similarly, a nationwide survey of 1,836 households by Askvik et al., (2011) finds that demographic and social characteristics of participants, such as caste and religious or political affiliation have little significance upon the level of citizens' trust in political and public institutions. Instead, trust depends much more upon how citizens assess the performance of public institutions. Further, exposure to and experience of violence can increase people's social capital and make them more likely to contribute towards public goods, suggesting that changes in political participation and empowerment might well be endogenous (Gilligan et al., 2011; Voors et al., 2011).

1.5   Interrelationship between post-conflict state-building, livelihoods and basic services

The main theme and the focus of this book concentrate on the interrelationship between livelihood, basic services and state-building. Hence, in this section a short reflection on these concepts is presented.

State building: For the purpose of this book, 'state-building' is concerned with the state's capacity, institutions and legitimacy, and with the political and economic processes that underpin state-society relations (Fritz and Menocal, 2007). While services provided by the state are the bases of a state-society relationship, (Jones and Chandran, 2008) further explains how state-building can be strengthened by mutual relations of state and people. State-building refers to deliberate actions by national and/or international actors to establish, reform or strengthen state institutions and build state capacity and legitimacy in relation to an effective political process to negotiate mutual demands between the state and citizens. State-building is not, therefore, only about the state in isolation – the quality and nature of the relationship linking state and society are also essential (ODI, 2009).

Livelihoods: The concept of livelihoods has gained prominence and traction in recent years through debates about rural development,

poverty reduction and social protection. It has become clear that definitions of poverty and well-being based solely on income or the ability to meet basic needs do not incorporate the multidimensional complexities of poverty. Indeed, it is perhaps what Chambers and Conway (1992) implied when defining sustainable livelihoods as:

> *Comprising the capabilities, assets (including both material and social resources) and activities required for a means of living. A livelihood is sustainable when it can cope with and recover from stresses and shocks and maintain or enhance its capabilities and assets both now and in the future, while not undermining the natural resource base.*

The importance of capturing multidimensionality is also evident in DFID (2002) - framing of sustainable livelihoods that posits people's livelihoods will improve if they have:

- an access to basic rights established through international conventions and access to high-quality education, information, technologies and training, and better nutrition and health,
- a supportive and cohesive social environment,
- a secure access to, and better management of, natural resources,
- a better access to basic and facilitating infrastructure and financial resources,
- a policy and institutional environment that supports multiple livelihood strategies and promotes equitable access to competitive markets for all.

Basic services: Three main basic service sectors - education, health, and drinking water and sanitation (UNICEF, 2010) - are assessed in this book. This focuses on coverage, delivery modalities, and financing, as well as mechanisms for state responsiveness in relation to respective basic service sectors. It is, therefore, concerned primarily with the supply-side of service delivery in Nepal – i.e., the mechanisms, partnerships and methods to build capacity to deliver services – rather than the experience of the end-user

or the demand-side constraints that might prevent poor people from accessing these services. It has been suggested that the lack of public services in the poorest [and remote] parts of Nepal may have increased support for the Maoists and even contributed to conflict (Ali et al., 2011: 9-10; Berry and Igboemeka, 2005).

Certainly, it is possible to identify spatial correlations between poverty levels, conflict intensity and service provision, but we do not have the evidence necessary to establish a link of causality in this relationship. Even so, service delivery remains important for a variety of reasons in the Nepali context, not least because it is one area in which social exclusion manifests in the most tangible ways. In working towards the MDGs, the GoN has made enormous progress in areas of basic services such as education, health and sanitation. However, given the historical structure of Nepali society, it is important to consider inter-group differences in terms of coverage and access to services.

Social protection is also considered as one of the special types of service delivery. Social protection – actions to reduce individual vulnerability and improve people's well-being – has become increasingly visible in Nepal's public policy over the last two decades. Particularly striking is the determination with which the Nepali state has integrated social protection programming into its broader post-conflict development and reconstruction agenda (Holmes and Uphadya, 2009; Koehler, 2011). Since the 1990s, and particularly since the end of the conflict in 2006, the state has taken increasing responsibility for the financing and delivery of various social protection initiatives, partly in an attempt to ramp up efforts towards poverty reduction and to address some of the root causes that led to conflict in 1996, and partly in an effort to construct a strong self-image, to build legitimacy and – perhaps more cynically – to secure public support (Jones, 2012).

As Koehler (2011: 17) argues, 'the state in Nepal sees itself with responsibilities ranging from public food provision in times of distress through basic social services provision, to environmental management and social inclusion.' Social protection has therefore

been framed, at least by the state, as an instrumental tool with multiple applications and objectives, from increasing income and food security to overcoming social exclusion, to assisting with the process of political healing (ibid.). In a tumultuous and uncertain transitional period (Adhikari, 2014), social protection has thus been assigned an ambitious mandate. However, both challenges to effective social protection delivery and limited evidence of impact call into question this (political) positioning of social protection as panacea.

Conflict-induced livelihood insecurity, obstruction on basic services and social protection: Livelihood insecurity, obstruction to the basic services and weakening social protection are some of the negative impacts of the decade-long insurgency in Nepal. The negative effects related to people's livelihoods include decline in food production and food security, reduction in travel and the transport of goods, and destruction of local infrastructure. Changes in economic activities and livelihood strategies have also been observed, which may be connected to the experience of conflict in complex ways and to varying degrees. Although still high, the share of the population working within agriculture has fallen, as has the contribution of agricultural production to Nepal's Gross Domestic Product. There has been an associated trend towards urbanisation and a diversification of livelihood activity away from exclusively farm-based forms of employment. It is important to recognise, however, that these changes are unlikely to have been brought about purely as a result of armed conflict (although they may have feasibly been spurred on and intensified by people's responses to war). Indeed, broader social and economic shifts – from changing perceptions and aspirations among young people to increment in wage rates for labourers to the persistence of high levels of migration – are likely to be responsible.

Since the signing of the CPA in 2006, 'New Nepal' has continued to grapple with uncertainty and change. There have been, for example, five different governments in six years. But at the same time some impressive progress has been made in a number of areas. With

support from international development agencies and bilateral donors, the government has implemented a range of policies and programmes designed to tackle poverty, promote livelihoods and economic opportunities, and enhance people's access to health care, education and other important basic services. In addition, the state has explicitly recognised social exclusion and inequality as root causes of the armed conflict and subsequently taken a number of steps to address the problem head on, for example, by rolling out a host of social protection initiatives. For a country where social, economic and political structures have long been characterised by profound inequality, this is truly encouraging.

Over the last decade, Nepal has experienced improvements in aggregate HDI and increment in per capita incomes, and there are signs that such improvements are positively affecting levels of social cohesion and citizen empowerment throughout the country. For example, survey evidence suggests that socio-political participation is increasingly not determined by ethnic and caste status, inclusion in civil society and political activities is widespread among all segments of the population, and that levels of citizen trust in political and public institutions are primarily influenced by the performance of those institutions rather than by social characteristics of individuals, such as ethnic identity or political affiliation (Askvik et al., 2011). Yet, despite positive developments, there is still a long way to go: public spending continues to be heavily augmented by official development assistance, the central political system for the most part remains in a state of limbo, large funding shortfalls are hampering effective service delivery and coverage, and despite aggregate improvements in welfare, poverty remains pervasive and differences and inequalities between social groups persist.

Evidence suggests that although most (if not all) groups have experienced improvements in their wellbeing across a range of indicators since the turn of the century, inter-group differences – again, across a range of indicators – are still visible. Thus, looking beyond national statistics and disaggregating data, it reveals some

important differences between groups, suggesting there are limits to Nepal's progress. Concerns have also been expressed – not unjustifiably – about a return to violence in certain parts of the country, and it is generally accepted that (in)stability continues to be one of the strongest determinants of economic activity within Nepal: government and political instability are cited as some of the main barriers to 'doing business' and promising projections of 4.5 percent GDP growth for the 2012 Financial Year appear contingent upon a successful outcome of the peace process.

Evidence based research on livelihoods, basic services and social protection can help the GoN address the country's future challenges and build on the solid progress already made. Yet, evidence-based research on livelihoods, basic services and social protection in Nepal is patchy and weak in places. In particular, there is a lack of information about 'what works' in terms of programme effectiveness, with evaluation studies tending to privilege outputs and the views of key informants over tangible measures of impact.

Nepal's state-run social protection programmes, for example, have been ambitiously described as 'elements in a nascent social contract' between state and society (Koehler, 2011: 14). In reality it is not entirely clear if social transfers are making much of a difference to household wealth and coping, let alone whether they are making positive contributions towards state-building processes.

Even after the promulgation of the new constitution in 2015, issues concerning skewed land ownership, local service delivery and governance of basic services are unsettled and require an equitable and effective service delivery throughout the country (Upreti and Sapkota, 2016; Devkota and van Teijlingen, 2009). Furthermore, the effect of Indian blockade and India backed resistance and instability in Terai not only divided people but also escalated violence.

1.6 Organisation of chapters

Exploring state-people relationship by reflecting on basic services, social protection and livelihoods concepts is a challenging task. However, based on the peer reviews, comments, feedback made

the content concise and strong. In the book, **Chapter One** revisits the past and envisions the future. This chapter reflects on the decade-long Maoist insurrection and presents the spatial dimensions of conflict, while it briefly talks also about post-insurrection context. Likewise, this chapter presents an assessment of economic and social development as a basis for state-people relations, while the interrelationship between livelihood, basic services and post-conflict state-building is also explored in the chapter. Along with the assessment on the above aspects, this chapter, more importantly, establishes the conceptual linkages to the other following chapters.

Authors in **Chapter Two** briefly explain about livelihoods in the conflict and post-conflict contexts. The impacts of conflict on people's livelihoods and livelihood strategies; impacts on local food production and food security; effects on children, social capital and livelihood interventions; displacement and migration contexts are clinically assessed and analysed in this chapter. Most importantly, this chapter explores on the disruptive factors existent in the livelihood strategies. In line with these issues, this chapter gauges on the government initiatives initiated, the roles private sector and international actors played, and the gaps and challenges persistent. The main focus of the chapter is in the people's perception of basic services, social protection and livelihoods assistance service provided by the state, which determines state-people relations.

Chapter Three presents the findings on basic services (health, education, and water and sanitation) in the conflict and post-conflict contexts. The findings from the first round of the panel survey conducted in 2012 in Rolpa, Bardiya and Ilam districts of Nepal are briefly discussed in this chapter, while the roles of basic services providers (including the state, international actors and foreign aid, and the private sector) have been assessed in this chapter. In this chapter, readers can find different quantitative data explaining the status of basic services, social protection and livelihoods in Nepal. This chapter also explains the perception of people of the central government and local government. Available data also explore the satisfaction level of people from different backgrounds towards the state provided services.

Chapter Four explores on the social protection in the conflict and post-conflict contexts. The chapter briefly reflects on the state of arts of social protection, social assistance and labour market programmes, while it shades light on the conflict related social protection initiatives and formal/informal social protection initiatives as well. Most importantly, this chapter enriches the readers with the fact-based knowledge on the impacts of social protection activities and their overall effectiveness. The main focus of this chapter is to assess the state as a social protection provider.

Chapter Five detects the knowledge on the service delivery governance and people's experience towards it. People's perceptions of governance and the role of service delivery (the legitimacy factor), tracking change and identifying determinants (livelihood trajectories), and livelihoods and wellbeing status are assessed in-depth in this chapter. People's access, experience and perceptions on basic services, social protection and livelihood assistance services are observed in this chapter. Most importantly, this chapter presents people's perceptions of local and central government as a whole.

Particularly reflecting on the old age allowance programme, **Chapter Six** introduces and deals with the social protection programme and users' perceptions of the state. The practices to institutionalize social support to reduce old-age poverty and to promote social inclusion have been assessed in this chapter. Likewise, the chapter explores on the existing knowledge about the OAA programme and the ways to reach the target beneficiaries. This chapter also discovers what contributions OAA brought in peoples' well-being and in empowering family relations. Likewise, this chapter also evaluates delivery of the OAA in regard to registration process, accuracy and the frequency of benefits. This chapter highlights the need of social security to protect the vulnerable section of society from the systematic shocks and chronic deficiency of basic needs. In Nepal, the OAA is an essential lifeline for the elderly, but a series of constraints in its design and implementation have limited its effectiveness in practice. This chapter further looks at what should be done to further improve the programme.

Chapter Seven explicitly explores on the public health service and users' perceptions of the state. Based on the qualitative findings of a research carried out in Rolpa district, this chapter offers a link between health services, its quality, reliability, and people's perception of the state. The authors argue a number of pressing challenges remain even though Nepal's government health services have improved since the end of the Maoist insurgency in 2006. These include an inadequate physical access to health service, limited health post opening times and poor medical supplies, and ineffective state monitoring. In the circumstances, health service users have to make trade-offs between costs and quality. In this book the authors call for a flexible needs-based approach to health services and improved central evaluation and monitoring. To that end, four recommendations are proposed. In the wake of the recent devastating earthquake and in the face of federalism, these issues are even more crucial.

Chapter Eight presents the relationship between education services and the people's perception of the state, and highlights on the need of improvement in education services to strengthen the state-people relationship. The chapter highlights on the peoples' perceptions on education service based on their access to and experience of the education service provided. Quality, affordability and accountability factors are tested and assessed in the chapter. Likewise, the chapter has also paid attention on the accountability and legitimacy factors thereby assessing the behaviour of education officials, transparency in educational budget allocation, perceptions on the roles of the VDC, the state and the SMCc.

Authors in **Chapter Nine** discuss on the drinking water service and users' perceptions of the state. The authors succinctly interrelate the quality of drinking water with state-people relationship. Analysis of public perceptions and the broader context has been presented in the chapter. Based on people's physical, financial, socio-political and administrative access on drinking water service, and also based on their expectations and experiences, this chapter explores and analyses in-depth on the state-people relations.

Chapter Ten introduces LGCDP as a post-conflict development intervention and presents the country context. The chapter has assessed the absence of local elected government, the transitional management and its impact on the governance and development as a whole. Most importantly, this chapter presents findings and analysis on the efforts of LGCDP capacity building on local government and DWS service delivery. The existing barriers to good governance and community-led development have been assessed in this chapter. The authors in this chapter have argued that there remain challenges even though state capacity to deliver services and the capacity of Drinking Water Management Committee (DWMC) members to self-organise and act seem to have improved significantly. These challenges are related to users' dissatisfaction with the quality and quantity of services, substantial barriers to access (financial, legal and social) due to the informal status of DWMCs, and a lack of adequate, accountable and responsible institutional mechanisms to monitor the performance due to lack of elected local government.

Chapter Eleven briefly reflects on the evidences generated from the study carried out to assess LPCc and based on that it also reflects on the NPTF as a post-conflict development intervention. Authors in this chapter reflect on the ten-year insurgency and peace-building process at the local level by the LPCs. This chapter hence explores the effectiveness, usefulness and relevance of LPCs in Nepal through information gathered from Bardiya. This chapter recommends better coordination between LPCs at district and village levels if peace-building objectives are to be met. This chapter shades light on the fact that if clear mandates, adequate human and financial resources, and autonomy are given to LPCs, they can promote harmony, resolve local level conflicts and restore peace in Nepal.

Based on the first wave (in 2012) and second wave (in 2015) preliminary findings of SLRC-NCCR panel survey, **Chapter Twelve** presents evidences on basic service delivery, social protection, livelihood aspects and governance, and reflects on the changing dynamics of state-people relations. Further, this chapter has also

explored peoples' understanding of the roles of state in providing the above mentioned services, aspects, and international support in peace-building. This chapter, particularly, is focused on the above factors and shades light on how these factors have influenced state-people relations. Most importantly, authors in this chapter have discussed how the local and central government reflect on people's aspirations and priorities in respective decision making processes, and how that shape people's trust and perceptions of governance as a whole.

1.7 Summary of the chapter

This chapter has foretasted the impacts the decade long Maoist insurgency had left among the people and the public service provisions as a whole. Further, it has analysed the causes that triggered the decade long armed conflict. It has also figured out the human casualties occurred during the conflict and has further informed about the responsible warring parties (State and Maoists) regarding the numbers of casualties. The country went through several process of state building in order to heal the wounds left by the conflict. In addition, this chapter has discussed the post conflict political context, under which the peace process as a whole, drafting of the new constitution particularly, the incessant transition, and the impacts on the livelihoods of people have been assessed. Thus, this chapter has offered a brief scenario during the conflict and post conflict era and has paved path for the following other chapters that discuss livelihoods, basic services and social protection scenarios in the country towards building better state-people relationships.

* * * * *

Chapter	Livelihoods in conflict and
2	post-conflict contexts[1]

2.1   Livelihoods

Defining livelihoods in the Nepali context is not straightforward. The term elicits several connotations in the diverse socio-political and geographical contexts of Nepal. It is the same case while defining the term (livelihoods) in the contexts of conflict and fragility (Upreti and Müller-Böker, 2010). From a programmatic perspective, it is possible to identify a number of different frameworks in operation in Nepal. Among the dominant frameworks that are used to analyse livelihoods and help design interventions is the Sustainable Livelihoods Approach (DFID, 2002), which conceptualises livelihoods as being comprised of five capitals: human, natural, financial, physical and social. Another widely used framework in Nepal is the Rural Livelihoods System (RLS) approach, which takes into account people's emotional base and subjective orientations. Elsewhere, CARE's livelihoods model looks at patterns of production and consumption, as well as shock and stress, while OXFAM's framework includes capability enhancement and policy changes for livelihoods improvement (Pokharel, 2010). Although different in some respects, these frameworks tend to incorporate analyses (or at least considerations) of social exclusion and inclusion that open up important questions about power relations and structures. However, for the most part, the frameworks mentioned above seem to have failed to take people's aspirations and orientations into account.

---

[1] *This chapter is based on the NCCR-SLRC Working Paper (7) entitled 'Livelihoods, Basic Services and Social Protection in Nepal'. Authored by Bishnu Raj Upreti, Sony KC, Richard Mallett and Babken Babajanian, with Kailash Pyakuryal, Safal Ghimire, Anita Ghimire and Sagar Raj Sharma, the Working Paper was published by SLRC/ODI/NCCR in 2012.*

Two main understandings of livelihoods emerge from the literature presented. The first can be described loosely as a 'materialist' understanding, and is concerned primarily with poverty, development, vulnerability and people's coping strategies. This particular understanding of livelihoods has been informed and shaped by multiple studies into community forestry (for example, Gautam et al., 2008), access to land and livelihoods of rural people (for example, Upreti et al., 2008), and internal and international migration (for example, Kaspar, 2005; Thieme, 2006).

The second, which can be termed a 'group-centred' understanding, privileges an analysis of identity (caste and ethnicity) and social inclusion/exclusion (Lietchy, 2008; Fischer, 2001; Geiser, 2005; Upreti et al., 2008). This second understanding pays greater attention to social relations, focusing as it does on the problems and issues facing specific caste and ethnic groups.

While these two understandings offer two different – and two equally legitimate – perspectives on livelihoods in Nepal and elsewhere, a broader, more holistic understanding of livelihoods that goes beyond the twin focus of materialistic and group-centred approaches is still lacking in Nepal. It is important to look at the livelihood aspects from the broader perspective, reflecting multiple dimensions of human needs, as, for example, manifested in Maslow's (1943; 1954) hierarchy of needs.

2.2   Impact of the conflict on people's livelihoods

Nepal's decade-long conflict exerted significant yet heterogeneous impacts upon people's livelihoods. As one example of this, using conflict records and local-level longitudinal data, Williams et al., (2010) decomposes Nepal's armed conflict into a series of discrete events, and investigate their differential impacts on marriage, contraception and migration behaviours. In general, Williams et al., (2010) finds specific conflict events affect the three behaviours – or 'demographic processes', as it is mentioned – heterogeneously, suggesting that demographic consequences of war can be quite complex. Indeed, the analysis and findings presented in Williams

et al., (2010) points out the significance of 'the specific' (i.e. event, setting and outcome).

In order to identify and understand the impacts of the conflict in Nepal, as well as to shed light on the nature of the relationship between conflict and livelihoods in Nepal, we suggest two broad perspectives for analysis.

The first perspective relates to the impacts of the conflict on physical and human capital – in other words, the micro-foundations of livelihoods, economic activity and growth - while the second perspective concentrates on the impacts of the conflict on individual, household and community wellbeing.

2.3   Effects on local food production and food security

A WFP document from 2007 refers to multiple assessments of vulnerability and food security in conflict-affected parts of Nepal, including a 2007 FAO/WFP joint Crop and Food Supply Assessment, a WFP Comprehensive Food Security and Vulnerability Analysis, on-going food security surveillance conducted by WFP Nepal's Vulnerability Assessment and Mapping (VAM) unit, and a 'conflict-affectedness baseline survey' (WFP, 2007: 4). These findings appear to have confirmed a negative correlation between the conflict and livelihood/food security indicators. In particular, it found local food production was significantly affected by the reduced amount of family labour available, out-migration and conscription, the confiscation of farmland, disruptions to agricultural services and inputs, and frequent blockades (ibid.).

Review of Shively et al., (2011) on Nepal's food security and nutrition situation shows outcomes vary by geography and demography. People who are vulnerable to food insecurity, for example, are marginal farmers in the Mountains, porters, and poor urban households' (ibid.: 6), such as those living in the Hills and Terai. Among these, the most vulnerable are 'women, children, indigenous and people of lower castes' (ibid.: 6). Most of the

sources cited in the document reveal food insecurity can also lead to malnutrition, resulting in infectious and communicable diseases, especially among children and women. Other factors that determine nutrition status are found to include people's earnings and lifestyles.

2.4   Effects on children

UNICEF's report by Hart (2001:5) offers an 'articulation of the major concerns expressed by international and national agency personnel, human rights monitors and various local community figures' in relation to the 'potential impact' Nepal's conflict has had on children. Indeed, as Hart himself notes, 'it was necessary to treat much of the information provided with some measure of caution' and 'it remains the case that the 'People's War' and its effects upon communities, families and, in particular, upon children, is poorly researched and documented' (Hart, 2001: 5).

Recruitment of children by both the Maoists and the state has been reported in Shakya (2009). Those recruited by Maoist mostly fell in the age group of 14-18, and in many cases they were forcibly abducted, sometimes while they were at school, and mercilessly treated. For example, Hart provides the case study of a 14-year-old who revealed he was not given any food by the Maoists when he turned down their forceful demand of either handling a gun or working as a guard in the shelters (Hart, 2001: 27). In addition to fighting or performing 'support' services, such as cooking, cleaning or spying, children were also required by the Maoists to involve themselves in the looting and stealing of property (which is how the Maoists collected most of their funds). In an effort to avoid recruitment, many parents sent their children to cities and urban areas where they would work (and therefore experience a loss in schooling).

Almost three-fourths of the children in the mid-Western areas of Nepal had suffered from malnutrition (Terre des Hommes Nepal, 2005). Hart (2001) concludes by highlighting the need for research and data on all areas where children have suffered,

including psycho-emotional effects, the trafficking of girls during the war, and general exploitation such as preventing access to education and other services, child labour, social integration, care of children orphaned by both Maoists and the state forces, as well as how factors such as family separation and poor nutrition have contributed to their current status.

2.5   Effects on social capital

In terms of some of the long-term impacts the conflict has had on people's livelihoods, in particular on social capital, Gilligan et al., (2011) has produced some illuminating evidence. Using survey data and original behavioural games (a method they used to measure and understand people's behaviour), they find that members of communities with greater exposure to violence during the war exhibit 'significantly greater levels of social capital', as measured by a greater willingness to invest in trust-based transactions and to contribute to public goods. Additional qualitative evidence suggests the reason for this is the presence of an 'institutional mechanism' whereby conflict fosters the adoption of 'new norms' and more pro-social behaviour. Findings on Gilligan et al., (2011) are broadly consistent with other experimental evidence from Burundi which suggests exposure to violence increases altruistic behaviour among individuals (Voors et al., 2011). Such findings hint war and violence are not deleterious in an absolute sense, but can sometimes contain a glimmer of potential for positive change (Cramer, 2006).

The second way of understanding the relationship between Nepal's conflict and people's livelihoods is by looking at the way in which individuals, households and communities responded to the disruptions caused by war.

2.6   Displacement and migration

Nepal's armed conflict forced many people to migrate, either internally or externally (Sharma and Donini, 2010). Indeed, several studies suggested people's aspirations for better living conditions constitutes the root cause behind adopting migration as a livelihood

strategy in Nepal (Gotame, 2009; Junginger, 2010; Pokharel, 2009; Poertner et al., 2010; Rajbanshi, 2009; Thapa, 2006; Thieme, 2006). This trend in migration increased throughout the conflict – although it should be pointed out that a research conducted in south-central Nepal shows violence had a non-linear effect on migration, with low to moderate levels reducing the chances of migration and high levels increasing the chances (Bohra-Mishra and Massey, 2011) – and remains strong today, with thousands of Nepali youths leaving the country to seek foreign employment and better livelihood opportunities.

The government, responding to this growing trend in outward migration, has now opened doors for job opportunities in 107 countries for foreign employment (MoF, 2009). This, in turn, has a significant impact on Nepal's GDP. The World Bank (2010b) suggests the share of remittances in the national GDP was 23 percent in 2009, making Nepal one of the largest remittance recipients in the world in terms of its share in GDP. This influx of remittances has arguably been crucial in sustaining rural livelihoods.

In terms of forced migration, the decade long insurgency in Nepal displaced approximately 200,000 people from all over the country (IDMC, 2012).

2.7   Disruptions to livelihood strategies

A study by Upreti and Müller-Böker (2010) suggests the armed conflict disrupted the existing means of livelihoods, while constraining new livelihood opportunities. It significantly hindered the implementation of the government's employment generation programmes and greatly hampered people's ability to generate income through agricultural activities.

Further, in their work published fourteen years ago, Seddon and Hussein (2002) examined the consequences of conflict on (primarily rural) livelihoods and development in Nepal. They reported the following effects:

- a rural exodus of those most fearful of the Maoists, which included local elites, local government officials and activists of other political parties,
- a significant reduction in travel and the transport of goods,
- a disruption of economic activity,
- destruction of local infrastructure, which exacerbates food insecurity.

The authors also noted a general reduction in livelihood opportunities as a result of disruptions to traditional livelihood strategies and activities, such as collecting non-timber forest products. This finding is consistent with other, more recent research into livelihood changes in Nepal. Baland et al., (2010), for example, investigated the changes in firewood collection by using LSMS household panel data for a small but representative sample of households in the country's mountainous regions. They reported a decrease of 12 percent between 1995 and 2003, as well as a fall in collection time of 23 percent. Interpreting these results, the authors suggest although shifts away from traditional livestock-rearing occupations were partly responsible for the reduction in firewood collection, the effects of civil war were also significant.

Somewhat paradoxically, the reduction in livelihood opportunities has been accompanied by a trend towards diversification, that is, the adoption of multiple income-generating activities. This has particularly been prevalent in rural areas where people those who were previously engaged in purely agricultural forms of employment have been able to seek out alternative sources of income, such as informal sector employment in nearby towns (Sharma and Donini, 2012).

As evidenced in other contexts, conflict often encouraged livelihood diversification (Stites et al., 2005 on livelihood adaptation in Bosnia and Herzegovina). However, it would be inaccurate to claim that diversification in Nepal has solely come out as a result of the conflict. As Sharma and Donini (2012: 14) point out, a number of socio-economic changes are responsible for the shift, including: a) an increase in the wage rates for hiring labourers, b)

the modernisation/transformation of agriculture, and c) improved access to markets and roads which has facilitated migration.

The authors also reported a 'strong perception among young people that there is no benefit in doing agriculture' (ibid.: 14), suggesting there is also a generational aspect to livelihood adaptation and diversification in Nepal. Shifts in livelihood activities to non-farm and non-land based forms of employment may also be driven by a broader process of urbanisation, which has been occurring at a steady pace for at least the last 50 years (Parker and Pant, 2011).

While the share of Nepal's population living in urban areas is still relatively low at 17 percent – the urban population of southern Asia is considerably higher at 32.6 percent – the rate at which urbanisation is taking place is faster, and is predicted to remain faster than most other countries in the region (UNDESA, 2012). That urbanisation and rural-urban migration have been stimulated and shaped by Nepal's conflict is true to some extent (Irwin et al., 2003 as cited in Upreti et al., 2012, provides strong evidence for conflict-induced displacement to urban areas), but it ought to be noted that urbanisation tends to be driven by multiple factors, many of which are not related to conflict or violence, and the fact that Nepal's urban growth rate (in terms of population change) is set to remain above two percent for the next four decades also confirms a deeper process is at play here.

Upreti et al., (2008) also has revealed that people often diversify their livelihood options in the face of livelihood crises. In rural areas, crisis associated with stagnant production has led to a deepening struggle for the fulfilment of basic needs, causing people to diversify their livelihoods options. A good example of this diversification is the modification of traditional modes of caste-based trades to meet the needs of market. In the case of tailors, blacksmiths and goldsmiths, for instance, the new generation is not following traditional occupation mainly because of low income and marketing opportunities, but also because of the lack of social respect these occupations hold (Adhikari, 2008; Nepali and Pyakuryal, 2011). Other examples include diversification of crops and initiation of off-farm activities along with farming. Timilsina

(2003) has shown the changing livelihood patterns of different caste/ethnic groups is due to changes in social traditions, market systems and other economic systems.

There are studies that specifically address the effects of the conflict on women's livelihoods. Mammen et al., (2009) reveals, with evidence, that professional women living in poverty in rural areas were dissatisfied with the insufficient income and that the trials of their day to day life often led to depression. But conflict also brought changes in the livelihoods of women as they now had to engage in more labour in the absence of men in village. The employment rate of women rose sharply after the conflict (Menon and Rodgers, 2011).

Several studies such as (Pokharel, 2009) shows women's active engagement in economic activities has contributed to income generation in family, while also inducing change in the labour market and social structures within the family and community. However, there remains a greater gender disparity in income between men and women. According to a report by ADB (2010), although there has been an increase in the proportion of economically active women, their earned income is about one third of that earned by men. Additionally, women continue to have low access to property ownership, financial credit and political power. In the following sections we are briefly presenting the response initiatives of different actors.

2.7.1 Government initiatives

Since 1970, there have been various initiatives and implementation activities executed by the government to reduce poverty (Dhakal, 2002). Some examples of these actions include subsidised food distribution to the poor population, subsidized fertilisers for agriculture production, community projects, food programmes with the support of World Food Programme, food-for-work programmes (whereby people receive food assistance in exchange for providing labour for construction projects), self-employment for poverty alleviation in Arun Valley, and income generating programme for women.

Agriculture continues to remain as the mainstay of most people's livelihood activities as well as the Nepali national economy. The Labour Force Survey figures show 74 percent of the population is employed in agriculture, and the sector contributes 36 percent to Nepal's GDP (World Bank, 2012). These figures have decreased in the later years (Sharma and Donini, 2012), but remain substantial nonetheless. Table 5 below provides an overview of sector contributions to GDP between 2000 and 2008.

Table 5: Contribution of different sectors to GDP in Nepal

Indicator	2000	2005	2007	2008
Population (in millions)	24.42	27.09	28.11	28.58
GDP Growth (annual %)	6.2	3.1	3.3	4.7
Inflation (annual %)	4.5	6.5	7.7	6.7
Agriculture (% of GDP)	41	36	34	34
Industry (% of GDP)	22	18	17	17
Services (% of GDP)	37	46	49	50
Export of goods and services (% of GDP)	23	15	13	12
Import of goods and services (% of GDP)	32	29	31	33
Gross capital formation (% of GDP)	24	26	28	32
Revenue, excluding grants (% of GDP)	10.6	11.5	11.9	12.3
Merchandise trade (% of GDP)	43.3	38.7	36.9	37.0

(Source: World Bank, 2012)

It is generally accepted that investments in agriculture sector and in rural areas are more broadly needed to bring poverty reduction programs to the poorest members of Nepali society and to improve the country's aggregate human development ranking (Dillon et al., 2011 as cited in Upreti et al., 2012). In recent years, however, while the government has not neglected agriculture, it has not prioritised it either. As Dillon et al., [(2011: 252) as cited in Upreti et al., 2012] pointed out, between 1999 and 2003 – in the midst of conflict – agriculture accounted for less than 3 percent of total public expenditures, ranking lower than education (15 percent), defense (7 percent), police (7 percent), electricity (6 percent), road transportation (6 percent), health (5 percent) and others (loan payments also consumed a large share of public expenditure).

The government has enacted different agriculture related acts and regulations, formulated an Agriculture Perspective Plan (APP), began commercialisation of agriculture, and deregulated fertiliser trade. The APP also aims to increase agricultural output, improve food security and reduce rural poverty. However, lack of technical and human resources to enhance marketing skills and expand modern agricultural techniques, as well as the problems in the distribution of agricultural inputs due to lack of road networks, are all hindering agriculture growth. Some have also argued for market regulation: for example, Yadav and Lian (2009) highlighted the need for the government to effectively regulate the production, import and distribution of fertilisers and other agricultural goods.

Moreover, the government's livestock and rural technology policies tend to focus on increasing production rather than productivity or profitability (Rushton et al., 2005), which has encouraged a concomitant focus on input targets rather than output issues (TLDP, in Rushton et al., 2005: 97).

The public food distribution agency, the National Food Corporation (NFC), has a presence in 30 out of 75 districts with a very limited capacity. NFC and agriculture services across the country remain underfunded and are unable to meet the immediate food needs in conflict-affected areas. NFC is only able to meet 25 percent of its mandate [39,000 metric tons (MTs)] and is using less than 10 percent of its storage capacity (100,000 MTs) annually. Conversely, WFP procures an average 46,000 MTs annually and has a strong field presence and logistics capacity for the delivery of food and services to people.

The government has also sought to strengthen livelihoods at the local level through the provision of basic services and improving core physical infrastructures, such as roads. For example, the government has been working on expanding roads in and between urban areas in order to address increases in the number of vehicles, and has entered into the implementation phase of the Sindhuli Road Corridor Agricultural Master Plan (SRCAMP) in partnership with the Japanese International Cooperation Agency (JICA) (JICA, 2011).

In the post-conflict period, the central government adopted a decentralised approach to local development and has given more authority to local institutions, such as forest users' committees, mothers' group, child club and water users' committees. Similarly, donor-funded projects started to work with local committees directly, ensuring more resources are reached at the local communities. They also provided opportunities for local people to manage their own resources.

The government passed the Local Governance Act of 1999 as a step to bring resources closer to the people during the post conflict period. According to the World Bank (2010a), positive outcomes of community-managed programmes initiated under the act are now visible throughout the country, such as an increased number of rural roads, community managed schools, health centres, forests and micro-hydropower plants. However, the involvement of local communities in economic development has not been accompanied by genuine political devolution, and since July 2002 there has been no election at the local level (as of August 2011).

2.7.2 The private sector

The most recent data from the World Economic Forum (2011) suggests the perceptions of domestic private actors, political factors are negatively affecting the 'ease of doing business' in Nepal (see Table 6), indicating the country's uncertain political situation continues to burden economic activity.

Table 6: Barriers to doing business in Nepal

Problematic factors	% of responses
Government instability	21.8
Inefficient government bureaucracy	11.8
Political instability	10.4
Corruption	10.0
Inadequate supply of infrastructure	8.6
Restrictive labour regulations	8.1
Access to financing	7.7
Poor work ethic in national labour force	7.2
Inadequately educated workforce	3.4
Inflation	3.4
Tax regulations	2.5
Crime and theft	2.3
Foreign currency regulations	1.1
Tax rates	1.1
Poor public health	0.6

(Source: World Economic Forum, 2011)

Studies conducted on Nepal's private sector, particularly in relation to its role in shaping the livelihoods of the poor, are relatively scarce. There are several studies, mostly from the World Bank and the ADB, that discuss the role of the private sector and provide a general economic scenario of the country. The World Bank (2010d), for example, claim there has been a rapid expansion of private sector credit due to negative interest structures. With political uncertainty and a generally poor business environment, ADB (2011a) have recommended concerned state authorities should work towards developing a clear policy for public–private partnerships.

2.7.3 International actors

On the whole, the international community has been committed to support post-conflict reconstruction in Nepal. During the conflict period, 12 major aid agencies have together followed the Basic Operating Guidelines designed to minimise the effect of the conflict on their development programmes.

In 2010, the 13 agencies active in Nepal developed the Nepal Peace and Development Strategy 2010-2015 and handed it to the government, emphasising economic growth, sustainable peace and strong democracy through development, and outlining support for short-term and long-term programmes related to livelihoods promotion and economic activity.

Under the recovery programme, it identifies reconstruction of damaged infrastructures, mine action, youth employment, economic growth and peace and the delivery of peace dividends as key concerns. Similarly, it recommends a stronger focus on areas such as promoting social inclusion and inclusive growth, addressing inequality, strengthening rule of law, transforming security sector, acceleration of employment, restructuring the state, land reform, and good governance.

The creation of the Nepal Peace Trust Fund (NPTF) along with the establishment of the Peace Fund by UNDP signified the commitment of donor agencies to support socio-economic progress and capacity building in Nepal.

For the last 20 years, Nepal has been largely dependent on foreign aid. This foreign aid assistance has steadily risen to a level where at one point disbursements constituted around 80 percent of the development budget (Sharma, 2002).

Foreign aid continues to constitute a large share of the budget. Foreign loans and grants have financed more than a third of development expenditure in the last three years. In the budget (2010/11), the budget figure shared is estimated to stand at almost 50 percent. Furthermore, the share of grants has been consistently higher than that of loans.

Table 7: Government budget: Summary of income and expenditure (USD in '000)

Description	2007/08 Actual Expenditure	2008/09 Actual Expenditure	2009/010 Provisional Expenditure	2010/11 Estimated Expenditure
Total expenditure*	2.3m	3.1m	3.6m	4.8m
Regular*	1.3m	1.7m	1.9m	2.2m
Development*	1m	1.4m	1.7m	2.6m
Foreign grant in total expenditure	12.59%	12.01%	14.32%	19.34%
Bilateral grant in total expenditure	5.93%	3.97%	6.61%	8.73%
Multilateral grant	6.66%	8.04%	7.71%	10.61%
Foreign loans in total expenditure	5.56%	4.54%	4.43%	6.58%
Bilateral loans in total expenditure	0.39%	0.28%	1.78%	1.74%
Multilateral loans in total expenditure	5.17%	4.26%	2.66%	4.84%
Foreign grants and loans in total expenditure	18.16%	16.55%	18.76%	25.92%
Foreign grants and loans in development expenditure	42.61%	36.5%	39.8%	49.03%

* Figures rounded to 1 decimal place

[Source: Modified and adapted from MoF (2010b)]

In comparison to the South Asian neighbors, Nepal receives by far the highest level of Official Development Assistance (ODA) relative to GNI. Indeed, it is the only country where ODA has remained consistently high since 1980 (Table 8).

Table 8: ODA in South Asia (percentage of GNI)

Country	1980	1990	1997	2001	2006	2008
Bangladesh	9.9	6.9	2.3	2.1	1.8	2.4
India	1.3	0.4	0.4	0.4	0.2	0.2
Nepal	8.3	11.8	8.3	6.7	5.6	5.6
Pakistan	5.1	2.7	1.0	3.4	1.6	0.9
Sri Lanka	9.8	9.2	2.3	2.1	2.8	1.8

(Source: OECD, 2010a)

Such a high degree of aid dependency has inevitably had some political implications. Sharma (2008) suggested there has always been a tendency in the domestic political debate to see a correlation between the dominant powers in the country and foreign assistance. It is argued development through foreign aid has essentially become a metaphor for the maintenance and strengthening of traditional power structures.

The debate among development agencies on how to tackle poverty in remote rural areas has resulted in the design and implementation of some promising initiatives in recent years. For example, a multi-donor Rural Reconstruction and Rehabilitation Sector Development Programme has been set up to address regional inequalities, and arguably represents the most visible attempt to date to support the livelihoods of conflict-affected people. It has engaged in restoring basic social infrastructures, community and public services and livelihoods through income-generating activities that involve rural roads, water supply and sanitation, community development and institutional infrastructure.

In addition, several donor funded projects are reorienting their activities to respond to early recovery needs in rural areas – a justifiable shift given the disconnectedness of many remote rural areas from road and transportation networks and basic service facilities (UNDP, 2010).

Many livelihood interventions funded by international actors in Nepal have focused on social inclusion and empowerment, forestry, micro-finance, disaster preparedness, humanitarian assistance and agricultural productivity. Key projects and programmes include:

- Decentralised Rural Infrastructure and Livelihood Project,
- Capacity Building for Poor Farmers and Disadvantaged Groups in the Eastern Development Region,
- Improving the Livelihood of Poor Farmers and Disadvantaged Groups in the EDR,
- High Mountain Agribusiness and Livelihood Improvement Project,
- Economic and Social Inclusion of the Disadvantaged Poor through Micro-Irrigation,

- Reducing Child Malnutrition through Social Protection,
- Supporting the Development of a Social Protection Framework for Nepal,
- Strengthening of Decentralised Delivery of Services for Vulnerable and Conflict-Affected Families and Children,
- Decentralised Action for Children and Women,
- Rural Community Infrastructure Works Programme,
- Decentralised Rural Infrastructure and Livelihood Project (focused on food for work),
- District Road Support Programme,
- Rural Access Programme (focused on cash for work with group saving).

However, we have not been able to identify rigorous impact evaluations to assess the effectiveness of many of these programmes.

Women's Empowerment Program (WEP) was established in 1999 with the aim of empowering women through savings and credit groups. WEP was different to most microfinance set-ups in that its expansion was based on savings managed by the women themselves rather than credit managed by a hierarchy of staff (Valley Research Group and Mayoux, 2008). Working closely with 240 local NGOs, WEP quickly expanded in its first two years to 6,500 groups and 125,000 group members. The programme was extended following these encouraging results, and is considered highly successful by the World Bank (2011).

In terms of key actors, the World Bank and ADB are two major international financial institutions that support various programmes in Nepal. In particular, ADB's technical support focuses on helping the government develop a National Protection Framework and enhancing institutional and decision making capacity for the management of a consolidated social protection system (ADB, 2011c). The UNDP is also a key actor and has been involved in the financing and administration of various poverty reduction programmes over the years (see more in Table 9).

Table 9: UNDP's poverty reduction programmes in Nepal

Programmes/ project	Target/actions	Donor	Budget	Duration	Implementers
Micro-enterprise development programme (MEDEP) Three phases:	Training and supporting more than 50,000 poor rural people to become micro-entrepreneurs	UNDP (USD 7.3m), AusAID (USD 5.3m), CIDA (USD 1.2m), Himal Power Ltd (USD 0.3m)	USD 14.1 million (phase 3, current)	Phase 1 (1998 to 2003 (10 districts) Phase 2 (2004 to March 2008 (25 districts) Phase 3 (March 2008 to December 2012 (38 districts)	Ministry of Industry
Livelihood Recovery for Peace (LRP)	Promotes peace and social cohesion by creating livelihoods opportunities in the three Terai districts- Sarlahi, Mahottari and Rautahat; poverty, conflict and natural disasters hinder development; 1.7 million people live in these three districts; mixed ethnic groups; 40% from traditionally disadvantaged groups.	UNDP (USD 4.5m), BCPR (USD 4.2), Norway (USD 0.1m)	USD 18 million (USD 8.8m funded, USD 9.2m unfunded)	Aug 2009 to Dec 2014	UNDP

Enhancing Access to Financial Services Projects (EAFS)	Poor women in remote areas; low income households; financial branches opened in 27 out of 38 prioritised Districts	UNDP (USD 1.5m), UNCDF(USD 1.5m)	USD 3 million	November 2008 to 31 December 2012	Nepal Rastra Bank throughout Nepal (central Bank of Nepal) throughout Nepal targeting remote areas
Public Private Partnership of Urban Environment (PPPUE)	58 municipal authorities that have been struggling to provide their rapidly growing populations with clean drinking water, waste disposal, sanitation and other services; 13 are currently the implementing partners	UNDP (USD 2.4m), ADB (USD 0.5m), Netherlands (USD 0.15m), UNOPS (USD 0.03m)	USD 4.4 million (USD 3.1m funded)	March 2002 to December 2012 (phases 1 and 2)	Ministry of Local Development (MoLD)
Strengthening Planning And Monitoring Capacity of NPC (SNPC)	Support the national planning body to make Nepal's planning and monitoring development results oriented, evidence-based, MDG sensitive and gender and social inclusion responsive	USD 1,054,000	UNDP (USD 0.5m), DFID (USD 0.3m)	October 2009 to September 2012	National Planning Commission (NPC)

(Source: http://www.undp.org.np/poverty-reduction/program/snpc-125.html)

2.8 Impacts of livelihood interventions

There is limited empirical evidence regarding the impact of specific interventions upon people's lives and livelihoods, nor have there been many robust evaluations made of their effectiveness. Many of those that do exist are preoccupied more with inputs and outputs than outcomes and impacts (Rushton et al., 2005 on the government's measurement of policy success in the area of livestock and rural technology). This is perhaps surprising given the number of interventions that have been rolled out over the last decade, and particularly since the end of the conflict. For example, the UNDP Rural-Urban Partnership Programme was in existence for a whole decade and almost completely throughout the duration of the armed conflict, but it is hard to identify robust impact assessments of either the programme as a whole or its specific interventions.

As noted earlier, government-driven policies and programmes have contributed in some ways to improve people's livelihoods. Yet, at the same time, it is clear the government's capacity to respond to the insecurities and vulnerabilities faced by the people has been affected by ten years of conflict. Seddon and Hussein (2002) argue the conflict resulted in a substantial withdrawal of local government officials and line ministry personnel from conflict-affected areas. The limited institutional and financial capacity significantly affected the ability of the government to adequately address the livelihood needs and vulnerabilities of the population.

Sharma and Donini (2010) suggested although the government's efforts have been important for rehabilitating the infrastructure and public facilities that were destroyed during the conflict, people in rural areas remained poor. Further, social inequalities remained part of many everyday realities in Nepal, and Chandran et al., (2008) suggested the government and development agencies have not been able (or even willing) to reach the remote areas beyond the capital or major regional hubs.

There are some critical views of the role of foreign aid in bringing about significant improvements in socio-economic conditions and building government capacity in Nepal. Sharma (2008) argues

despite huge inflow of aid, the common view is that the aid channeled through government line ministries has not resulted in effective poverty reduction. He alleged this is mainly due to the misuse of funds or misplaced economic priorities.

Indeed, analyses of aid effectiveness by Sharma et al., (2004) and Panday (2009) suggested development aid resources in Nepal can often be misallocated or misused. Seddon and Hussein (2002) argued national and international development agencies failed to strengthen the capacity and commitment of state structures or to change practices at the local level during the conflict years. They suggested there was, at the time, surprisingly little coordination between agencies – a situation that improved only from 2002 when development agencies began formulating more coherent and systematic responses to the conflict.

A study by Geiser (2005) also concluded that foreign aid has, by and large, not been successful in addressing people's needs and aspirations. On the other hand, Pyakuryal et al., (2008) claimed Nepal has made some positive gains through foreign aid, particularly after the Foreign Aid Policy of 2002. They justified their claim by pointing to various positive examples, such as the establishment of the Poverty Alleviation Fund and the receipt of the Poverty Reduction Support Credit.

There is some evidence on the impact of activities to support agricultural development. Using both cross-sectional and panel household data [taken from the Nepal Living Standards Surveys 1 (1995/96) and 2 (2003/04)], as well as public expenditure data for roughly the same period. Further, Dillon et al., (2011) as cited in Upreti et al., 2012, provided a quantitative assessment of the impact of access to rural road, irrigation and extension services in Nepal. They found the following:

- rural investments in roads have welfare-improving effects on households, either as measured by land values, consumption growth, poverty reduction, or agricultural income growth; the welfare effects of both irrigation and extension services, whilst usually positive, are either

significant or insignificant depending on the dataset used. Interpreting their results, the authors suggested because of the disruptions of conflict, agricultural extension agents might have had valid reasons not to visit farmers in certain rural areas. Thus, the impacts of extension serviceson household welfare may well have been negligible for the simple reason that they could not be delivered.

As part of the DFID-funded Livestock Technology Change, Livelihoods Impact and Policy Lessons project (LTIP-Nepal), Rushton et al., (2005) produced an extensive report on Nepal's agriculture sector, livestock policies and technologies, and livelihoods. The report was based on a solid methodology, including a literature and policy review, as well as data collected from 12 villages in three districts using quantitative and qualitative methods. Gender analysis was also carried out in two villages. The authors of the study reported a number of interesting findings, which are summarised briefly below:

- the literature review found when Nepalis have access to resources and are provided with appropriate economic incentives, they are willing and able to adopt and adapt technologies; however, access to resources is related to ethnic and caste background (pp. 90-91),

- the government's livestock policies and technologies have focused solely on increasing production, meaning a number of important productivity issues have been ignored, including: returns per land area; returns to labour; the competition of activities at household level for resources; and inter-group heterogeneity in terms of education levels, access to resources and socio-economic status in general (p. 92),

- some technologies have been inappropriate to context, which has in turn led to less successful technology adoption (pp. 92-93),

- the focus on production has also encouraged the government to measure policy success in terms of production and input targets at the expense of

measurements more relevant to beneficiary outcomes (e.g. household income) (pp. 97-98),

- the government has, on occasion, failed to create a positive enabling environment for technology adoption – for example, in terms of trade regulation, cumbersome privatisation processes, and inflexible land tenure laws – which has contributed to poor outcomes (pp. 94-95),

- broadly speaking, the report hinted at the role played by the political economy of agriculture and rural labour in shaping outcomes for beneficiaries.

Since 1997, the Rural-Urban Partnership Programme (RUPP) has been funded by UNDP and implemented by UNCHS (Sheng, n.d.: 18). The central idea underpinning the programme is that the poverty alleviation potential of agricultural commericialisation and rural production has been constrained by the absence of market linkages and market information. Thus, at the municipal and rural-urban level, RUPP has supported both the construction of rural markets centres and key sections of roads and bridges, as well as the development of institutional and service linkages between rural and municipal market centres. At the community level, RUPP has provided credit to small groups of entrepreneurs (around NPR 25,000 per group of five) through the Tole/Lane Organisation (TLO). By 2000, RUPP had supported over 250 enterprises and disbursed NPR 5.4 million, and the programme has since been extended into a second phase (2002 – 2003) and a third phase (2004 – 2007), with slightly modified objectives each time (Adhikari and Shrestha, 2007: 6-7).

The study by Adhikari and Shrestha (2007) attributed a range of positive outcomes to the programme, including improvements in urban service delivery, and the extension of ICT services without discrimination to poor and marginalised socio-economic groups.

One must analyse the effectiveness of the existing interventions in the context of the actual resource constraints that most individuals experience in Nepal at present. One factor that causes vulnerability among the people is the limited access to assets.

A report by UNDP (1997) suggested asset ownership reduces people's vulnerability and builds their resilience. In particular, landlessness is a serious problem in Nepal (UNDP, 2009). Land is perhaps the most important economic asset that provides the basis for generating income, economic production and safe livelihoods.

Nepali (2008) and Upreti et al., (2008) suggested land is critical for the livelihoods of a large number of poor farmers and minorities. Besides physical benefits, land is also a source of power and a symbol of pride, dignity and prosperity (Allendorf, 2007). Those with poor land entitlement are systematically marginalised and excluded from productive opportunities.

The Nepal Living Standard Survey (NLSS) of 2003-04 highlighted poverty is largely concentrated among land-dependent households who do not own land. They either lease land, or work as labourers for landlords. Depending on which region they are from, these bonded labourers are referred to as Kamaiya, Haliya, Haruwa, and Charuwa. Other farmers tend to work on a sharecrop basis.

A land reform debate has begun following the peace agreement, but much progress has not been made so far. The incidence of poverty among this group was almost 56 percent in 1995-96. It remained high in 2003-04 at 54 percent (nationally the poverty rate declined from 42 percent in 1995/96 to 31 percent in 2003/04) (CBS, 2004).

Allendorf (2007) has used data from the 2001 Nepal Demographic and Health Survey to investigate whether women's land rights empowered them and benefited the health of young children.[2] Using statistical tests, and after accounting for socio-economic characteristics, household structure, and other sources of

---

[2] *Empowerment is difficult to measure and capture. Allendorf creates two measures of empowerment by drawing on four questions asked in the NDHS relating to household decision-making. Each questions asked who in the household had the final say on: i) their own health care; ii) making large household purchases; iii) making household purchases for daily needs; and iv) visits to family, friends and relatives. Allendorf's first measure is an empowerment scale which ranks the total number of decisions a woman in the household has a final say on, either alone or jointly. The author claims this measure has high internal reliability. The second measure is comparative and differentiates between women who had the final say alone and those who made it jointly. Allendorf suggests it is possible there is qualitative difference between the two.*

empowerment, the author found a positive association between women's land rights and empowerment (as measured by her participation in household decision-making). However, more than anything else (land ownership, cash employment, primary education, secondary education), a woman's position within the structure of the household emerged as the most influential source of empowerment. In other words, the wife of the household head is likely – and perhaps unsurprisingly – to be more closely involved in household decision-making than, say, a daughter-in-law or sister-in-law (Allendorf, 2007: 1980-83).

In terms of the effect of women's land ownership on children's health, it is found the odds that a child is severely underweight are reduced by half if their mother owns land. Indeed, increased empowerment through land ownership may itself be the transmission mechanism for better child health. Whilst insightful at a general level, Allendorf's study does not explore the geography of women's land ownership and empowerment and thus cannot, unfortunately, tell us anything about the impact of conflict on households in these regards.

The WEP is a well-known livelihoods and empowerment intervention that appears to be going from strength to strength. In operation since 1999, WEP has received attention and praise in the World Development Report 2011 (World Bank, 2011: 163), which draws on an impact evaluation conducted by Ashe and Parrott (2001) (based on individual and group questionnaires), citing improvements in literacy, increases in self-confidence, greater influence within the household, and higher numbers of women in business (women were found to be earning an 18-24 percent average return on their savings).

The Ashe and Parrott (2001) study itself mentioned a number of other promising outcomes, many of which were related to the design and implementation of the programme (i.e. 'internal outcomes'). For example, although WEP was not originally designed to actively target the poor, it was reported that 45 percent of group members were in fact poor women. Furthermore, the programme

generated a number of wider, group-based outcomes, such as the transformation of 1,500 groups into informal sector Village Banks.

A study by Valley Research Group and Mayoux (2008) sheds light on the effects of the conflict on the WEP programme (which at this stage is known as WORTH programme), particularly regarding its ability to self-sustain (formal programme support ended just as the insurgency escalated and disruptions to everyday life increased). The purpose of this evaluation was to determine whether any of the 1,500 Village Banks still existed – in spite of the conflict – and to assess how they were performing. The study was also interested in how the programme had affected women's ability to generate incomes and tackled broader social issues, such as community development. Research teams were able to identify 288 Village Banks and interviewed members from each of them, using a total of five survey instruments over two phases of research. A number of control and comparison groups were also sampled, including 157 poor, non-WORTH women in Village Bank communities, 153 former group members, and 158 members of WORTH groups that had been dissolved.

In terms of internal and programme-focused outcomes, the sustainability and replication of the groups has been impressive. Roughly two-thirds of the original 1,500 Village Banks (in 2001) were still active, and an estimated 425 new groups had been established with the help of existing WORTH groups. In terms of group wealth creation, a Village Bank today holds the average total assets of over NPRs 211,000 (USD 3,100) – more than three times its holdings in 2001. As far as external outcomes (i.e. effects on programme beneficiaries) are concerned, 83 percent of respondents reported they have been able to send more of their children to school because of WORTH, while 43 percent reported their degree of freedom from domestic violence had changed as a result of their membership. In addition, the 'overwhelming majority' of women attributed their increased access to health services for their families to WORTH, and there are also indications the programme enhanced collective action and social cohesion. Finally, almost half of those interviewed

said WORTH made them better equipped to cope with the conflict and the collapse of government services.

The study by Valley Research Group and Mayoux (2008) thus provided compelling evidence that not only can externally introduced livelihoods programmes become self-sustaining and generate significant positive impacts for beneficiaries, but they can also cope with and even outlive the highly disruptive effects of intense violent conflict, provided the design is workable.

2.9 Gaps and challenges

Lack of availability of authentic data: In this section we reflect on some of the characteristics of the evidence based research on livelihoods, basic services and social protection in Nepal, before identifying key knowledge gaps that might help to inform future research agendas.

Controversy regarding the authenticity of data is not new in Nepal. At the national level, the government, most visibly through the NPC and the UNDP, publishes data, figures and the state of progress towards the MDGs at regular intervals. However, it is often difficult to verify these data and raise critical questions, and there is a feeling among some people that the government-published figures do not actually reflect the reality of the country or its people. Indeed, despite what has been published, many fail to relate to the government's claim that the poverty level is declining and that Nepal is on track to achieve certain MDG targets.

The following is an example of the politicised nature of the debate on the approaches taken to measure poverty and people's wellbeing in Nepal. In July 2010, the Oxford Poverty and Human Development Initiative (OPHI) announced that, according to the Multidimensional Poverty Index (MPI) approach, Nepal's MPI for 2006 was 0.35, with the incidence of poverty at 64.7 percent (more than double the government's claim of 31 percent) and the average intensity across the poor at 54 percent. This was the highest for overall poverty in the region and ranked 82 out of 104 surveyed countries – findings that were widely publicised by the national

media and challenged by the government. The government claimed its own methodology for measuring poverty was more robust and appropriate to the national context.

The University of Oxford argued the difference in the poverty index had emerged because MPI had used a different and more complex methodology to measure poverty compared to the national income poverty line. In particular, they have used income as just one of indicator of poverty, arguing the lives of people living in poverty are affected by more than just their income.

Hence, it is necessary to look beyond income poverty and focus on multiple dimensions of poverty, including health, education and other non-income dimensions. What this example highlights is data and measurement are not neutral, apolitical issues, and that differences of opinion and divergent interests can lead to markedly different pictures of poverty (Bhusal, 2012).

Some of the respondents in the stakeholders' consultation conducted alongside the production of this review were critical of the authenticity of the available data, standing by the belief that is difficult to conduct research or advocate on issues related to livelihoods in Nepal. They felt it was extremely difficult to conduct triangulation and verification of available data. In particular, data originating from different sources is often impossible to reconcile. Many participants also felt data from serious academic research are hardly used in debates or policy-making processes.

Data on IDP numbers constitutes another area of controversy. Ghimire and Upreti (2008) suggested IDP estimates have not only been a source of confusion, but that they have also been used for political interests. On a slightly different – and more positive – note, despite the disruptions of a decade of armed conflict, the data generated by the Nepal Living Standards Survey (NLSSS1 and NLSS2) is generally considered to be of good quality. Hatlebakk (2007) investigates the extent to which the conflict affected the quality of data collected through the second Nepal Living Standards Survey (2003/04). His starting point for the investigation was that 'data from NLSS2 would be low quality in Maoist-controlled

areas' (Hatlebakk, 2007: 13), largely as a result of the attempts of the insurgents to prevent data collection. However, the author's analysis reveals the quality of the data collected in Maoist-controlled areas is just as good as data collected in other districts – and up to the same standard as NLSS1.

In terms of the use of data in studies, it is clear many reviews do not make explicit efforts to assess the quality, sources and appropriateness of data before using them in their analysis. Moreover, many are also unclear about what types of data or methods they are using, sometimes discussing them superficially but rarely providing a justification for their use. There is also a general lack of discussion of ethical considerations in primary studies.

Lack of knowledge and understanding: Although there have been improvements over recent years, we continue to lack a rigorous understanding of impacts, both in terms of the consequences of the armed conflict and the effects of interventions. Written more than a decade ago, Seddon and Hussein (2002: 18) argued while several attempts had already been made to analyse the history of Nepal's conflict, as well as to identify some of its general characteristics and effects, specific assessments of livelihood impacts were few and far between. To an extent, this remains true today.

There are many researches available, that are focused on the dynamics of the conflict, exploring the factors accounting why violence originated and how it was distributed (Bohara et al., 2006; Do and Iyer, 2010; Murshed and Gates, 2005; Nepal et al., 2011). As a result, many discussions remain oriented towards causes and characteristics of the conflict, rather than its impacts on women, men and children.

In general, there is a dearth of evidence on the impact of various livelihood interventions on people's lives and livelihoods. Robust evaluations of livelihoods interventions are relatively scarce in the Nepali context. And many of those that do exist are preoccupied more with inputs and outputs than outcomes and impacts. But while this may be the case generally, the quantity and quality of

livelihood impact assessments have undoubtedly increased over recent years. This has likely been aided by greater availability of data (for example, the Labour Force and Living Standards surveys) and improvements in the general security situation, allowing researchers to access previously 'cut off' areas and communities. For example, WEP – later renamed WORTH – has been strongly evaluated on a number of occasions (Ashe and Parrott, 2001; Bahns, 2003; Shrestha and Khatri-Chhetri, 2001; Valley Research Group and Mayoux, 2008). The particular benefit of these evaluations is the interval between each implementation, which helpfully provided us with evidence into the programme's effectiveness both mid and post-conflict.

Another gap identified through this literature review and stakeholder consultation related to what might be termed an epistemological and methodological bias. Existing research on livelihoods in Nepal has focused mostly on the social and economic status, physical assets and social networks of individuals.

When studies focus only on material aspects of livelihoods, they leave out an equally important aspect of livelihoods — the psychological and psycho-social aspect of wellbeing. Many existing studies lack an understanding of rural people's views and perceptions (that is, the 'subjective' dimension of their wellbeing). In order to build a more comprehensive and holistic picture of how an individual makes a living, it is important to identify their understanding of wellbeing and prosperity, their world views, individual and family aspirations, attachments, feelings and values.

Another problem is concerned with the usage of the concept and framework of livelihoods. Most studies only use the Sustainable Livelihoods Frameworks advanced by DFID, which is limited in its practical application and does not allow great scope for soliciting detailed information.

There are other analytical frameworks, such as the RLS (Baumagartner and Hogger, 2000), which have been developed precisely to understand rural livelihoods. They can thus provide

a useful tool for broader analysis of various aspects of lives and livelihoods in Nepal.

Another gap relates to the lack of studies that examine the linkages and interdependence between the micro, meso and macro levels of livelihoods. It is important to focus on how social, economic or political changes at various levels shape people's perceptions of their own livelihoods and impact their behaviour and activity.

Gender disaggregated analysis is also less prevalent in the documents, with the exception of specific ones such as the Human Development Report. Similarly, not all reviewed publications are supported by data and evidence or have established clear causal linkages with conclusions, thereby leaving the question of quality contested.

A number of gaps were also identified within the literature on basic services and social protection. Generally, there is limited data and analysis on the involvement of both governmental and non-governmental organisations in service delivery. More research is needed to elucidate upon the role and effectiveness of various actors in delivering basic services to the population.

In terms of data on health services, whilst conducting a review of the impact of armed conflict, Devkota and van Teijlingen (2009: 380) noted 'systematic data and/or published literature reporteddeclining health indices as a result of the violent conflict were not available'. There is also limited empirical evidence based on people's perceptions about the quality and accessibility of services.

In general, we have found most studies are not what we might call 'people-centred'. Much of the existing data and information is based on survey and qualitative methods (such as in-depth interviews and focus groups), but very rarely on participatory methods. For example, the UNICEF (2010) study is based on reliable research methods and it has generated sound data, but it does not attempt to utilise the perceptions and experience of people/beneficiaries in assessing the programmes.

It is important to conduct participatory research in order to incorporate the voice of people in the actual findings. We trust the combination of this method with other non-participatory methods will generate rich and many-faceted information.

There is little information on the wellbeing of children and child poverty. Indeed, a study by UNICEF (UNICEF et al., 2010) remarked child poverty is not effectively addressed by the government. A study by Holmes (2010) concludes education is regarded as a secondary objective in social protection. There is also little evidence on the impacts of various services on children's livelihoods, including food security and education.

A final major gap in the literature on social services and social protection is the lack of gender specific and gender disaggregated analysis. Many studies providing rich insight and presenting illuminating data, such as Badal (2005), ILO (2004) and UNICEF et al., (2010), have failed to offer much in the way of gender analysis. This is a striking limitation of the current evidence base.

Finally, the connections and causal chains between service delivery, institutional performance, citizens' views and state-building remained quite poorly understood. However, our knowledge of Nepalis' relationships with public institutions and their involvement in socio-political activities has been greatly improved by two surveys (Askvik et al., 2011; Haug et al., 2009), and a DFID-funded consortium led by CfBT is currently undertaking research in Nepal to explore the relationships between service delivery, citizen's expectations and state-building.

2.10 Major issues raised in the chapter

There is a visible divide between rural and urban areas, which is particularly troubling given that a vast majority of Nepal's population (83 percent) is still living outside cities and towns. Although significant progress in reducing social exclusion has been made over the last decade, inequality and social exclusion still persist in the post-conflict period.

There have been various policy endorsement, programme initiatives, and implementation activities by the government to reduce poverty. The government initiated several successful programmes to improve people's livelihoods, including community-managed programmes initiated under the Local Governance Act (1999). In addition, subsidised food distribution program to the poor population, subsidised fertilisers for agriculture production, food programmes with the support of World Food Programme, food for work programmes, self-employment for poverty alleviation in Arun Valley, and the income generating programme for Jagriti women are all examples where action has been taken. The government also focused on the provision of basic services and on improving physical assets, such as roads, and enacted policies and legal norms that offer greater rights to women and reflect the process of diversification in livelihood strategies that occurred during the conflict.

In the Nepali context, government policies and programmes must be analysed in conjunction with understanding the role of international donors. Many important initiatives implemented by the government have been supported by international donors.

The creation of the Nepal Peace Trust Fund (NPTF) and the creation of the Peace Fund by UNDP are key examples of such support. Donors have funded projects in various thematic areas, including forestry, micro-finance, disaster preparedness, humanitarian aid and agricultural productivity. A multi-donor Rural Reconstruction and Rehabilitation Sector Development Programme has been set up to address regional inequalities, representing by far the most visible initiative designed to support livelihoods of conflict-affected people.

There is limited empirical evidence on the impacts of specific interventions upon people's lives and livelihoods, although studies suggested various initiatives have contributed towards improving people's livelihoods. In particular, the government's investments in rural roads have had welfare-improving effects on households, either as measured by land values, consumption growth, poverty reduction, or agricultural income growth.

The Rural-Urban Partnership Programme (RUPP) funded by UNDP and implemented by UNCHS has achieved positive outcomes, including improvements in urban service delivery, and the extension of ICT services. PACT's Women's Empowerment Program (WEP/WORTH) achieved improvements in literacy, increased self-confidence, greater influence within the household, and increase in the number of women in business.

However, the overall effect of the existing interventions on people's livelihoods has been modest. This can be partly explained by the fact that the government's capacity to respond to the insecurity and vulnerability challenges faced by the people has been weakened by the decade-long armed conflict, which resulted in a substantial withdrawal of local government officials and line ministry personnel from conflict-affected areas and led to a decline in important economic and social infrastructure and services.

There have also been criticisms that the engagement of international donors has not significantly enhanced the capacity of the government to formulate and implement policies. In addition, existing interventions have not generally been sufficient to improve economic opportunities for people in remote rural areas, partly because efforts have been focused in urban areas and regional hubs, and partly because people's access to land and productive assets has not been improved.

The government has made some visible progress in the provision of basic services, including education, health, water and sanitation in the post-conflict context. The government has declared a policy of spending at least 20 percent of the total allocated budget on the basic service sector as per the 20/20 Compact. Likewise, Nepal's Interim Constitution 2007 has provisions for free medical services as a fundamental citizenship right, and the government has adopted policies and programmes to fulfil this right.

The Ministry of Education has developed a comprehensive School Sector Reform Plan (SSRP), which contains various components, including school reforms and teacher training. The government offered scholarships to children from underprivileged backgrounds,

including those of ethnic monitories and Dalits, while the international actors have contributed to service delivery in Nepal, supporting projects to promote girls' education, offer school feeding schemes and improve drinking water supplies and sanitation. In the health and education sectors, development agencies have focused on providing basic health and primary education within the Sector-Wide Approach (SWAp) framework.

These policies and programmes have contributed in improving key human development and social indicators in Nepal. There has been a reduction in child, maternal and under-five mortality rates. There are promising results visible regarding the initiatives, such as family planning programmes, professional ante-natal services, and hospital-based delivery. The net school enrolment rate increased to 94 percent in 2012 from 87 percent in 2005. Gender equality in education has also improved considerably. The usage of sanitation facilities increased to 43 percent in 2010 from 30 percent in 2000.

Despite these achievements, service delivery in Nepal still has serious shortcomings. Access to essential services in Nepal remained highly unequal. It is especially limited for certain population groups, including women and children, indigenous ethnic groups, Dalits, Madhesis, and people living in mountain zones.

There is a need to introduce institutional measures for reducing cost-related barriers to health and enhance opportunities for female education in order to enhance access to reproductive health care. Government schools often suffered from poor infrastructure, small classroom size and inadequate staffing, whilst private schools are unaffordable for average residents and those in remote areas.

Access to safe drinking water is a major challenge, and some 5.6 million individuals (around 20 percent of the population) do not have access to clean and safe drinking water. These problems are compounded by the weak state capacity to implement effective sectoral reforms.

Since the 1990s, the state has demonstrated a political commitment to social protection in an effort to improve people's living standards,

reduce social inequalities and build state legitimacy. The Interim Constitution of Nepal (2007) has viewed employment and social security as fundamental rights of every citizen. In 2009, the state established the National Steering Committee on Social Protection. It seeks to develop a comprehensive and consolidated social protection framework for Nepal.

External aid agencies have been pivotal in shaping the social protection policy landscape in Nepal, both through the promotion of particular programmes and the provision of knowledge and expertise. This 'support' role is reflected in and embodied by the aforementioned Social Protection Task Team, a group of development partners – including UNICEF and ILO (co-chairs), DFID, ADB, the World Bank, UNCDF, WHO, GIZ and WFP - whose purpose since 2006 has been to provide assistance and support to the government for the improvement of social protection services in Nepal.

The state has implemented a plethora of social protection programmes, including formal social insurance, social assistance, and labour market programmes. Social assistance included benefits such as assistance for the elderly, health assistance, child protection programmes, disaster relief assistance and other forms of assistance targeting the poor and back-warded population.

Social assistance has become an important tool for tackling social exclusion. In particular, the government provided social transfers and scholarships to socially excluded members of ethnic minorities, Dalits and residents of remote areas in an attempt to raise their living standard and build their human capital. The universal Senior Citizen's Allowance has been crucial for addressing the needs and vulnerabilities of older persons.

However, the assistance programmes offered have limited benefits that are not always sufficient for meeting all immediate basic needs, and many social protection initiatives have weak coverage and do not reach all poor and vulnerable individuals who required support. More fundamentally, there is a lack of reliable evidence on the empirical impacts of social protection programmes in Nepal.

This study has revealed a number of challenges concerning the availability, quality and nature of evidence on the impacts of policies and programmes in the area of livelihoods, basic services and social protection. First, many local researchers doubted the authenticity and accuracy of the data used to monitor socio-economic progress and track the achievements of the MDG targets. Second, the usage of different methodologies for measuring poverty and defining minimum subsistence thresholds produced different poverty measures and affected understanding of people's livelihoods. Third, there is a series of gaps in the evidence base regarding the impacts of various interventions. These included the following:

- Robust evaluations of livelihoods interventions are relatively scarce, while the existing interventions seem to have been preoccupied more with inputs and outputs than outcomes and impacts.

- Similarly, there are few impact evaluations in the area of service delivery and social protection, meaning there is limited data for the analysis of the roles and effectiveness of governmental and non-governmental actors in delivering basic services to the population.

- Most of the researches on livelihoods in Nepal are focused typically on the social and economic status and assets, without paying particular attention to the psychological and psycho-social aspect of wellbeing.

- There is a lack of studies that examines the linkages and interdependence between the micro, meso and macro levels of livelihoods.

- There is also limited evidence on people's perceptions of the quality and accessibility of services. Many studies rarely incorporate participatory methods that would seek to identify and utilise people's voice and experiences.

- There is little information on the wellbeing of children. Most studies on basic services and social protection contain inadequate gender specific and gender disaggregated analysis.

2.11 Summary of the chapter

The armed conflict between 1996 and 2006 in Nepal had significant implications on people's livelihoods and wellbeing. This chapter has assessed the serious negative impacts that the conflict exerted on food security and nutrition, access to services and children's wellbeing at the micro level. It has asserted that the armed conflict limited the economic and livelihood opportunities for men and women, and compelled people to rely on a range of informal coping strategies, including migration. As assessed in the chapter, the conflict also impacted on the capacity of government and other agencies to deliver goods and services to the public effectively and equitably.

The government of Nepal and some international partners have supported policies and programmes to enhance livelihood security and provide basic services and social protection in post-conflict Nepal, which have been important for improving people's livelihoods and access to basic services. Nepal has progressed against most socio-economic indicators in the aftermath of the armed conflict, and there has been a decline in material poverty. At the same time, significant policy challenges remained that need to be addressed through well-designed and targeted interventions. Though challenges related to food insecurity and hunger have decreased between 1990 and 2010, this chapter has indicated that the challenges are still persistent and are still affecting a large share of vulnerable population.

* * * * *

Basic services in conflict and post-conflict contexts[1]

3.1 Background and contexts

Education, health, and drinking water and sanitation are the three main sectors which fall under the umbrella of basic services in Nepal (UNICEF and NPC, 2010). This chapter focuses on coverage, delivery modalities, and financing, as well as mechanisms for state responsiveness in relation to these sectors. It is, therefore, concerned primarily with the supply-side of service delivery in Nepal – i.e. the mechanisms, partnerships and methods to build capacity to deliver services – rather than the experience of the end-user or the demand-side constraints that might prevent poor people from accessing these services.

Various studies have suggested the lack of public services in the poorest parts of Nepal may have increased support for the Maoists and even contributed to conflict (Ali et al., 2011: 9-10; Berry and Igboemeka, 2005). Certainly, it is possible to identify spatial correlations between poverty levels, conflict intensity and service provision, but we do not have the evidence necessary to establish a link of causality in this relationship. Even so, service delivery remains important for a variety of reasons in the Nepali context, not least because it is one area in which social exclusion manifests in the most tangible of ways.

Towards achieving the MDGs, the government of Nepal has made enormous progress in areas of basic services such as education, health and sanitation. At the same time, MDGs Need Assessment Report for Nepal 2010 indicates Nepal required USD 6.45 billion

---

[1] *This chapter is based on the NCCR-SLRC Working Paper (7) entitled 'Livelihoods, Basic Services and Social Protection in Nepal'. Authored by Bishnu Raj Upreti, Sony KC, Richard Mallett and Babken Babajanian, with Kailash Pyakuryal, Safal Ghimire, Anita Ghimire and Sagar Raj Sharma, the Working Paper was published by SLRC/ODI/NCCR in 2012.*

to reach the MDGs. Out of this figure, USD 1.69 billion is lacking for education and USD 29.7 million for health. Furthermore, given the history of social structure in Nepal, it is important to consider inter-group differences in terms of coverage and access. This has been acknowledged by the government of Nepal. When it comes to people's access to essential services, Nepal remains highly unequal in the post-conflict period. The excluded and the poor are mostly women and children, indigenous ethnic nationalities, Dalits, Madhesis, the disadvantaged and those living in mountain zones, in particular those in the far-western region.

3.2   Health

Nepal's decade-long conflict exerted several adverse effects on the health sector, and left more than a thousand units of health-related infrastructure broken and in disrepair (Devkota and van Teijlingen, 2010). The conflict also obstructed the implementation of many health programmes of government and non-government organisations. Based on key informant interviews and a review of secondary statistical data, Hart (2001: 22) reported that the conflict undoubtedly worsened the state of the country's health service – both in terms of exacerbating staffing problems (supply side) and further restricting villagers' access to health facilities (demand side).

However, it is also important to note, as Hart (2001) did, that health provision was generally at a low level even before the war, particularly in remote rural areas; indeed, it is 'somewhat irrelevant to talk about negative effects on services due to conflict (Hart, 2001: 22). Hart's research was carried out in 2001 during the unrest and at a time when good data was scarce, and our knowledge has since improved. In particular, Devkota and Van Teijlingen (2009) have carried out a broad-based synthesis of the evidence on conflict and health in Nepal, identifying 45 articles and documents of relevance. They concluded that, although the exact extent of the impact of the war on people's health status is hard to establish due to a lack of evidence, the war certainly aggravated the already poor (pre-1996)

state of the country's healthcare system. These effects are outlined in Box 1.

Box 1: The effects of the 'Conflict' on health in Nepal

Effects on the health workforce:

- More than a dozen health workers have been killed, and many more harassed, kidnapped and threatened by the warring parties (Collins, 2006; Mukhida, 2006)
- Many health workers showed 'dual loyalty' to the Maoists and the government forces, but at the same time faced threats from both sides when carrying out their duties (Maskey, 2004; Sharma 2002)
- There were reports that many health care workers left their jobs as a result of insecurity, harassment, extortion and threats by both sides (Pettigrew et al., 2003; Maskey, 2004).

Effects on treatment seeking:

- As many as 20,000 people did not seek medical attention due to fear of being wrongly accused of collusion with Maoist rebels (see Pavignani and Colombo, 2001; Singh et al., 2005; Stevenson, 2002).
- There have been reports that rebels kidnapped health workers and confiscated medicine and equipment, while the government seized vehicles and medicines and put pressure on medical professionals to write misleading reports (Maskey, 2004).

Effects on people's health:

- It is estimated 100,000 children have been affected by the war; 10-15 percent of government soldiers and around 30 percent of Maoist combatants were younger than 18 years of age (Singh et al., 2005a).
- Two separate assessments found that Global Acute Malnutrition rates among Nepali children younger than 5 years of age were higher than the international crisis threshold (Bornemisza and Checchi, 2006).
- Increased incidence of depression, post-traumatic stress disorder and suicide. Survey data collected from 290 IDPs in 2003 revealed that almost all respondents reported trauma, more than 80 percent suffered from anxiety and depression, and more than half demonstrated symptoms of post-traumatic stress disorder (Thapa and Hauff, 2005).

- Reported increases in prostitution and girl trafficking (Singh et al., 2005).
- 80 percent of health facilities were shut down in Rolpa district in 2007 (Ali et al., 2011).
- Under-five, infant and neonatal mortality rates were twice as high in the Mid-Western region (new-born mortality rate 57, infant mortality rate 97, and under-5 mortality 122 per 1,000) than in the rest of the country (33, 48 and 61 respectively) (Ali et al., 2011).

Effects on health programmes:

- Four international NGOs suspended their health programmes in western Nepal in 2005 because of rebel attacks on aid workers (Kieveilitza and Polzer, 2002).
- Availability of systematic data and published literature on declining health indices (as a result of the conflict) is rare.
- The overall outlook of the insurgents towards health programmes and workers was positive, and special national health campaigns, such as National Immunisation Day, were hardly affected (Collins, 2006; World Bank, 2005).
- In terms of some of the conflict's positive effects, coordination in the health sector between the Ministry of Health and Population, the National Planning Commission and external partners improved. At the local level, conflict encouraged the implementation of inclusive and transparent humanitarian programmes, and it also increased recognition of the role of civil society and community groups in health and development activities (Pettigrew et al., 2003).

[Source: Mostly from Devkota and van Teijlingen (2009: 379-80); also Ali et al., (2011)]

The review undertaken by Devkota and Van Teijlingen (2009) has provided insights into the nature of health service delivery during conflict. The creation of a rudimentary but parallel health system by the Maoists in the rural parts is one of most interesting issues that deserves further research. The Maoists started such system by training a set of health workers to treat wounded combatants. Then the Maoists began to extend this service into rural villages as well where people had either no or very limited access to health centres or health workers. They also ran community hospitals and health centres in areas under their control, thereby establishing health

departments from central to regional and district levels. Yet, while the Maoists' training regime undergone by new health workers has been documented descriptively (Vibhishikha, 2006), no data on the workers' competence, level of education and opportunities for practical exposure are available. Furthermore, despite Maoist claims of wide provision and great success, the overall size and extent of their health service efforts were relatively small, and we simply cannot figure out how effective their health workers were. In addition, it has been reported that some villagers interpreted their health interventions as little more than propaganda (IRIN, 2005).

Devkota and Van Teijlingen (2012) have explored the motivations of rebel health workers through small-scale but in-depth qualitative research with 15 Maoist health workers (six females and nine males). The authors reported there was a mixture of individual, political and socio-cultural factors which were responsible for motivating enlistment. These included: desire to serve people, political conviction and appeal of Maoist ideology, state atrocity and injustice, involvement of family in the conflict, and grievance over and dissatisfaction with existing service delivery. In addition, the authors identified two sets of factors which generally did not act as motivators. These were financial incentives and gaining social status, which somewhat contradicts much of the orthodoxy underpinning rebel recruitment theories.

It has been argued that, as a result of its focus on a political and security agenda, the government has overlooked the possibility of integrating Maoist-run health services, which are typically present in rural areas where people have difficulty accessing health centres and health workers, into the mainstream health system (Devkota and van Teijlingen, 2009). There has not yet been a study into the potential for integration, but the challenge of doing so will likely be more political than technical; indeed, the extent to which integration is possible depends largely on the nature of Nepal's post-conflict political settlement (ibid.).

In the FY 2009/2010, it was estimated that the number of health facilities in Nepal accounted to: 117 government, non-governmental

and private teaching hospitals, 208 primary health care centres/ health centres, 675 health posts, 3,127 sub-health posts, and 13,180 Primary Health care outreach clinic sites. These services were supported by 48,489 female community health volunteers.

There has been good progress on key health indicators since the end of the decade long conflict. Child mortality decreased from 43 per thousand live births in 1996 to 14 in 2010, the maternal mortality rate fell from 415 deaths in 2001 to 229 in 2009, and under-five mortality too has decreased (Ali et al., 2011; NPC, 2010c). There has also been a notable achievement in controlling HIV/AIDS and *Kalajar* (black fever) (NPC, 2010c). In terms of child healthcare, survey data from the Nepal Demographic and Health Survey (NDHS) (2011: 9) has shown '87 percent of Nepal[i] children aged 12–23 months have received all recommended vaccines—one dose each of BCG and measles and three doses each of DPT and polio'. Vaccination coverage is high across the country, with 90 percent coverage rates in urban areas and 87 percent in rural areas. In addition, data from the Ministry of Finance showed 2,219,392 persons have used the family planning services, and alternate medicine, such as Ayurvedic health services, were freely available to nearly one million people.

In terms of healthcare for women, NDHS (2011) data has suggested promising improvements. In particular, a total of 60 percent of Nepali women had accessed ante-natal care from professionals such as doctors and nurses or midwives (the figure was 44 percent in 2006). In terms of delivery, 36 percent of babies were delivered with the help and observation/attendance of doctors, nurses or midwives, while 11 percent were still delivered by a traditional birth attendant, although there are marked differences between rural and urban areas: 32 percent of women were found seeking skilled assistance in rural areas, while the figure was 73 percent in urban ones (NDHS, 2011: 7). Almost all (99 percent) women aged 15-49 have some knowledge of family planning and methods such as sterilisation, injectables, and condoms. On the supply side, there has been an improvement in family planning provisions, with the government supplying 69 percent of contraceptives. The private sector provided 21 percent of contraceptives, including half

the number of the pills and a quarter of injectables while NGOs provided 8 percent of contraceptives.

The level of education is an important factor that affects women's understanding of reproductive health. Indeed, according to NDHS (2011: 7) data, the most common reason for 62 percent of women for not using health facilities for delivery facility 'is the belief that it is not necessary'. NDHS (2011) data showed women who have passed their School Leaving Certificate (SLC) were more than three times likely to seek out skilled providers for delivery than women with no education. A minority of women were aware abortion was legal, with the highest proportion of abortions occurring 'among older women age 35-49 (14 percent), those with four or more previous pregnancies (16 percent) and among women from the wealthiest households (18 percent)' (NDHS, 2011: 8). The private sector remained the preferred route for women in need of an abortion. Data showed that 36 percent of women visited the private sector, 34 percent visited the non-government sector and 19 percent visited the government sector.

Costs can deter women from seeking hospital based delivery and reproductive care. Research has revealed women in Kathmandu regularly had to pay informal fees for maternal care (Simkhada et al., 2012). Although not substantial, when combined with the formal registration fee and other formal costs, the total expenditure allocated to hospital delivery is significant for the average Nepali household, and even more for poorer ones.

Simkhada et al., (2012) as cited in Upreti et al., 2012, went on to suggest that Nepal's Safe Delivery Incentives Programme (SDIP), which was introduced in 2005 and involved the payment of a conditional cash transfer to women in order to promote the use of skilled birth attendants in public, possibly held the key to ensuring greater equity in healthcare by making services more affordable for poor households. Another barrier to the use of skilled birth attendants and hospital delivery was the costs of travel to a delivery facility, which can constitute up to half the total delivery expenditure.

3.3   Education

Drawing on the qualitative interviews in six districts, Pherali (2011: 136) suggested weaknesses in the education system in Nepal 'contributed to generate and fuel the "ideology-led" Maoist rebellion' and that this subsequently led to schools becoming a 'battlefield in the violent conflict'. Students and young adults were approached and trained by the Maoists through schools, which resulted in many children and youth swapping books for weapons, and there is some evidence indicating lack of access to education have played a role in encouraging voluntary participation in the rebellion, as illustrated by one girl's testimony quoted in Hart (2001: 28):

> *You didn't give me a chance to study and now I am eager to solve the problems of the people and the nation. I want to fight for liberation. If you won't allow me to go, I will rebel.*

Although exclusion may have been a factor in joining [in most rural areas, for example, only boys were allowed to go to school, and the Maoist agenda included eliminating gender- and caste-based exclusion from schooling (Hart, 2001: 27). The Maoists have been widely accused of forcing the country's youth to join the rebellion – an accusation which is supported by numerous accounts of child abduction and torture (Hutt, 2004; Thapa and Sijapati, 2003).

In terms of the efforts to stabilise and improve Nepal's education system in the post-conflict period, a number of measures were taken into account and a number of projects were implemented. At the highest level, The CPA 2006 declared no conflict should intervene in education or educational institutions, terrorise students and teachers, or turn schools into battlefields (Dupuy, 2008).

Regarding policies, over the last ten years or so, the government has introduced a policy on decentralising school management to local communities. During the period of 2002/03 to 2009/10, for example, a total of 9,810 schools (including 6,644 primary, 236 lower secondary and 1,030 secondary level) were decentralised in a bid to empower communities (MoF, 2010a). And in terms of

major projects, the Ministry of Education introduced the School Sector Reform Plan (SSRP) in 2009 with an estimated total cost of USD 2.6 billion over its first five years (Pherali et al., 2011). The SSRP contained various components, including school reforms and teacher training, but it was more focused on public schools than private ones.

It is likely the MDG's target on primary education will be met. The Ministry of Education revealed the primary net enrolment rate increased from 87 percent in 2005 to 94 percent in 2012 (MoE, 2009, in Ali et al., 2011), and gender equality in education has also improved considerably.

But significant differences persisted within the education system, which is divided broadly into private and government school systems. Government schools tend to have weaker infrastructure and lower quality teaching methods, but higher quality private schools – where most parents (as well as teachers working in government schools) preferred to send their children (Pherali et al., 2011) – remain largely unaffordable for the average Nepali.

Further, even though public schools featured English language as the medium for most of the subjects in their curriculum, in most cases students are still being taught in Nepali (whereas in private schools students are being taught in English). Since students have to give examinations in English, those from public schools tend to comprehend less.

Similarly, many government schools lacked certain learning facilities, such as science laboratories, meaning their students were not prepared for some of the more practical examinations when working towards their School Leaving Certificates (SLCs). Such imbalances created risks and entrenched divisions between public and private students' educational outcomes that may reinforce patterns of inequality throughout Nepali society. Of all girls studying at primary level, around 50 percent (761,638) of underprivileged and financially insecure students obtained scholarships in 2008/09. In the same year, 823,764 Dalit students studying at primary and secondary levels received scholarships through the Education for

All (EFA) programme – an initiative designed to address issues of exclusion within the education system (Vaux et al., 2006), although this one was criticised for falling short of targets (Lohani et al., 2010).[2]

In addition, 60,000 secondary level students received scholarships through the Secondary Education Support Programme, and stipends were provided to primary, lower secondary and secondary level students of marginalised communities, such as Chepang, Raute, Mushahar, Dom, Dushad and Badi. Overall, more than one million Dalit students from Grades 1 to 8 obtained scholarships.

Pherali et al., (2011) discuses on the political economy analysis of education in Nepal, consisting of three phases: first, desk-based work to understand the education system of Nepal complemented with macro-economic analysis; second, stakeholder mapping in Kathmandu; and third, field visits to 27 schools (21 government and 6 private) in ten districts across the country. The study revealed some useful insights regarding political economy problems affecting the operation and quality of the education system in Nepal:

- Findings highlighted the political nature of the appointment process for teachers in public schools and in particular how political parties attempted to appoint their favored candidates. In contrast, and generally speaking, private school teachers,
- There has also been a shortage of teachers in major subject areas, such as Maths, English and Science,
- Pressure from schools and officials to secure high pass rates for SLCs sometimes lead to teachers encouraging their students to cheat in examinations,
- District Education Officers insisted a lot of their time was taken up by 'responding to complaints, rather than taking a lead in implementation of education policy in the local district' (ibid.: 10).

---

[2] *The Economic Survey (MoF, 2010a) documents the establishment of 24,773 Child Development Centres (CDCs) against a target of 17,750 during 2004/05 to 2009/10.*

In addition to the above, concerns have been voiced over the growing number of students and increasing pressures on classroom size (Vaux et al., 2006), as well as over the low availability of teachers in remote areas.

In terms of policy options for the future, Vaux et al., (2006) recommended donors to plan initiatives to address existing drawbacks in the short, medium and long-term. In the short-term, they suggested collaboration with schools, teachers and management in order to find ways of creating more physical space to cope with the increasing number of students, and recommended encouraging political parties to formulate effective plans and policies on education. In the medium-term, strategies included working on conflict transformation through various consultations, engagement and dissemination works. And in the long-term, the focus included stimulating debates on education reforms and bringing in a new system of education that addresses, among other problems, the English language barrier faced by teachers.

3.4   Water and sanitation

Access to safe and clean drinking water is another major challenge in providing basic services in Nepal. Currently, an estimated 5.6 million Nepalis (around 20 percent of the population) lack access to safe drinking water (CBS, 2009; DWSS, 2010). Devkota (2007) suggested 92 percent of piped water supplies and 25 percent of tube wells were either out of operation or in need of repair and maintenance. Financing studies such as (MoF, 2009; Water Aid Nepal, 2008) have calculated the country needs an annual investment of NPR 7.5 billion (USD 108 million) to meet the national goal of providing everyone with safe drinking water and sanitation facilities by 2017.

Sanitation data revealed that use of improved sanitation facilities increased from 30 percent in 2000 to 43 percent in 2010. However, at the same time, the general state of sanitation in Nepal yielded public health concerns. According to the Nepal MDGs Progress Report (NPC, 2010c), every day 16 million Nepalis (around 57 percent of the population) practiced open defecation because

they have no toilets, and only 41 percent of public and community schools in Nepal had toilet facilities. Of those, only one in four had separate toilets for female students.

In addition to the government's Department of Water Supply and Sanitation and the Nepal Water Supply Corporation, a number of other organisations were involved in providing drinking water and sanitation services. These included, for example, the Rural Water Supply and Sanitation Fund Development Board, which supported the supply of drinking water by mobilising NGOs. Communities were supported with technical and financial assistance in such partnerships. Other organisations included the Nepal Red Cross Society, Nepal Water for Health, UNICEF and the World Health Organisation (WHO).

There were various projects designed to support water and sanitation services and practices at the local level. Community-based drinking water and sanitation projects, as well as Small Town Drinking Water and Sanitation projects, provided basic drinking water facilities at the village and district levels.

Drinking Water Quality Improvement Projects were also supporting water treatment systems in some local drinking water supply projects, while small rural settlements relied upon the rainwater harvesting system as a supplementary source. Along with a few other urban areas, deep tube wells and boreholes in Kathmandu valley have been dug to partially supplement the requirements under the Urban Drinking Water System. Campaigns to eliminate open defecation have raised the awareness about sanitation issues, and have helped communities with the construction of latrines.

3.5   Basic services providers

On delivery modalities, we have found there is a mix of service providers, with the government mainly playing a policy and provision role. Decentralisation of sectors has been a key issue and it is claimed that in places where the state has withdrawn, success has followed (Lawoti, 2007). Most of the financing of public

services comes from the government, donors and 'out-of-pocket' expenditure, with sizeable differences in the share of the budget allocated to health, education and water.

3.5.1 The state

The government of Nepal has declared a policy of spending at least 20 percent of the total allocated budget on the basic service sectors as per the 20/20 Compact. The Compact provided budgetary contributions to the social sector which can be matched with donor funding from a designated matching fund (NPC and UNICEF, 2010). As per the Medium-Term Expenditure Framework, highest priority programmes were categorised as P1 type, with the second and third priority programmes categorised as P2 and P3 respectively. Of all the basic services programmes, four-fifths are ranked as topmost priority and less than one-fifth are in the P2 category (NPC, 2003).

Unlike the generalised assignments of certain ministries to provide basic services in the past, the provision of services has become more specialised in recent years. In the past, it was mostly the sectoral ministries, such as the Ministry of Education, Ministry of Health, Department of Drinking Water and Sanitation, and the Ministry of Physical Planning and Works, that were responsible for such services. At present, however, we can also see the engagement of specialised ministries, such as the Ministry of Social Works and Women and Children, and Ministry of Federal Affairs and Local Development, which are also involved in providing basic services and social protection.

It is increasingly apparent that people's trust in and perceptions of public institutions such as the police, political parties, government-run health and education services – are determined first and foremost by the performance of those institutions. This is deducted from the findings from a country-wide questionnaire survey of 1,836 households carried out in 2008 (Askvik et al., 2011).[3]

---

[3] *The researchers originally planned on capturing a nationally representative sample, but constraints meant their actual sample was biased towards men, educated people and urban dwellers.*

The same survey data has also revealed a positive co-relationship between respondent's satisfaction with service provision and high levels of trust in Nepal's health and education institutions – indeed, out of all the public institutions, education and health are trusted the most. What is perhaps surprising is that the authors found a weak relationship between identity variables and institutional trust, suggesting little differentiation between advantaged and disadvantaged groups in terms of institutional support (Askvik et al., 2011: 430). More broadly, the survey data indicated positive interaction with and experience of public institutions contributed in building confidence among Nepali people.

3.5.2 International actors and foreign aid

International actors, including donors, UN agencies and INGOs, have had direct/indirect involvement in service delivery in Nepal. However, the contribution of donor involvement to enhance state capacity in service delivery is contested. Indeed, it has been argued that donors dominated the development agenda setting, and that they often advanced conditions that do not correspond to the country's priorities (Sharma, 2010). The most common criticism about the development donors was the imposition of their agenda with vested interests of implementing what they desired, which were often non-transparent, extremely expensive, unaccountable to beneficiaries and creating parallel structure or going through non-state channels and ultimately weakening the state. However, in the health and education sectors, the major aid actors in Nepal were working within the SWAp framework and focusing on basic health and primary education. So far there is no SWAp framework for water and other sectors, but there has been funding for individual programmes or groups (e.g. Rural Reconstruction and Rehabilitation Sector Development Programme, Multi-stakeholder Forestry Programme).

The exact amount of foreign financial aid invested in specific sectors in Nepal is hard to figure out, given that the different international agencies also directly invested aid. Funding tends to come in the form of indirect assistance, in addition to the official development

aid obtained by the government from bilateral and multi-lateral agencies. This aspect is most criticised. Even though the Government of Nepal is trying to implement a one-window policy to manage the inflow of foreign aid there is strong resistance from the donors. This is against the Paris Declaration of Aid Effectiveness and the Accra Plan of Action but donors are less concerned.

3.5.3 The private sector

Private sector involvement is by and large limited to the cities and rarely seen in rural areas (Köhler et al., 2009). The improved facilities run in urban areas include privately owned nursing homes, some of which are highly equipped and well-staffed, and offer a better quality of health services than what the government hospitals are capable of. However, generally speaking, they remained beyond the affordability of the poor. The same applies to English-medium private schools as well.

There is no private sector involvement in drinking water and sanitation in rural areas, where people had to rely on digging wells. In the hills and mountains, people bring water from distant sources. In contrast, there is an increasing trend of installing deep tube well and digging boreholesby private companies in urban areas which sell readily available fresh water. However, we know relatively little about the role of the private sector in basic service delivery in Nepal, largely due to the fact that studies in basic social/public services tend to lack analysis of the role of the private sector (UNICEF et al., 2010).

3.6 Summary of the chapter

This chapter has argued on the state of the basic services in the conflict and the post-conflict context. The basic services analysed are particularly focused on health, education, drinking water and sanitation services that are directly linked with the lives and livelihoods of the people in the country. It has presented the ways how basic service provisions link with the relations between the state and the people. In addition, this chapter has further assessed

the role of the state, international actors and foreign aid as well as the private sectors in providing basic services to the people. Thus, this chapter's basic focus has been to assess the legitimacy of the state towards it's people through the basic service provisions for building a strong state-people relationship.

$$* \ * \ * \ * \ *$$

Chapter	Social protection in conflict
4	and post-conflict contexts[1]

4.1   Social protection

Since the 1990s, the state implemented a plethora of social protection programmes, including formal social insurance, social assistance, and labour market programmes. Social assistance included benefits such as assistance for the elderly, health assistance, child protection programmes, disaster relief assistance and other forms of assistance targeting the poor. Social assistance has become an important tool for tackling social exclusion. In particular, the government provides social transfers and scholarships to socially excluded members of ethnic minorities, Dalits and residents of remote areas in an attempt to raise their living standards and build their human capital. The universal Senior Citizen's Allowance has been crucial in contributing to the needs and vulnerabilities of older persons.

Social protection, referred to as actions to reduce individual vulnerability and improve people's wellbeing, has become increasingly visible in Nepal's public policy environment over the last two decades. Particularly striking is the determination with which the Nepali state has integrated social protection programming into its broader post-conflict development and reconstruction agenda (Holmes and Upadhyaya, 2009; Koehler, 2011).

As discussed in depth below, since the 1990s, and particularly since the end of the conflict in 2006, the state has taken on increasing responsibility to finance and deliver various social protection initiatives, partly in an attempt to ramp up efforts towards poverty reduction and to address some of the root causes of the conflict

---

[1] *This chapter is based on the NCCR-SLRC Working Paper (7) entitled 'Livelihoods, Basic Services and Social Protection in Nepal'. Authored by Bishnu Raj Upreti, Sony KC, Richard Mallett and Babken Babajanian, with Kailash Pyakuryal, Safal Ghimire, Anita Ghimire and Sagar Raj Sharma, the Working Paper was published by SLRC/ODI/NCCR in 2012.*

that started from 1996, and partly in an effort to construct a strong self-image, build legitimacy and, perhaps more cynically to secure public support (Jones, 2012). As Koehler (2011: 17) argues, 'the state in Nepal sees itself with responsibilities ranging from public food provision at times of distress through basic social services to environmental management and social inclusion.'

Social protection has therefore been framed, at least by the state, as an instrumental tool with multiple applications and objectives, from increasing income and food security to overcoming social exclusion, for assisting the process of political healing (ibid.).

In a tumultuous and uncertain transitional period (Sharma and Donini, 2010), social protection has thus been assigned an ambitious mandate. However, both challenges to effective social protection delivery and limited evidence of impact call into question this (political) positioning of social protection as panacea.

It is important to note that external actors, such as aid donors and international NGOs, have played and continue to play important roles in the promotion, design and implementation of social protection in Nepal. In particular, a number of large international institutions, including the World Bank, DFID, ILO and ADB, have been at the forefront of policy thinking and design, producing valuable analysis and gathering key data (ADB, 2004; ILO, 2004; Kidd and Calder, 2011). The most recently available data suggests we should be careful about overstating the extent to which external institutions are involved in the financing and administration of interventions, at least in relation to the government.

The remainder of this section outlines the roles of the key actors and institutions in Nepal's social protection arena, describes the initiatives currently being implemented, presents evidence on programme impact and discusses core effectiveness issues.

4.2   Social assistance

Social assistance includes benefits such as assistance for the elderly, health assistance, child protection programmes, disaster relief assistance and other forms of assistance targeting the poor.

They are usually directly targeted to benefit the entire family in one way or the other.

Representing 41 percent of the government's social protection expenditure in FY 2009, Table 10 shows, according to ADB, there are nine main social assistance programmes operating in Nepal. Social assistance programmes include education-related transfers (such as providing NPR 350 to 50 percent for girls in primary schools), health-related transfers (women delivering their babies at health services receive NPR 1,000 for normal deliveries and NPR 5,000 for deliveries with surgery), employment-related transfers (in 2008/2009 the Ministry of Finance allocated more than NPR 26 billion for public work schemes geared towards improving rural infrastructure and generating employment opportunities for the poor), child benefits (Dalit families and families in Karnali Zone are being provided NPR 200 per month per child), and emergency social protection transfers (the MoF allocated NPR 1.5 billion in 2008/09 for subsistence allowances to families of martyrs and handicapped as a result of the conflict and compensation to conflict-affected people) (Tiwari, 2010).

Generally speaking, social assistance programmes tend to be more universal and more poverty and gender 'focused' than Nepal's social insurance programmes. For example, the single women's allowance is available to all women over the age of 60 including widows, unmarried or separated, and has poverty and gender targeting rates of 80 percent and 100 percent, respectively. Scholarships, which fall under this category, reach the highest number of beneficiaries (more than 2.5 million) out of all the social protection programmes listed in Table 10.

Within the social assistance category, the Senior Citizen's Allowance is arguably the form of allowance most widely recognised, or most discussed, in reports. It has been in operation since 1995 and has gradually been expanded by government ever since (the entitlement stands at more than NPR 500 per month[2], which is even more increased at present).

[2] *http://kathmandupost.ekantipur.com/news/2015-07-09/government-to-increase-allowance-for-the-elderly.html.*

Das and Leino (2011) have pointed out that in the last few years social assistance has overtaken public sector pensions as the largest contributor to social protection expenditure. However, this is rather like comparing an entire category with a single programme from another; on a more even basis, social insurance can be seen as more strongly financed.

4.3   Labour market programmes

According to the ADB (2011b: 12), labour market programmes include programmes directed at the unemployed and underemployed, such as food-for-work schemes. In Nepal, there are two major labour market programmes, together comprising just 2 percent of the government's social protection expenditure in FY2009: Rural Community Infrastructure Works and the Karnali Employment Programme. Although relatively limited in terms of expenditure, the Rural Community Infrastructure Works programme fares comparatively well against other types of social protection initiatives in terms of coverage, reaching almost half a million beneficiaries in FY 2010. It also has a poverty targeting rate of 90 percent.

Thus, while there is a broad range of formal social protection initiatives across the board in Nepal, the differences in expenditure and coverage by category are significant. What is striking is how much money is being allocated to social insurance in relation to the low number of beneficiaries that are reached. By the same token, labour market programmes consume a small proportion of social protection expenditure but reach considerably more beneficiaries (more than double) than social insurance programmes. In other words, social insurance programmes receive the bulk of social protection funding but reach the fewest people. At the same time, as noted above, the beneficiaries of the formal social insurance programmes are *not* the poorest and the most vulnerable.

4.4   Conflict-related Initiatives

A number of social protection initiatives in Nepal are designed to respond to the impacts of the conflict, at least to some degree. Although some of these may be covered by the three categories outlined above, we present them separately in Box 2 below for

the purpose of this chapter. The establishment of the Ministry of Peace and Reconstruction in 2007 is not only a reflection of the government's commitment to peace-building, but is also relevant to social protection. The Ministry is responsible for a number of programmes and interventions designed to build social cohesion, restore peace and reduce vulnerability amongst those affected by the armed conflict.

Some of the main 'conflict-related' social protection interventions in Nepal are listed below[3]:

- Scholarships for children (at the rate of NPR 10,000 per year for primary education, NPR 12,000 per year for lower secondary education, NPR 14,000 per year for secondary education and NPR 16,000 per year for higher secondary education and above) whose parents are deceased or disappeared. The Ministry of Education is responsible for executing the programme, and a recommendation committee is tasked to make decisions on eligibility,
- A one-time cash grant of NPR 25,000 to widows and families of missing persons,
- Treatment costs for injuries incurred though conflict,
- A one-time cash grant of NPR 200,000 to disabled persons (depending on classification of disability),
- Skills training for victims' families,
- Quota seats for victims' families in foreign employment
- Cash grants to martyrs' families: NPR 150,000 to those killed by security forces and for those killed as a result of cross fire, bombing, mines, or ambush. However, no grants are given if families have already accessed some other relief packages,
- Cash support of NPR 100,000 to poor people with cancer, heart disease, Alzheimer's, Parkinson's, or kidney problems,
- Various levels of compensation against damages to vehicles due to civil riots or general strikes,
- Compensation against damages to fixed property or house.

---

[3] *Source: ADB conflict advisor, personal communication.*

Table 10: Formal social protection programmes in Nepal

Programme	Date Started	Information Comments	Qualifications/Criteria/Coverage	No of beneficiaries ('000's) (FY2010)	Expenditure (NPR Million) (FY 2010)	Poverty Targeting Rate	Gender Targeting Rate	Percentage of Total government spending (FY 2009)
Public Sector Pension Scheme		Upon death of beneficiary, spouse receives 50% of pension for life. Taking into account the smaller proportion of women in public sector employment, the scheme is not gender friendly.	Available to employees of civil service, police, army and public sector teachers. Eligibility demands completion of 20 years of services for police, 16 years for members of armed forces	180.1	9800 (127 m USD)	0%	5%	57%
Social Insurance								

	Programme	Date Started	Information Comments	Qualifications/Criteria/Coverage	No of beneficiaries ('000's) (FY2010)	Expenditure (NPR Million) (FY 2010)	Poverty Targeting Rate	Gender Targeting Rate	Percentage of Total government spending (FY 2009)
Social Insurance	Army Welfare fund (established in 1975; as of March 2010 the fund amounted to NPR 13 bn; financed partly through contributions from army personnel serving in UN peacekeeping missions		The fund finances various programmes and schemes: medical treatment; accommodation; rehabilitation centre; allowance for widows/ widowers; scholarship for children of personnel; education (financing of schools); compensation to those disable during service; loan facility for household items.	Service personnel; veterans; families of personnel					57%

	Programme	Date Started	Information Comments	Qualifications/Criteria/Coverage	No of bene-ficiaries ('000's) (FY2010)	Expenditure (NPR Million) (FY 2010)	Poverty Target-ing Rate	Gender Target-ing Rate	Percentage of Total govern-ment spending (FY 2009)
Social Insurance	Police welfare fund (financed partly through contributions from police personnel serving in UN peacekeeping missions)		The Fund finances various programmes and schemes: education (financing of schools); scholarship for children of personnel; medical treatment ; loan facility; insurance against death and disability. Life insurance up to NPR 100,000; NPR 25,000 to cover funeral costs of personnel who die in the line of duty.	Police personnel, veterans, families of personnel					57%

	Programme	Date Started	Information Comments	Qualifications/Criteria/Coverage	No of beneficiaries ('000's) (FY2010)	Expenditure (NPR Million) (FY 2010)	Poverty Targeting Rate	Gender Targeting Rate	Percentage of Total government spending (FY 2009)
Social Insurance	Armed Police Welfare Fund	2002	The fund finances various programmes and schemes: medical benefits; insurance against death and disability; loan facilities.	Armed police personnel					57%
	Employees provident fund	1934 but coverage extended to entire civil service in 1948	Financed through contributions from employees and employers and returns on diversified investments made by the fund. Since 1991, members are required to contribute a minimum of 10% of their salary into the fund and employers make a matching contribution.		18	2858	0%	8%	

Programme		Date Started	Information Comments	Qualifications/Criteria/Coverage	No of beneficiaries ('000's) (FY2010)	Expenditure (NPR Million) (FY 2010)	Poverty Targeting Rate	Gender Targeting Rate	Percentage of Total government spending (FY 2009)
Citizen Investment Fund	Social Insurance	1991	Objective of expanding investment opportunities by encouraging the public to save capital and foster the development of Nepal's capital market; main features are providing different types of retirement schemes, making investments in corporate shares and government securities, and providing capital market services .						57%
Social Security Fund	Social Insurance	2010/ 11	Financed through a 1% tax on income; the Fund seeks to finance minimum social security measures along the lines of the ILO convention 102: Social security (Minimum Standards) Convention of 1952; cross Ministry Board of Trustees.			NPR 100 mn allocated for FY 2011			

Programme	Date Started	Information Comments	Qualifications/Criteria/Coverage	No of beneficiaries ('000's) (FY2010)	Expenditure (NPR Million) (FY 2010)	Poverty Targeting Rate	Gender Targeting Rate	Percentage of Total government spending (FY 2009)
Senior citizen's allowance	1995	The first cash transfer introduced in Nepal (by the CPN-UML) initially in five districts with eligibility age of 75 and monthly allowance of NPR 100. Expanded to NRS 500 per month of reduced eligibility age. Implemented through local bodies with the ministry of Local development coordinating at the centre.	Dalits (elsewhere) and elderly in Karnali zone over the age of 60 and those over the age of 70 elsewhere	696.1	4176.8	25%	50%	41%
Single Women Allowance	1996	Increased over the years to NPR 500 per month. In 2010, the supreme court ruled the allowance cannot have an age limit and should therefore be given to all widows or separated women irrespective of age; MoLD in the proves of revising guidelines.	All single women over the age of 60 who are unmarried or separated; guidelines currently being revised by MoLD.	299.8	1799	80%	100%	

Social Assistance

Social Assistance

Programme	Date Started	Information Comments	Qualifications/Criteria/Coverage	No of bene-ficiaries ('000's) (FY2010)	Expendi-ture (NPR Million) (FY 2010)	Poverty Target-ing Rate	Gender Target-ing Rate	Percentage of Total govern-ment spending (FY 2009)
Disability allowance	1996	Increased over the years to NPR 300 for partially disabled and NPR 1,000 for fully disabled	All fully disabled are eligible; district based quota for partially disabled (very low; e.g., a district with a population of more than 500,000 the quota is just 150)	20.6	189.9	90%	50%	41%
Endangered Indigenous People's allowance	2009	NPR 500 but NPR 1,000 for the Raute group	Endangered indigenous people (ten groups identified as the worst off and most threatened of Nepal's 59 indigenous groups with populations of fewer than 1,000)	16.4	98.5	90%	50%	

Social Assistance

Social Assistance

	Programme	Date Started	Information Comments	Qualifications/Criteria/Coverage	No of beneficiaries ('000's) (FY2010)	Expenditure (NPR Million) (FY 2010)	Poverty Targeting Rate	Gender Targeting Rate	Percentage of Total government spending (FY 2009)
Social Assistance	Child Grant	2009	NPR 200 per month per child	Children under the age of five in Karnali Zone and all poor Dalit Children under the age of five nationwide. Maximum of two children per mother	409.1	981.9	46%	50%	41%
Social Assistance	Scholarships	Various	Multiple scholarships exist at primary, secondary and higher levels of education. Also special scholarships for students with disabilities, students from highly marginalised groups and students from remote mountain districts	Multiple: ranges from NPR 400 per year for girls at primary level to NPR 15,000 per year for certain students with disabilities	2616	1866.8	25%	70%	

Programme	Date Started	Information Comments	Qualifications/Criteria/Coverage	No of beneficiaries ('000's) (FY2010)	Expenditure (NPR Million) (FY 2010)	Poverty Targeting Rate	Gender Targeting Rate	Percentage of Total government spending (FY 2009)
Food for Education	1996	School feeding programmes implemented by GoN and WFP; objective to improve class attendance and enrolment rates and reduce absenteeism		218.7	354.9	50%	50%	41%
Aama Programme (Mothers' Programme)	2005	Incentive scheme to encourage women to give birth at medical institutions. Women receive NPR 500 in Terai districts and NPR 1,500 in mountain districts. Institutions unit costs also covered	Pregnant Women	194.1	441.2	50%	100%	
Transportation subsidy on Essential Food		Nepal Food Corporation supplied subsidised essential foods in 23 food insecure districts. 19,000 metric tons of food supplied in 2009	Households in one of 23 food insecure districts	98.9	701.5	75%	50%	

	Programme	Date Started	Information Comments	Qualifications/Criteria/Coverage	No of beneficiaries ('000's) (FY2010)	Expenditure (NPR Million) (FY 2010)	Poverty Targeting Rate	Gender Targeting Rate	Percentage of Total government spending (FY 2009)
Labour Market Programmes	Rural Community Infrastructure works	1995	Jointly funded by GoN and WFP. Operates in 25 districts. Key objective is to assist poor households create and maintain physical assets that improve food availability and access, and to support income generation. Payments made in food and cash (NPR 130–140 per day or 4 kg rice and 0.5kg pulses per week, or combination or the two)	Primary target population is food deficit families in communities where RCIW operates; those who participate in RCIW activities are eligible for benefits	493.6	104.1	90%	45%	2%
	Karnali Employment Programme	FY 2007/08	Karnali zone consists of five remote districts. KEP started under the banner of 'one family, one job' with objective of providing 100 days of guaranteed way employment to at least one family member of every household who wishes to do unskilled manual work on government infrastructure projects	Households in Karnali Zone	71	215	90%	45%	

[Source: ADB (2012) (original data from various sources)]

4.5 Informal social protection initiatives

Although many definitions identify public actors as the main or sole providers of social protection (Devereux and Sabates-Wheeler, 2004: 3), there are many examples where forms of social protection are provided informally (or 'unofficially' and 'traditionally') by households and communities.

In the Nepali context, some have suggested there has been an erosion of informal social protection as a result of political insecurity and widespread violence during the armed conflict, as well as a series of broader social and demographic changes (Koehler, 2011; Tiwari, 2010). However, whilst logical in a deductive sense, there is very little empirical evidence to substantiate such claims. Indeed, depending on how far we broaden our definition of social protection, it is possible to argue that informal social protection activities have actually increased over the last two decades, perhaps as a result of the conflict. For example, migration has been a popular coping strategy amongst conflict-affected households–a strategy that may be legitimately viewed as a form of social protection (Sabates-Wheeler and Waite, 2003 as cited in Upreti et al., 2012). Furthermore, drawing on Nepal Safety Nets Survey data from 1,680 rural households, Das and Leino (2011) find that most coping strategies against shocks in Nepal are informal and include borrowing, using savings, and seeking help from friends and relatives.

Informal social protection mechanisms have traditionally existed at the household and community levels in Nepal. Tiwari (2010) outlines two popular risk mitigation strategies adopted by poor people while coping with shocks. The first is diversification of income (Sharma and Donini, 2012), although income-generating options for the poorest and most vulnerable tend to be few and are usually limited to agricultural-based or casual employment. The second strategy is insurance, although this tends to be non-market based and informal in nature. Households may accumulate assets in 'good times' and draw on them in 'bad times', or they may opt into group-based sharing mechanisms.

As Tiwari (2010: 15) points out, traditional systems, such as *Parma*, *Dhikuri* and *Bheja*, are used to help community members through exchange of labour and sharing of mutual funds. However, it is important to note that networks such as these do not benefit all members of a community evenly. Similar to these 'self-help' groups are Village Savings and Loans Associations, of which there are an estimated 300,000 in existence.

Social workers in communities also provide assistance to the vulnerable people, although such services are rarely recorded in formal reports. Historically, the practice of social protection has existed in forms of mutual help, such as with cash lending or in-kind assistance, at the community level. These systems have different forms and names in different communities, and specific mechanisms vary across ethnic communities. For example, the Newar ethnic group has an institution named *Guthi*, which provides informal social protection for its members through financial and in-kind assistance from the fund collected by its members (Upreti, 2010).

Other similar institutions include: *Bheja*, a multi-purpose voluntary welfare institution created for the welfare of members of the Magar community; *gola*, a voluntary social organisation active in the western hills to help members of the Gurung community; *parma*, a labour exchange arrangement to help members of the Limbu community; and *Khyal*, a voluntary social organisation active in mid-west Nepal which promotes and supports self-help activities for members of the Tharu ethnic group (Bhattachan, 2007).

4.6   Impacts of social protection activities

Despite the number of formal social protection initiatives implemented in recent years in Nepal, there is still much we do not know in terms of their impacts. What's more, there are several challenges to effective social protection which make achieving positive effects in Nepal all the more difficult.

This sub-section is split broadly into two parts: the first synthesises and presents available evidence on the impacts of social protection

initiatives in Nepal, while the second explores key issues and challenges related to programme effectiveness.

Most of the literature on social protection in Nepal is concerned with a description of programming (types of interventions, delivery modalities, financing, technical administration) and programme outputs over assessments of impact. In addition, many studies and reports that *do* offer something in the way of programme analyses are either based on unclear empirics or fail to disclose their methodologies in a transparent way.

That said, the literature researched for this review helped us identify a number of relevant programme evaluations based on primary data – admittedly varying in quality, rigour and size – and Nepal certainly fares better than many of its conflict-affected counterparts in this respect. This may have something to do with Barrientos' (2010: 24) argument that 'smaller and aid-dependent countries' such as Nepal attract greater donor interest, with agencies more likely to provide support on issues such as social protection.

Holmes and Upadhyaya (2009) have examined a range of cash transfers in post-conflict Nepal. Their methodology is composed of three components – a mapping of existing social protection programmes, analysis of institutional attitudes towards cash transfers, and analysis of institutional capacity – and they draw on primary data (interviews with key informants) as well as analysis of secondary data. Thus, their study is of institutional perceptions on the effectiveness and appropriateness of cash transfers and cannot therefore be considered an impact evaluation.

As the authors themselves note, 'Our information on the role of cash transfers in Nepal has largely been based on assumptions and impressions rather than rigorous data collection and evaluation' (Holmes and Upadhyaya, 2009: 23).

Through interviews, they have found cash transfers are perceived to:

- contribute to boosting economic growth,
- empower recipients economically and socially,

- be cheap and simple to implement,
- constitute a right (ibid.: 24).

However, generally speaking, beyond perceptions 'there is limited evidence that cash transfer programmes have had a positive impact on reducing the incidence of poverty or the poverty gap in Nepal (Holmes and Upadhyaya, 2009.: 27). Das and Leino (2011) have assessed a range of social safety nets using a variety of data, including administrative data from the government, national surveys and censuses, field visits, WFP monitoring data, qualitative data from focus group discussions and meetings with district level functionaries across nine districts, Do and Iyer's (2010) data on conflict deaths, and the Nepal Safety Nets Survey (1680 rural households in nine districts conducted in 2009). Their key findings are as follows:

- Up to 26 percent of households have participated in at least one safety net programme and overall they are quite pro-poor and progressive. However, awareness of programmes varies substantially,
- Coverage is geographically skewed towards areas with higher conflict deaths,
- The largest cash transfer programmes (OAA and single women's allowance) are universal with good coverage and have relatively high levels of beneficiary satisfaction,
- Scholarship programmes are geographically concentrated, but they exist among thevery pro-poor (86 percent of the benefits of the Dalit scholarship go to children from households in the bottom two wealth quintiles),
- The situation is similar for public works programmes. However, although they are seen to enhance food security, the programmes provide too few days of work to stem seasonal migration.

Although useful, a scrutiny of the study's full methodology was not possible due to lack of access to the full report (which was likely still in draft stage at the time of writing). Moreover, it is clear from the material available that the study focuses more on the effectiveness

and appropriateness of programme design (e.g. coverage, targeting issues) than on external outcomes for beneficiaries.

The Karnali Employment Programme, first introduced in FY2006/07 and offering 'One Family, One Job', is designed to provide 100 days of paid employment at NPR 180-350 per day on government infrastructure programmes for persons willing to do unskilled manual labour (Koehler, 2011: 12). However, in the first four years of the programme, households were found to have worked just 30 days or less (Vaidya et al., 2010) and although the commitment to include all castes appears to have been met, women and youth employment impacts are still lagging behind (Koehler et al., 2009).

A few studies have explored the outcomes and impacts of Nepal's universal Senior Citizen's Allowance (also known as the social pension scheme). In the midst of the armed conflict, Palacios and Rajan (2004) undertook an analysis of the scheme based on data derived from a (non-representative) ward level survey conducted in 2002, where questionnaires were administered to 197 individuals in rural and urban parts of the country, and a number of key informant interviews were also taken. They concluded that, as a result of the combination of high eligibility age and low level of benefit, 'the version of the universal flat pension applied today [2004] in Nepal is very modest' (Palacios and Rajan, 2004: 24). Their analysis also found that while three-quarters of the eligible population receives the benefit, there are significant differences across districts.

Help Age International (2009) have assessed the impact of the pension scheme on older people in Tanahun district, finding that surveyed beneficiaries generally viewed the scheme positively and deemed the transfer as an important form of income support. However, the evidence seems more anecdotal than rigorous, and in any case, the study is based on a small, non-representative sample.

Finally, through participatory community-level research, Jones et al., (2009) found although those receiving the pension emphasised its importance in reducing their dependency, they also saw it as too small to lead to self-sufficiency. Taking these three (relatively small) studies together, it can be suggested the impacts of the

pension scheme have been modest at best. Samson (2012) provides a useful synthesis of available assessments of the allowance and identifies key policy accomplishments and challenges. He asserts the allowance reflects the commitment of the government to build an equitable system that seeks to reach out to the most vulnerable individuals.

In terms of sector-based social protection programmes, the findings of an evaluation of the Aama (mother) programme are presented in ADB (2012). Started in 2005 but expanded and renamed in 2009, the Aama programme is an incentive scheme designed to encourage women to give birth at medical institutions. The cash incentive varies by region, from NPR 500 in Terai districts to NPR 1,500 in mountain districts, and the scheme also pays certain unit costs to the medical facility. The preliminary evaluation found that since the programme began, institutional deliveries have increased from 6 percent of births to over 44 percent, with the impact being greatest among the poorest quintile and marginalised ethnic groups (ADB, 2012).

A 2006 evaluation of Nepal's education scholarship found many Dalit children were receiving a smaller benefit than they should have, which was in turn negatively affecting enrolment rates for girls in the Karnali Zone and in Eastern and Central Terai (Ayala, 2009, in Holmes, 2011: 232).

These kinds of programme assessments are of course extremely useful and relevant, but, generally speaking, their level of rigour and robustness varies and only a few studies incorporate the effects and dynamics of conflict and fragility into their analyses.

4.7 Effectiveness of social protection

Having provided an overview of some of the main evidence of the impacts of (formal) social protection programmes in Nepal, we discuss here the two key challenges to effectiveness as highlighted in the literature.

The first relates to issues surrounding expenditure, coverage and targeting. As Holmes and Upadhyaya (2009: 27) argues,

> *While there is a dearth of empirical evidence on the impact of existing programmes, what does exist indicates that low rates of poverty reduction is due to a number of factors, including low coverage, low levels of benefit and implementation constraints.*

Data from the Ministry of Finance show the total allocation of government expenditure for social protection for FY2011/12 currently stands at around NPR 11.3 billion (USD 137 million), up by roughly NPR 2 billion from FY2002/03. However, as a proportion of GDP, social protection expenditure is just 1.06 percent compared to estimated 2.2 percent in FY2002/03, indicating that government spending on social protection has not kept at the same pace as GDP growth.[4] In comparison to other South Asian countries, Nepal spends relatively little on social protection (as a percentage of GDP) (see Table 11).

Table 11: Social protection expenditure as % of GDP, 2004/05 (for 6 Asian countries)

Country	Social protection expenditure as % of GDP
Japan	16
Sri Lanka	5.7
Bangladesh	5.3
India	4.0
Nepal	2.3
Pakistan	1.6

(Source: Kabeer, 2009)

Some available literatures have been quite critical of the level of the government's social protection per capita expenditures (e.g. Bhusal, 2012; Koehler, 2011). Indeed, according to estimates made a number of years ago by Bauer et al., (2004), the cost of a basic social protection package in Nepal at the time was seven percent of its GDP – actual expenditure has never come close to this.

---

[4] *It is generally advisable to exercise a degree of caution when comparing social protection data from different sources (e.g. government data compared with agency data). The specifics of classification – what counts as social protection – commonly vary, sometimes quite significantly (Harvey et al., 2007).*

Moreover, the few evaluations that exist suggest that the levels of benefit are not high enough to contribute to long-term, sustainable changes for beneficiaries.

Although coverage is quite high compared to many other countries, social protection programmes in Nepal are geographically concentrated (Das and Leino, 2011) and coverage amongst the poor is low (Holmes and Upadhadya, 2009). Since coverage is not as broad as need, social protection is often seen to constitute 'patches of programmes', such as social and health insurance, social assistance, block grants, or (sectoral) transfers (Tiwari, 2010), rather than any sort of consolidated 'system'.

A big part of the problem of ensuring and extending coverage is the fact that 96 percent of Nepalis are employed in the informal sector. This means although eligible for certain social assistance and labour market programmes, the vast majority of Nepal's population have no access – by design – to many of the country's formal social protection schemes, particularly those falling under the umbrella of social insurance.

Although there is a large number of informal social protection mechanisms in Nepal, the government has paid insufficient attention to them and has not integrated them in its formal policies and programming. Given the nature of labour markets and employment for most people in Nepal, working to support informal social protection mechanisms for informal sector workers – or at least working to extend formal social protection to these people – appears a sensible policy direction (although clearly not a straightforward one in a resource-constrained context such as Nepal).

It is argued the country's low coverage can be accounted for, to a degree, by targeting inefficiencies. As Holmes and Upadhyaya (2009: 11) points out:

> *Part of the reason that the coverage of cash transfers is so low is because of the targeting approach taken to cash transfer programming in the form of social categorical targeting which renders many of the poor ineligible to receive transfers. While*

> *categorical targeting by social group tends to disproportionately benefit the non-poor they are politically accepted by the government.*

This suggests understanding the *how* and the *why* of targeting requires us to first understand the politics of social protection in Nepal.

Targeting problems are particularly concerning given the high levels of need amongst certain groups in Nepal. Besides conflict-affected and displaced people, the ILO (2004) identifies the 16 most vulnerable groups in Nepal who need special attention for social protection. These include self-employed workers, workers in waged employment, unpaid family members, workers in formal organisations that have more than ten workers, workers in informal establishments with less than ten workers, micro-enterprises, family-based units, agricultural workers, former Kamaiyas (people working under the traditional system of bonded-labour), construction workers, domestic servants, street workers, home-based workers, bonded workers, porters and loaders, socially excluded groups and Dalits (ibid.: 14).

Arguably the biggest challenge to extending coverage in Nepal is how to make sure groups such as these are targeted effectively. One argument for improving the targeting effectiveness of existing social protection initiatives would be to introduce social categorical targeting of vulnerable and marginalised groups.

The second area relates to state capacity and the politics of social protection in a broader sense. A high number of Ministries and branches of the government are involved in social protection policy and programming in Nepal. Whilst logical in so far as this may promote joined-up planning and integrated programming, it also creates problems if not administered effectively.

Verhey (2010), for example, notes persisting fragmentation at the inter-Ministry level creates problems in relation to both coverage and targeting. Such problems may be partially responsible for delayed or irregular payment of transfers, as has been the case

with the education stipend programme disbursed to School Management Committees (Ayala, 2009, in Holmes, 2011: 232).

During the armed conflict, service-providing government offices were either closed, or they performed less effectively, or they existed in name only. One of the first and biggest challenges in the post-peace agreement period was therefore to restore government services in areas badly affected by conflict. Since 2006, multiple governments have competed to extend access to services to the population and expanding social protection has been a central part of this (Jones, 2012: 241). Yet, efforts to extend access have not been associated with efforts to decentralise political and administrative functions (Jones, 2010). In many instances, local government continues to suffer from weak capacity, and resources and control tend to be heavily concentrated 'at the centre'. As Jones (2010: 10) points out:

> *A salient feature of the political economy of Nepal is the [continuation of] highly centralised control of resources and decision-making…The most important factor reinforcing this centralisation is the continuing absence of elected local government, and more fundamentally, of elected local government control over budgets and staffing decisions for public service provisions].*

But why has there been such reluctance to grant power to local public bodies and/or hold local elections? Perhaps this came out as a result of a shared desire by the various governments to maintain, at least, the appearance of a strong, visible and responsive state. Thus, the development of a centralised social protection system can be understood as being part of a larger political project to generate output or performance-based legitimacy amongst citizens and, in a more tangible and pragmatic way, to secure votes. It is possible that the centralised nature of social protection programming in Nepal, combined with inefficient targeting, has reduced both the relevance and access of social protection to the poorest and most vulnerable.

Finally, it is important not to ignore the *local politics* of social protection. As indicated by findings from the SLRC Nepal

stakeholder consultation in Box 2, in a context of historical horizontal inequalities, there is a likelihood of exclusionary political economies of access and elite capture of resources at the local level.

Box 2: Problems of access to formal social protection in Nepal

In the stakeholders' meeting, one of the participants representing an academic institution noted the mechanisms of social protection are layered. The first layer consists of families, the second of communities and the third of organisations. It is very important to study the changes in these mechanisms over the past ten years. He added access to resources and employment as crucial in determining the status of social protection. The discussion also raised questions on the policiesof Ministry of Peace and Reconstruction. The concerned ministry had established District Damage Valuation Committee and Local Peace Committees (LPCs). One of the participants victimised by the UCPN (M) at the time of the armed conflict reported the victims often do not receive any compensation unless they have access to the LPCs. The LPCs are responsible for recommending the compensation package. Those who have no access to this committee are not receiving compensations on time.

Some respondents at the consultation meeting shared grants provided to the targeted groups such as the Dalits and minority people were useful and that the beneficiaries were satisfied. Such feelings were also reported in the media. For example, the Bankarias (people largely depending on forest products for their livelihoods) and other indigenous minority groups had expressed the same feeling. Nevertheless, it was revealed there was rampant corruption while delivering such grants and stipends.

Summing up, Nepal's social security and social protection systems look impressive at first glance. There are multiple programmes and initiatives in operation and the state appears to be adominant player. As Koehler (2011: 14) notes, the programmes on offer might even be considered to constitute the elements of a 'nascent social contract'.

As Nepal is a least developed country and the government has to face tough choices in allocating resources, challenges are still apparent and continue to persist. Subsequently, the level of many social protection benefits is low and assistance does not always reach the poorest and most vulnerable, something which is not helped by capacity problems at the local level and coordination issues at the central level. Moreover, in terms of programme design,

none of Nepal's transfers are directed at building productive assets at the household level – the 'only substantive way to overcome poverty' (Koehler, 2011: 16).

Fundamentally, we need to be careful about drawing conclusions based upon a simple reading of the landscape of social protection in Nepal – in other words, in terms of the quantity of programmes currently being rolled out. Conclusions should be based on outcomes and impacts, and we are not yet in a position to make accurate statements on effectiveness. This is not helped by the fact that so many analyses of outcomes and impacts are based on perceptions and key informant interviews rather than data collected through rigorous, extensive fieldwork and representative sampling. For those interested in evidence on social protection in relation to *conflict-affected* Nepal, the situation is worse still, with most assessments not incorporating any form of conflict-related analysis whatsoever.

Nepal has made remarkable progress over the last decade in terms of the expansion and evolution of the country's social protection system. From an institutional perspective, it is impressive what the government has achieved since the end of the armed conflict – attempting to promote inclusion in a context of entrenched inequality is certainly no mean feat. More promisingly still, the country looks to be heading further in the right direction, with the National Steering Committee on Social Protection leading on the development of a more comprehensive framework and strategy and the Social Protection Task Team supporting them in this endeavour.

4.8 The state: Social protection provider

Since the 1990s, and particularly since the official end to armed conflict, Nepal has demonstrated a political commitment to social protection. As Koehler (2011: 10) notes, 'Social protection transfers have become a highly visible component in social policy since 2008'.

In order to get a sense of the dominance of the state in the area of social protection in Nepal, a glance at the most up-to-date statistics on expenditure is instructive. According to the Ministry of Finance,

of the NPR 11.3 billion allocated to social protection for FY2011/12 – 3 percent of the total 'services and functions' allocation, and a 15 percent increase on the previous financial year – more than 95 percent is being provided by the government of Nepal.

Foreign grants and loans make up a nominal amount. Moreover, Table 10 illustrates the state plays an instrumental role not only in the financing, but also in the administration of the country's social protection initiatives. This evidence runs somewhat contrary to the claim made by Barrientos and Hulme (2008: 10) that, 'In Nepal much of the social protection effort is a patchwork of aid donor and NGO projects'.

The state's current interest and engagement in social protection surfaced neither abruptly nor in a vacuum. Indeed, elements of social protection have been part of the regulatory framework for some time now.

According to the new constitution of Nepal (2015) the state has a constitutional responsibility to adopt policies which aim to ensure the socio-economic security of historically marginalised and vulnerable groups, such as children, disabled persons and the elderly. In other words, social security and social protection provisions are now a firm part of the country's regulatory framework.

Yet, even before the Constitution was put in place, a number of Acts, regulations and policies intended to protect such groups had already been adopted by the state. For example, the Social Welfare Act 2049 of 1992 defines 'Social Welfare Activity' as activities oriented towards improving the social and economic status of weak, helpless and disabled individuals. Additional acts and policies related to social protection in Nepal include: the Children Welfare Act (1992), the Protection and Welfare of Disabled Persons Act (1982), Senior Citizens Working Policies, the National Women's Commission Act (2007), and the Retirement Fund Act (1985). Moreover, the country's periodic plans since the Tenth Development Plan have identified social exclusion as a fundamental development challenge. Nevertheless, the implementation of the provisions of these acts and polices are either weak, fragmented or selective, and therefore desired results have not yet been achieved.

Although Nepal's more recent constitutional adoptions may well have been spurred on by the end of armed conflict in 2006 and shaped by the increased potency of the 'official' narrative of social inclusion – indeed, social expenditure increased dramatically after 2006 (Das and Leino, 2011) – the commitment of the state to provide social security and promote social inclusion as outlined in the new Constitution (2015) is yet to be implemented.

The establishment of the National Steering Committee on Social Protection (NSCSP), which brings together representatives from various Ministries within the government (including Finance, Agriculture, Education, Labour and Transport Management, Health, Local Development and Women, Children and Social Welfare) is a good way forward. Amongst other things, the NSCSP has been spearheading the task of reviewing existing social protection programmes in order to develop a comprehensive and consolidated social protection framework for Nepal. It has been supported in by a Social Protection Task Team comprised of various national development partners (Kidd and Calder, 2011: 4).

In addition, the years following the CPA have seen the implementation of a number of public initiatives in line with the global Social Protection Floor, launched which deals with issues that range from child and disability grants to various employment programmes (UNICEF, 2010).

In the context of transition and peacebuilding, the visibility of the state in social protection policy and programming in Nepal is something that tends to be viewed and framed positively. Koehler (2011: 14) argues that because majority of the country's social protection schemes are in the fiscal budget and funded through tax revenues (rather than through external aid), they can be interpreted as 'elements in a nascent social contract' between citizens and state.

The OECD, too, has previously framed social protection in relation to 'the first stage of state-building' in Nepal (OECD, 2009: 25). Of course, empirically substantiating the supposed link between social protection and social contracts is methodologically challenging and, as yet, stronger evidences for this simply do not exist, at least

not in the Nepali context. However, the broader point is perhaps the degree of attention (and funding) afforded to social protection – and social services more broadly – by the government is striking. Indeed, the government has demonstrated a greater commitment to social protection than many other, richer surrounding countries and, in this sense, one could argue that 'socioeconomic security is being addressed systemically' by the state (Koehler, 2011: 15).

4.9   External actors in social protection

As mentioned above, a number of international development institutions and bilateral aid agencies have played important roles in the design of Nepal's social protection frameworks, policies and programmes, both in terms of programmatic technical design (ADB, 2011b; ILO, 2010) and more in-depth contextual analyses. Institutions such as ADB have also been active in both collecting and collating basic data on programme availability, coverage and targeting.

Although the state has been primarily responsible for financing and administering initiatives over the last ten to twenty years, external aid agencies have been pivotal in shaping the social protection policy landscape in Nepal, both through the promotion of particular programmes and the provision of knowledge and expertise. This 'support' role is reflected in and embodied by the aforementioned Social Protection Task Team, a group of development partners – including UNICEF and ILO (co-chairs), DFID, ADB, the World Bank, UNCDF, WHO, GIZ and WFP – whose purpose since 2006 has been to provide assistance and support to the government for the improvement of social protection in Nepal.

A number of agencies and NGOs are either funding or implementing social protection projects in Nepal, often in conjunction with one or more government Ministry. These projects tend to be conducted in a fairly piecemeal fashion and usually last for no more than three to four years. In addition, as mentioned above, many of the projects are geared more towards building technical capacity and aiding the design of interventions than frontline delivery of social

protection. For example, Mercy Corps are currently working on a project, funded by the EU and focusing on the East and Far West regions, to strengthen the capacity of 'underserved' communities to understand and access social protection measures for informal sector workers by supporting the registration and formalisation of informal safety nets.

Similarly, the World Bank is engaged in a project to improve the delivery of cash-based social safety nets through technical assistance and capacity building of Ministry of Local Development (World Bank, 2012). Holmes and Upadhyaya (2009) also point out various multilateral and bilateral agencies, such as DFID, ADB, UNICEF and JICA, are involved in both the funding and administration of various (conditional and unconditional) cash transfer programmes, often jointly with government Ministries.

4.10 Formal social protection initiatives

In 2005, the ADB introduced its Social Protection Index (SPI), which aims to summarise the extent of formal social protection in its member countries, thereby enabling a uniform comparison across the region. Revised by ADB in 2010, the index can be decomposed in several ways, such as by depth and breadth of coverage, by category, by poor and non-poor beneficiaries, and by gender. The 2011 SPI score for Nepal is 0.048 (ADB, 2011b). This means when the country's social protection expenditures are averaged over all potential beneficiaries, it allocates 4.8 percent of per capita poverty line expenditures to social protection. This is below the South Asia average, both in terms of median (0.081) and mean (0.117) values.

Concerns – which are to some extent substantiated by data – have also been expressed over the coverage and targeting of social protection in Nepal (Bhusal, 2012; Koehler, 2011; Tiwari, 2011). That said, the range of initiatives on offer is impressive, as is the centrality of the state to their financing and administration.

4.11 Summary of the chapter

This chapter has basically discussed the state of the social protection transfer in the conflict and the post-conflict contexts. It has analysed the types of social protection measures including the social protection programmes, formal social insurance, social assistance etc. In addition to these programmes, this chapter has examined the labour market programmes that the state has implemented to improve and support the livelihoods of the poor people and the government servants who have served the country. This chapter has also analyzed how the provisions of the social protection schemes have assisted the vulnerable population in fulfilling their livelihood needs during their hardships. Finally, this chapter has also assessed the effectiveness of the social protection programmes in improving livelihood of the people. In order to continue these social protection services the roles that the state (along with the assistance of the external actors) is supposed to play have been recommended.

* * * * *

Chapter	People's experiences of
5	service delivery governance[1]

5.1   Introduction

This chapter presents the key findings of the baseline survey conducted in Ilam, Bardiya and Rolpa districts of Nepal. It assesses the state of people's livelihoods (income-generating activities, asset portfolios, food security, constraining and enabling factors within the broader institutional and geographical context), status of people's access to basic services (education, health, water), social protection and livelihood assistance, and their relationships with governance processes and practices (participation in public meetings, experience with grievance mechanisms, perceptions of major political actors). The survey data were collected from a sample of 3,176 households from September to November 2012.

5.2   Major issues

Three key findings emerged from our analysis of the livelihood data. First, the data shows agriculture remains the major livelihood activity, with close to 80 percent of households participating in it. It is the most important income source for around 46 percent of households. Only a negligible share of households had members who held a private sector job, while about 10 percent of households had at least one member working in the public sector.

Second, we find higher levels of education and the ability of a household to obtain a loan during an emergency are significantly

---

associated with lower levels of food insecurity and with higher levels of asset ownership. The significance of the 'access to a loan' variable suggests when households have access to financial safety nets or response mechanisms such as loans, particularly in tough times, they are more likely to be better off. Of course, the direction of causality might flow the other way: it may be that wealthier, more food-secure households find it easier to access loans, perhaps because they are trusted more by other households or financial organisations. On the other hand, we find that poor households are more likely to be food insecure and have fewer assets.

Third, in terms of the links between food insecurity and asset ownership, four variables stand out. We find female-headed households are likely to be less food insecure but also less wealthy. We also find households in urban locations in our sample are likely to be wealthier but more food insecure. Land access could be an influence here, because those in urban areas may lack the safety net effects of subsistence agriculture when food prices spike. We find the receipt of a social protection transfer is associated with greater asset ownership (possibly because the transfer buffers against asset depletion, such as selling assets to buy food) but also with higher levels of food insecurity. And finally, although not sharing a statistically significant relationship with food insecurity, the receipt of a livelihoods assistance transfer is also associated with greater household wealth.

Looking across the range of services covered by the survey – health, education, water, social protection and livelihoods assistance – we can identify four key findings regarding households' access to, and experience of, basic services in our sample.

First, the number of shocks experienced by a household in the last three years generally appears to be linked to worse service-related outcomes. For example, exposure to a greater number of shocks is associated with longer journey times to health clinics, greater dissatisfaction with health clinics and a lower likelihood of receiving social protection. The exception is livelihood assistance, but we think this is explained by the fact that it is mainly received

by households with greater assets.

Second, in terms of social protection and livelihoods assistance coverage, 38 percent of households in our sample population received some form of social protection over the past year, while 16 percent of households received some form of livelihoods assistance over the same period. Interestingly, there are more female than male respondents who reported to have received livelihoods assistance.

Regression analyses suggest social protection programmes generally appear to be fairly well targeted – with older, female-headed, less educated and more food-insecure households more likely to have received a transfer – although households experiencing a greater number of shocks in the last three years are less likely to have accessed social protection. Third, levels of satisfaction with services are generally fairly strong. For example:

- More than 70 percent of respondents said they were either 'very' or 'fairly' satisfied with their health–service on the basis of their most recent visit. Up to 64 percent of women tend to be fairly satisfied with the health services as opposed to 60 percent of men,

- Just under 90 percent of respondents felt the water they accessed was clean and safe (it is based on respondents' perception),

- More than 80 percent of those receiving a form of livelihoods assistance (e.g. seeds,tools, and fertiliser vouchers) felt the assistance had helped improve agricultural production or another livelihood activity.

The study found social protection an exception. When asked about the effectiveness of the Old-Age Allowance, less than 10 percent of beneficiaries in the sample felt the transfer helped either 'quite a lot' or 'a lot'. The vast majority of beneficiaries felt the transfer helped 'a bit' (insofar as it allowed them to buy some extra food). And finally, although there is no consistent set of variables explaining why some respondents are more satisfied with services

than others, there is some indication that people's specific personal experiences with the service heavily influences their overall level of satisfaction. For example, when respondents are dissatisfied with specific aspects of the health service centre– such as waiting times, availability of quality staff – they are much more likely to be dissatisfied with the overall service. When we look at respondents' satisfaction with education, we find a very similar story.

There are a number of key findings regarding respondents' perceptions of local and central government. First, the vast majority of respondents have very low levels of trust and confidence in both local and central levels of government. Perceptions of the central government are comparatively worse than those of the local government.

Female respondents have a more negative perception of the local government than male respondents, but the difference is not statistically significant. Second, few factors appear to consistently influence perceptions of both local and central government. However, we do find the higher the number of service-related problems a household experiences, the worse a respondent's perceptions of local and central government are likely to be. This suggests a possible lack of effective accountability or grievance mechanisms in government service provisions, and weak responsiveness from those in power locally and centrally.

On the same theme, there is also some evidence that respondents are likely to hold more positive perceptions of local and central government if they (1) are aware of official complaints procedures regarding services, or (2) have recently been consulted about services.

On the other hand, access to services – whether measured by journey times to facilities or by receipts of a transfer – does not have a clear or significant relationship with perceptions of government. This suggests the way in which services are being delivered (participatory, accountable etc.) is as important as what is delivered. Third and related to the above finding, there does not appear to be any consistent statistical relationship between

perceptions and a variety of factors one might expect to matter. For example, for variables we thought would each have strong influences on perceptions, such as economic characteristics of households and the extent to which they participate in community meetings, we find no correlation.

5.3 Legitimacy: people's perceptions of governance and the role of service delivery

Establishing, building or strengthening state legitimacy is a major element of state building. The Organization for Economic Co-operation and Development (OECD) (2010: 3), for example, notes 'state legitimacy matters because it provides the basis for rule by consent rather than by coercion.' Indeed, a lack of state legitimacy is seen as a major contributor to state fragility because it undermines state authority. While the steps they can take to influence state legitimacy are few, donors do have an interest in developing a clearer understanding of the following: what leads to legitimacy? What, if anything, can they do to strengthen state–society relations? And what might be the (unintended) positive and negative impacts of their programming on state legitimacy if they, for example, route development funding via bodies other than the formal organs of the state?

Literature reviews found very little evidence for the frequent assertion that improving access to services and social protection in conflict-affected situations contributes to state building (Carpenter et al., 2012). The relationship between delivering services and state–society relations remains poorly understood. Given the cited importance of legitimacy in state-building processes – as the European Report on Development (2009: 93) notes, 'State-building efforts are bound to fail if, in strengthening institutional capacities, the legitimacy of the state is not restored' – it is both surprising and concerning that we have so little robust knowledge about what leads to state legitimacy.

Literature reviews have also spotted gaps between service provision and the extent to which people know about or use those services.

Also, the major focus of much conflict research in Nepal has been on the causes and types of conflict, disregarding actual impacts on the livelihoods and basic services of people affected (Bohara et al., 2006; Do and Iyer, 2010; Murshed and Gates, 2005; Nepal et al., 2011, as cited in Upreti et al., 2012).

Despite these gaps, state building, encompassing both legitimacy and capacity, provides the organising framework for much international engagement in conflict-affected situations. In tackling this question we are taking up the OECD's call for donors to 'seek a much better understanding – through perception surveys, research and local networking – of local people's perceptions and beliefs about what constitutes legitimate political authority and acceptable behaviour' (OECD, 2010: 55).

5.4   Livelihood trajectories: tracking change and identifying determinants

Literature reviews carried out during SLRC's inception year identified empirical and longitudinal research on livelihoods in conflict-affected situations as a key evidence gap. Good in-depth case studies can sometimes be found on livelihood strategies in particular contexts, but these are usually just snapshots.

Qualitative case study approaches are also insufficiently linked to quantitative survey data. The reviews also revealed a significant gap in any comparative analysis of the effectiveness and impact of interventions to support livelihoods (Mallett and Slater, 2012).

There is some evaluation and academic literature that examines the impact of particular projects or programmes, but very little that looks at the overall significance of aid in people's livelihoods and compares the impact of different approaches. The Nepal inception report also identified that focus had been placed only on the material facet of livelihoods, leaving out people's aspirations and perceptions (Upreti et al., 2012). Thus, perceptions have been a major focus of the SLRC survey. SLRC's research programme aims to fill some of these gaps by building a picture of how people make

a living in particular contexts and tracking how this changes over time.

Regarding the first theme, legitimacy, our approach is centred on documenting and analysing people's views on governance in conflict-affected situations. The survey incorporated questions about perception that allow us to investigate difficult-to-measure, subjective issues such as trust and satisfaction, and provides both a comparative snapshot and a longitudinal perspective. Regarding livelihood trajectories, the focus is on how people make a living in particular contexts, track how this changes over time, and to shed light on what causes change: whether people are recovering or starting to build stronger and more secure livelihoods, whether they are stuck in poverty or sliding into destitution, and how the broader political, economic and security environment affects this.

The survey combines elements of both perception and livelihoods surveys, enabling a dual focus on governance and legitimacy, and livelihood trajectories that links perceptions directly with experiences, generates data in fragile and conflict-affected contexts. This allows us to identify similarities and differences between different fragile contexts, differentiate between levels of government and different forms of governance and finally generates information on livelihoods beyond simple income measures.

5.4.1 Livelihood and wellbeing status

Livelihoods and wellbeing are broad concepts and cannot be meaningfully captured by a single indicator, which can be measured in two different ways by looking at: household asset ownership (as a proxy for wealth) and food security. Variations in livelihood status can be explained by a number of different factors. These include:

- *Household factors:* These include demographic characteristics of the household, religion/ethnicity of the household, and education and migration characteristics.
- *Contextual factors:* These include location, indicators accounting for season, occurrence of conflict, perceptions of safety in the neighborhood and moving to work, as well

as other indicators of livelihood opportunities/constraints (e.g. availability of credit).

- *Shocks experienced by a household:* These include natural disasters and economic shocks, as well as crime and conflict.
- *Differential access to basic services, social protection and livelihood assistances and the quality of these services/ transfers.*
- *Serious crimes committed by parties to the conflict experienced by a household:* These include serious crimes under international humanitarian and human rights law.

5.4.2 Access to and experience of basic services, social protection and livelihood assistance

We are interested in knowing which factors determine access to and experience of services. We measure access to services in terms of distance in minutes to the closest service provider last used (for health, education and water) and someone having received social protection transfer or livelihoods assistance.

Variations in access to services can be explained by a number of different factors. These include: a) individual and household characteristics (as discussed above), b) contextual factors (as discussed above), c) shocks experienced by the household (as discussed above), d) implementation and performance of basic services, social protection and livelihood assistance.

The implementation and performance of basic services (e.g. regularity of the provision, whoprovides the service etc.) may affect access to basic services, social protection and livelihoods assistance, and serious crimes committed by parties to the conflict experienced by a household (as discussed previously). The aim of the quantitative analysis is to estimate if and to what extent the above factors determine the main outcome (access).

We measure experience in terms of overall satisfaction with the service provided (health and education), if clean water is being provided and self-perceived impact for social protection and

livelihoods assistance. We argue variations in experience of services can be explained by a number of different factors. These include: a) *individual and household characteristics*, b) *contextual factors,* c) *shocks experienced by the household*, d) *access to basic services*(we expect distance is likely to affect experience of services), and e) *implementation and performance of basic services, social protection and livelihood assistance* (as discussed above). The aim of the quantitative analysis is to estimate if and to what extent the above factors determine the main outcome (satisfaction with the service/transfer).

5.4.3 People's perceptions of governance and the role of service delivery

The analysis of people's perceptions of governance is more complicated. We propose perceptions of governance are determined, as before, by individual and household characteristics, context and shocks experienced. We then look specifically at the explanatory role of: (1) access to basic services, social protection and livelihood assistance, (2) the experience of those using these, and (3) implementation and performance of the services.

We therefore propose the following factors may determine people's perceptions of governance: a) *individual and household characteristics, b*) *contextual factors,* c) *shocks experienced by the household, d*) *serious crimes committed by parties to the conflict experienced by a household, and e*) *access to basic services, social protection and livelihood assistance.*

We expect that access to services and social protection and livelihood assistance affects perceptions of governance. In particular, not having access is likely to affect perceptions of certain governance actors as a) *Experience of using basic services, social protection and livelihood assistance*. We expect the experience in using/receiving services and social protection and livelihoods assistance affects perceptions of governance. In particular, having a negative experience is likely to affect perceptions of certain governance actors.

The implementation and performance of services, social protection, and livelihoods assistance may affect perceptions of governance. Waiting time, regularity and costs in accessing services and social protection are likely to determine how state governance is perceived by individuals, particularly if the transfer is government-provided. The aim of the quantitative analysis is to estimate if and how much the above factors – and in particular those relating to services – determine the main outcome (perceptions of governance).

As the findings of the study conducted by NCCR (Upreti et al., 2012) are generally in line with results from the Nepal Living Standards Survey (NPC, 2011), the data from this study reveal the main sector of employment in Nepal for both men and women is self-employment in agricultural activities, with 28 percent of household income generated through agriculture. This is followed by 17 percent from remittances. In Nepal, remittances now account for 25 percent of GDP (World Bank, 2013). Findings of the NCCR study (Upreti et al., 2012) show almost one-quarter (24.8 percent) of households reported to receiving remittances in the previous three years. However, remittances were identified as the primary source of income by just 9.6 percent of households.

5.4.3.1 Food security

Nepal was largely food-secure until the 1980s (Adhikari, 2010), but with population growth and low agricultural production in the 1990s (Tiwari, 2007) levels of food insecurity began to rise. However, different regions and districts have experienced different forms of food insecurity.

A study (Upreti et al., 2012) has measured food insecurity using the Coping Strategies Index. Coping Strategies Index scores ranged between 0 and 32.0, with a mean value of 3.23 and a median value of 0.0; the distribution of food insecurity scores across all households in the sample shows that 70 percent of households fell below the mean. The low median value emerges because 56 percent of surveyed households did not report to using any food insecurity coping strategies, with a further 19.1 percent of households adopting such strategies only very rarely. Only 13.2 percent had to adopt coping strategies four to five times during the

period in question. This indicates low levels of food insecurity in the sample areas at the time of the survey, which makes sense given that the survey was conducted in the post-harvest period.

This study found the mean Coping Strategies Index is lower for rural households in the sample (mean 3.03) than urban households (mean 3.65). While this could be explained partially by a lower availability of land for production in urban areas or by high inflation of food prices in recent times, it contradicts with the findings from the wider literature that rural or hilly areas in Nepal are particularly food insecure (Adhikari, 2010; Ghale and Bishokarma, 2013; Gill et al., 2003).

Indeed, some studies show that while Nepal is a country with generally low food security, rural areas are relatively more vulnerable in terms of the range of livelihoods options available to people – something which has been exacerbated by insurgency (Seddon and Adhikari, 2003; Upreti et al., 2012). The same study (Upreti et al., 2012) found mean food insecurity scores are highest for households engaged primarily in non-agricultural casual labour (7.125) and lowest for those engaged primarily in agricultural casual labour (1.06). This is initially surprising since casual labour in agriculture is by definition not a reliable income source and casual labourers are also not likely to own their own land. This finding could be explained by the post-harvest timing of the survey or by labourers being paid in food.

5.4.3.2 Livelihoods and wellbeing

Three features are visible. First, data shows agriculture remains the major livelihood activity, with close to 80 percent of households participating in agriculture. It is the most important income source for around 46 percent of households (Upreti et al., 2012). Only a negligible share of households had members who held a private sector job, while about 10 percent of households had at least one member working in the public sector.

Second, we find that higher levels of household education and the ability of a household to obtain a loan in an emergency are

significantly associated with lower levels of food insecurity and with higher levels of asset ownership. The significance of the 'access to a loan' variable suggests when households have access to financial safety nets or response mechanisms such as loans, particularly in tough times, they are more likely to be better off. Of course, the direction of causality might flow the other way: it may instead be that wealthier, more food-secure households find it easier to access loans, perhaps because they are trusted more by other households and financial organisations. On the other hand, we find poor households are more likely to be food insecure and have fewer assets.

Third, in terms of the links between food insecurity and asset ownership, there are four variables that stand out. We find female-headed households are likely to be less food insecure but also less wealthy. It is not clear why this is the case, but women may prioritise 'consumption' over asset-building, as research from some countries suggests (e.g. Khan and Khalid, 2012 for Pakistan). We also find households in urban locations in our sample are likely to be wealthier but more food insecure.

Questions about land might be particularly important here, as those in urban areas may lack the safety net effects of subsistence agriculture when food prices spike. We find the receipt of a social protection transfer is associated with greater wealth but also with higher levels of food insecurity, possibly because social protection protects households against asset depletion, but we cannot draw any conclusions on the direction of causality. And finally, although not sharing a statistically significant relationship with food insecurity, the receipt of a livelihoods assistance transfer is also associated with greater household wealth.

5.5   People's access to basic services, social protection and livelihoods assistance

This section looks at people's access to and experience with a range of basic services, including health, education, water, social protection and livelihoods assistance. We provide information on how access and experience vary across the sample, before drawing

on regression findings to try and explain what might be driving the variations. Findings are statistically significant, except if specified otherwise.

We use a simple indicator of access to basic services: journey time. For health services, this means the time taken in minutes to travel to the nearest health clinic; for education it means the time taken in minutes to travel to the public school used by the household (we asked girls and boys separately); and for water it means the time taken in minutes to travel to the water access point used by the household (if that point is located outside of the dwelling). For social protection and livelihood assistance, we measured access by asking ifat least a single member of the household had received a transfer in the last year.

In exploring experience of services, we are particularly interested in how individuals perceive the basic service and/or social protection or livelihood transfer. For basic services, we consider individual-level perceptions of satisfaction with the basic service, both in an overall sense (asking, 'Overall, how satisfied are you with the quality of the service on the basis of your most recent use of [... service]?'), as well as in a more disaggregated sense (by asking people about their experience with particular characteristics of a service, such as waiting times, teacher attendance and so on). For social protection and livelihood assistance, we use perceived impact as a measure of experience.

5.5.1 Health

The study of Upreti et al., (2012), shows the mean time taken to reach the nearest health centre was 40.22 minutes for the sample population as a whole. There were large and statistically significant differences in journey times between households in the study districts (Rolpa, Bardiya and Ilam). Journey times were lowest for households in Bardiya (20.93 minutes) – a district in the relatively accessible and well-connected Terai – whereas in Rolpa and Ilam the average times taken were 61.53 minutes and 46.75 minutes, respectively.

A series of factors might be responsible for causing variations in households' access to health clinics. Geography is particularly important as households in Rolpa face longer journey times because it has more difficult terrain than Bardiya and Ilam. We also found higher levels of education within the household are associated with shorter journey times as it could be linked to location, as more highly educated households are more likely to be found in urban areas. This is a trend that is also observed for other services. Finally, a series of factors related to the running of the health service emerged as statistically significant: households who had to pay official fees at the clinic, whose clinic was run by government or who had attended a community meeting on health services were all more likely to face longer journey times.

Overall, respondents seemed relatively satisfied with the quality of health services (based on their most recent use of the facility). More than 70 percent of those interviewed reported to being either 'very' or 'fairly' satisfied with the service. Just over 6 percent reported being either 'very dissatisfied' or 'dissatisfied' (Upreti et al., 2012).

When respondents were dissatisfied with specific aspects of the health clinic – such as waiting times, availability of medicine and number of qualified staff – they were much more likely to be dissatisfied with the overall service. This suggests the way a health service is implemented and run determines, at least in part, levels of satisfaction more generally, rather than factors not related to direct experiences of the service.

Similarly, regression results show respondents who have to pay fees – either official or informal – as well as those who attended a clinic run by the government are more likely to be dissatisfied with the overall service. People living in urban households were less likely to report dissatisfaction with the health clinic, as were those who report to feeling safe in their neighbourhood. Respondents from households located in Rolpa or Bardiya were less likely to report dissatisfaction compared to their counterparts in Ilam.

Finally, we find the greater the number of shocks a household experienced in the last three years, the more likely their respondent was to report dissatisfaction with the health clinic. Therefore, such respondents were both more likely to (1) face longer journey times to a clinic, and (2) report dissatisfaction with the service.

5.5.2 Education

Access to education was measured using journey times to public schools for bothgirls and boys within households (Upreti et al., 2012). Boys' and girls' access to public school education was separated in order to examine whether gender norms and discriminative practices towards girls still existed. There is very little difference between girls' and boys' travel times. Girls travelled on average 23.7 minutes to school and boys 24.9 minutes. Boys' longer travel times seem to be linked to the types of schools boys were attending. Among the girls going to school, 63.4 percent went to a government school, whereas 36.7 percent went to a private school. In comparison, 41 percent of boys went to private schools. The difference is small but statistically significant. This suggests boys' slightly longer travel time may be explained by the fact that they are more likely to attend a private school than girls, with private schools often being further away. The reasons why boys are more likely to attend private schools than girls need to be explored further to find out if there is gender discrimination at play.

One of the main findings of the study by Upreti et al., (2012) is that satisfaction with a range of specific aspects of the service – such as teacher attendance, class sizes and quality of the teaching – is highly correlated with greater satisfaction with the service as a whole. Again, this strongly suggests the specific features of a service are important in shaping people's overall perceptions.

5.5.3 Water

The survey data of the study of Upreti et al., (2012) tells us the majority of households (52 percent) in our sample population accessed their water from a tap, compared to 40 percent who drew their water from a tube well. The share of households relying

on either bottled water from shops or river sources was low (0.2 percent and 1 percent respectively). In terms of how long it takes households to access water, this study found considerable statistically significant differences in journey times across the three districts (Ilam, Bardiya and Rolpa). We see that while 90.8 percent of households in Bardiya and 73.6 percent of households in Ilam had access to water in their own house, just 3.5 percent of households in Rolpa enjoyed the same level of access. Various features of the service are also found to be statistically significant: while having to queue for water is associated with longer journey times, households who attended a community meeting about water services in the last 12 months were more likely to face shorter journey times. Regarding the (perceived) quality of the water they used, the vast majority of households in the sample (89.4 percent) reported to having access to clean and safe water. We observe slight variations in the (perceived) quality of water across different groupings of the overall sample.

Relatively more households in Ilam (92.3 percent of the sample there) reported they had access to safe and clean water compared with Rolpa (88.8 percent) and Bardiya (86.8 percent). Likewise, 95 percent of those accessing water provided through NGOs perceived the quality to be good, compared with 92.3 percent of those using government-run water points and 88.2 percent of those using private or personal sources. Relatively fewer food-insecure households had access to safe and clean water compared with food-secure households. While the correlation is statistically significant, we cannot be sure in which direction causality goes, or if both are the result of a third factor, such as poverty. Households in urban areas were less likely to have access to water perceived to be clean and safe.

Households in Bardiya and Rolpa are also less likely to have access to water of such quality, compared to those in Ilam. It is not clear whether higher initial expectations resulted in lower subjective assessments of quality, or whether this is related to health issues as a result of unclean water, as anecdotal evidence from the fieldwork indicated.

5.5.4 Social protection

Regarding access to a range of social protection transfers in the last year, including the Old-Age Allowance, the disability grant, the single woman/widow allowance received by any member of their household, more than one-third of households (38 percent) had received at least one social protection transfer in the previous year. The most commonly received social protection transfers were the child grant (15.6 percent of households in the sample), the Old-Age Allowance (12.5 percent) and the single woman/widow allowance (6.9 percent) (Upreti et al., 2012). A significantly higher proportion of households in Rolpa (44.7 percent) received some social protection compared with households in Bardiya and Ilam. This may be explained partially by geographical variations in degrees of conflict-affectedness, and the subsequent targeting of certain transfers to those affected by war. Indeed, Rolpa has been a focus of attention since the conflict: the district has become a centre for many NGOs and international NGOs, as well as government and other development organisations (ibid).

The receipt of social protection also varied according to household size, with differences being statistically significant. Among households of six persons or more, 55.2 percent had been receiving at least one social protection transfer; for households of four to five members, the proportion was 37.5 percent and for households of one to three members it was 24.9 percent. It is clear a greater proportion of large families receive some form of social protection. This is arguably because such households have more members (children older people) who are eligible for social protection. Dalit households were specifically targeted with a number of social protection transfers. The survey data confirms this: receipt of transfers was most common among Dalit households: 67 percent received social protection (with a statistically significant difference) compared with 56.9 percent of Madhesi households and 44.3 percent of Muslim households.

Regarding the effectiveness of the received social protection transfers, especially the Old-Age Allowance (most widely disbursed

transfer in the country), the majority of beneficiaries of the Old-Age Allowance felt the transfer helped them. Perceptions of the impact of the Old-Age Allowance are positive. However, beneficiaries seem to prefer regular payments to lump sum payments. Overall, these findings show the importance of reliability and adequacy of the transfer in terms of achieving positive satisfaction.

5.6 Livelihoods assistance

Livelihoods assistance refers to a range of interventions provided by the state or aid agencies designed to increase the productivity of primarily rural and agricultural households.

In terms of how people received livelihood assistance geographically, the study of Upreti et al., (2012) shows a significantly higher share of households in Rolpa (around one-quarter) received at least one form of livelihoods assistance compared with 11.7 percent in Bardiya and 14.4 percent in Ilam. A statistically significant higher proportion of Dalit households (22.7 percent) received at least one form of livelihoods assistance in the previous year compared with other ethnic groups. For example, just 6.4 percent of Madhesi households and 15.6 percent of Janjati/indigenous households received any form of support.

Compared to households in Ilam, households from our sample population in Rolpa were more likely to receive livelihood assistance, while households in Bardiya were less likely to receive it. On the other hand, a household was more likely to access livelihood assistance if it had greater assets (supporting what the descriptive statistics found), if it received remittances or if it had participated in community meetings regarding livelihood assistance.

5.7   Perceptions of governance

The study of Upreti et al., (2012), examined what people think about governance in their area. Using a series of outcome indicators that measure people's trust and confidence in local and central government, people's experiences with, and perceptions of, governance was examined. It also focused on respondents'

attitudes towards local and central government, and drew on regression analyses to suggest what might be driving negative or positive perceptions. Findings are statistically significant, except if specified otherwise.

The perceptions were examined at two levels: local government and central government. Local government refers to three types of administrative unit: District Development Committees (DDCs), Village Development Committees (VDCs) and municipalities.

The Local Self-Governance Act 1999 clearly defines who the authorities are and what responsibilities local governments have. Central government refers to the body that performs centralised planning and budgeting at the central level. Local government refers to the decentralised body that functions under the supervision of central government, taking up the responsibilities of all the work associated with the ministry bodies present at the local level.

5.7.1 Perceptions of local government

More than half of the respondents (56.7 percent) of the study of Upreti et al., (2012) responded they felt the decisions of those in power at the local government never reflected their own priorities, while less than one-third (30.1 percent) felt the decisions reflected some of their priorities. Only a small minority of respondents felt the local government's decisions either 'completely' or 'to a large extent' reflected their own priorities.

Levels of confidence in government varied only slightly across the study districts, with a higher proportion of our sample population in Bardiya reporting the local government's decisions 'never' reflected their priorities, and were generally less positive compared with those in Rolpa and Ilam. However, the proportions of respondents reporting positive perceptions were consistently low, with less than 5 percent of respondents in each district stating either 'completely' or 'to a large extent'.

We found respondents generally have negative perceptions of the government (Upreti et al., 2012). For example: a) around 58

percent of rural respondents felt local government decisions 'never' reflected their priorities, compared with around 54 percent of urban respondents, b) 52.6 percent of male respondents and 60.2 percent of female respondents reported 'never', and c) levels of dissatisfaction were highest among Madhesis (68.1 percent reporting 'never') and lowest among the Janjati/indigenous groups, although a majority (55.2 percent) still reported 'never'. Both groups can be considered middle-castes. However, there was a fairly low level of confidence in the local government across our sample population. Nevertheless, people hold positive perceptions of local government compared to central government.

We also looked at the relationship between people's access to grievance mechanisms and the accountability of the government, and their perceptions of the local government. Respondents living in households that experienced a greater number of service-related problems were: (1) more likely to feel the local government does not care about their opinion and (2) less likely to feel that decisions 'largely' or 'completely' reflect their priorities. This suggests a possible lack of effective accountability or grievance mechanisms in local government service provision, and weak responsiveness from those in power locally.

Incidentally, results from the multinomial regression analysis show the more grievance mechanisms – or complaints procedures – a respondent knows about, the more likely they are to feel that local government decisions 'largely' or 'completely' reflect their priorities. Finally, results from both regressions show that the more a respondent is consulted about services, the more positively they feel about local government. This suggests the way in which services are being delivered (participatory, accountable, etc.) is as important as what is delivered.

5.7.2 Perceptions of central government

The story is even less encouraging when looking at respondents' views of central government. When asked to what extent did they feel the decisions of those in power in the central government

reflect their priorities, almost 70 percent of the 2,572 respondents felt the decisions of those in central government 'never' reflected their own priorities (Upreti et al., 2012).

Although respondents' levels of confidence in both local and central government were generally low, perceptions of central government were consistently worse than those of local government to a statistically significant degree.

To summarise, first, the vast majority of respondents have very low levels of trust and confidence in both local and central levels of government (as measured by our two outcome indicators, 'Do you have trust in the government?' and 'Do decisions taken reflect your priorities?').

Perceptions of central government are comparatively worse than those of local government. Second, few factors appear to consistently influence perceptions of both local and central government. Possible lack of effective accountability or grievance mechanisms in government service provision and weak responsiveness from those in power locally and centrally.

On the same theme, there is also some evidence that respondents are likely to hold more positive perceptions of local and central government if they: (1) are aware of official complaints procedures regarding services or (2) have recently been consulted about services.

On the other hand, the access to services – measured either by journey times to facilities or by receipt of a transfer – does not have a clear and statistically significant relationship with perceptions of government. This suggests the way in which services are being delivered (participatory, accountable, etc.) is as important as what is delivered. Third and related to the above finding, there does not appear to be any consistent statistical relationship between perceptions and a variety of factors one might expect to matter. For example, we find no correlation for variables we thought would each have strong influences on perceptions, such as economic

characteristics of households and the extent to which they participate in community meetings.

5.8   Major issues raised in the chapter

This chapter looks across the range of services, especially health, education, drinking water, social protection and livelihoods assistance and presents the key findings related to households' access to, and experience of basic services. They are:

a) The number of shocks experienced by a household in the last three years generally appears to be linked to worse service-related outcomes. For example, exposure to a greater number of shocks is associated with longer journey times to health clinics, greater dissatisfaction with health clinics and a lower likelihood of receiving social protection,

b) In terms of social protection and livelihoods assistance coverage, 38 percent of households in our sample population received some form of social protection over the past year, while 16 percent of households received some form of livelihoods assistance over the same period. Interestingly, there are more female than male respondents said they received livelihoods assistance. Social protection programmes generally appear to be fairly well targeted – with older, female-headed, less educated and more food-insecure households all more likely to have received a transfer – although households experiencing a greater number of shocks in the last three years are less likely to have accessed social protection,

c) Satisfaction levels with services were generally fairly high. For example: (i) more than 70 percent of respondents reported to being either 'very' or 'fairly' satisfied with the health service on the basis of their most recent visit (64 percent of women tend to be fairly satisfied with the health services as opposed to 60 percent of men), (ii) just under 90 percent of respondents felt the water they had access to was clean and safe, and (iii) more than 80 percent of those receiving a form of livelihoods

assistance (e.g. seeds and tools, and fertiliser vouchers) felt the assistance had helped improve agricultural production or another livelihood activity. When asked about the effectiveness of the Old-Age Allowance, less than 10 percent of beneficiaries in the sample felt the transfer helped either 'quite a lot' or 'a lot'. The vast majority of beneficiaries felt the transfer helped 'a bit'. People's specific personal experiences with the service heavily influence their overall level of satisfaction. For example, when respondents were dissatisfied with specific aspects of the health clinic – such as waiting times, availability of quality staff – they were much more likely to be dissatisfied with the service overall.

5.9 Summary of the chapter

This chapter has presented summary of the findings of a study of Upreti et al., (2012), and has a basic focus on livelihoods and wellbeing (activities, asset ownership, and food insecurity). The study has shown agriculture still remains to be the major livelihood activity, with close to 80 percent of households participating in agriculture. It is the most important livelihood source for around 46 percent of households. Only a negligible share of households had members who held a private sector job, while about 10 percent of households had at least one member working in the public sector.

Further, this chapter has demonstrated that higher levels of household education and the ability of a household to obtain a loan in an emergency are significantly associated with lower levels of food insecurity and with higher levels of asset ownership. The significance of the 'access to a loan' variable suggests when households have access to financial safety nets or response mechanisms such as loans, particularly in tough times, they are more likely to be better off. Of course, the direction of causality might flow the other way: as indicated throughout this chapter, it may mean that the wealthier and more food-secure households find it easier to access loans in their hard times, perhaps because they are trusted more by other households or financial organisations.

This chapter has examined the links between food insecurity and asset ownership. It has been found that the female-headed households are likely to be less food insecure but also less wealthy. Similarly, households in urban locations are likely to be wealthier but more food insecure. Questions about land might be particularly important here, as those in urban areas may lack the safety net effects of subsistence agriculture when food prices spike. The receipt of a social protection transfer is found to be associated with greater wealth, while it is found associated with higher levels of food insecurity also. As argued in the chapter, it is possibly because social protection protects households against asset depletion.

Regarding the perceptions of people about local and central government, this chapter has demonstrated the vast majority of respondents have very low levels of trust and confidence in both local and central levels of government. Perceptions of central government are worse than those of local government. Though the difference is found to be statistically insignificant, female respondents have a more negative perception of the local government than male respondents. The chapter has briefed some determinants that appeared to have consistent influence on peoples' perceptions of both the local and central government, which include: (a) lack of accountability and grievance redressing mechanisms in government service provisions, and (b) unsatisfactory responsiveness of those in power at local and central level. This suggests the way in which services are being delivered (participatory, accountable etc.) is as important as what is delivered.

<p style="text-align:center">* * * * *</p>

<table>
<tr><td rowspan="2">**Chapter**

6</td><td>Social protection and users'</td></tr>
<tr><td>perceptions of the state:
Reflections from the Old Age
Allowance programme[1]</td></tr>
</table>

6.1   Introduction

The OAA is the most important component of social protection in Nepal. This chapter presents how people perceive the OAA service provided by the state. The OAA was introduced in 1994 by then Prime Minister Manmohan Adhikari of the United Marxist and Leninist (UML) Party of Nepal. Since then the government adopted and made various modifications to the OAA programme on different occasions.

The Ministry of Women, Children and Social Welfare (MoWCSW) and the Ministry of Federal Affairs and Local Development manage coordination at the central and local level respectively, whereas the VDC level administration operates the actual distribution of the OAA.

This chapter offers differences in perceptions depending on social and demographic characteristics and identifies how specific experiences affect perceptions among people with different characteristics – men and women as well as people from different social groups, such as Brahmins, Chhetris, Dalits and Janjatis. While discussing the effectiveness of OAA, detail qualitative studies were conducted in Liwang and Budagaon VDC of Rolpa in addition to the broader study conducted in Ilam, Bardiya and Rolpa districts for six years.

This chapter examines how the OAA programme influences people's views and attitudes towards the state and contributes to

---

[1] *This chapter is based on the NCCR-SLRC Working Paper (25) entitled 'The OAA and perceptions of the state in Rolpa district, Nepal'. Authored by Sony KC, Bishnu Raj Upreti, Suman Babu Paudel, Gopikesh Acharya, Annal Tandukar and Babken Babajanian, the Working Paper was published by SLRC/ODI/NCCR in 2014.*

state legitimacy in Nepal. Individuals can have multiple (positive and negative) perceptions of the state, which are associated with specific experiences and impacts of programme. These perceptions relate to people's assessment of how well the state fulfilled the main objectives it set out to achieve through the establishment of pensions. These objectives can be considered as the main premises of the social contract in Nepal and they include the government's commitment to institutionalise social support for older persons, contribute to people's well-being, and promote social inclusion.

This chapter analyses people's perceptions based on the evidences generated from the six years of research. Public perceptions are linked with effects of pensions on personal, family and community relations, the process of delivering benefits and people's experiences of receiving benefits. This chapter offers valuable insight into the beneficiaries' experiences, concerns and priorities and enables lessons to be drawn for improving the OAA so that policy makers can learn how to adjust and improve programme design and implementation, and enhance the contribution of the allowance to people's lives and livelihoods. This in turn can help foster positive perceptions of the state and contribute to state legitimacy. These policy measures include increasing the value of the benefit, equalising the eligibility threshold, improving the benefit delivery capacity of responsible agencies, facilitating convenient and cost-free access to benefits, promoting effective information sharing and outreach, and introducing sectoral improvements for inclusive service delivery of social protection programme.

6.2   The Old Age Allowance Programme

The OAA programme has national coverage and offers universal categorical provision that offers benefits to all citizens of eligible age who are not entitled to contributory pensions. As such, it is different from means-tested social pensions that cover old-age individuals whose income is below a predefined income threshold (e.g. in Bangladesh). The National Population and Housing Census suggests there are over 2.1 million senior citizens aged 60 and above in Nepal, which is about 8 percent of the total population (NPC, 2012b).

The universal entitlement in Nepal has ensured that over 80 percent of old-age individuals receive pensions (Babajanian, 2013). The programme provides cash transfers of Rs 500 (USD 5) per month to people over 70 years of age and to all Dalits and all residents of the remote Karnali region (one of the most disadvantaged regions of Nepal) over 60 years of age. The government's commitment to support older people goes beyond the OAA. Nepal is one of 21 countries that have introduced national policies for older people and one of 12 countries that have passed national laws on elderly people (UNFPA and HelpAge International, 2012). These include the Senior Citizens Act 2007 and Senior Citizens Regulation 2009.

The OAA programme pursues three objectives, which can also be seen as the main premises of the social contract between the state and citizens. They include a) institutionalising public support for older people, b) reducing old-age poverty and insecurity, and c) promoting social inclusion.

6.2.1 Institutionalising social support for older people:

The OAA establishes the right of older people to receive regular public support. It offers a source of income to individuals who are unable to rely on the labour market for an adequate income to support their basic needs (Babajanian and Hagen-Zanker, 2012). Cultural values in Nepal ascribe an important role to older people (Uprety, 2010), who are respected 'to the point of reverence' and valued for their contribution to the family, society and country (Help Age International, 2009: 2). Yet before the OAA was introduced, the majority of older people outside the formal contributory system were not eligible for any support from the state.

The contributory old-age pension in Nepal only covers a small fraction of older people, most of whom worked in the public sector during their productive years. The majority are almost entirely reliant on their families and relatives for financial support and social care. The OAA seeks to address the vulnerability of older people associated with a specific stage of life that makes it difficult to earn stable and reliable income.

6.2.2 Reducing old-age poverty and insecurity:

The OAA has been linked with the government's objective of reducing poverty among older people and promoting their wellbeing (Samson, 2012). By introducing universal entitlement, the government sought to increase the likelihood of reaching the majority of older people and to reduce high levels of poverty and insecurity among them.

The Global Age Watch Index 2013 ranked Nepal 77th of 91 countries in terms of quality of life and well-being of older people (HelpAge International, 2013). Their insecurity has been heightened in the past decade by changes in existing family support structures. As a result of high levels of migration among working age people, more elderly people are being left alone without necessarily receiving remittances (KC, 2012). Social protection is therefore especially important for older people unable to benefit from family networks.

6.2.3 Promoting social inclusion:

The government designed the OAA programme to promote social equity. Recognising the existing social and economic divides across different social groups, it introduced universal categorical entitlement for the OAA 'to cut across caste and ethnicity' (Samson, 2012: 219). It also seeks to provide additional support to Dalits, who have historically been marginalised. In particular, the government set the eligibility threshold of the OAA at 60 years of age. This recognises the fact that Dalits' life expectancy is lower than that of other groups in Nepal.

6.3   Theory of Change: Framework for analysis

The analytical framework for this chapter is derived from the Theory of Change approach. This approach stipulates the need to develop a conceptual and analytical basis for designing a research inquiry (White, 2009). In developing research questions and hypotheses for this study, the research team distilled the explicit and implicit theoretical assumptions that constitute the intervention's theory of change – the assumptions about why and through what causal

pathways the intervention is expected to have specific effects. The research then generated primary data to assess how the assumptions underpinning the theory of change were met in real life.

The answer to how the OAA might influence people's perceptions of the state and thus affect its legitimacy is sought through this analysis. The hypothesis is the OAA is likely to affect people's perceptions of the state (positively and/or negatively). Key factors influencing people's perceptions about the state and generated assumptions about how they do so have been identified at two levels: (1) in relation to the specific objectives of the OAA, and (2) based on a review of the literature on social pensions.

In factors influencing the objectives of OAA, it has assumed the state's fulfillment of the social contract results in positive perceptions. As mentioned earlier, the government's objectives associated with the provision of the OAA is considered as the main clauses of the social contract. To reiterate it, the government sought to establish statutory social support for older persons, contribute to well-being of older persons, and promote social inclusion. By examining public perceptions, we can identify how these objectives are relevant and important to people and how their fulfillment affects people's views and attitudes towards the government.

The review of broader research evidence on Nepal as well as in other countries shows social pensions can affect relationships within families and communities. In particular, there is evidence that cash transfers may affect people's sense of empowerment and their relations with family and community members. Furthermore, the processes and organisation of benefit delivery are likely to influence people's experiences and views of state institutions at both central and local levels. These factors have immediate repercussions on people's lives and livelihoods and thus shape their satisfaction with the state.

The main assumption tested in this research is that the government's effort to establish social entitlements for older persons can generate positive perceptions. Social pensions can be

seen as a manifestation of the state's recognition and respect for older people, who are generally revered in the Nepali society (Help Age International 2009).

Further, positive contribution of the OAA to people's well-being is likely to bring about positive perceptions. In particular, people are likely to see the government in a positive manner if cash transfers help them address important individual and family needs.

It is important to consider the contribution of the OAA not just to pensioners' well-being, but also to their households. Social norms in Nepal render resource sharing and mutual solidarity. There is evidence that older people tend to share their OAA with other family members (Samson, 2012; HelpAge International, 2009; Uprety, 2010). They also continue to rely on their families for material support and informal care.

The OAA can affect empowerment and interpersonal relations within families and thereby influence the way people view the state. These effects can be closely linked with the distributional impacts of pensions. The opportunity to have a source of income and contribute to family well-being can enhance older people's confidence and sense of empowerment and strengthen their status and position in their households. Conversely, the beneficiaries' decision not to share their allowance can lead to tension and family conflicts (and may ultimately result in a withdrawal of household support).

It is likely that Dalit beneficiaries will appreciate the government's efforts to promote their well-being and offer them cash benefits from the age of 60 onwards. On the other hand, the targeting approach that sets a lower eligibility threshold for Dalits could generate negative attitudes towards them and negatively affect both social relations and beneficiary perceptions of the state. For example, in their study on Sierra Leone, Holmes and Jackson (2008) and Holmes (2009) suggested targeting benefits at specific social groups can exacerbate social divisions and inequalities. This study sets out to test how a similar targeting approach played out in Rolpa.

The process and organisation of delivering benefits can influence people's perceptions of state institutions. For example, Adhikari et al., (2014) suggests poor implementation of the Child Grant in Karnali district of Nepal created negative perceptions of the state among the beneficiaries. More specifically, the respondents' perceptions were influenced by the difficulties in the application process as well as the partial and infrequent payments of benefits. This research focused on several key aspects of benefit delivery, including the timeliness and ease of registration, the frequency and completeness of benefit payment, and the convenience of payment methods (e.g. through banks, VDC offices or at home).

Table 12: Factors and assumptions about how the OAA can affect people's perception of the state

Influencing factors	Assumptions
Establishment of old-age entitlements to income support	Beneficiaries appreciate the state for its recognition and respect for older people and its commitment to support them.
Contribution to well-being of older people and their households	Beneficiaries believe the OAA positively contributes to their well-being and helps address their important individual/household basic needs.
Empowerment and family relations	Older people share their allowance with other family members; this enhances their self-esteem and strengthens their status within their families. Conversely, beneficiaries' decision not to share the allowance can lead to family tensions, conflict and insecurity.
Social inclusion and community relations	Dalit beneficiaries appreciate the government's efforts to offer them cash benefits from the age of 60. The early eligibility threshold for Dalits generates negative attitudes among non-Dalit beneficiaries.
Benefit delivery	The beneficiaries' experiences of benefit delivery can influence their perceptions of the state. Important aspects include the registration process, accuracy and frequency of benefit payment, and benefit payment methods.

(Source: KC et al., 2014)

6.4 Institutionalising social entitlements for older persons

People's perceptions regarding the state's establishment of statutory pension entitlements for older persons is presented in this section. It first reviews the extent to which people were aware that pensions were provided by state. Following the first assumption in the analytical framework, it discusses whether the state's commitment to provide income support to older people has resulted in positive perceptions. It considers people's views about the role of the state and family in sustaining livelihoods of older people.

6.4.1 Knowledge about the OAA programme

Beneficiaries are largely aware about the OAA provided by the state. Beneficiaries largely understand the government provides OAA and the VDCs distribute the money. It was interesting to know that many individuals are highly knowledgeable about the provisions of OAA. For example, three male respondents from Liwang VDC narrated its entire history, beginning their stories from the UML government's initiation to the current policy debates at the central level about increasing the allowance to Rs 1,000 per month (KC et al., 2014).

6.4.2 Reaching out to older people

Generally, beneficiaries of OAA appreciate the state for recognising need of older persons and its concerns for their well-being (KC et al., 2014). Most beneficiaries value the recognition of elderly people by the state even if the amount of allowance is perceived as too small to address all their priority needs. Following are some examples of beneficiary views:

> *'The government has been a true blessing for us elderly people. No matter how much the amount is, we have been blessed.' (Brahmin female, 75, Budagaon).*

'No matter how much the amount is, thinking about us and our needs and respecting us this way is the best the central government has done for us.' (Dalit male,73, Budagaon).

'I feel very happy that the central government is concerned about us. They are the ones sending us money from that far. God bless them.' (Janjati female,80, Budagaon).

'I do wish the state raised the amount. If government job-holders' salary increases every year, why not old-age pensions? But I cannot say the state has not done anything. It has not forgotten the elderly people. Be it Rs 500, it has given us consideration.' (Janjati male,75, Liwang).

'The state has recognised us and respected us. The money, though small in amount, makes me feel contented.' (Brahmin male, 75, Liwang)

The recipients of the OAA recognised the contribution of the allowance in supporting their basic livelihoods as vast majority of OAA beneficiaries have received material support from other family members, which reflects a deeply rooted tradition in Nepal. Typically, sons are expected to take care of their parents when they reach old age. At the same time, the reliance on family members for sustaining basic livelihoods contributed to a sense of vulnerability and anxiety.

Several beneficiaries stressed that family relations can be volatile and appreciated the state for offering a source of regular support (KC et al., 2014). For example, one beneficiary of the OAA (Brahmin, 75, female from Budagaon VDC of Rolpa) said:

'The government has stood for us. When family members can be sour and turn their backs on us, the government has emerged as god for us. I am happy with whatever the government has offered.'

Similar feelings were expressed by a Dalit beneficiary (67, male) in Budagaon:

'*The state has become our god, our guardian at this old age. Who would take care of us?*'

Likewise, another beneficiary of OAA (Janjati, 77, female from Liwang) said,

'*This amount is my only means to live. I do not know what will happen to family. Family members can turn their back on elderly people anytime. But the government never will. I hope that the amount will grow as we grow older*'.

This sense of vulnerability among older persons is especially heightened as youngsters tend to move out of their communities to large cities as labour migrants, leaving older people behind, often without adequate regular material support and care.

The respondents believed it was important for the state to support them in order to reduce the burden on their families. Some pensioners suggested their children had their own spouses and children and struggled to support their families as well as their parents. A Chhetri respondent (74, male) from Budagaon, for example, mentioned he feels uncomfortable asking his son for money, knowing that he has lots of expenses for his own children. He said,

'*In today's time families are not there for us anymore. Our sons get married and they will have their own families to take care of. It is awkward to ask them for money, especially if they have children who need to be fed and sent to school. I would rather live with the Rs 500 given by the state than trouble my son unless he volunteers to help me, which is not possible.*'

Daily livelihood security is a prime concern of the family members of old people and their children are not able to provide enough attention to their parents. In this context, a 72-year-old Janjati woman from Budagaon, said,

'*The state is our father and our guardian. What would we do without it? I have realised that as we grow older we become orphans [tuhuro] and that the only one that takes care of us is*

the state. We cannot rely on our children all the time. So the state has to be there for us to give us this Rs 500– or more if they can.'

Another female respondent (71, Chhetri) from Liwang similarly said,

'My family has been very good to me. It is because they take care of me, at least at this age. But there are old people like me who do not have families. Who takes care of them? We need the state.'

Increasingly, people in Nepal are debating it is the state's responsibility to support older individuals because althought they have limited physical ability to earn for living by themselves, they contributed to the country during their working years. People getting OAA now appear to be grateful the state acted on this responsibility. In this context, a 75-year-old Brahmin woman said,

'*The state is supposed to provide us the pension. Otherwise who would give us any money? Where do we go? What do we do? The state has been responsible for us, really.'*

There is growing expectation that the state must help older people who do not have families of their own and cannot rely on their family members for their livelihoods. What a 73-year-old Janajati woman from Budagaon, Rolpa said is particularly relevant in this context:

'*I think family's role is to look after older people. We took care of our sons and daughters when they were small, now it's their turn to look after us. But there are people who do not have anyone. It is heart-breaking to see them. I have four sons living with me and they give me all the love and care. For people who do not have anyone, the government is their only support.'*

6.5   Contribution to people's well-being

As set out in the analytical framework, the effectiveness of social pensions in reducing old-age poverty and improving people's well-

being can influence public perceptions of the state. This section discusses respondents' accounts of the usefulness of their pensions in terms of their food, health care and education expenses as well as their perceptions of the state.

The earlier study (KC et al., 2014) offered a better understanding of the usefulness and limitations of the allowance for the beneficiaries. It established how people spent the money and sought their views on how the allowance helped address their immediate livelihoods needs. The OAA offered an important contribution towards basic necessities. This corroborates evidence from previous studies about the positive contribution of the OAA to the basic needs of older people and their families (Help Age International, 2009; Uprety, 2010). Most beneficiaries spent it on essential food items such as rice, flour, vegetables, milk, biscuits, oil, salt and tobacco. Some used their benefits for clothing and health care needs.

There was no substantial difference in the usage of the allowance between the Dalits and non-Dalits. The allowance was not used solely for individual consumption but was shared with other household members. Sharing income and resources within household is an integral part of Nepali culture. It is viewed as an important social duty. The respondents contributed towards their families' food-related expenses and sometimes used their pension to cover minor expenses related to their grandchildren's education. The research suggests pensioners voluntarily shared their income with their families.

While the allowance is useful and welcomed by beneficiaries and their families, it does not allow them to meet their basic needs fully. The monthly benefit of Rs 500 (USD 5)[2] is less than a third of what an individual needs monthly to survive. The national poverty line for 2010/2011 was Rs 19,261 (USD 200) per person per annum or Rs 1,605 (USD 17) per person per month. The beneficiaries all acknowledged the usefulness of their pension, while simultaneously stressing its limited value.

---

[2] *The exchange rate is based on www.xe.comas of 14 July 2014.*

Most beneficiaries who lived with their families were still reliant on material support from family members because the pension did not fully cover all their essential needs. It is difficult to ascertain the extent to which the OAA has affected families' financial responsibilities for older people. While pensions provide an alternative source of income and are thus likely to reduce financial support to older people, they are not sufficient enough to fully relieve families from financial responsibility for older people.

We get a mixed result while examining the contribution of the OAA on health care. Though primary health care in Nepal is free, most people are required to pay user fees for medical treatments and the cost of medicines. People often attend private health facilities as opposed to public health care facilities, despite the former being expensive (Jha and Laxminarayan, 2009). This is because of the substandard quality of public health care facilities and limited availability of supplies and medicines. For example, a female service beneficiary (75, Janajati) from Budagaon had asthma and visited a private clinic every two months to buy her inhaler, which was not available at the public health centre.

There is a provision of free health service for senior citizens in Nepal. However, the majority of respondents were not aware they were entitled to receive free health services. The Senior Citizens Treatment Guidelines 2061 provides health treatment and services to elderly people with ailments. The guidelines guarantee the right of poor elderly people residing in 75 districts of Nepal to receive free health care treatment up to Rs 2,000 (once) (Geriatric Centre Nepal 2010), but this did not appear to be accompanied by effective information dissemination so that older people would benefit from their entitlements.

Some beneficiaries spent their allowance on health care needs. The study of KC et al., (2014) shows six respondents (of those five were women) reported they used the allowance for covering the cost of treatment and medicines of chronic illnesses, such as gout and asthma. A 73-year-old Dalit woman, from Budagaon, Rolpa, said,

'I spend about Rs 300 every time I visit a doctor at the private clinic for my gout problem. The medicines are expensive.'

The timing of their medical treatment was tied to the receipt of their allowance. They were unable to visit the health centre regularly, despite the doctor's advice to undergo monthly treatments.

In general, most of the older men and women who took part in the study maintained the health care needs require significant cash and the allowance was too little to cover all health expenses. They were reliant on their families to support their health care needs.

While looking at the relationship between OAA and educational needs, elderly people who lived with grandchildren in the house, used their allowance to support minor education related expenses. In particular, they bought stationery, provided money for their grandchildren's lunch and contributed towards the cost of religious functions at school. A 75-year-old Brahmin woman from Liwang, Rolpa, said,

'I use it for what I want to use it for. Sometimes to buy food, snacks for myself, or I give some to grandchildren so that they can take it to school for lunch and buy wai-wai [type of noodles] or biscuits.'

Though the OAA was not used to finance school fees, it was used by elderly people to cover part of cost of sending their grandchildren to school. OAA was not used to pay school fees (fees of private schools or exam fees in public schools) because what was left of it after dealing with priority needs in food and health care was not enough to cover children's school fees.

The OAA empowered older persons. The opportunity to have an independent income and contribute to family well-being tends to enhance their self-esteem and sense of personal empowerment. Pensions can also influence interpersonal relations within families. The beneficiaries' decision to share or not share the allowance with their family may affect their status and relationships with other family members.

The study of KC et al., (2014) shows the allowance had a positive effect on individual empowerment and family relations. A 78-year-old woman from Budagaon, Rolpa, said although her son tells her not to spend her pension on their family needs, as a mother she feels happy to contribute with the little that she can. Similarly, another 75-year-old Brahmin woman from Liwang, felt glad she had the ability to contribute to her family's budget. She said,

> *'My family has always been good to me. My sons and daughters have taken care of me very well. I feel like I am also contributing to something in the family with the small amount I get. They tell me to save the money and I say 'marera lanu ke cha ra' [you can't take anything with you when you die] and buy rice and vegetables if I want to.'*

6.6 Delivery of the Old Age Allowance

This section examines benefit delivery and how the beneficiaries' experiences of receiving benefits influenced their perceptions of the state. It explores older people's perceptions of the state in relation to key aspects of benefit delivery, such as the timeliness and ease of registration, accuracy of benefit payment (e.g. provision of full or partial benefits) as well as its frequency, and convenience of benefit payment methods (e.g. through banks, VDC offices or at home).

Previous research (Samson, 2012; NPC, 2012a; Help Age International, 2009) has identified several problems in the delivery of the allowance, including the existence of ghost names, the absence of fixed dates for distribution of the allowance, the exclusion of eligible households, and insufficient information dissemination. There are concerns that some beneficiaries may not collect their pension because of the costs involved in travelling to the collection point (KC, 2012). These issues are exacerbated by the inadequate systems for monitoring and evaluation and redressing grievances as well as the limited capacity of VDC secretaries, who are overburdened with multiple responsibilities (Adhikari, 2014).

6.6.1 Registration process

In order to start receiving the allowance, all prospective beneficiaries need to register with the VDC office once they reach the age of eligibility. The VDC office sets dates for registration, which in the study locations were held every six months. The registration dates were usually announced to the villagers.

Most respondents received their benefits immediately after they met the age eligibility criteria, but there were some exceptions. A 78-year-old Janajati woman from Liwang, missed her entire five-year entitlement as she was not aware of her eligibility for the allowance. She reported she only came to know she was eligible when her friends and acquaintances told her she had missed five years of entitlement. Some beneficiaries reported that the processing of their applications took more than six months, while there are some other beneficieries reporting that the processing took more than a year. These beneficieries were not aware of the reasons for the delay. For those who missed the registration date and were compelled to register on the next registration date (six months later), eventually had to bear the loss of one year of entitlement.

Many older persons find it difficult to travel to the VDC office on their own and are reliant on their family members to accompany them. A Chhetri woman (in her late 70s) from Liwang, reported her son and daughter-in-law were too busy to take her to the VDC office to register for the pension and she was compelled to ask her neighbour to help.

> *'I knew about the Old Age Allowance. I told my son, who is very busy due to his work. I then told my daughter-in-law. They kept saying tomorrow and days passed. I then shared my concern with my neighbour who took me to the VDC office once and helped me. God bless him.'*

The respondents reported their satisfaction with the registration process. The actual process of registration was not very complicated. The application procedure itself did not take up much time once individuals reached the VDC office. In order to receive the allowance, prospective beneficiaries need to have identity

cards that are issued based on citizenship cards. Most beneficiaries reported they did not have to put much effort to apply for their identity cards and filling in the application forms. They presented their citizenship cards at the VDC office and provided thumbprints. There were no reports of discrimination by the VDC officials on the basis of caste, ethnicity or gender.

The VDC officials and family members assisted them with the paperwork. Nearly all respondents reported the VDC officials were very supportive and treated them with respect when they visited the VDC office to file their applications for the first time. Here are some quotations illustrating the respondents' experiences of registration and their opinions of VDC officials:

> *'They [VDC officials] are all very nice. They guided me throughout the process. They respected me and they still call me aama [mother].'(Dalit, 67, female, Liwang)*

A female beneficiery (Chhetri, 71) was also pleased with the treatment by VDC officials:

> *'Everyone in the VDC office and bank is nice. They respect us. Why would they be mean, bicharaharu [poor things].'*

> *'VDC secretary is a very nice man, by his manners and the way he speaks to us. He has good manners. He is helpful. All the staff at the office are very helpful.' (Chhetri, 74, male, Budagaon)*

> *'Yes, the procedure is not so difficult so I am quite satisfied. The only concern is Rs 500. I wish the state increased it and I say it should.' (Chhetri, 72, female, Liwang)*

A service beneficiary (Dalit, 67, Budagaon) had a torn citizenship card and it was not easy to read. He reported the VDC officials helped him to obtain a new citizenship card in order to apply for the allowance.

6.6.2 Accuracy and frequency of benefit payments

The weak administrative capacity of the government restricts its ability to distribute the allowance every month. Typically, payments

in remote areas are made in large installments, usually twice a year. According to the VDC officials consulted for this study, lump sum payment reduces the time and monetary cost that older people incur for travelling to collect their benefits.

All the respondents were aware of their entitlement to receive Rs 500 per month and reported they had received the full amount. The beneficiaries received their first installment of Rs 2,000 on the fourth month, and their second installment of Rs 4,000 after eight months. The respondents were very aware of payment dates. They reported they received information about payment dates from the VDC office. People visited the VDC office both in Budagaon and Liwang to find out the exact distribution days or to verify if the initial dates had changed. Dates can sometimes change due to a delay in the transfer of money from the central level or because of logistical constraints.

The VDC secretary in Liwang suggested some older people tend to come from their wards to the VDC office for other purposes and visited the VDC office hoping to collect the money before the payment date (expecting that if they ask for it, they may be able to get it). In Liwang, where the allowance is distributed through the bank, the beneficiaries also made inquiries at the bank.

Those who received information about the payment dates would voluntarily spread the news to the neighbours in their respective wards. The existing social networks in the wards ensured information about the payment dates was quickly disseminated. Family members facilitated access to information from outside. Pensioners who had families often had better knowledge about the dates than those living alone. Those who lived alone relied on their neighbours. The VDC officials reported that they often sent someone to visit those living alone to inform them about the distribution dates.

The VDC organised dissemination of information through radio stations. There were, however, concerns from the VDC officials that some older persons who had hearing problems or were too frail seldom listened to the radio. There were two different methods of

benefit payments to local elderly people. OAA beneficiaries from the district headquarters used to get payments from the bank whereas people from remote areas get them from VDC office by standing in a queue. People with pension cards do not have to deal with the VDC secretary once their registration has been confirmed, and they can collect their money directly from the bank.

6.7   Main issues discussed in the chapter

It is important to examine that various perceptions can often co-exist. Perceptions have a 'situational' nature and they are associated with a specific facet of state-society interaction. Reflecting particularly on the OAA (generally on the social protection) programme, people's perceptions of the state can be briefed as follows:

6.7.1 Institutionalising social support for older people

The respondents appreciated the state's commitment in establishing pension entitlements and offering regular income support to older people. Despite the low value of the pensions they received, they felt being valued and being recognised by the state. Most beneficiaries responded it was the state's responsibility to support older people who have either no, or least, means of earning income and whose livelihoods are entirely dependent on their families. They felt that state support was important to reduce the vulnerability of older people as well as to reduce the burden on their families. The respondents were concerned about older people who lived without family support and believed state assistance for these people was especially important.

These results resonate with the findings from other research in Nepal. For example, the survey of 1,694 recipients of the Child Grant in Karnali suggests the provision of the Child Grants generated positive perceptions about the state (Adhikari et al., 2014). Respondents said the Child Grant (which offers Rs 200 [USD 2] per child per month, less than the OAA) shows the state's commitment to support them. Up to 93 percent of the beneficiaries felt the introduction of the Child Grant was an indication the government

cared about their socio-economic situation, and 85 percent said it had improved their opinion of the government.

6.7.2 Contribution to people's well being

People acknowledged the positive role of the allowance in fulfilling their basic needs. Allowance is mostly reported to have contribution to buy food, invest in health care and education of older people and their members in the family. At the same time, respondents expressed dissatisfaction with the state because of the limited value of the allowance. They bemoaned against the state for not assessing their needs properly. They also wished the state would increase the value of the pensions. The respondents were especially concerned about the limited adequacy of the allowance for older persons who could not even rely on family support due to several family related and social constraints.

6.7.3 Social inclusion and community relations

The beneficiaries did not link their early entitlement to the government's objective of promoting social inclusion. In fact, most beneficiaries seemed to be unaware of the actual rationale behind the targeting approach. Dalits' earlier pension entitlement generated tension between Dalits and non-Dalits. The respondents were not aware of the government's rationale and felt its approach did not fairly reflect the reality in their communities. In their experience, the government prioritised the needs of Dalits even while many non-Dalits experienced high levels of poverty. Some beneficiaries thought it was important for the state to offer extra support to older people who struggled to make a living, while others preferred that pensions were offered to all older persons equally, without age differentiation.

6.7.4 Empowerment and family relations

The research suggests providing income support can have a positive effect in terms of empowering older people in their households and their relations with other family members. The opportunity to contribute to their families generated positive perceptions of

the state among some beneficiaries. There could also be negative consequences, as was the case of Harimaya for whom the receipt of her pension provoked family tension. It remains to be explored whether negative experiences in the household sphere translate into altered perceptions of the state.

6.7.5 Benefit delivery

The beneficiaries were satisfied with the process of registration and most respondents were able to receive their pensions once they reached the age of eligibility. They were pleased with the support of VDC officials during registration. The respondents reported they received the full amount of their entitlement and said they were generally aware of the payment dates.

The beneficiaries expressed serious concerns about the delivery mode of the allowance. In particular, they complained about the need to travel long distances to collect their benefits and criticised the central government for disregarding the cost and inconvenience this causes. The beneficiaries were unhappy about the need to deposit Rs 1,000 in order to be able to receive their benefits from the bank in Liwang. Several beneficiaries appeared to be frustrated with the lack of communication from the government about the deposit requirement and its justification.

The Maoist insurgency originated in Rolpa in 1996, resulting in violence, deterioration of essential services and infrastructure, and a massive decline in living standards. However, the respondents did not see the pensions as part of the post-conflict reconstruction efforts of the Nepali state. In fact, none of the respondents mentioned the conflict in connection to the OAA.

6.7.6 Policy implications

The study offers valuable insights into the beneficiaries' experiences, concerns and priorities and enables lessons to be drawn for improving the OAA programme. Adjustments in programme design and implementation can help enhance the contribution of the allowance to people's lives and livelihoods. This in turn can help

foster positive perceptions of the state and contribute to state legitimacy. These policy measures include increasing the benefit value, equalising the eligibility threshold, improving the benefit delivery capacity of VDCs, facilitating convenient and cost-free access to benefits, promoting effective information-sharing and outreach, and introducing sectoral improvements for inclusive service delivery.

6.7.7 Benefit value

It is clear the allowance benefit contributes to people's livelihoods but is not sufficient to fully address all their basic needs. Most beneficiaries continue to rely on support from their families. Increasing the value of the benefit could help better support older people and their families. Increasing the value of the allowance is especially important for single older people who do not have families to support them.

The government can adopt a 'progressive' approach to strengthen the OAA (Hagemejer and Schmitt, 2012). In particular, considering existing budget constraints, the benefit value could be increased incrementally, as economic growth allows. Samson (2012) maintains the limited public finance base did not prevent the government from establishing a universal social pension programme nor repeatedly increasing the benefit's value since. However, the value of benefit is slightly increased in the last couple of years, which is still not adequate to fulfil the basic needs of elderly people.

6.7.8 Targeting approach

As the research shows, the programme's targeting approach can exacerbate social divisions and inequalities through what may be perceived as preferential treatment for Dalits. The lower eligibility threshold signifies an attempt by the government to recognise the lower life expectancy of Dalits and introduce greater inclusiveness in social support. While it is justifiable that people with lower life expectancy can access benefits at an earlier age, beneficiaries do not seem to have much knowledge or understanding of the

rationale of this approach. As the majority of older people struggle to sustain their livelihoods, it is not apparent to them that Dalits have greater needs and should be entitled to receive state support ten years earlier than other similarly poor individuals.

Considering the potential for social tension, it would be sensible to equalise the eligibility requirement for all social groups. Again, this can be done incrementally, by slowly decreasing the age threshold for other groups to 60 years of age. The government is reportedly planning to reduce the minimum age requirement from 70 to 65 years (The Kathmandu Post, 2012).

6.7.9 Distribution of the allowance

There is a need to change the benefit payment method to reduce the material and physical cost incurred by beneficiaries in collecting their benefits. In particular, the allowance could be distributed to beneficiaries' homes or toles. But, this would be a challenge considering the limited administrative capacity of VDCs.

Distribution is certainly costly, but this cost is currently borne mainly by beneficiaries themselves, which undermines the value and utility of transfers. Therefore, strengthening the capacity of VDCs to manage benefit delivery must be a priority for the central government.

6. 7.10 Access to banks and payment options

There needs to be greater coordination between VDCs and the banks in some locations where banks are responsible for benefit distribution. In particular, VDCs must carry out outreach and information campaigns to communicate to people the requirements for opening bank accounts and collecting benefits from banks. It is imperative that the government negotiates with banks to provide preferential conditions for the beneficiaries of public transfers, so that they are not required to provide a deposit. Alternatively, the government needs to create payment options that do not require a deposit or any extra costs for beneficiaries.

6.7.11 Information sharing

The research highlights the need for better outreach and information sharing at the local level. As mentioned earlier, this concerns communicating the substance and rationale of policy, such as the early eligibility entitlement for Dalits. It also relates to the existing requirements for registration and benefits payment options.

The role of the central government is crucial in building the capacity of local governments for outreach and information dissemination. This includes issuing regulations with uniform requirements and procedures for outreach and information dissemination across all local areas. It also necessitates allocating resources that can support local government efforts to better communicate with local residents. These efforts must be undertaken in relation to all social protection benefits and not only the OAA. This can help minimise costs and enhance the effectiveness of social protection programmes.

All the study locations of this research had a Citizen's Charter which provided information about eligibility and application procedures for social services and benefits. In order to enhance accountability and transparency in public service delivery, the government of Nepal institutionalised the Citizen's Charter in 2005 across all local governments. It is important to include information about the OAA in Citizen Charters. While many older people cannot read the Charter themselves, their family members or people in the community will be able to access information and communicate it to prospective beneficiaries.

6.7.12 Improvements in public service delivery

The provision of cash transfers must be viewed in close connection with the delivery of essential services. More specifically, cash transfers cannot be expected to cover the full cost of health care and education. Rather, inclusive service provision arrangements can help reduce these costs and facilitate access and utilisation of these services. At present, the provision of health care and education is

highly inequitable and imposes a huge cost upon ordinary citizens. People pay for public health care services at the secondary level. As public service provisions in both health care and education are often substandard, many choose to go to private health care providers or send their children to private schools. Introducing fee waivers and other sectoral improvements could reduce the cost of accessing services and help ensure social protection transfers are spent on other essential needs.

6.8   Summary of the chapter

This chapter presents main findings of the OAA and draws policy implications for enhancing the effectiveness in meetings people's needs and priorities and fostering positive state-society relations. This chapter suggests the OAA in Nepal has indeed influenced people's perceptions of the state. These perceptions relate to people's assessment of how well the state fulfilled the main objectives it set out to achieve through the establishment of pensions. These objectives can be considered as the main premises of the social contract in Nepal and they include the government's commitment to institutionalise social support for older persons, contribute to people's well-being, and promote social inclusion. People's perceptions were also linked with a range of other factors, including the effects of pensions on empowerment, family and community relations as well as the process of benefit delivery and people's experience of receiving the benefits.

* * * * *

Health service and users' perceptions of state[1]

7.1   Introduction

This chapter explores people's perceptions of government health services, focusing especially on accessibility, effectiveness and accountability. This chapter is based on qualitative and quantitative studies (Paudel et al., 2015 and Upreti et al., 2014) in Ilam, Bardiya and Rolpa. The main methods used to document people's experiences and expectations of health services and how these influence public perceptions of government were household surveys, in-depth interviews, focus group discussions, key informant interviews, observations and transact visits. The central questions explored were a) did good experiences with government health services lead to more positive perceptions of government and its legitimacy? and b) did negative experiences undermine trust in government?

Earlier studies (Askvik et al., 2011; Devkota, 2008; UNDP, 2009) suggested people's perceptions of government health services in Nepal are influenced by ethnicity, caste and gender. There are a limited number of studies that examine supply-side factors such as the accessibility, quality (effectiveness) and accountability of services in Nepal. Hence, this chapter attempts to examine public perception on the accessibility, effectiveness and accountability aspects of health service provisions of the government of Nepal.

---

[1] *This chapter is based on the NCCR-SLRC Working Paper (36) entitled 'Health services and users' perceptions of the state in Rolpa, Nepal'. Authored by Suman Babu Paudel, Bishnu Raj Upreti, Gopikesh Acharya, Annal Tandukar and Paul Harvey, the Working Paper was published by SLRC/ODI/NCCR in 2015.*

7.2 Quick overview of the health services in Nepal

Even if the health service sector was disrupted by the armed conflict, Nepal's health indicators have shown progress in recent years (MoHP et al., 2014). Since 1990, Nepal has made remarkable improvements in maternal and childhood mortality.

In 1990 the under-five mortality rate per 1000 live births was 142, falling to 82 in 2000 and 42 in 2012. Over the same period, the maternal mortality rate decreased from 790 in 1990 to 430 in 2000 to 190 in 2013 (UNICEF and WHO, 2014), and Nepal has met the MDG target on child mortality and maternal mortality.

The Government of Nepal and the World Health Organisation found that the use of maternal health services and increased rates of deliveries at health centres by skilled birth attendants is behind the fall in maternal mortality and infant mortality (MoHP et al., 2014).

Nepal's insurgency (1996-2006) and fluid political transition to present undermined already poor levels of health service and had a negative impact on socioeconomic and health indicators, particularly in western and mid-western hill areas where the war was more intense compared to less-affected areas such as the eastern Hill sub-region (Partap and Hill, 2012). More than a thousand Health Posts were destroyed (Devkota and Teijlingen, 2009; Ghimre, 2009) and

> **Box 3: Selected landmarks in Nepal's health plan, laws and polices**
> 1975 – Long Term Health Plan (1975-90)
> 1978 – Nepal signs Alma Ata Declaration
> 1991 – National Health Policy
> 1993 – National Blood Policy (revised 2005)
> 1995 – National Drug Policy
> 1997 – Second Long Term Health Plan (1997-2017)
> 1998 – NationalSafe MotherhoodPolicy
> 1998 – National Reproductive Health Strategy
> 2002 – Nepal Health Sector Program Implementation Plan (2002-2009)
> 2003 – National Health Research Policy
> 2004 – National Nutritional Policy and Strategies
> 2005 – Safe Delivery Incentive Programme
> 2006 –National Skilled Birth Attendants Policy
> 2007 – Policy on Quality Health Services
> 2008 – Nepal Free Essential Health Care Policy
> 2009 – Free Delivery Policy

(Source: Paudel et al., 2015)

government services and non-governmental initiatives in providing health facilities were negatively affected (Kieveilitz and Polzer 2002; Pettigrew, Delfabbro and Sharma 2003; Devkota and van Teijlingen, 2010).

During the war, local governance units were vacated or displaced and elected functionaries were forced to flee the villages. The Maoists abducted health workers and captured medicines to treat their wounded cadres while government security forces accused local communities of supporting the rebellion. According to Ghimire, 2009), the local administration ordered health centres not to supply strong antibiotics and medicines that could be used by Maoists. On the other hand, some say Maoist insurgents were less aggressive towards health service centres compared to government forces because of their direct relations with local people in rural areas upon who they relied for support (Devkota and van Teijlingen, 2010).

After the CPA was signed in 2006, improving basic services was a government priority. Significant policy changes aimed to increase access to health care. The Interim Constitution of 2007 acknowledged health care service as a basic human right and in 2008 the Nepal Free Essential Health Care Policy was launched to provide free essential health care for primary health services. In 2009, this extended Health Posts' responsibility to provide 32 different types of medicine free of cost (Sub-Health Posts 22 types and the district hospitals 42 types). Medicines provided free of cost were increased again in August 2014. By providing women with cash incentives and transport subsidies to attend public health facilities to give birth, the Free Delivery Policy (2009) encouraged would-be mothers to deliver their babies at health facilities.

The structure of local health centres was established with the National Health Policy of 1991. There are five Regional Health Directorates responsible for backstopping and monitoring the districts. District Health Offices are accountable for the activities and output of District Hospitals, Primary Health Care Centres, Health Posts and Sub-Health Posts within the district.

A number of VDCs share a Health Post and there is a Sub-Health Post in each VDC. At ward level there are Primary Health Care (PHC) outreach clinics, Expanded Programme on Immunisation (EPI) outreach clinics, Female Community Health Volunteers (FCHVs) and traditional birth attendants (TBAs). Health-posts and sub-health posts in Nepal are expected to provide essential health care services (EHCS) at the local level. The EHCS are priority public health measures and are essential clinical and curative services for the treatment of common diseases.

On 7 October 2007, the Government of Nepal declared Health and Sub-Health Posts would deliver essential health services free of cost to reach poor and excluded groups (RECPHEC, 2010). Free maternity service was introduced to enable expecting mothers who could not afford private clinic fees to access free maternity health care. This provision (free health care and free maternity service) allows rural poor and marginal communities to access essential health services.

Table 13: Time in minutes to get to a Health Post from home

VDC	Mean	Maximum	Minimum
Budagaon	34	300	1
Liwang	81	480	1

(Source: Field survey data, 2012)

The institutions of local government bear many health related responsibilities. The Local Self-Governance Act (LSGA) (1999) was introduced to devolve powers, responsibilities and resources required to allow local governments to meet local needs. In practice, there has been limited devolution (both in programme and finance) in the health sector, and central authorities have maintained control over most of the resources in the absence of local elected government officials (The Asia Foundation, 2012).

The lowest tier of all governing units is the VDC, which makes development plans and applies for necessary funding to the District Development Committee (DDC), while the DDC receives its

funds from the Ministry of Local Development. According to the LSGA, municipalities and VDCs are responsible for operating and managing village-level health centres (monitoring and ensuring the implementation of the mandates), Health Posts and Sub-Health Posts, primary health education and sanitation programmes, family planning, maternity and child care.

The DDC is responsible for coordination and monitoring of district level health institutions (e.g., hospitals, Ayurvedic dispensaries, and health centres) and making arrangements for the supply of medicines and materials and equipment. Since the introduction of LSGA in 1999, local governments (VDCs, municipalities and DDCs) have had responsibility for coordinating and monitoring basic services like drinking water, health and education but have struggled to fulfill these responsibilities in practice. However, because of these local bodies lack elected representatives, the health service sector is run mainly by the bureaucracy.

FCHVs work at the grassroots level and provide community-based health education and services in rural areas, focusing on maternal and child health, and family planning. They contribute significantly to counselling and referring mothers and children to health facilities. They also play a key role in increasing community participation and helping to build awareness on health issues among rural women, especially among illiterate or marginalised groups (DoHS, 2014). They operate in remote areas and therefore reach poor, marginalised, socially excluded and under-served populations (MoHP et al., 2014; DoHS, 2014).

The role of the private sector in providing health care services is increasing. According to the Health Management Information System, there were 441 NGO and 669 private health institutions operating in 2013 in Nepal. Private health care providers tend to operate more in relatively developed and urban areas where there are more people who can afford their services. However, political transition has great bearing on the health service provisions.

7.3 People's access to health services

7.3.1 Physical access

In this research we examine physical access to health services in terms of distance, the time required to reach them, the availability and cost of transportation, and geographical topography. Topography and physical distance have long posed challenges for the health system in Nepal (Karkee and Jha, 2010).

According to the World Food Programme [2007, cited in FAO (2010)], more than half of Nepal's rural communities do not have access to health facilities. Because of difficult geographical terrain, some medical staff are unwilling to work in remote areas or transport medicine and equipment throughout the country (Karkee and Jha, 2010; Harris, Wales, Jones and Rana, 2013).

According to the Nepal Living Standard Survey Report 2011, about 59 percent of rural households in the country are within 59 minutes' walk of the nearest Health Post or Sub-Health Post and only 21 percent are within 30 minutes (compared to 83 percent of urban households) (CBS, 2012). The government plans to address this by increasing the number of service outlets throughout the country (DoHS, 2014).

The quantitative survey (Upreti et al., 2014) found that in Liwang the average time to reach a Health Post is 81 minutes (varying between 1 minute and 480 minutes), and in Budagaon it is 34 minutes (varying between 1 minute to 300 minutes).

The explanations for longer time taken were physical geography, scattered settlements and the lack of roads. Sick people often needed to be carried on someone's back or in a basket to reach a Health Post.

However, our study shows physical accessibility is not the only concern. Some people think the establishment of a Health Post increases their access to health services, but others think this is not enough and ensuring the quality of services and the proper functioning of Health Posts out to be prioritised.

Health care choices are influenced by a complex mix of factors around accessibility, perceived quality and cost. Private health services are largely concentrated in more accessible areas and city centres and are expensive and therefore difficult for poor people from rural remote areas to access and afford (Upreti et al., 2012).

A study of Paudel et al., (2015) shows people choose health services based on affordability, quality and availability, irrespective of caste, ethnicity and gender. As most better-equipped health service centres are located either in urban or market areas, travel and transport to these centres becomes a concern for local people.

Regarding the cost of accessing services and service quality, the cost of transport, lodging, food as well as opportunity costs are important factors in people's decisions. Richer Nepalis have been found to prefer higher quality services provided by the private sector (Devkota, 2008). A study (Paudel et al., 2015) found richer people visit private clinics and hospitals in nearby cities or in Kathmandu.

Even though access to health service is not determined based on gender, ethnicity, caste or religion, their indirect effect cannot be denied in a historical context of exclusion. Many observers argued the use of health service in Nepal is shaped by caste, ethnicity and gender (Devkota, 2008; Askvik et al., 2011; UNDP, 2009). Devkota (2008) shows between 2001 and 2005, health services were used by the higher castes Brahmin/Chhetri (47.6 percent) more than Janajati (24.1 percent), Dalits (17 percent) and Muslims (3.6 percent). Among these visitors 55 percent were females.

Though different studies (Askvik et al., 2011; Bhattachan et al., 2002; FAO, 2010,Cameron, 2007; Tiwari (2008) highlight the existence of caste and gender discrimination, the study of Paudel et al., (2015) found little evidence of discrimination at the time of the research. However, discrimination in the past was rampant, especially against Dalits. Education and political changes have empowered women and reduced gender discrimination.

Educational changes were mainly the outcome of the government's policy and activities (e.g. education for all, literacy for women),

while political changes were mainly related to the transition to multi-party democracy in 1990 and the civil war waged by the Maoists. Wider social change has also affected women - widows, who were supposed to wear white saris in the past, are now found wearing red saris, *tika* and glass bangles.

7.3.2 Administrative barriers

This section briefly looks at the extent to which administrative issues present barriers to accessing and using health services. There is no requirement for documentation and paperwork at health facilities, so even uneducated people can access services without any problems. However, the unavailability of health services before or after office hours is a real concern in rural areas as Sub-Health Posts often close at 2 PM, open for just two hours (10 AM to 12 PM) on Fridays, and are closed on Saturday. Providing health services during office hours only pushes people back to traditional treatments. Though traditional healing is not the most preferred choice, people have no other alternative.

7.3.3 Reliability of health services and effectiveness

This section looks at how effectively services are being delivered and people's assessments of the role of local government in delivering them. Effective service delivery refers to the quality and reliability of services, the extent to which health facilities function regularly, and the availability and behaviour of staff. People are meant to benefit from free medicines, but many are disappointed that services which are free are not actually available.

People have access to limited medicines–like paracetamol, electrolytes and metron – free of cost, and others have to be bought from private shops. The Nepal Health Research Council reported only 18 out of 32 medicines provided free of cost are easily available at Health Posts. While 15 out of 22 types of medicines are usually found in Sub-Health Posts, other medicines are always scarce.[2] The Nagarik National Daily reports there is a shortage of free medicines in 80 percent of health service centres in mountain

---

[2] *See more at: http://nagariknews.com/health/story/16448.html#sthash.ut3JmatX.dpuf.*

areas, in 43 percent of health centres in hill areas and in 52 percent in the Terai region.[3] Some medicines like vitamin B complex tablets, eye drops and eardrops, medicines for respiratory diseases and several expensive medicines are always scarce.

Many beneficiaries were not satisfied with the quality of freely provided medicine. People often have to buy from private shops because some of the medicine available freely were almost or already past their expiry date. Further, the quality of free medicines has often been questioned in the media, with stories of how some medicines go unused and expire in some places but are unavailable in others.[4]

Some people link the quality of medicines provided by government with corruption because the suppliers of the medicines opt for the low-budget tender process and pay a cut to concerned authorities to win the bid. Hence, the authorities responsible for quality either do not even check the quality of medicines or are being influenced by the suppliers into foregoing regular monitoring.

The perceived inadequacies of Health Posts extend beyond medicine quality. People complained the centres are only geared to treat general health problems like fevers, coughs and colds. Our earlier studies (Upreti et al., 2014; Paudel et al., 2015) found local people wanted fully functional Health Posts and Sub-Health Posts that had senior health workers equipped with the necessary facilities. The unavailability of services at Health Posts makes people choose private health centres.

Women have traditionally given birth at home but FCHVs are now bringing pregnant women to Health Posts. The government's transportation allowance, provided under the Safe Delivery Incentive Programme (SDIP), is also helping increase the rate of the deliveries at health centres. In these days, women increasingly consult FCHVs on maternity and reproductive health, and also play

---

[3] *See more at: http://nagariknews.com/health/story/16448.html#sthash.ut3JmatX.dpuf.*

[4] *http://nagariknews.com/health/story/16448.htmlhttp://swasthyakhabar. com/2014/02/6191.html, http://nagariknews.com/health/story/17074.html.*

a significant role in making people aware about the importance of vaccination and in distributing Vitamin-A capsules and worm medicine.

7.3.4 People's perceptions of the government and accountability

This section presents people's perceptions on the accountability of service delivery and their assessment of the role of local government in overseeing service provision (so that services are delivered in a responsive, transparent and accountable manner).

The qualitative research (Paudel et al., 2015) found people appreciated the role of local government in providing health services in a non-discriminatory manner and in establishing numerous Health Posts and Sub-Health Posts. They also appreciated awareness programmes, vaccination campaigns, and recruitment of FCHVs, but they are generally very disappointed with the quality of treatment available for non-minor conditions. Beneficiaries expect the local government to play a strong role in monitoring Health Posts and Sub-Health Posts and making medicine available. Although the LSGA gives VDCs and DDCs authority to monitor the Health Posts and Sub-Health Posts, people do not see any intervention in practice. One beneficiary from Liwang said:

> *The VDC and DDC must understand the needs of the community and they must provide the services needed by the patients. If they care about us, the local government must monitor why Health Posts have not been able to deliver medicines. They have not monitored anything. If they had, wouldn't there be adequate medicines at the Health Post? If government cares about poor people, why are these health services not equipped like a fully functioning health service?*

With the implementation of LSGA, health facilities were handed over to the VDCs, but people do not see any kind of monitoring mechanism in place. The LSGA mandates the DDC to manage the district-level Health Posts, hospitals, Ayurvedic dispensaries, health centres, health offices and to make arrangements for the supply of

medicines, materials and equipments. The DDC is also responsible for monitoring quality standards. But in practice, inspection, monitoring and evaluation do not appear to be happening. Resources provided for local government to manage all these functions are insufficient (The Asia Foundation, 2012), while the central government fails to intervene.

The central government's lack of regulation and monitoring leads people to perceive it is not committed to their health. People are more disappointed with the central government than with the local government. People also raised questions about the transparency of their health centre's budget. In addition, people saw irregularities in the supply of medicines, lack of competent human resources and the technical inefficiency of Health Posts and Sub-Health Posts. People also complained about the role of politicians and bureaucrats who are supposed to evaluate and manage local bodies but are not giving attention.

People think the central government should monitor private health facilities and pharmacies as well as government ones. The participation of the private sector is allowed under the National Health Policy of 1991 but the controlling and monitoring mechanisms are ineffective. Health workers who set up their own private clinic use government medicines but do not get investigated. For example, there are clinics and shops operating in Rolpa without the government's permission but there are no provisions for the monitoring and regulation of the sale of drugs. There is another problem: poorly regulated private providers prescribe unnecessary treatment, which leads users to face financial problems and builds up resistance to drugs.

According to the principle of LSGA, people should be able to participate in local planning but there is little evidence of this in practice. The government introduced Health Facility Operational Management Committees (HFOMCs) to be involved in the management of health facilities, which are meant to include women, Dalits and marginalised people. In the absence of a locally elected body the HFOMC could be an effective way for the

community to participate and influence service delivery but none of the participants in our research spoke of any committee fulfilling this role.

In the absence of any elected local government bodies since 2002, local people have no mechanism for influencing improvements in the Health Post (The Asia Foundation, 2012). The provision of free medicines and basic health services has not changed people's perception about government because the services are not adequate to meet needs and because they do not see local or central government as playing an effective role in managing and monitoring services or in involving local people in accountability processes. There has been some progress, but it falls short of people's needs and expectations. Health Posts and Sub-Health Posts are not effective in providing curative treatment. Most people have very low levels of trust and confidence in both levels of government. People do not discern the central government's effective presence in health services. Its failure to evaluate and monitor the quality of the services is one of the reasons for rising dissatisfaction.

7.4   Summary of the chapter

This chapter explores peoples' experiences with health care provision, how they accessed and utilised the health services, what they perceived about its effectiveness and how this influenced their views of the government's performance.

Nepal's challenging geography means that for some people, physical access to health posts is difficult. Cost is not a major problem as the government of Nepal has made primary health care and medicines free. Interestingly, all of the people interviewed stressed the issues of discrimination were no longer major barriers to access: the government's focus on equality and the legacy of the Maoist insurgency have made a real difference.

This chapter has emphasized that the biggest concerns of people around health issues are related to effectiveness of the service. Health Posts are open for short hours, medicines are often unavailable, equipments are limited and there is a perceived lack

of qualified staff. Consequently, poor and less educated people still turn to traditional treatment methods (traditional healers, herbalists and shaman). This means richer people primarily use higher-quality private clinics, while poorer people sometimes turn to poorly regulated private health service providers (where quality of the service is often questionable).

Poor people often see government Health Posts as the first port of call, but for anything more than minor ailments they still sometimes have to resort to private care. The perceived poor quality of care available is people's main problem with government-run health services. People have more positive perceptions in the area of maternal and child health, with many using Health Posts during pregnancy and for vaccinations.

People did express dissatisfaction with the government's role and its role-play in the health sector. They also expected the government to appoint qualified staff and well equip the government run Health Posts, and also complained about a lack of government regulation and monitoring of private health services. They feel unable to influence local health policies or complain about problems with health services. The theoretical devolution of responsibilities and establishment of Health Facility Operation and Management Committee (HFOMC) does not seem to be working in practice in the study area.

The central government needs to translate polices into implementation to improve the quality and effectiveness of health service provision. The slow pace of decentralisation, inadequate supplies of equipments and medicines, weak supervision and the lack of skilled human resources need to be addressed urgently. The coordination and monitoring provisions of the 1999 LSGA needs to be translated into practice and greater attention is required to strengthen the capacity of local government. In the absence of more effective and accountable governance at central and local levels, any legitimacy gains from providing health care services will remain limited.

* * * * *

Education service and users' perceptions of the state[1]

8.1 Introduction

This chapter presents the people's perception on the education service they receive from state-run schools. While developing this chapter, evidences and information were collected from the qualitative research in Ilam, Bardiya and Rolpa in general and Thawang, Liwang and Budagaon VDCs of Rolpa district in particular, and quantitative research work from the past 6 years (2011-2016) has been extensively used. Hence, this chapter is an extract of a working paper developed from a 2012 baseline study of 3175 households in Rolpa, Bardiya and Ilam districts (Upreti et al., 2014) and the qualitative research from Rolpa district's public schools (Tandukar et al., 2015).

8.2 Education service delivery in Nepal

Formal school-based education in Nepal dates back to the mid-nineteenth century when Durbar High School was established by the then Prime Minister Jung Bahadur Rana (Ministry of Education, 2009; Kulung, 2008). With the downfall of the Rana regime, modern education began in Nepal (Upreti et al., 2012) and private schools flourished as a result (Poudyal, 2013).

Nepal's focus on meeting the MDGs of 100 percent universal primary education by 2015 lead it to scale up educational services. As private education is affordable only for a few, the government has to take responsibility to ensure people receive quality and

---

[1] *This chapter is based on the NCCR-SLRC Working Paper (37) entitled 'Education services and users' perceptions of the state in Rolpa, Nepal'. Authored by Annal Tandukar, Sony KC, Bishnu Raj Upreti, Suman Babu Paudel, Gopikesh Acharya and Paul Harvey, the Working Paper was published by SLRC/ODI/NCCR in 2015.*

affordable education in rural areas. This is reflected in the government's commitment to achieve 100 percent enrolment in primary education through the MDGs and the School Sector Reform Plan (SSRP). As a result of this plan, primary net enrolment rate increased from 64 percent in 1990 to 95.3 percent in 2013 (GoN and NPC, 2013) among 41,959 public (state) schools and 10,477 private schools across Nepal (FEC, 2011). Further, there are bilateral and multilateral assistance supporting primary education (NPC, 2012c) and teacher training, capacity building and nutrition programmes for children in primary schools.

Even with all these efforts undertaken, the quality of teaching methods and facilities in government schools is marked lower than in private schools, and most parents prefer to send their children to private schools (Pherali et al., 2011). In 2009, about one-fifth of all school-going children attended private schools (Caddell, 2009).

In 2012 the government issued a directive to monitor and regulate all schools (co-ed and separate) in Nepal. Schools are now required to have a big playground, one toilet and one drinking water tap per 50 students (toilet separate for both males and female), one water filter per 25 students, one library per 500 students, quality food and need to submit a monthly food-inspection report, cannot sell textbooks and stationery, and may not provide more than two sets of uniforms per student. The directive also stipulates if one school fails to meet the standards, it will be merged with another, and also that private schools should contribute 1 percent Education Service Tax to the government.

After the CPA was signed in 2006, the Ministry of Education (MoE), UNICEF, UNESCO and Save the Children Nepal joined hands to promote 'education for peace' (Save the Children, 2010). Programmes such as 'Schools as Zones of Peace' and 'Children as Zones of Peace' were first introduced by Save the Children Norway in 2001 to support children from the conflict areas and integrate them into society via the education system. This campaign spread all over the Nepal with the help of organisations such as Child Workers in Nepal Concerned Centre, the Institute of Human Rights Communication Nepal and Save the Children USA (CWIN, 2003).

Many private and public schools were damaged or had to shut down during the conflict. About 3,000 teachers left their jobs in districts where the violence was worst, and 700 public schools across the country were closed (Gyawali, 2009). Schools were used as camps by the warring parties which damaged the school environment, generating a sense of hatred, denial and frustration among the children. In a nutshell, children whose age should have entitled them to education were deprived of their rights because of, school bombings, calls for bandhs (general strikes) of educational institutions, or vandalism of school property.

Interestingly the state's counter-insurgency, and not only the Maoists' activities, exacerbated the education crisis in Nepal. Data shows the Maoists killed 60 teachers and 66 students, caused the disappearance of 151 teachers and abducted 516 students and 62 teachers. On the other hand the state killed 44 teachers and 172 students, detained 158 teachers and 115 students and made 14 teachers disappear (Upreti, 2006).

In 2004, UNICEF established the 'Welcome to School' campaign (Lawoti, 2007), which supported children affected by the conflict with the aim of reintegrating them in schools. Between 2007 and 2011, 1,650 children were supported to access education and training (World Education, 2011). The Government of Nepal (GoN) endorsed schools as Zones of Peace in 2011 to ensure that schools would not be disrupted by strikes and other political constraints (Pant et al., 2012).

Government spending in the public education sector has also increased in recent years. These increases have been made in the name of the MDG and Education for All (EFA) commitments, as well as the desire to raise literacy rates and provide better facilities and learning environments to students (NPC, 2012c). The budget increases have applied above all to primary education, congruent with the MDG to attain 100 percent enrolment (NPC, 2012c). The government allocated 15.65 percent of the national budget to the education sector in 2014. Nepal's 2014 education budget was Rs 80.95 billion compared to Rs 60.13 billion in 2013. Of the total sum,

Rs 10.46 billion was provided through foreign grants and Rs 475 million from foreign loans.

A total of Rs 26.41 billion has been allocated to pre-primary and primary education, Rs 13.5 billion to secondary education, and Rs 26.16 billion to the higher and non-formal education sector. However, the last three couple of years for the education sector appear to have been rankedfirst in the national budget allocation (GoN, 2014a).

There has been a move towards community management of schools. Between 2003 and 2009, 8,002 public schools were transferred to community management. The government retains the final authority over these schools but management responsibilities are transferred to the communities in the interests of efficient and effective operation and the development of local ownership. Even in war-affected areas this has caused schools to do better. This reform has increased primary school enrolment and decreased school dropouts (World Bank, 2009). The School Sector Reform Plan (SSRP) 2009 was allocated USD 2.6 billion for the next five years so that this good performance would continue (Pherali et al., 2011).

There are 299 schools in Rolpa district (GoN, 2014b) the district from where the conflict started. The insurgency had a huge impact on education as schools were destroyed and people were forced to join the Maoists' military force. School buildings and infrastructure were demolished. Teachers were threatened with violence or even killed if they continued teaching.

Likewise a great number of students were forced to join the rebellion. However, such incidents occurred only in the rural parts of the district. In order to understand the situation of the education services, this research was conducted in two schools of Rolpa district: one in Liwang (BalKalyan Higher Secondary School) and one in Budagoan (Janakalyan Secondary School). Liwang is the district headquarters of Rolpa, while Budagaon is more rural, located more than 100 km from Liwang by road. The school in Liwang is a higher secondary, whereas in Budagaon it is a secondary school.

8.3 People's perceptions on access, quality, affordability and accountability

This section presents physical, financial, administrative and social barriers in accessing education services.

Physical access: Nepal's topography is an important feature affecting access to services. Geography has always been a major challenge, with most people needing to walk a long way to access services. Government schools with the best facilities are located in district headquarters rather than in peripheral settlements. In order to access better services people must move to the headquarters and settle there. This presents a great need for the government to spread its services more widely so that rural people get opportunities to access them.

Table 14: Time require to reach school, Liwang

Sex	Up to half an hour	31 minutes to one hour	More than one hour
Boys	82.8%	12.8%	4.4%
Girls	84.5%	11.5%	4.0%

(Source: Adapted from Upreti et al., 2014)

The study (Tandukar et al., 2015) found people thought that the time required to get to school has decreased. For example, people in Liwang have better access to school as roads were made more easily accessible and this reduced travelling time, which typically takes up to 30 minutes to reach school. This is supported by findings from the quantitative survey as 82.8 percent boys and 84.5 percent girls among the respondents perceived that it takes up to half an hour for students to reach the school as shown in Table 14.

Proximity, type of road and weather were among the factors determining physical access to school. Even in Liwang, the weather can make bad roads worse. People go to school on foot and no easily accessible public transportation exists like which is found in urban areas. Both male and female respondents, however, thought getting to school was easier than it once was, thanks to the extensions of roads in both VDCs.

Financial access: In terms of financial access, beneficiaries feel the fees they were paying were nominal in comparison to private school fees in surrounding areas, which explains why they had opted to send their children to the public school. For example, people in Liwang were satisfied with the public school, but people in Budagaon were less pleased with the services they were getting, but felt they had no alternative as they did not have other higher secondary schools in the area. Additionally, if people from Budagaon want to educate their children, they must send them away to the cities and other urban areas in the country.

Most of the schools' annual budgets come from what the government provides them and only a small portion from student fees. Primary education (up to grade 5) is free and all educational materials are provided by the schools. In both secondary schools that were studied, the students must pay an examination fee based on their grades, an admission fee and identity card charges, and they must buy a tie and belt. The medium of instruction is Nepali, but the one in Liwang conducts some classes in English. The fee charged in both schools is Rs 1,440 per year, a sum respondents say they can afford. Both schools provide scholarships to students from marginalised groups (Dalits, the handicapped) and also on the basis of merit.

The previous study (Upreti et al., 2014) showed in Rolpa around 55 percent of boy respondents said they had to pay fees for their education while only 49 percent of the girls said they had to pay school fees. Further, a beneficiary from Rolpa said, '*We pay around Rs 1,000–2,000 per year in schools. We need to cover registration charges, absent fees, examination fees, calendar fees, identity card, tie and belt and when there is event in the school.*'

The low cost of public schools is a key reason why people in rural areas send their children there instead of sending them to more expensive private schools. Some people have financial constraints and they cannot afford to send their children to expensive schools. Another important reason for parents to send their children to public schools is they feel public schools are trustable. For example,

Dalits were provided scholarships and so encountered no financial barriers in accessing education services.

Administrative barriers: Public schools have their own administrative procedures and document requirements for students. Both male and female interviewees in the study areas thought that procedures to admit children to school were not difficult. People were able to complete the paperwork easily, and if help was required, people in the administration would assist them. Parents were required to be present during admission, which they felt helped establish and maintain good relationships.

In the case of transfers from other schools, students were required to submit their transcripts and related documents before admission was granted. Administrative procedures were praised to some extent by the respondents as contributing to the better management of the school. Access to school is guaranteed and political patronage networks do not play a role in admitting one's child to school. Instead, in some cases, females face psychological barriers.

Social barriers: No distinct social barriers were observed in accessing education in the study areas (Tandukar et al., 2015). Dalits, low-caste groups and handicapped students were given preference in schools and were provided with scholarships. Sometimes procedural complications caused some difficulties. Direct gender-based discrimination by the schools was not observed.

Dropout from school: Students dropping out is a problem common to every school in the country. Reasons are lack of facilities, low pass rates, lack of proper teaching, unqualified teachers and lack of interest in school (CERID, 2002). Both male and female respondents perceived that fewer students are dropping out now than before.

The major reasons for decreasing dropout rates are related to people's growing awareness of education, improvements in school management and people's trust in schools. Some of the other reasons for students to drop out were related to the age of students (older students tended to drop out more than younger ones), their interest in going abroad to work for wages, marriage (CERID, 2002).

Perception of mechanisms and quality of education service at schools: People's perceptions of the service delivery mechanisms, quality of the services, resource availability at schools, and the way they felt about the services being provided by the schools shows that, over time, both enrolment and attendance have improved. The practice of teachers and students being late for school and leaving early without any notice has changed. Students' attendance in rural schools is mainly determined by the strictnessof the principal and school management. If the school administration and management are strict about attendance, the school is able to impart quality education to its students.

An earlier quantitative study (Upreti et al., 2014) showed 72.6 percent of boys and 73.2 percent of girls in Rolpa attended school every day, and 24.8 percent of boys and 23.9 percent of girls attended school most of the time. A factor that influenced boys and girls in Rolpa to stay away from school was the bad shape of roads and foot trails during the rainy season.

8.4   People's satisfaction with education service

The survey (Upreti et al., 2014) found majority of respondents were satisfied with the education services (figure 2). In general, people did not have negative feelings towards the service of schools. Three out of four respondents were fairly satisfied and only a few respondents were dissatisfied with the service provided.

Figure 2: Respondents' satisfaction level
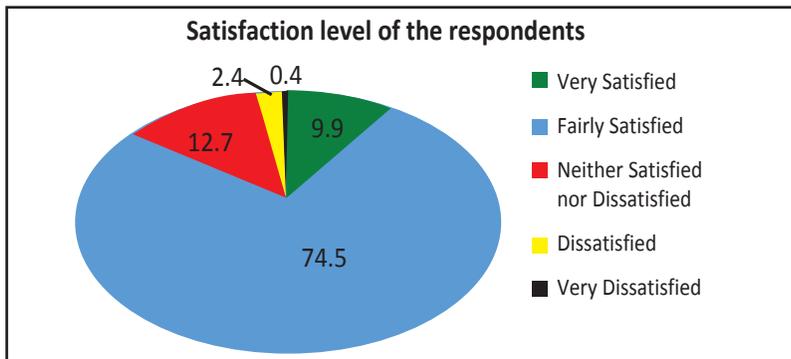
(Source: adapted from Upreti et al., 2014)

Both the male and female beneficiaries from Liwang believed the role of headmaster and school management committee is crucial in developing and maintaining quality education, and keeping the public satisfied. Obtaining parents' feedback and engaging them in the education related affairs are other factors that contributed in developing ownership and ultimately led the guardians to being satisfied with the educational services.

One area where respondents are often not fully satisfied is in the performance of their children in School Leaving Certificate (SLC) exams. There are still a lot to do in improving the quality of results in public schools so that their students may be able to compete with their contemporaries who attended private schools. One female respondent said,

> '*Actually, there is a great room for improvement in the SLC examination. The quality of education must be improved more, especially in the 9th and 10th grade because this is where children need the most attention. The SLC results are not very good. Many students still fail. I believe it is because of lack of proper management. The main gateway is SLC or else our children will not be able to get proper jobs*.'

Satisfaction with schools and quality differs person to person. For example, parents might judge quality on the basis of the institution's and their children's results, while students may measure the school's quality based on teachers' availability and ability to teach (Chua, 2004; Shrestha, 2013). The survey findings somewhat reflect this phenomenon. Parents, despite being uneducated, seemed concerned about their children's studies and gauged school quality based on their children's performance.

Most parents expect the government to better manage the education sector. Public schools have always been considered as having low quality. Inadequate resources, crowded classrooms, low teacher qualifications and poor attendance are major criticisms that public schools face (Parker et al., 2012). Children in public schools are thought to be predestined to 'fail', as reflected by their low SLC pass rates (Vaux et al., 2006:21).

Increased enrolment should not be the only means for measuring progress in the education sector. As Aryal (2013) argued, the increasing fail-rate in SLC exams for public schools challenges the impression of progress thought to have been brought about by increased enrolment rates. This poses questions for the current policies, which sideline quality education and teaching systems in favour of improving enrolment rates (Schiffman et al., 2010; Shrestha, 2013).

People expect the government to improve the quality of public schools by learning from the successes of private schools. Some efforts public schools have been making to improve the quality of education include using English as the medium of instruction up to grade four and giving examinations as frequently as in private schools.

Furthermore, students are made to take and retake exams until they pass and can be promoted to a higher grade. To make students study harder, schools take extra examination fees from children who fail, and this compels them to study harder. Furthermore, teachers give extra coaching classes to weaker students to bring them up to par with their brighter classmatess.

Parker et al., (2012) noted that the practice of sending children to private schools increased because of the prestige attached to being taught in an English-medium school. Public schools are not usually English-medium in Nepal, which is one reasons those studying in public schools are less competent than the students studying in private schools.

In general, qualities of teaching in public schools and teachers' qualifications have always been crucial concerns. Measuring and judging quality differs between individuals and is more subjective than objective (Schiffman et al., 2010). Most parents tend to judge the quality of teachers based on their children's performance in schools. Teachers' qualifications and their ability to teach their subjects determine performance of students, in addition to school facilities and infrastructure.

According to state policy, every Dalit child is provided free education up to the tenth grade, which has encouraged Dalit students to gain, at minimum, an education up to the tenth grade. While in the past Dalit children faced many hurdles to access schools (Dahal et al., 2002) because of their poor economic condition, this problem is now addressed. Free tuition for Dalit children was introduced through the 'Education for All' programme (Nepali et al., 2013). Significant progress has been made on Dalit children's access to education.

8.5   Accountability and legitimacy

Accountability and legitimacy has been examined based on the factors: extent of transparency, accountability, and responsiveness. We have looked at the effectiveness of grievance processes and the ability of citizens to influence local government and exact accountability through various formal and informal channels.

We were also concerned with peoples' assessment of the central government and state's legitimacy in regard to the state-provided education service and the extent to which it was influenced by a) pre-existing expectations about the role of the state and whether its service delivery capacity matches people's expectations, and b) the ability of the central government to ensure effective and accountable delivery at the local level.

Behaviour of education officials: The schooling system in Nepal still often uses corporal punishment. For example, if children do not do their homework, they may be beaten.[2] The behaviour of school officials towards their students can have an impact on the children's physical and mental development (Rimal and Pokharel, 2013; Mishra et al., 2010). However, our study did not encounter complaints about corporal punishment to students. This could be

---

[2] *Mishra et al., (2010) identified three forms of punishment as physical (beating with stick, pulling hair or ears, making children raise hands for a long time, etc.), emotional (includes slapping by the opposite sex, scolding, giving names such as donkey, etc.) and negative reinforcement (locking in toilets, oral warning, etc.). In Nepal many students get severely punished without anyone taking action against teachers; Mishra et al., found that only a slight change in such behaviour has taken place in the context of schools and households.*

because children do not report punishment they receive in school to parents or because parents see such punishment as normal. Hitting children is widely seen as acceptable (Rimal and Pokharel, 2013).

Transparency in educational budget allocation: Most respondents did not know about the how budgets were distributed among district schools, as there is no established mechanism to inform parents about the budget of the school. They could not say how budgets were allocated within the schools and who took care of them. When asked about the budget allocation, one respondent said,

> *'I do not know much about the budget. I just know that the budget comes from the central government but I do not know about anything else. Even though they provide information during the annual function, they just share how much they received in total but not how and where money has been allocated and used'.*

We did not find any mechanism in place to provide parents information about the budget and its utilisation. Therefore, local people were not able to acquire information about the budget directly. The SMC member indirectly accepted what local people claimed, saying they tried to share information when feasible.

Perceptions on the roles of the VDC and the state: The perception of the respondents on this issue is noticeable. They said neither the VDC nor the central government had played any direct and apparentrole in managing the schools and influencing education there. People knew that the budget came from the central government via the VDC, but they did not have a positive impression of the VDC's role in education. One beneficiary said:

> 'The *VDC has not taken to these issues seriously and has not paid attention to the need of the people... this is the reason we do not know about how much influence the VDC can play in delivering basic services*.'

Respondents were not satisfied with the VDC's contributions in expanding education services in either of the study areas. In both

areas, respondents thought the VDC should regularly monitor the performance of schools and felt schools were not accountable in the absence of monitoring. They thought the schools would perform better if the VDC monitored them regularly.

Role of SMCs: SMCs are instrumental in managing schools. SMCs consist of nine members as mandated by government. The main work of the SMC is to monitor the teachers and students, enhance physical infrastructure and deliver a better education service (formulating plans, hiring teachers, looking for extra funds, building teacher capacity, etc.). We found the majority of beneficiaries are familiar with SMC but not familiar with what they actually do. In this context one beneficiary said,

> *'Actually, I do not know about these committees much but they must surely have done some good work for our children's sake.'*

According to the beneficiaries, the SMC should a) implement rules and regulations / protocol (ACHAR SAMHITA) for all teachers andstudents, b) make the education system better, c) find and recruit qualified teachers d) address local people's concerns and complaints regarding education.

8.6 Summary of the chapter

The education sector in general and education in Rolpa district particularly were greatly affected by the conflict. Schools were vandalised, teachers and children were abducted, school buildings were used as camps by the rebels and state forces (in some cases) and schools were not able to operate properly. However, the education sector in general and Rolpa in particular has recovered since the CPA in 2006. This chapter highlights, despite the prolonged effects of conflict, poor resource management and weak governance of the education sector and a bleak political scenario, schools are committed to the children they teach. But much more needs to be done to improve access, quality and resources of the public schools in the country.

Tangible improvements have been made in government-provided education in both cases that were studied. As reflected throughout the chapter, observations from Liwang suggest a dynamic school leadership can bring about real quality in public education. People seem to have reasonably high levels of satisfaction with the education services being provided, and some good progress on accountability has been made, with the SMCs playing positive and outcome-oriented roles.

Significant progress appears to have been achieved in rebuilding education services even after the disruption of the conflict. However, the chapter has indicated there are some serious quality issues remaining yet to be responded.

This chapter has identified that physical access to school has improved over time. There were no social barriers to accessing education and no reported cases of direct discrimination against low caste, marginalised or deprived groups or women. Dalits students were encouraged through scholarships and other benefits.

Even though better access to education is not sufficient to ensure quality in education, it has elicited positive views towards education among the poor. Beneficiaries of the education service perceive service is effective.

Even when the schools were state-run, people were satisfied enough with their quality to send their children there. The schools were accountable to local people. Teachers were responsive, friendly and dedicated to improving quality. The SMC has played a key role in maintaining accountability of the schools towards the people. This example from Rolpa district can be replicated throughout the nation to make Nepal's public education system better and of higher quality.

* * * * *

Chapter

9

Drinking water service and users' perceptions of the state[1]

9.1   Introduction

This chapter explains how drinking water service users perceive the state. It examines people's access to drinking water and the government's role in water provision and how that affects people's wider views of governance in Rolpa. The provision of basic services, including water, is expected to contribute to processes of state-building and legitimises governments in post-conflict situations such as Nepal. The objective of this chapter is to discuss people's perceptions of local and central government in relation to water service provision. Issues related to the accessibility, effectiveness and accountability of drinking water service provision are presented in this chapter.

9.2   Analysing public perception of state

It is often assumed people's positive experience with services improves their perceptions of the government. With this assumption in mind, this chapter explores people's access to drinking water services in terms of physical, financial, socio-political access and administrative angles.

When physical access is examined, the availability of drinking water services, distance to and time taken to reach the water point are considered. Financial access explores the extent to which costs (formal/informal fees and indirect charges in tap installation, monthly service charge and other labour and payment contributions

---

for repair and maintenance) create barriers to access. Likewise, socio-political barriers consider the extent to which discriminations based on gender, ethnicity, caste, religion and politics present obstacles to access. Similarly, administrative barriers include the extent to which administrative hurdles, bureaucratic red tape and corruption create barriers to access.

This chapter is developed form the documentation of the earlier studies (Acharya et al., 2015 and Upreti et al., 2014) in Rolpa, Bardiya and Ilam districts of Nepal. The information and findings of the longitudinal survey with 3,175 households (Upreti et al., 2014) and the in-depth qualitative study (Acharya et al., 2015) in the Budagaon and Liwang Village Development Committees (VDCs) of Rolpa are used in this chapter.

In the qualitative assessment, in-depth interviews were used, focusing especially on respondents' perceptions, experiences and views on the drinking water services provided by the government or others. These were supported by key informant interviews with service providers and Drinking Water Management Committees (DWMCs).

9.3   The broader context

UNCED (1992) states it is 'the basic right of all human beings to have access to clean water and sanitation at an affordable price' (UNCED, 1992). Likewise, Nepal's Water Resource Strategy of 2002 (2058 BS[2]) states 'every Nepali citizen, now and in future, should have access to safe drinking water and appropriate sanitation as well as enough water to produce food and energy at reasonable cost' (Ministry of Water Resources, 2002:1). If the state's poor performance in delivering basic services was one of the causes of the conflict that began in 1996 (Ali et al., 2011; Berry and Igboemeka, 2005), a decade of fighting further hampered the provision of education, health and drinking water services, caused a breakdown of family and community networks, and restricted development assistance. The Maoist insurgents sought to obstruct

---

[2] *BS refers to Bikram Sambat in the Nepali Calendar.*

state-provided basic services in order to distance people from the state.

After the conflict ended in 2006, the government sought to establish better local governance with more community participation. In the drinking water service sector, this took the form of creating the following autonomous bodies at the local level: District Water Resource Committees (DWRCs)[3], Drinking Water Management Committees (DWMCs)[4] and Drinking Water Users' Committees (DWUCs).[5] Sigdel and Sharma (2013) finds that the establishment of such bodies has helped to build service capacity, which has ultimately contributed in state building.

The Municipality/VDC Office is responsible for drinking water supply, irrigation and river control programmes, preserving water sources and environmental protection in the village development area (Local Self Governance Act, 1999). The Municipality/VDC Office coordinates with DWRCs, DWMCs and DWUCs. The Local Self Governance Act[6] allocates responsibilities of utilising, conserving and managing water resources to the local bodies (District Development Committees, VDCs and Municipalities). It empowers these local bodies to formulate policies, implement programmes and collect revenues (through local taxation, fees and other means). The local bodies are given the right to fix charges for drinking water services, consulting the DWMCs, DWUCs and the community.

This qualitative study finds water services are provided by the state and also by non-state entities such as NGOs, international NGOs and the private sector. The study also finds different providers all have different rules for service distribution: some do not charge

---

[3] *The District Water Resource Committee is constituted under the chairmanship of the Chief District Officer and is a licensing authority for water use in the district.*

[4] *Drinking Water Management Committees, generally, are locally elected bodies registered in the local government.*

[5] *Drinking Water Users' Committees are locally formed bodies; the users are the members and represent the concerns of users.*

[6] *Local Self Governance Act 2055 (1999). Published by His Majesty's Government, Ministry of Law and Justice, Law Books Management Board, Kathmandu.*

users for providing the service, some charge nominal fees, and some just collect a service charge for infrastructure maintenance.

Safe drinking water is a necessity for good health and also supports people by sustaining their other basic needs. Safe drinking water generally means treated water that has been tested for unsafe and potentially unsafe mineral and biological pollutants and has met drinking water quality standards. It is sometimes understood as 'improved drinking water': CBS and UNICEF (2012: 18) notes 'improved drinking-water sources include piped water (into dwelling, compound, yard or plot, public tap/ standpipe), tube well/borehole, protected well, protected spring, and rainwater collection and harvesting.' Many problems still exist in the delivery of drinking water services.

According to WECS (2011), 28 percent of Nepali people do not have access to basic water supply while 75 percent have no sanitation facilities. The gap between rural and urban areas is large, with urban areas significantly better off. Most rural areas of Nepal still do not have clean and safe drinking water facilities. The lack of access to safe and clean drinking water undermines livelihoods and spreads numerous water-borne diseases. Among other things, the cost of treating water-borne diseases and the longer journeys needed to fetch water has made rural livelihoods more difficult and vulnerable.

Preventing water contamination at source is a major challenge. Contamination at source spreads infectious diseases like typhoid, cholera, hepatitis and dysentery. Dumping human and animal wastes in open spaces and the use of pesticides in agriculture seem to have intensified microbiological contamination at water sources like springs and streams. Water contamination poses challenges for the environment and biodiversity. Water resources polluted with 'solid waste, waste water discharge and effluents from automobile workshops and small industries' (UNDP, 2008: 68) are detrimental to agriculture, ecology or even to the entire environment.

Nepal lacks the institutional capacity to manage its water resources. Regmi (2007: 67–68) opines this deficiency has been an extra critical

factor preventing proper harnessing of water resources. Regarding water supply, Upreti (2007: 23) argues 'availability, reliability, equity and seasonality' are major issues. According to the Ministry of Water Resources (1992a, 1992b), the use and management of water resources in the country are governed by the 'Water Resources Regulation Act 2050' and 'Water Resources Act 2049'. The former permits administration to form Water Users' Groups (WUGs) for the collective use and management of water resources. Hence, local people's awareness has increased: they are aware of their resources, incentives (for sharing), and compensations (for risk), therefore they want to own their water resources. Their sense of ownership is encouraging, but they alone cannot manage and harness available local resources.

The state's limited techno-economic capacities, the existing corruption in programme implementation, and administrative hurdles are the greatest barriers to effective drinking water provision.

In the context of Nepal, drinking water is not always of highest priority, with users often choosing to allocate their water for irrigation. Acharya (2015: 305) argues the 'distribution of water resources for livelihood security, including drinking water, needs to be first priority rather than development and other facilities'. But there is a different situation in the study area: neither drinking water is prioritised, nor irrigation and nor sanitation.

Supportive to this finding, the previous SLRC-Nepal quantitative study (Upreti et al., 2014) has documented only 3.5 percent households (out of the total sample size of 716 households in Rolpa) have drinking water taps installed at home, which, by evidence, suggests drinking water is not prioritised. In terms of overall water uses, the study area is techno-economically costlier to prioritise programmes for water uses because of its rugged terrain. Thus, local people do not have easy access to overall service provisions related to water supply (drinking water, irrigation and sanitation).

9.4　Public perception

An earlier study showed 88.8 percent of the sampled households say they have access to safe and clean water (Upreti et al., 2014). Of the households using government water sources, 41.1 percent said that drinking water is 'always available', 30.6 percent said drinking water is 'mostly available' and 27.4 percent said drinking water is 'sometimes not available', while just 0.9 percent answered drinking water is 'often not available'. Generally, if the local or central government is capable of managing and ensuring effective and accountable service delivery at the local level, it shapes people's perception in a positive way. Earlier studies (Acharya et al., 2015 and Upreti et al., 2014) found people have comparatively more positive perceptions of local government than of central government.

Even though a vast majority of households in the study are as accessed drinking water from tap sources, most of them did not access water-tap at and around their homes. Some of the reasons of not being able to access drinking water in their houses or premises include (a) geography (rugged landscape), (b) absence of influential people in their area, (c) inability to harness local resources, (d) lack of competent human resources, (e) conflicts between different users, and (f) weak state presence. These reasons are also associated with socio-political and administrative barriers in accessing the drinking water service delivery.

This chapter identifies five barriers that prevent access to drinking water. They are physical barriers, financial barriers, socio-political barriers and administrative barriers. These barriers are discussed below with their effects on perceptions of government.

9.4.1 Accessibility

Better accessibility of a basic service like drinking water contributes to positive public perception of the government. The five categories of barriers to access the service are discussed below:

9.4.1.1 Physical access

Physical access to quality drinking water is always a crucial concern in Nepal even though Nepal is rich in water resources. As Acharya et al., (2015) indicates, Rolpa is rich in freshwater resources, but drinking water supply is found to be scarce.[7] The main actors responsible for managing water sources include local government, private/individuals, non-government organisations (NGOs) and other local organisations. Hence, there are different charges levied depending on the service provider, availability of water, water quality and quantity.

The main sources of drinking water in the study area are tap water, wells, and rivers. In terms of physical access and time needed to fetch drinking water, the majority of surveyed households fetched water from public sources such as taps, wells and rivers; in some cases this takes more than an hour. Few households have taps installed. Public sources are not cleaned and maintained regularly, which results in degraded water quality. Users of public sources feel neither local nor central government cares about them, and they pour their frustration on service providers. This feeling has contributed in shaping negative public perceptions of the government.

Households that managed drinking water themselves have a more regular water supply than those using community or government-managed supply. Such households, as this qualitative study has found, may have little connection with the local state bodies, non-state organisations or even to the locally influential or political people. Some are financially capable of investing in their drinking water. When in need of maintenance, they can invest on repairs themselves and get the system fixed sooner than if they relied on service providers.

Many villages situated in the hill region of Nepal in general and in the study area (Rolpa) in specific have geographical challenges

---

[7] *Rivers include the Madhikhola, Lungrikhola, Fagemkhola, Goyour, Trebeni, Bojang, Sibang, Dhansi, Fiwai, Pokhapani, Banfall, Halhale, Jinawang, Arhang and Mirul.*

in supplying drinking water, and this is one of the main factors determining physical access to drinking water service delivery. Geographical complexity affects both access and utilisation of drinking water services. In Liwang 5, for example, households without access to drinking water taps are mostly located at higher altitude areas and are often poorer. People in the lower belt of the same ward, however, are also dissatisfied with the irregularity of the community-managed drinking water service. Water gets depleted at source in the dry season, and in other seasons tap-water is supplied for just two hours each day (one hour in the evening, and one in the morning). In this context, one respondent (a 24-year-old Dalit woman) claimed some users who lived nearer to the source cut the pipeline, which often creates problems for downstream users. She further adds,

> 'I *am not satisfied with the source and quality of our drinking water. Children swim at the source, people wash their clothes there, which have degraded the water quality.'*

This indicates households which are comparatively farther from the source are more vulnerable as far as physical access to clean and safe drinking water service delivery is concerned. Even if households have access to water, quality is always a concern because the water reservoir gets polluted when there is rain and flood.

A study of Acharya et al., (2015) shows taps installed by the government's Nepal Water Supply Limited were not fully functional and after some months people in the community had to invest on their own drinking water supply system. However, maintaining water quality in privately developed systems is a concern. The most convenient water supply is water piped directly to households. But surface water sources such as rivers, unprotected wells, dams and other poor-quality water sources are also used.

Traditional drinking water services and service providers are not able to fulfill drinking water and sanitation related needs of the local people. The findings of the previous study (Acharya et al., 2015) indicates households that manage their drinking water themselves have a more regular water supply than those using

community and government-managed drinking water supplies. It is becoming essential for the local government to implement a simple district-wide approach to protect water sources from mineral and biological pollutants, to make people aware about maintaining the water quality and provide them purifying products and skills to use them.

Local governments in the post-conflict context have achieved significant progress in providing drinking water services. This achievement can also be measured through the effective functioning of DWMC, DWUC and other local governmental bodies. At least, the system capacity has been enhanced in the post-conflict era. But, gaps between policies and implementation have resulted in less-effective drinking water service delivery.

9. 4.1.2 Financial access

Fee structures for drinking water services vary with the type of service providers. Further, water price monitoring systems are also fragmented or dysfunctional. In general, people are dissatisfied with the amount they are charged for being supplied with drinking water. For example, in Liwang VDC ward no 5, the community participated in the DWMC to renovate dam at the water source, the dam needs serious repairs and the committee lacks the technical or financial capacity to repair it. Further, the dam area is not protected, children swim in it and local people wash clothes there. People have shared their concerns with the VDC and District Development Committee (DDC). Users are frustrated because their concerns are not heard by the authorities.

In this context, one user (a 51-year-old Brahmin woman) shared she is paying Rs 125 per month to the DWMC for water supplied through a public tap in her tole. However, she is not satisfied with the service provided. She said,

> '*There are some irregularities but we are compelled to pay the fees regularly. The service is irregular, but if we delay paying the bill even by one day they fine us immediately. If we ask for repairs they tell us to repair the damage ourselves*'.

One of the concerns raised is related to ineffective service. One user said,

> '*We pay money regularly, so we should get access to these services in an efficient manner, water quality should be improved and supply should be regular. Regarding drinking water service, the VDC has not been able to provide better service and people in the area have not seen the state fulfilling its drinking water-related responsibilities in service delivery. The central government too has not been able to monitor planning and implementation.*'

9.4.1.3 Socio-political barriers

The socio-political sphere is arguably the biggest barrier to better service delivery as well as the best opportunity to improve it. The caste system is a complex social and political force in Nepal's contemporary political, social and economic development efforts and problems (Welber, 2012: 2). Gender, ethnicity and religion present further barriers. A study (Acharya et al., 2015) documented more than 80 percent of the respondents believe that discrimination based on caste does not exist. Highlighting the situation of discrimination, a 37-year-old male said,

> '*Because of several human rights advocacy programmes, Dalits, women, minorities and marginalised people, have been able to influence the service provider. The Maoist insurgency also helped a lot to increase awareness among the people*'.

Stressing the non-existence of discrimination further, a 24-year old Dalit woman from Rolpa shared her experience:

> '*There are no caste-based discriminations here. Even if I am a Dalit woman, I do not feel I am being discriminated against.*'

Caste-based discrimination has been drastically reduced in the past two decades but it still prevails despite being banned by the constitution.

Likewise, gender-based discrimination has drastically reduced in the past two decades. Several factors have contributed to reduce gender-based discriminations: constitutional provisions, fear from

the threat of action against such discrimination from Maoist during the war, role of radio and television, and gender-based activism.

The gender discrimination appears significant when we reflect on who is actually managing and utilising the collected water back at home. The study finds females are mostly involved in household affairs such as cooking, vegetable planting, household sanitation etc., therefore there is discrimination in this regard, which has compelled females to get engaged mostly in household affairs, which in turn prevents them from spending time for other social affairs. However, political discrimination seems to have increased when compared to the past. A 39-year-old female user from Liwang 4, Mulpani, Rolpa speaks about the existence of discrimination based on political affiliation, saying,

> *'There is so much political discrimination that some communities are deprived of development programmes because they have a different political ideology than that of the local political leaders.... people living near the reservoir/collection chamber have water taps at their homes with regular supply, while households further on do not.'*

Locals of Budagaon VDC-5 expressed similar opinions:

> *'Those politicians who have power are able to influence the decision-making process that allocates the development works and development investments. People who have different political beliefs than that of the local politicians have been treated differently.'*

9.4.1.4 Administrative barriers

The study of Acharya et al., (2015) documents varying experiences of people with regards to the quality of service provided by different types of service providers. Bureaucratic delays, corruption and administrative hassles are some of the main perceived barriers. If water users need funds to be allocated for the management and maintenance of their drinking water system, it is necessary to find influential people to influence the VDC and other bureaucratic units.

Many users in the study areas had grievances against service providers, VDCs and central government because they had faced obstructions when they attempted to obtain resources. In Liwang 8, water users suffer from irregular drinking water supply, especially in the dry season, and they have frequently requested Nepal Drinking Water Supply Limited to solve the problem but it has not been addressed. Responding to this problem, the responsible official from the Drinking Water Supply Limited says they themselves lack funds. However, people these days are actively involved in managing their water systems by forming local water users groups to pool resources, enhance incentives and minimise risks. By doing so, the users are in better position to negotiate.

A local male respondent said,

> 'Yes! Together we can influence water authorities, we just need to work together. If we register any query, it is better to go collectively rather than individually because our collective presence obliges the service provider to pay attention to our queries'.

Regarding women's perceptions and other administrative barriers on service providers, the study of Acharya et al., (2015) found that half of them know very little about it because it is mostly men who approach the service providers (when applying, or while paying their bills, and while making other related consultations). The other half are neither negative nor positive.

Information dissemination is important for effective service delivery. If people are informed about the service provider's responsibilities and accountability, misunderstandings may not occur. Public display of the citizen's charter gives people a way to understand the services available and the procedures associated with them. The charter generally shows the range of services, procedures and essential documents that apply. In the government offices within the study area, the Citizen's Charter has, in a way, maintained a level of transparency about the services provided. Displaying the Citizen's Charter is 'one of several strategies of the

central government's initiative to reform the public service delivery apparatus' (Bhusal, n.d.).

At one level, this provision maintains transparency and at another level it secures citizens' right to information. However, this alone is not enough. The drinking water sector still lacks transparency about how much money is allocated for andspent on different programmes, who provides the funds and how they are channeled.

In conclusion, individuals' and households' experiences from different communities vary on types of services and service providers. But their perceptions regarding bureaucratic delays, corruption and other barriers are unanimous. People complain they need to find prominent people to influence the VDC and other bureaucratic units if they need budget allocations for drinking water management. This indicates bureaucratic hurdles have been affecting the budget distribution process as well.

9.5   Public perception of local and central government, and people's expectations

According to the findings of previous quantitative survey (Upreti et al., 2014) and the qualitative study (Acharya et al., 2015), the beneficiaries' priorities are not reflected in the decisions of those in power. This is reflected in the opinion of a 52-year-old man from Liwang VDC of Rolpa:

> *'Although we are managing our drinking water service ourselves, isn't the state is supposed to manage basic public services, such as drinking water and health? Who will look after us if not the government? Regarding drinking water, I have seen the government offices collecting service charge for drinking water. My point is, if people are paying for the service, it must be reliable and well organised.'*

The most common issues were related to functioning of VDC, especially on the issue of budget allocation and expenses. In the absence of locally elected government, some provisions have been changed which has also confused people. Though the VDC office has

taken on the role of the locally elected political bodies and works with the ex-political representatives, its performance is sluggish and beneficiaries are dissatisfied especially on the implementation of the policies and programmes. The message from the statement of a Dalit beneficiary from Liwang VDC-5 is loud and clear. He said,

> *'Mercy on the VDC! How could the VDC control and regulate the service providers? I am not satisfied with VDC Office because it has not been attentive in the supervision of water delivery. Maybe the VDC lacks human resources. Mercy on the VDC Secretary!! How could he do everything alone? If VDC Office pays attention to how much budget was channeled to the drinking water committee and how much was spent, and how they have improved things, the situation would be better.'*

It is the responsibility of the local government to fund public service providers' understanding of the local needs and to what extent local resources can fulfill them, while the central government should assist local government.

However, local administration has faced several challenges to improve the drinking water service and the central government is not sufficiently committed to ensure effective delivery of drinking water services. Hence, the state has not been able to fully ensure people's fundamental needs. Further, people are not able to see how the central government is linked to the local government. Politicians elected by locals rarely come back to their area.

However, people have more expectations from the local government. In this regard, a beneficiary from Rolpa says,

> *'The local government must provide services because people are familiar with those running the local government, while the central government's work is to provide a plan and a budget. This is how the central government can ensure that people have access to water.'*

One common message drawn from the earlier studies (Acharya et al., 2015; Upreti et al., 2014) is despite the poor performance, people still expect the state to play a prominent role in fulfilling the

local people's basic needs and regulating donors and other service providers. Beneficiaries expect the local government to provide public services and the state to invest in them.

Ultimately, it is the central government that needs to take responsibility to ensure that people have access to water, while the local government should take responsibility in ensuring adequate water quality and accountability. The central government should help local government with technical and financial assistance.

People in the community also need to be able to monitor how the VDC has been using the budget, how much investment they have made and how much they have been getting in return. Public service delivery governance in Nepal is most often referred to as 'non-functional, ineffective, too bureaucratic and non-participatory in nature'[8] and is negatively perceived. But, actually this is not always true because the public service delivery governance at local level is to 'maintain the presence of the [central] government at the local level'.[9]

The public's perceptions of the government and their assessment of public services offer a picture that could help improve service delivery. According to Paul and Sekhar (1997), it is important to pay attention to public perception because they reflect experiences regarding the accessibility, reliability, efficiency and adequacy of service. As the target group of the provided service, the public easily recognises the specific and problematic factors of that service. At the same time, by articulating their acknowledgement and feedback, they offer the government or service provider opportunities to analyse the situation in depth and improve accordingly.

Articulation of public perception and provision for the public to give feedback also paves way for correcting any possible misunderstandings. Sometimes, the public shape perceptions based on their expectations rather than on what the government has been providing. In such a situation, perceptions may reflect a

---

8 Read more at: http://trn.gorkhapatraonline.com/index.php/op-ed/10512-flaws-in-the-citizen%E2%80%99s-charter-thaneshwar-bhusal.html.

9 Ibid.

misunderstanding. Yet, articulating perceptions is a starting point to find the better solution.

9.6 Summary of the chapter

Drinking water service in the remote hills and mountains of Nepal is poor due to lack of locally elected government, rugged terrain, lack of technical capacity, poor physical and communications infrastructures, and weak state presence. Hence, better or improved access to drinking water is hampered, which has ultimately contributed to negative public perceptions towards service delivery.

This chapter has highlighted that the most households in remote areas are not yet able to access quality drinking water as to their needs, which ultimately have contributed to negative perceptions of people towards state service delivery and its performance. Hence, charting pragmatic paths to improve water management in the face of increasingly scarce water supplies is important to improve state-society relations. It is not only the issue of access of the drinking water but there are also concerns over the quality of service, the accountability of service providers, and people's sense of ownership of the service.

As reflected in the chapter further, allocating sufficient funds for the local authorities and improving their ability to utilise it in a transparent and efficient manner is another way to improve state-people relations. The overall drinking water coverage of rural Nepal lags behind the headquarters/urban areas, thereby revealing a continuing disparity. In addition, a gap persists between the richest and poorest people in the study area. In some places, water resources are plentiful, but poorer people are still using unimproved and unprotected water sources.

The poorest households have the lowest level of access to basic services. Communities with richer individuals, social elites and politically influential people access improved drinking water supplied from a protected water source through a pipeline. Progress on 'safe and clean' drinking water has been slowest in

the least developed wards, where people have low incomes, fewer political connections and limited water resources.

This chapter asserts ensuring good drinking water requires improving drinking water sources, investing in infrastructure and safe water storage, promoting water safety awareness and household water treatment, and promoting household storage to harvest rainwater. Hence, meeting the drinking water-related constitutional requirements of Nepal, which requires reform in the legal and procedural barriers, capacity development of local service providers, improvement in inter- and intra-ward-VDC-district (to be adapted as per the local government provision made by the Local Level Structuring Commission in the face of federalism) and inter-agency cooperation, skills and awareness of economic use of scarce drinking water has been realised important to efficiently manage drinking water service.

* * * * *

<table>
<tr><td>**Chapter**

10</td><td>*Post-conflict development intervention: Evidences from LGCDP*[1]</td></tr>
</table>

10.1 Introduction

The Maoist insurgents vandalised or destroyed drinking-water supply systems (dams, pipeline, taps, etc.) in an attempt to prevent the state from providing basic services, thus breaking the connection between the state and people and negatively impacting the people's perception of government performance.

In responding to the development vacuum created by the decade-long armed conflict in Nepal, the government of Nepal and development partners designed different interventions that could fill the gaps created by the insurrection. The Local Governance and Community Development Programme (LGCDP) was a joint, as well as the largest, post-conflict development interventions implemented across the country.

In this chapter, we assess the impacts of the LGCDP on basic drinking water and sanitation (DWS) service delivery, local governance, and state-society relations in the post-conflict period. In addition to the studies in Bardiya, Ilam and Rolpa districts that were conducted for 6 years, specific studies were conducted in the LGCDP-supported Drinking Water Programmes (DWPs)[2].

---

[1] *This chapter is based on the NCCR-SLRC Working Paper (45) entitled 'The Drinking Water and Sanitation Programme of Nepal's Local Governance and Community Development Programme'. Authored by Gopikesh Acharya, Bishnu Raj Upreti, Suman Babu Paudel, Annal Tandukar and Daniel Harris, the Working Paper was published by SLRC/ODI/NCCR in 2016.*

[2] *The DWS studied in Ilam Municipality Wards 4 and 5 were the Bhalubase (Upper) DWP, the Devithane DWP and the Bhalubase (Attharabesi) DWP.*

10.2 The context

The armed conflict impacted community networks, caused breakdowns in family and social relations, and restricted development assistance. The state was too weak to deliver basic services, while the 'Maoist insurgents sought to obstruct state-provided basic services in order to distance people from the state' (Acharya et al., 2015). This situation had an impact on livelihoods, invited corruption in national and local-level development, and affected community participation in development work, resulting in low levels of development and volunteer work and reflecting a great loss of organisational, system and individual capabilities.

As part of its efforts on poverty reduction, community-led development and efficient local service delivery, the GoN seeks to achieve 'tangible changes' in local governance (LGCDP, 2008: 07). In this vision, local governance is concerned with managing local development in a way that encourages local people to participate in and lead the development process. Only the process of participatory and inclusive community-led development can enable communities to '[…] express their interests and needs, mediate differences, and exercise their rights and obligations at local levels' (MoLD, 2012: I). According to the LGCDP (2010), this is not easy in the Nepali context: '[…] It's hard for people to fully internalise local governance.'

The LGCDP, introduced in 2008 as a collaboration programme between the GoN and its international development partners,[3] is designed to support local governance and community-led development through the channel of central government. In particular, it seeks to promote accountable, participatory and inclusive access to publicly provided goods and services at the local level. It provides technical support to the local government bodies –

---

[3] *Major donors include the ADB, Danish International Development Agency, Canadian International Development Agency, the UK Department for International Development, the Government of Norway, the Swiss Agency for Development and Cooperation, the German Agency for International Cooperation (GIZ), Japan International Cooperation Agency, the World Bank and various UN agencies (LGCDP, 2010).*

DDCs, Village Development Committees (VDCs) and Municipalities –as well as to the Ministry of Local Development[4] (MoLD) and other line ministries.

The ministry's evaluation found the first phase LGCDP created a 'strong institutional base' and 'built capacity through social mobilisation and capacity development initiatives'.[5] It also identified improvement in the LGCDP's technical support, support in strengthening financial monitoring, support in management of revenue collection, support in building public-private partnerships, encouragement in implementation of minimum conditions, and emphasis on people's ownership of projects.

The LGCDP provides development funds to local government bodies for local development and basic service delivery as well as supporting local people's active engagement with the local government and service providers.[6] In the case of DWS programmes studied in Ilam municipality, the fund was channeled to improve the supply of existing DWPs. In each of the three DWPs studied, funds were spent to strengthen supply through investments in bigger reservoirs, pipeline replacement and maintenance. Details are provided below for each DWP in Boxes 4, 5, and 6.

Although the LGCDP support was also intended to enable active and productive participation of community members and to support local capacity building in Nepal, research on its impact is sparse. While 'interactive participation strives to empower the communities to be the leading decision-makers, planners and implementers' (Rautanen et al., 2014), it is yet to be established whether the LGCDP has achieved its objectives of strengthening the ability of local governments to support effective service

---

[4] *The entity executing the LGCDP.*

[5] *LGCDP discussion of 'Outcomes and Outputs' at http://lgcdp.gov.np/phase2/?q=node/285.*

[6] *The LGCDP has a number of specific objectives: technical assistance, policy support, developing guidelines and orientation to key stakeholders, capacity building, mainstreaming gender and social inclusion and child/youth inclusion in local governance, strengthening bottom-up planning systems at the local level, community empowerment and local governance processes, monitoring/evaluation, and advocacy and media training.*

delivery and enabling local community members to take part in development processes and express their voice. It is therefore important to explore the ways in which the LGCDP has influenced local governance and state-society relations at the local level.

Box 4: Bhalubase (Upper) DWP

The Bhalubase (Upper) DWP covers 62 households. It was allocated USD 909 by the Municipality Office through the first phase LGCDP budget in 2009 (covering 2008-2012). The headwater (or source) for the programme is located in Ward No. 3 and drinking water is supplied to the Golakharka, service coverage area in Ward No. 5.

Before the implementation of this DWP, community members reported having to travel half an hour on average to fetch drinking water. The burden of this trip had important social implications, with parents from other areas preferring their daughters not to marry boys from Golakharka, where they would have to fetch water from distant sources. We will be discussing the social implications of it (water-fetching as a female job) later in the analysis.

In 1991, members of the community arranged a public tap in the area, bringing water from the Singhabahini DWP through a small pipeline. There used to be long queues and users sometimes got involved in disputes. From 1993 the Government of Japan managed the drinking water service system and the service was slightly improved, but as the population grew, people began to face water scarcity again. In 1997/98, Ilam DDC provided pipes and meters and introduced monthly charges. In 2008, the first phase LGCDP Programme was introduced and budget was allocated and invested by the Ilam Municipality Office in the Bhalubase DWP (Upper) for source protection and improved service delivery (Acharya et al., 2016).

Box 5: Devithane DWP

The Devithane DWP covers 54 households. It was allocated USD 829.95 from the LGCDP budget in 2009. The source water is located in Ward No. 3 and the water is supplied to Ward No. 4.

Before LGCDP support, there was one public tap from which five or six households could fetch drinking water per day, while other households would have to travel to alternative sources. The tap operated on a 'first come, first served' principle, resulting in inequities in distribution and conflict among service users. The another alternative for users was to fetch drinking water from the Jordhara DWP, an hour's journey away. For washing clothes and taking baths, community members would go to the Maikhola river, a one-and-a-half hour journey. As usual, females and children were the ones who had to fetch the water mostly.

At present, almost all households in the community are provided with drinking water taps, either in their neighbourhood or at home, and disputes and small-scale conflicts over access have been avoided. The situation is visibly improved, although it is not entirely satisfactory. People in the city area of Ilam Municipality deposit their domestic waste into an unmanaged drainage system, allowing pollutants to leak into the drinking water source. This problem intensifies during the rainy season.

The main reservoir of Devithane DWP was designed to deliver drinking water through a 32mm pipe. However, in 2009 a 20mm pipe was installed, leading local residents to question whether this could adequately fulfil demand. The main pipeline is 40mm in diameter, although in some places it is repaired with a 30mm pipe, reducing the overall capacity of the pipeline (Acharya et al., 2016).

Box 6: Bhalubase (Attharabesi) DWP

The Bhalubase (Attharabesi) DWP covers about 100 households, of which 62 have meters installed. The remaining 38 households are partially served. Among these partially served households, there are five households consuming drinking water through a single tap with meter installed on it. The Municipality Office allocated USD 909 from the LGCDP budget in 2009, which was invested in the DWP.

The source of the drinking water supplied through this programme is located in Ward No. 3, and the water is supplied to Ward No. 5. Previously, the Municipality Office supplied drinking water in this area from the Shinhabahini. At that time, each household had to pay USD0.10 each month to the operator. When the Bhalubase (Attharabesi) DWP was designed, the Shinhabahini DWP was shifted to Ward No. 4. Now drinking water is supplied in the morning between 5 AM and 8 AM and each household can collect up to 300 litres water a day.

Government plan to construct an airport in Ward No. 5 has caused people to move around there, and the increasing flow of migrants and demand for water may pose a challenge in the future. Local people are therefore exploring alternative sources to complement the existing DWP and fulfil the increasing demand for drinking water. As Respondent 1/F/C/BA says, they have been studying and assessing the possibility of bringing water from the Ghatte Khola in Shantidada VDC, which is about 3km away from Bhanjyang. This source lies in private land, so the community in Bhanjyang has been negotiating with the owner of the land. According to Kishor Karki (a KII Respondent), the resource owner has agreed to the plan. The community has not consulted with any other governmental or non-governmental organisation, but Karki reports there are plans to form a committee and negotiate with the state authority and other social organisations to seek their contribution (Acharya et al., 2016).

10.3 Framework for analysis

The analytical framework of this chapter is guided by the two research questions: a) How effective were LGCDP interventions in strengthening the capacity of the local government bodies to provide DWS services to the local people?; and b) How did LGCDP interventions on DWS services influence community participation in local governance and state-society relations at the local level?

Regarding the first research question, attempts have been made to identify the effectiveness and inclusiveness of the drinking water service. Four different factors must be taken into consideration: governance barriers, physical access, financial access, and social barriers.

Regarding the second research question, this chapter has focused on three areas: (1) community participation in DWS service delivery under the LGCDP programmes, (2) changes in the community's ability to influence DWS service delivery and accountability in water and sanitation sectors, and (3) changes in the community's ability to influence service delivery and accountability outside the DWS sectors.

10.4   Absence of local elected government and transitional management

The absence of locally elected political bodies has created a void in service delivery, infrastructure development and other affairs. To harmonise the roles of locally elected political bodies, the MoLD charges the Local Development Officer, Executive Officer and the VDC Secretary with the functions of the absent locally elected political bodies. However, the government strongly advised these government officials (from respective offices) to hold discussions with the local former political representatives and people from various social groups before starting on any local development plan and action.

The GoN has adopted a more decentralised approach to local development in the last decade and has given more authority to

local institutions, for instance forest users' committees, mothers' associations, irrigation users' committees and drinking water users' committees.

10.5 LGCDP capacity building of local government and DWS service

Assessing the impact of the LGCDP on DWS service delivery is difficult as there is no specific programme fully funded under the LGCDP. Rather, it provides partial techno-economic support to complement broader investments and practices in the sector. Many improvements may be attributed to a range of factors, not just the LGCDP.

10.5.1 LGCDP and effectiveness of DWS service delivery

Through LGCDP support, people were found to be able to organise and tackle the drinking water and sanitation challenges, and protect the available resources or make arrangements to fulfill their water-related needs. Though it is not according to an exact expectation and plan, the community has begun to address water-related challenges, thereby protecting water sources and building reservoirs.

Although there have been important improvements in drinking water service delivery, there is still dissatisfaction among many households regarding the quality and quantity of water to which they have gained access. The three DWPs studied were designed to maximise the capacity of the main pipeline and the capacity of the reservoir, but the politically uncertain environment and the vulnerability of the design and construction process resulted in less capacity in the DWPs than hoped for.

When problems arise in the quality or quantity of the DWS service, there is limited capacity to respond and little evidence that this capacity has improved. The LGCDP support in capacity building in this respect appears weaker.

Further, service providers are not able to ensure drinking water quality and did not provide the right knowledge and skills to the

operators, even if they provide bleaching powder to purify drinking water. Hence, such practices constitute a risk to public health and a misuse of state resources.

Perceptions on the quality of drinking water is judged by beneficiaries' understanding and knowledge of cleanliness of the source, frequency of leakage points, and other factors like water-borne diseases. Regarding the water quality, one beneficiary said,

'Our drinking water source is not protected. Some people wash their clothes and children bathe there, and the chemical pollutants (from soap) get mixed in the source from where we are supplied drinking water. We sometimes go to the source and ask people not to pollute it. But in our absence, people forget our requests and only think abouttheir immediate benefit, which is injurious to us.'

Better access to a safe and clean drinking water and sanitation service impacts significantly on social and human development and poverty reduction (ADB, 2010). However, in the study area, the problem is not only a technical one, but relates to gender roles as well. However, this dimension is still not sufficiently emphasised by the drinking water service providers.

The LGCDP aims for inclusive participation of people with different social characteristics. However, while studying the inclusiveness of the drinking water service provision, there was no significant evidence of dedicated efforts, and the extent to which people benefitted from improvements in DWS service delivery varied in many cases. The range of levels of access reported by respondents paints a picture of substantial inequities in drinking water service delivery in the study area.

10.5.2 Barriers in DWS service capacity

The barriers - governance barriers, political interference, physical access, financial access, and bureaucratic hurdles - appear prominent and are briefly discussed below:

Bureaucratic delays and complications are still rampant in the study area. People whose house designs were not approved by the local municipality cannot get meters for electricity and drinking water. An approved house map is mandatory for getting access to the services provided by the municipalities and other government offices. For example, in Ilam municipality Ward No. 5, Bhanjyang a few households are still not able to benefit from either the Bhalubase (Upper) or Bhalubase (Attharabesi) DWPs. It is because they do not have an approved house map. Even when they have submitted applications to the Municipality Office requesting to settle the problems, their concerns get no response because of bureaucratic hurdles and slow action. Local governance, in this regard, appears as a barrier with its significant bureaucratic hurdles and delays.

Political biases and influences in budget allocation is another barrier to effective DWS service delivery. There are disparities in budget allocation and often the volume of budget is determined by the degree of influence of actors and their association with power centres (main political parties, central government and district level powers). Political appointment in the municipality office is another factor for unequal budget distributions among different projects areas. For example, in Ilam Municipality the range of budget allocation for its wards varies from USD 593 to USD 1,284 (Ilam Municipality Office, 2013).

Political interference even influences the allocation of water. Some beneficiaries complained the DWPs releases water from the reservoirs more frequently to the resident areas of powerful people, and that the officials do not consider equitable distribution of drinking water or regularly monitor for infrastructure maintenance. Further, illegal use of drinking water and other types of illegal conduct are not investigated on time; even when beneficiaries made complaints, concerned authorities are reluctant to take necessary corrective actions.

Physical access to drinking water was affected by topography, ability of beneficiaries to negotiate, and by the availability of the

water sources. Often service providers provide drinking water supply to city and town areas than remote areas, which creates a barrier of drinking water service to people residing in remote areas. Fetching water from longer distance develops frustration among locals and ultimately creates negative perceptions towards local government.

Further, when drinking water supply systems get damaged by landslides and other natural calamities (e.g., mud deposits in the main tanks, leak of pipeline, damage of reservoirs, etc.), the response of service providers is slow, ineffective and creates water scarcity. In addition, the distribution system of drinking water often has technical problems: for example, valves and sockets are not connected properly, resulting in a greater discharge to households in low-lying areas and depriving the users living higher up the hill. This is one of the main causes of unequal distribution of drinking water.

Financial access: In practice, local users made both formal and informal payments for tap/pipeline installation from the main lines to their households. For example, each household using the LGCDP supported DWPs have contributed to complete the system, to install taps and meters and laying down pipes (all total approximately USD 35.60). All beneficiaries (rich and poor) paid for the water supply system (both in cash and in kind - labour). However, they are not satisfied with the service provisions.

Social barriers: Women in Nepal bear many households burdens related to DWS service delivery, including fetching water, washing their family's clothes, working in the fields and cooking food for their family members. A few female-headed households (which tend to be smaller in size and relatively poorer) in the study sites had no members available for the scheduled labour contribution in the construction period. These households indicated they would cope by accessing water from a neighbouring house and would pay some share of the total charges to the household with whom they share water. So far, the service providers have not developed dedicated strategies to ensure service coverage for such households. Much therefore depends on the nature of a household's relationship

with their neighbours, which appeared to be good in the cases encountered by the research team in the study area.

In terms of caste and ethnicity, no direct discrimination was observed in drinking water service delivery. Disparities in drinking water service distribution tend to be related to geographical complexity (rugged terrain) more than caste discrimination, although most Dalits live in the higher areas where it is more technologically and economically challenging for providers to extend services. Households in the higher parts of the study area have been found to have either limited or no access to drinking water at their household or premises.

10.5.3 DWS and participation

People's expectations around accessing an efficient and effective drinking water service and having a say in decision-making and governance increased in the last decade. The LGCDP channelled support and investment through the central government to local governments (VDCs and municipalities). The LGCDP support has mostly been used in strengthening local governance structures by building the capacities of district officers, technical officers, engineers and social mobilisers.

Service delivery organisations and the efforts made to improve their performance are intended to have a positive effect on the legitimacy of the service delivery agent and the state. This support was undertaken by the LGCDP's assistance to the Ministry of Federal Affairs and Local Development 'to introduce best practices in local governance in accordance with other relevant legislation and policies' (LGCDP, 2013). However, the study of Acharya et al., (2016) found knowledge is not transferred as expected to local governance and the community organisations.

Regarding community participation in service delivery under the LGCDP programmes, evidence points both to significant willingness on the part of communities to participate in service delivery and limitations on their ability to do so effectively. Two forms of participation emerge as particularly relevant: contributions of

labour and money, and participation in management structures. People are well engaged in the delivery of services (paying money - communities' payment accounts about 40 percent of DWP financing - and contributing labour). However, the beneficiaries felt the service providers are not properly monitoring and maintaining water quality. Service providers are unable to address the genuine demands of people like maintenance, quality control, equitable distribution, etc.

Participation and inclusiveness are not just about the number of people involved but about the inclusion of different voices and social characteristics and are often linked to an idea of equitable and just sharing of resources so that the voices of women, Dalits and other marginalised communities are significantly included and valued in community-led inclusive development. From this perspective, service providers are not able to ensure quality in participation and inclusion at desired levels, even though there are a number of mechanisms envisioned for this to happen. In terms of local participation in the form of contributions of financial and physical resources, participation in more substantive engagement in management and decision-making processes remain weak.

10.5.4 Community's ability to influence service delivery and accountability

Public perceptions of government performance in relation to the drinking water service are mostly negative. One beneficiary from Ilam said, '*The municipality is unable to invest technologically and economically to supply quality water without interruption to the beneficiaries even when people are partly paying for this service'.*

The presence of government bodies in the community and their transparent engagement with local people is necessary to ensure effective local governance for providing drinking water and sanitation services. However, there are no elected local governments in the country since about two decades. Hence, the state (referring to local government) is not able to respond properly to the needs of the local people and consequently state-people relations are weak because of a great gulf between the state and

people. A 'trust deficit' is observed because people are not happy with performance of local government on its responsibilities: ensuring drinking water quality, investing in necessary repairs, and monitoring and controlling of illegal practices.

10.6 Summary of the chapter

Though the LGCDP support in DWS service delivery in Nepal (generally) and in Ilam (studied specifically) has generated some positive development results, a few key challenges related to local governance and its techno-economic and managerial capacity are existent. Even when the capacity of local service providers to deliver DWS service has comparatively improved with LGCDP support, local beneficiaries are not fully satisfied with their functioning and performance in terms of quality and quantity of the DWS service delivered.

Exclusion is the root of much unequal development and un-inclusive service distribution. Gender, caste and ethnicity, geographical location and financial status are the main determinants of development outcomes related to access to services and representation. When these issues are ignored, development and community capacity building get paralysed. The assessment of the impact of LGCDP on inclusive service delivery shows that important governance barriers exist. Delays in necessary bureaucratic tasks remain, as do political influence over budget allocations, over the discharge of water, and unpunished illegal conduct.

As reflected throughout this chapter, governance-related inequities, concerns about accessing adequate drinking water, and the poor technical and economic capacities of the service provider are other critical challenges.The study finds that even poorer households from the service coverage area invested money and contributed kind labour for DWS service delivery. However, those living at farther distance from water sources are unable to invest enough in drinking water supply, while service providers lack the technical or economic capacity to expand the service in order to reach them. This indicates challenges over service delivery inclusiveness.

Even if there was no evidence of active social discrimination, women are found to be overburdened with fetching water, and poorer, newcomers and Dalits are getting less benefits from such water supply systems. Regarding community participation, local governance and state-society relations, some improvements are found to have taken place. The formation of DWMCs has enabled local people from diverse socio-political backgrounds to have their say at meetings. Likewise, their participation in DWMCs has also resulted in their increased involvement in other formal/informal organisations.

As indicated in this chapter, if the local governance-related hurdles, corruption and delays were more properly addressed, the LGCDP could contribute more in improving state-society relations and the capacity of the drinking water service provider. While community participation has improved because of the LGCDP's contributions, participation was limited to quantity rather than promoting participation meaningfully by engaging them in breaking the barriers to water access and including them in drinking water related decision-making processes. Further, it is found that inclusiveness is undermined by local political and bureaucratic hurdles.

Similarly, there is an acute lack of adequate, accountable and responsible institutional mechanisms to initiate and monitor the performance of municipal authorities in terms of DWS service provision. Even when people in the community are engaged in the management of the DWP, they are not in a position to influence the enforcement of rules, regulation and guidelines at municipal level. Further, the lack of institutional arrangements to develop and enforce by-laws and codes of conduct specific to DWS services, ineffective coordination, and relationships with the line agencies are other important issues. Even when there are improvements in capacity building, there is a need for more systematic capacity development at organisational, individual and system level to address the challenges and barriers.

* * * * *

| Chapter

11

Nepal Peace Trust Fund as a post-conflict development intervention: Evidences from LPC[1]

11.1 The context

The establishment of Nepal Peace Trust Fund (NPTF) was a collective response of the Government of Nepal and bilateral donors. The signing of the CPA to address the problems and issues caused by the decade-long armed conflict (MoPR, 2011), which has left devastating effects in terms of deaths, disappearance, displacement, economic and social effects (people have been orphaned, widowed, handicapped, etc., (Upreti 2015a&b, Babcock, 2013; Arino, 2008) resulted in the NPTF being established as a collaborative effort.

The conflict also affected the allocation of resources and there was a massive increase in the administrative and programme costs in each district. Investment in basic services like health, education and drinking water decreased (Upreti, 2006). This had a lasting negative effect on service delivery, especially for people in more remote rural areas (SODARC-CPRP, 2010). During the time of insurgency, the economy suffered massively as foreign investment declined, tourist numbers fell, industries closed, workers were displaced, and business suffered losses due to strikes, sanctions and extortion by rebels (SODARC-CPRP, 2010).

The CPA promised to end violence and set out priority areas for social, economic, and political transformation. It also established the Ministry of Peace and Reconstruction (MoPR) (Odendaal, 2010) with a mandate to manage the peace process, including peace

---

[1] *This chapter is based on the NCCR-SLRC Working Paper (40) entitled 'The Effectiveness of Local Peace Committees in Nepal: A study from Bardiya district'. Authored by Annal Tandukar, Bishnu Raj Upreti, Suman Babu Paudel, Gopikesh Acharya and Daniel Harris, the Working Paper was published by SLRC/ODI/NCCR in 2016.*

negotiations and agreements, peace mechanisms (e.g. national commissions and local committees), support to conflict-affected people (including the internally displaced), reconciliation, and social and physical reconstruction. To support the MoPR, the Government of Nepal and seven donors established the Nepal Peace Trust Fund (NPTF) in January 2008.[2] The Peace Fund Secretariat of the MoPR is responsible for the overall activities of the NPTF (MoPR, 2011).

In order to support local government functions, rehabilitate infrastructure destroyed during the conflict, and help conflict-affected people, the NPTF created four clusters:

- Cluster 1 focused on cantonment management and rehabilitation of Maoists ex-combatants,
- Cluster 2 focused on providing support to internally displaced persons (IDPs) and other conflict-affected persons (CAPs) for their social integration and rehabilitation,
- Cluster 3 focused on strengthening the security apparatus and the provision of transitional justice,
- Cluster 4 focused on forming the constituent assembly and establishing peacebuilding initiatives through the formation of LPCs.

In 2010, the MoPR formulated the Local Peace Committee (LPC) directive to support peace building activities at the local level. Then LPCs were formed at the district, municipality, and Village Development Committee (VDC) levels. LPCs have been established in all 75 districts, 46 LPCs established in the municipality (out of 191 municipalities) and 2,700 at the VDC level (out of 3915 VDCs).

In this chapter we examine the effectiveness, usefulness and relevance of LPCs in Nepal under the broader orientation of effectiveness of donor supported post-conflict development

---

[2] *The NPTF is a state-owned multi-donor basket fund intended to support post-conflict peacebuilding in Nepal through the provision of resources necessary to fulfil the aspiration of the CPA (MoPR, 2011). The programme is funded by several donors including Nepal, Denmark, Finland, Germany, Norway, Switzerland, the United Kingdom and the European Commission. Each donor has committed to provide certain funds for carrying out peacebuilding activities in Nepal.*

interventions. In this ground, the detailed information has been collected from the LPC operation in Bardiya district through a qualitative study in addition to the general information collected from Ilam, Bardiya and Rolpa districts through quantitative study among 3175 respondents. Further, a broader review of national level documentation and debate was made. In-depth Interviews (IDIs), Key Informant Interviews (KIIs), Focus Group Discussions (FGDs) were used to collect specific information from the key stakeholders engaged in LPCs.

11.2 The framework for analysis

This chapter has used the analytical framework of building an effective state (Mallet et al., 2014) that requires strong state capacity (Tandukar et al., 2016). The state capacity is examined through the following capabilities:

- The capability to self-organise and act,
- The capability to generate development results,
- The capability to establish supportive relationships,
- The capability to adapt and self-renew,
- The capability to achieve coherence.

Hence the effectiveness of the services provided by LPCs is assessed in terms of inclusiveness, relevance as well as the ability of community members to participate in LPCs and influence the decision-making process. The overview of the framework is presented in Table 15.

Table 15: Analytical framework for the study on LPC

5Cs	LPC	Indicators
The capability to self-organise and act Actors are able to: mobilise resources (financial, human, organisational); create space and autonomy for independent action; motivate unwilling or unresponsive partners; plan, decide, and engage collectively to exercise their other capabilities	Inclusiveness of LPC committees	The ability of community members to participate in LPCs and influence decision-making
The capability to generate development results Actors are able to: produce substantive outputs and outcomes (e.g., health or education services, employment opportunities, justice and rule of law); sustain production over time; and add value for their clients, beneficiaries and citizens	Relevance and effectiveness of LPC service delivery Inclusiveness of LPC beneficiary identification and LPC services	The ability of LPCs to deliver relevant and effective services The ability to deliver services on an inclusive and transparent basis, without favouritism and preferential treatment
The capability to establish supportive relationships Actors can: establish and manage linkages, alliances, and/ or partnerships with others to leverage resources and actions; build legitimacy in the eyes of key stakeholders; deal effectively with competition, politics, and power differentials	Relevance and effectiveness of LPC service delivery Inclusiveness of LPC beneficiary identification and LPC services	The ability of LPC to establish relationships with other actors to deliver services The ability of LPC to manage political relationships and deliver services on an inclusive and transparent basis
The capability to adapt and self-renew Actors are able to: adapt and modify plans and operations based on monitoring of progress and outcomes; proactively anticipate change and new challenges; cope with shocks and develop resilience	Relevance and effectiveness of LPC service delivery	The ability to deliver services in the situation of severe resource constraints

5Cs	LPC	Indicators
The capability to achieve coherence Actors can: develop shared short and long-term strategies and visions; balance control, flexibility, and consistency; integrate and harmonise plans and actions in complex, multi-actor settings; and cope with cycles of stability and change	Relevance and effectiveness of LPC service delivery	The ability to plan, prioritise and develop a short-term and long-term vision The ability to accommodate conflicting interests and priorities

[Source: Tandukar et, al., (2016), adapted and elaborated from Mallet et, al., (2014)]

11.3 Introduction to Local Peace Committee

The Local Peace Committee is a mechanism that seeks to promote inclusivity, peace and recovery in the country through grassroots leadership, dialogue processes and the mediation of local conflicts (Babcock, 2013). LPCs are formed at various levels (VDCs, municipality, and districts) with the aim of encouraging and facilitating inclusive peacemaking and peacebuilding processes (Odendaal and Oliver, 2008). The LPC strategy is characterised by its emphasis on dialogue, mutual understanding, trust-building, constructive and inclusive solutions to conflict, and joint action that includes all sides of the conflict and is aimed at reconciliation.

As per the terms of reference (ToR) developed, LPCs should be formed in a participatory and inclusive way. The district LPC should have up to 23 members comprising representatives of political parties, civil society organisations and conflict victims, and it should ensure proper representation of different groups in the community. There should be at least one-third representation of women and the chair should be rotated every six months. A maximum of 12 members should be comprised of one person from each of the political parties represented in the parliament; four members should come from the civil society, local organisations or human rights activists promoting peace; four members should represent various conflict-affected parties; one member should represent from the Chamber of Commerce and Industries; and two members

should represent communities of indigenous groups, Madhesi, Dalits, Muslims and other marginalised communities who are not represented under other categories.

Similarly, the village LPC has a provision for 9 to 11 members, including representatives of different groups such as political parties, civil society, indigenous groups and ethnic minorities, and conflict-affected people. At least one-third of the members should be female. The VDC secretary functions as the secretary of the VLPC and the VDC offices are used for its operations.

The major objectives of the LPCs are to:

- assist in the implementation of the CPA and promote the peace process,
- monitor the implementation of the MoPR's Relief and Reconstruction Programme,
- support the Task Force for Data Collection on Conflict-Affected Individuals, Families, and Structures,
- facilitate constructive conflict transformation processes in situations of political and social conflict,
- work on reconciliation, healing and trust-building,
- monitor political and social developments at the local level and disseminate information on issues that affect local peace processes.

The LPCs are mandated to:

- advise or liaise with the Consultative Committee of the MoPR on any local developments or conditions that are relevant to or have the potential to threaten the national peace process,
- collaborate closely with all national or international monitoring agencies, including relevant UN agencies, during elections for the Constituent Assembly,
- cooperate with all relevant governmental and non-governmental agencies in the management of conflict at the local level.

11.4 Key characteristics of LPC operations

This section presents an assessment of specific characteristic of LPCs, i.e., inclusiveness and effectiveness at district and village levels.

11.4.1 Inclusiveness

Important aspects of inclusiveness are related to the process of composition and operation of the LPCs and outcomes, including the inclusiveness of the services provided to the committees. While discussing inclusiveness in the process, LPC ToRs are often misinterpreted or manipulated or undermined when the main political parties and other key stakeholders negotiate at the local level.

The constitutional provision for 33 percent representation of females is often ignored, the inclusion of conflict-affected people is often neglected in favour of selection based on party ideology. An example of deviations from ToR specifications was found at Bardiya's district level LPC where there were 14 representatives from political parties[3] against the 12 mandated, which reduced the representation of civil society and conflict-affected people (there should be 3 each but only two were included).

Similarly, the Bardiya DLPC did not fulfil the requirements to have 33 percent women respresentatives. The tendency of political parties to dominate the LPC is well documented (PSCD and MoPR, 2013).

The over-representation of political parties at the cost of women, civil society representatives and conflict-affected people raises important questions about the actual inclusiveness of the committee, which in turn may have implications on the ability of under-represented groups to raise issues relevant to them.

---

[3] *The representatives of the political parties were from Nekapa yemale, Nekapa Maobadi, Nepali Congress, Madhesi Janadhikar Forum Nepal, Terai Madhesh Loktantrik party, Sadbhawana party, Nekapa Male, Rastriya Prajatantra party, Rastriya Prajatantra party Nepal, Rastriya Janashakti Party, Rastriya Janamorcha, Nekapa Sanyukta, Sadbhawana Anandadevi.*

Tandukar et al., (2016) has documented that the DLPC decisions are made by 'majority rule' that directly undermines the concerns of minority groups and women. Since female committee members comprise substantially less than 33 percent of the committee, they depend on support from a significant number of males for any given issue to receive committee approval.

Careful observation of the selection process revealed there was no standard transparent procedure to select representatives of conflict victims, who were mostly selected on ad hoc bases. However, not all LPCs made decisions based on political affiliation. Many LPCs provided relief funds to applicants who submitted required documents such as citizenship papers, a passport-sized photograph, and a conformation letter from the municipality/VDC (certified as conflict victim status).

Conflict victims are eligible to receive relief funds only after all these documents are submitted. However, not all VPLCs have maintained neutrality and have made their decisions based on relations of individuals, beneficiary's knowledge of administrative procedures, connection with government officials and ideology. Nevertheless, it cannot be generalised because many VLPCs are performing well too.

11.4.2 Functioning of LPCs

One of the main concerns repeatedly raised in terms of functioning of the LPC is its weakness to ensure timely provision of relief support, mainly due to the centralised procedure under which the ministry decides to whom to pay or when to pay. So, political manipulation at the ministry often undermines proper functioning of the LPC.

Similarly, another concern is the errors in or omission of the names of the victims in the list to be submitted to the ministry. Hence, making procedural changes to ensure timely access of relief funds to conflict victims requires more authority be devolved to LPCs.

There are also issues of delay and complications because of the different roles of different institutions involved. The district LPCs are assigned to investigate, identify and recommend the provision of relief funds of all conflict-affected people in the district to District Administration Office (DAO), whereas the Chief District Officer sends the list of people eligible for relief funds to ministry. This is a bureaucratic process and it takes time to complete all the formalities.

Despite their several weaknesses, district LPCs are helping conflict-affected people forward their applications and are making necessary recommendations to the DAO, lobbying the government to provide relief funds when people are not able to receive funds they are eligible for.

The LPC, according to its ToR, is responsible for conflict mediation and arbitration but in practice it is handled by the local administration. The main reason for this is the LPCs' weak capacity to accomplish mediation and arbitration, and gain credibility, trust and willingness from the people they are supposed to serve.

Some district LPCs prepare annual plans of action and clear programmes for their districts but others do not and work on ad-hoc bases (Babcock, 2013). Performance is far better when LPCs have clear plans of action to reconcile victims, provide employment and income-generation activities, provide educational support, run joint programmes among conflicting parties, and resolve conflict at the local level (Dahal and Bhatta, 2008). Some LPCs are even involved in resettlement and rehabilitation debates, and also engage in promoting the reconstruction of damaged infrastructure.

One of the main constraints for LPCs is the lack of resources. The MoPR provides district LPCs three personnel and a budget of Rs 500,000 per year, which does not sufficiently cover both administration and programme costs. The resources provided to village LPCs are so meagre that VDC secretaries have to work as secretaries for the VLPC as well.

11.4.3 Effectiveness of LPC

Although there are several roles and responsibilities listed in its ToR, a district LPC is commonly engaged in assisting distribution of relief funds and conducting a limited number of awareness initiatives. It has been unable to fully accomplish its responsibilities. A key limiting factor is the temporary nature of the LPC secretary because this is not a fixed term position and the secretary is recruited on a temporary basis. The district LPC Coordinator changes every six months on a rotational basis among the different political parties and change in coordinators tends to involve a change in secretaries too. For example, in Bardiya the LPC secretary expressed concern that the temporary nature of the position has made secretaries less efficient and the programmes less effective.

Further, performance was also compromised by nepotism and favouritism in the selection of the LPC secretary. Often secretaries are appointed by the political party in power, and candidates' capabilities and qualifications are not evaluated.

A change in the current practice is needed to strengthen district LPCs. Chief District Officer (CDO) of Bardiya thinks the staff working for LPC should be made permanent, which would change their attitude towards their work and make them feel more secure. He further stressed,

> '*The LPC must be made very strong if it is to fulfil its commitments towards conflict-affected people. The temporary staff working at LPCs must be made permanent. There have been no programmes devised for the monitoring of the activities of the LPC as well as other activities related to conflict-affected people*'.

The only responsibility of a village level LPC is to assist the district LPC. Hence, its role is limited to collecting names of conflict-affected people in the village, verifying and recommending to the district LPC the names of valid recipients of relief funds, and engaging in maintaining peace in the village.

The performance of a village LPC is therefore determined by how it supports conflict-affected people and its neutrality (the extent

to which it distances itself from political parties' interests). Some village LPCs are active not only in relief distribution but also in conflict resolution, mediating between husbands and wives, investigating extramarital affairs, and settling disagreements between neighbours and disputes related to cultivation and irrigation.

11.5 LPCs and state-building

LPCs were established to work inclusively to provide relief to displaced people, ensure the return of property seized by the Maoists, assist in resettlement and rehabilitation, promote the reconstruction of damaged infrastructure, provide an institutional focal point for peaceful recovery, and build a more peaceful democratic environment (Dahal and Bhatta, 2008).

LPCs are meant to communicate the peace agreements signed between political parties and central government at the local level, as many of the causes of conflicts were rooted in rural areas (Dahal and Bhatta, 2008). However, LPCs are not able to perform to their fullest potential.

So far they have only been providing relief funds to affected people, which represent less than half of their responsibilities (The Carter Center, 2011). Currently, their work is mainly limited to reviewing and verifying conflict-affected persons' applications for interim relief and only a small number of them focus onconflict resolution as a major part of their work.

LPCs are established all across the country but not all of them are fully functional. Unless there is a strong political commitment to revive LPCs, they may not be able to produce meaningful results or meet their objectives (Dahal and Bhatta, 2008; Upreti 2012).

LPCs operate under the MoPR, which is highly politicised (Dahal and Bhatta, 2008) and is not able to perform its own assigned roles. The Carter Center (2011a) reported LPCs were even referred to as party committees in several districts.

Upreti (2014) argues LPCs are weak because of their politically dominated composition and lack of resources, which is also supported by findings from Malik (2013). Bhattarai (2013) also criticised the current peace-building initiatives in Nepal for not benefiting the affected people and for over-politicisation.

This study also found political party members exceed the stipulated number mentioned by the LPCs' ToR, which threatens the LPCs' inclusiveness. The success of LPCs depends on whether they are accepted as legitimate by excluded and marginalised groups, because this is a major way in which these groups can contribute to inclusive peacebuilding.

In Nepal, then, the biggest problem for conflict transformation lies in the political process. The CPA has been implemented selectively due to power struggles among the major political parties (Upreti, 2012). The LPCs fell victim to this reality-their mandates were changed when governments were changed (The Carter Center, 2009).

Despite the several weaknesses of LPCs, there are some positive aspects at the local level where LPCs are working as catalysts for change. There are some examples where LPCs have been highly successful in winning people's hearts. The Carter Center (2011b) reports Bhaktapur and Surkhet LPCs were highly effective, mediating conflicts, holding regular meetings, having positive relations with the CDO and other stakeholders. These LPCs helped solve several conflicts and helped in peacebuilding, and even published a book on conflict victims.

Similarly, Gross and Rajbhandari (2009) also found some LPCs in other districts were effective as well. For example, the committee in the highly conflict-affected district of Rolpa had members from all major political parties, civil society and marginalised groups working together on peacebuilding.

While looking from the capability point of view through the analytical framework, LPCs' capability to self-organise and act

is limited. Many LPCs are not inclusive, politicisation dominates appointments of staff and decision-making. Bhattarai's (2013) study also demonstrated the negative effect of politicisation on the functioning of LPCs. Further, PSCD and MoPR (2013) in Bardiya found that representatives of different political parties dominate meetings and have a higher chance of influencing decisions.

In terms of gender and social differences, female committee members were less capable of influencing LPC decisions, even when they put forward their views and raised issues during committee discussions. The constitutional requirement of 33 percent female representation is not respected and that also affects the decision-making process and practices. Though there are some LPCs decisions in support of gender-specific activities, it is not obvious that LPCs have strongly supported socially marginalised and disadvantaged groups (NFDIN, 2012).

LPCs all over Nepal have been severely affected by the resource constraints. For example, Bardiya district LPC even did not receive any funds in 2013 (PSCD and MoPR, 2013) because the allocated budget was frozen because of its committee's poor relation disagreements with the CDO. LPCs have no autonomy and are operating under the CDOs' influence. Thus, the mechanisms in LPCs need to be strengthened and they should be given more autonomy so they can contribute towards state-building.

11.6 Summary of the chapter

The capacity of LPCs to function effectively as per their ToR is limited, even if do they help conflict-affected people access relief funds, mainly due to resource constraints, dependency upon the CDOs' decision, temporary and political appointments of staff. The chapter highlights, assigning important tasks to the CDO is the weakest arrangement in LPCs' provisions. By large, LPCs are not able to make plans and implement them in the spirit of their ToR due to resource constraints.

Successful mediation or conflict resolution requires special knowledge, skills and commitment. However, the temporarily appointed staff could not perform their roles as per their zeal. Politically motivated members and a lack of resources cannot achieve successful mediation and conflict resolution. This chapter highlights that it is essential to recruit properly trained and skilled permanent staff if LPCs are to function according to their ToRs.

The composition of the LPC committee, representatives from political parties comprising a majority, and the biannual rotation of its coordinator is the biggest factor affecting the proper functioning of the LPC. All this is further complicated by resource constraints, engagement of CDO as key player and the centralised control of MoPR.

This chapter has shade light on the fact that if the district and village level LPCs are given mandates, adequate human and financial resources and autonomy, they can be the most effective means in promoting harmony, resolving local level conflicts and restoring peace in Nepal. LPCs, as they currently stand, are not fully capable of achieving effectiveness, efficiency, inclusiveness and strengthening the five categories of capabilities discussed earlier.

<p align="center">∗ ∗ ∗ ∗ ∗</p>

Chapter 12 | Changing dynamics of state-people relations

12.1 Background

This chapter, based on NCCR's studies, presents comparative findings on service delivery, social protection, livelihood aspect and governance between two waves. The decade long Maoist insurgency destroyed physical infrastructures related to basic services and shattered livelihood situations of a large number of people in the whole country. In this context, NCCR conducted a series of researches in Rolpa, Bardiya and Ilam districts. In this process, a two wave panel survey in 2012 and 2015 and qualitative studies were held in each district. Based on these studies, this chapter analyses the people's understanding of the role of the state in providing basic services, social protection, governance and contribution of international supports in peace-building and state-building in Nepal.

In this chapter, we discuss people's perceptions on basic services, social protection, livelihood and governance using same indicators that were used in both waves of the panel survey. The same respondents who were interviewed during first wave of the survey were interviewed with the same set of questionnaires in the second wave in order to gauge any change in state-functioning as perceived by people.

The perceptions of respondents were measured based on people's expectations and the central and local governments' performance. We wanted to measure if people had started trusting the local and central government, if they had accessed improved services, and if they remain able to have a say in local governance and decision making through the second wave of the survey that was conducted three years after the first.

Burnell (2006) states the state becomes legitimate in the eyes of its citizens by making and meeting promises of social and material improvement. This chapter seeks to similarly examine the relationship with the state and people.

Analytical framework:

Six factors, namely social protection allowance, health services, education services, drinking water services, governance services and livelihood assistance, were used as state service provisions in order to gauge the state-people relationship. The following framework (Figure 3) demonstrates state-people relationship.

Figure 3: Service provisions to assess state-people relationship
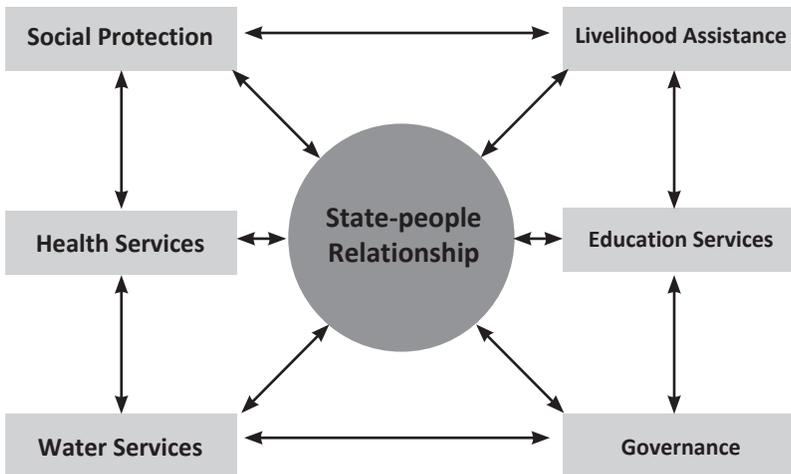
(Source: Designed by Authors)

The figure above shows the inter-relationship between social protection, livelihood assistance, basic services (especially health, education, water), and operation of local and central government that directly affects the relationship between people and the state. As all these factors and provisions of services are the major responsibilities of the local and central government, better performance of and better service delivery by the responsible sectors of the government helps in building strong state-people

relationship, while inability to provide better services and fulfilling people's aspiration leads towards negative perceptions of the state's performance.

Further, responses that indicate changes in these factors help to measure the changes in the state-people relationship as well. If improvements in these factors are indicated, it is more likely to mean state-people relationship has improved; if improvements are not indicated, it reveals state-people relationship has worsened. In this context we explore how changes in these factors in the last three years have contributed towards changes in the perception of people towards the state, and measure any negative or positive perceptions towards the state.

12.2 Health services and relationship with the state

In Nepal's health system, health-posts and sub-health posts are meant to provide Essential Health Care Services (EHCS) at the local level. The EHCS are priority public health measures that are essential for clinical and curative services. In this context, the government declared free delivery of essential health services through all Health and Sub-Health Posts in order to provide access to poor and excluded groups (RECPHEC, 2010).

Further, free maternity service was introduced to provide expectant mothers, who could not afford private clinics' fees, free access to maternity health care. This provision allows the rural poor and marginal communities to access essential health services. But during the conflict, more than a thousand Health Posts were destroyed (Devkota and Teijlingen, 2009; Ghimre, 2009), and government services and non-governmental initiatives in providing health services were negatively affected (Kieveilitz and Polzer, 2002; Pettigrew et al., 2003; Devkota and van Teijlingen, 2010), which directly affected people's access to health services.

The end of civil war in 2006 provided space to improve basic service deliveries. The constitution of Nepal acknowledges basic health services as a fundamental right of the people. In this regard,

assessing people's perception regarding health services is crucially important for policy makers and planners.

In Nepal, topography and physical distance have been challenging factors while providing health services (Karkee and Jha, 2010). The World Food Programme (2007, as cited in FAO, 2010) states more than half of rural communities do not have access to health facilities. Because of geography, medical staff are unwilling to work in remote areas or transport medicine and equipment throughout the country (Karkee and Jha, 2010; Harris et al., 2013).

According to the Nepal Living Standard Survey Report 2011, about 59 percent of rural households in the country are within 59 minutes' walk of the nearest Health Post or Sub-Health Post and only 21 percent are within 30 minutes (CBS, 2012). The government plans to address this by increasing the number of service outlets throughout the country (DoHS, 2014). The first wave (2012) survey found people required 40.2 minutes to travel to the nearest health post, while the second wave (2015) found the nearest health post was an average of 49.4 minutes away.

Even though the average distance to a health centre, for people living in the study areas, remains somewhat same, people now perceive it takes longer to reach a health centre. Some respondents may have moved to a new place. As the second survey was done three years after the first, people may have perceived differently than in the first wave, due to which people may have perceived travel time to have increased to around 49 minutes. There are no other measures to exactly calculate the time required to reach a health post, it is based solely on people's perceptions. Thus, as the health centres have stayed in the same location in the past three years, the perceptions of people about how far they are have changed.

Table 16: Use of health centres, last occasion of use

When did anyone in the household last use health centre?	First wave (2012)		Second wave (2015)		Difference
	Frequency	%	Frequency	%	
In the last 7 days	576	18.2	442	14.0	-4.2
In the last 30 days	1359	42.8	1096	34.7	-8.1
In the last 6 months	825	26.0	1120	35.5	9.5
In the last year	170	5.4	240	7.6	2.2
Over a year ago/ Never	243	7.7	260	8.2	0.6
Total	3173	100.0	3159	100.0	

(Source: Compiled from SLRC/NCCR Panel Survey data 2012/2015)

Table 16 shows how much people rely on government health services and it depicts their trust towards the government. There is decrease in the number of people using health services in the last seven days from 576 (18.2 percent): in 2012 to 442 (14 percent) in the second wave. It is more likely to mean either people have not suffered any kinds of illness in the last seven days, or they might have visited other private health centres, which in a way indicates people being less sick or they had stopped trusting government health centres and instead opted for private clinics.

There is growing trend of people visiting the private clinics, which could have led the number of people visiting public health centres to decrease. This is even supported by a qualitative study in Liwang, which showed even people living near the government health post preferred private health clinics rather than to government health posts (Paudel et al., 2015).

Further, Devkota (2008) also found that richer people preferred the higher quality service provided by the private health sector. Likewise, there were 1,359 (42.8 percent) respondents who used the health services in the last 30 days in first wave, while there were 1,096 (34.7 percent) respondents who have used the health service in second wave. This 8.1 percent decrease also relates to the same factors discussed above.

The respondents went to health centres 7.16 times a year during first wave, while second wave respondents have gone there 6.06

times in a year. There is a slight decrease in the number of times people used the health centre in a year. The reason for this could be people being less sick than in the past or they might have been more aware of their health and changed habits to become sick less often.

The other reason for this could be the shift in people's preference: more are opting to go to private health centres instead of government health post for advanced health services. If people's choice is shifting from public health services to private health services, it shows people are losing trust in public health services. This change means there are still improvements required to regain public trust of public health services.

The official fee for obtaining health services is one of the most important factors in shaping perception. These charges include not only payments for getting health services, they also cover other costs of using health services, including transportation, lodging and other opportunity costs (Paudel et, al., 2015). The survey found 2,552 (81.1 percent) respondents paid official fees for accessing health services. Further, in the second wave, 2,548 (80.5 percent) respondents paid for health services.

The perceptions of people that they have to pay for health services are common to both surveys. In terms of informal fees, only 213 (6.8 percent) respondents paid informal fees during first wave, while 408 (12.9 percent) respondents paid during the second wave. There were 2,930 (93.2 percent) respondents who did not pay informal fees during the first wave, while 2,753 (87.1 percent) respondents did not pay informal fees during the second wave.

Even though there are people who pay formal fees, public health services are affordable to all and the sector is not focused on making profits, unlike private clinics. However, public health services need to be of better quality to attract general people and make state-people relationship stronger.

Respondents were asked who they thought was responsible for running the health centres and from where they were receiving the

services. During the first wave, 1,639 (52.2 percent) respondents replied the Government runs the health centre, while in the second wave 1,675 (52.9 percent) respondents said the service is run by the government.

A majority of respondents thought health centres were run by the government and the proportion of those saying so remained somewhat same during both surveys. However, there were significant numbers of people who did not know the health services were provided by the government: 1,489 (47.4 percent) and 1,448 (45.8 percent) respondents, in the first and second wave respectively, perceived health services were run by the private sector. This shows there still are many people who depend upon private clinics because of the quality of services, the condition of roads and problems in access.

Thus, public health services need to be further extended in order to provide services to a large number of people, which can then create a sense of feeling among people that the state cares about their needs and requirements.

Table 17: Satisfaction with overall health service

Number of qualified personnel	First wave (2012)		Second wave (2015)	
	Frequency	%	Frequency	%
Very satisfied	430	13.7	444	14.1
Fairly satisfied	1955	62.1	2233	71.0
Neither satisfied, nor dissatisfied	591	18.8	165	5.2
Dissatisfied	137	4.4	278	8.8
Very dissatisfied	35	1.1	26	0.8
Total	3148	100.0	3146	100.0

(Source: Compiled from SLRC/NCCR Panel Survey data 2012/2015)

The survey recorded satisfaction of people towards the health services and it helps to show how much people trust the government health services and what their relationship with the state is like. A majority of respondents, i.e. 1,955 (62.1 percent), were fairly satisfied with their health centre in first wave, while this increased to 2,233 (71 percent) in the second wave. There is

a significant increase in the number of respondents who are fairly satisfied with health services.

The increase in people's satisfaction with health services suggests facilities and health services provided by the government run health centres have improved. However, there is only a slight increase in the number of respondents who are very much satisfied with their health centre (13.7 percent to 14.1 percent), which suggests more needs to be done to address people's concerns.

The proportion of respondents who were neither satisfied nor dissatisfied with the health services has decreased (from 18.8 percent in first wave to 5.2 percent in second wave). While the number of respondents dissatisfied with available health services has increased from 137 (4.4 percent) in the first wave to 278 (8.8 percent) in the second wave, the number of people who have gone to private health centres has also increased. This has led to dissatisfaction about services provided at government-run health centres, which are now perceived as having lower quality facilities than private ones.

Paudel et al., (2015), has also argued people in Rolpa prefer to go to private health post because they think government health post cannot provide timely and quality health services. Previous research in Nepal has also suggested people's perception towards and satisfaction about health services are influenced by their caste, ethnicity and gender (Askvik et al., 2011; Devkota, 2008; UNDP, 2009).

Further, respondents' satisfaction on the availability of medicines and equipment in the health centre was assessed. In Nepal Sub Health Posts and district hospitals provide, respectively, 22 and 42 types of medicines free of cost (Paudel et al., 2015). Almost equal numbers of respondents were very satisfied with the availability of the medicines in both waves.

A majority of respondents were fairly satisfied with the availability of medicines and equipment at their health centre - this has increased slightly in the second wave - while there is a significant

decrease in the number of respondents who are neither satisfied nor dissatisfied.

There is a significant increase in the number of respondents who are dissatisfied with the availability of medicines in the second wave (from 24.3 percent to 11.5 percent).

This finding is also supported by a qualitative study in Rolpa district where people have realised health posts do not have stocks of all the required medicine (Paudel et al., 2015). There is an almost 10 percent increase in people being dissatisfied and this could be because they have started getting better services from the private medical shops, or maybe because health centres are not available.

During the second wave, people had complaints about the lack of medicines at their health centre, and said they did not even get normal medicines in required quantities and were told to buy what they wanted from private medical centres. Even though people are satisfied about the health service the government provides, there is still room for improvement in the delivery and supply of free medicine.

In terms of the waiting time at the health centre, the majority of respondents were fairly satisfied. It was found the number of respondents who were very satisfied with waiting time in first wave has decreased in second wave by almost 4 percent. It could mean that waiting time at health centres could have increased than earlier. It is also likely that the number of the health workers at the health centre may have decreased, resulting in a longer queue and growing dissatisfaction. The respondents who were fairly satisfied with waiting time have remained somehow same in both waves (the difference is by 1.4 percent).

There is further decrease in the number of respondents who are neither satisfied nor dissatisfied with waiting time in the health centre. There is significant increase in the number of people who are dissatisfied with waiting time at the health centres in second wave (4.5 percent in first wave to 12.2 percent in second wave).

The number of respondents who said they were very dissatisfied with waiting time has stayed almost constant in both waves.

12.3 Education services and state-people relationship

Nepal's education system began after the Durbar High School was established in 1854. It was only accessible to the ruling elite and the people favoured by the regime (Ministry of Education, 2009; Kulung, 2008). With the downfall of the Rana regime around a hundred years later, modern education began (Upreti et al., 2012) and government and private schools flourished (Poudyal, 2013), which improved people's access to education services.

There are 41,959 public (state) schools and 10,477 private schools in Nepal (FEC, 2011). The quality of teaching methods and facilities in government schools is relatively weaker than that in private schools, and most parents would prefer to send their children to private schools (Pherali et al., 2011) which is perceived as having higher quality. In 2009, about one-fifth of school-going children attended private schools (Caddell, 2009). The majority of Nepal's population lives in rural parts rather than in cities and private education is accessible only in city areas. Most people in Nepal depend upon the public schools in rural areas, which present an opportunity to create strong a state-people relationship.

In 2012, the government issued a directive to monitor and regulate all the schools (co-ed and separate) across Nepal. Schools must now have a big playground, separate toilets for boys and girls, one drinking water tap per 50 students, one water filter per 25 students, one library per 500 students, must provide quality food and a monthly food-inspection report, they may not sell textbooks and stationery, and may not provide more than two sets of uniforms to each student. Further, bilateral and multilateral assistance supports primary education (NPC, 2012c), and development partners have been supporting teacher training, capacity building and nutrition programmes for children in primary schools.

Education is a fundamental right of people and every citizen has the right to attain education provided by the government, because

it is a basic service provided by the government that is cheap and accessible. The survey attempts to focus on what types of changes have occurred in people's perception towards the education services provided by the government over a period of three years and how they perceive the education services delivered to them at the district level. The state-people relationship has been assessed on the basis of people's perception about education service delivery and how they perceive education can make the state-people relationship stronger.

Students changing school is one of the determinants of how perception develops. The survey recorded whether students shifted schools in the past three years or whether they were still going to same school. It was found that 662 (79.95 percent) respondents were still sending their daughters/girls to the same school, while 96 (11.95 percent) have sent them elsewhere.

The survey was not relevant to 70 (8.45 percent) respondents, whose daughters might have graduated from the school by the time the second survey was conducted. Regarding boys, 647 (78.9 percent) respondents have not changed the school yet, a similar trend as that of girl students. Only 77 (9.39 percent) respondents sent their sons to different schools in the last three years, whereas the survey was not applicable to 96 (11.71 percent) respondents. This shows the tendency to change their children's school is decreasing and people are showing trust towards the government school, because of which they are not changing their children's school.

The study in Liwang also suggested that the tendency of people to shift their children's school was decreasing and people were sticking with government schools rather than opting to send their child to a private school (Tandukar et, al., 2015). This could mean public schools are delivering quality education and people are trusting them more, which represents the strong influence the government schools have on people, indicating the a strong relationship with the state services.

The survey also recorded information on whether people switched their children's school or not. Only 96 respondents provided their

perceptions about changing their daughters' schools and only 77 respondents talked about changing their sons' schools. Eight (8.33 percent) respondents perceived they had to shift their daughters to another school because the previous school no longer existed in their area, while 15 (15.63 percent) respondents felt the new school was closer. Five (5.21 percent) people perceived the new school was cheaper, 21 (21.88 percent) respondents stated the new school had better service quality, and 47 (48.96 percent) people had other reasons for shifting their daughters to a new school.

Likewise, five (6.49 percent) respondents shifted their sons because the previous school no longer existed, twelve (15.58 percent) people felt the new school was closer, four (5.19 percent) shifted because the new school was cheaper, 26 (33.77 percent) felt the new school had better service quality and 30 (38.96 percent) respondents shifted their boys to a new school for other reasons. People's trust towards the government schools has been increasing, and because of the increasing quality of education, infrastructures and free service they get, people are shifting their children in public schools, as shown by an example from Rolpa (Tandukar et al., 2014). It suggests that improvement in public education services contributes towards a strong state-people relationship, which can be the case all over the country.

Table 18: School attendance of the children

How regularly do girls and boys attend school?	(Girls) First wave (2012)		Second wave (2015)		(Boys) First wave (2012)		Second wave (2015)	
	Frequency	%	Frequency	%	Frequency	%	Frequency	%
Every school day	884	82.2	649	70.5	999	83.6	644	70.5
Most of the time	176	16.4	261	28.4	184	15.4	260	28.5
Some of the time	4	0.4	9	1.0	1	0.1	10	1.1
Rarely	9	0.8	1	0.1	10	0.8	0	0.0
Never	2	0.2	0	0.0	1	0.1	0	0.0
Total	1075	100.0	920	100.0	1195	100.0	913	100.0

(Source: Compiled from SLRC/NCCR Panel Survey data 2012/2015)

In order to see whether people send their children to school regularly or not, questions regarding their school attendance were

asked. The table presents data on the school attendance of the respondent's children, family members and relatives on the first and second surveys. It was found that 884 (82.2 percent) girls in first wave attended school regularly while only 649 (70.5 percent) attended regularly in second wave.

Likewise, 999 (83.6 percent) boys attended school regularly in the first wave whereas this reduced to 644 (70.5 percent) in the second wave. One of the reasons for the decrease in the number of boys and girls attending school regularly in the three-year interval could be they graduated school and there may not have been any school-going child in the family when the survey was conducted. Beside this, another reason for decrease in the number of girls and boys going to school could be they dropped out of school for household reasons.

Likewise, 176 (16.4 percent) girls in first wave attended school most of the time and 261 (28.4 percent) girls attended school most of the time in second wave, which has increased in second wave. The first survey found 184 (15.4 percent) boys attended school most of the time, while this too increased in second wave to 260 (28.5 percent).

These findings show that a large number of girls and boys are not going to school every day, which suggests they might have passed out of the schools in the last three years or they might have left school. On the other hand, it could also suggest that there exists large number of dropouts, which reflects the quality of their school and suggests improvement is required to gain public trust.

Public schools are state-run schools and charge nominal fees compared to private schools. Based on the type of fees that have to be paid to the school, we also recorded responses on what people thought about private and government schools. For girls, 195 respondents perceived to have paid school fees to government schools and 387 respondents paid school fees to private school during first wave.

While in second wave, 261 respondents said they have to pay formal fees to government schools, while 338 said they have to pay formal

fees in private schools in the second wave. Likewise, for boys, 193 respondents said they have to pay formal fees to government schools and 471 to private schools during the first wave. In the second wave 222 respondents said they have to pay formal fees to government school, and 397 respondents said they have to pay formal fees to private schools. Although, these findings shows that there are more instances of private schools charging fees - which is obvious because they are established for profit - it was found that government schools were also charging schools fees.

There was an increase in the number of respondents who said they have to pay formal fees to government schools. However, people perceived that government schools just charge nominal fees every year while the private schools were very expensive and they could not afford to send their children there. This is supported by the study of Tandukar et al., (2015) which finds people perceived government schools were charging nominal fees and not private schools, which is one of the reasons why parents opted to send their children to public schools.

Further, the scholarships offered by public schools on the basis of caste, ethnicity, disability, needy and diligent students encourages people to send their children to public schools. These scholarships play a vital role in improving the education scenario in rural areas, which further helps in creating a strong state-people relation. Besides formal fees, there are tendencies of charging informal fees at schools and information regarding this was also recorded. In the first wave, 643 respondents perceived they did not have to pay any informal fees for sending their daughters to school, while 756 perceived it during second wave.

The percentage of respondents increased in second wave, which implies government schools have not charged any kinds of informal fees. Similarly, 682 respondents perceived they did not need to pay any informal fees for sending their boys to school in first wave, while this increased to 729 in the second wave. In the first wave, 513 respondents perceived they had to pay informal fees to send their boys to school, while in the second wave this number fell drastically

to 182. For both boy and the girl students respondents' perceptions on the payment of informal fees have decreased in the last three years. The results suggest positive changes have happened in the education sector.

Table 19: Who operates the school?

Who operates the school?	(Girls) First wave (2012)		Second wave (2015)		(Boys) First wave (2012)		Second wave (2015)	
	Frequency	%	Frequency	%	Frequency	%	Frequency	%
Government	678	63.1	564	61.3	703	58.8	500	54.8
Private	393	36.6	343	37.3	488	40.8	401	43.9
Religious organisation	1	0.1	1	0.1	1	0.1	2	0.2
NGO/ INGO	3	0.3	5	0.5	2	0.2	6	0.7
Other, please specify	0	0.0	6	0.7	1	0.1	5	0.5
Total	1075	100.0	920	100.0	1195	100.0	913	100.0

(Source: Compiled from SLRC/NCCR Panel Survey data 2012/2015)

We recorded people's perception about who ran the schools where their children and other relatives were studying. The table shows that there is a decrease in the number of schools run by the government. One of the prominent factors related to this is children's graduation from the school, which surely affected the respondents' perception.

However, more respondents perceived the government was running the schools than the private sector. Besides, very few respondents perceived the schools were run by religious organisations, NGO/ INGOs and other institutions. This is even supported by a qualitative study from Rolpa where some NGOs had provided support so that the school may function smoothly. More people sent their children to public schools than to private ones, which indicates public schools have a big role in children's education.

For a country like Nepal, the significance of public schools is easily seen from the fact that economically deprived groups are also able

to attain education, which suggests what a big role the state has played a key role in delivering education to its citizens.

The survey also recorded information regarding the trend of students dropping out of the school prematurely. It was found 1,356 (51.1 percent) respondents in the first wave, and 1,019 (82.5 percent) in the second wave perceived their children have not dropped out. This shows the dropout rate decreased in second wave, which may mean there is growing awareness among the people on the need of the education. It suggests children are now getting at least secondary level education from the schools. This could contribute to increase the overall literacy rate of the country and further contribute in the progress of the country.

A total of 1,297 (48.9 percent) respondents perceived that their children had to drop out from school in the first wave, which has drastically decreased to 215 (17.4 percent) in the second wave. Thus, the data shows that the dropout rate in the study areas has decreased. Several factors may have played a key role in the fall of the number of students dropping out.

One of the factors could be growing awareness of people about the need and importance of education in their children's lives. The other factor that may have contributed is the growing qualities of education in the public school, which might have satisfied them so as to have their children continue studying at the same school.

Further, the provision of scholarships and low costs of educating their child at the same school might also have contributed to less students dropping out. Whatever the reasons may be, these findings show education services have improved in the study areas and awareness about education has been increasing as suggested by the panel survey.

Respondents who perceived their children had to leave school without graduating provided some reasons for it. A set of reasons were listed and suitable reasons for quitting school were recorded. Eight (0.62 percent) respondents said their children dropped out because of poor school management in the first wave, while there

were 10 (4.65 percent) who had their child drop out for the same reason.

The majority of the respondents (627, 48.57 percent) in the first wave said the lack of labour force at home was the major cause for students to drop out in the first wave. While in the second wave, this scenario has changed and only 48 (22.23 percent) respondents perceived so. Likewise, another major reason for students to drop out in the first wave was because their parents could not pay the fees,which is supported by the 131 (10.15 percent) respondents who said so, while only 61 (28.37 percent) listed this as a cause in the second wave. These reasons mostly reflect the lack of awareness on part of the respondents and their financial capacities.

However, with growing awareness among respondents about the importance of education for their children, the trend of quitting school has changed. Further, a major deterrent for respondents to send their children to school is their financial condition and the need of helping hands for farming. If the respondents have a good income, this problem would largely be minimised, which would further increase the school attendance of children in the study areas. Thus, significant work needs to be done by the public schools in Nepal to motivate people to send their children to study, which would help in building strong state-people relationship.

12.4 Drinking water service provision and state-people relationship

The United Nations Conference on Environment and Development (1992) states it is 'the basic right of all human beings to have access to clean water and sanitation at an affordable price' (UNCED, 1992). Likewise, Nepal's Water Resource Strategy 2002 (2058 BS) states 'every Nepali citizen, now and in the future, should have access to safe drinking water and appropriate sanitation as well as enough water to produce food and energy at reasonable cost' (Ministry of Water Resources, 2002).

The state's poor performance in delivering basic services was one of the causes of the armed conflict that began in 1996 (Ali et al.,

2011; Berry and Igboemeka, 2005). After the conflict ended in 2006, the government sought to establish better local governance with more community participation. In the drinking water service sector, this took the form of creating autonomous bodies at the local level: District Water Resource Committees (DWRCs), Drinking Water Management Committees (DWMCs) and Drinking Water Users' Committees (DWUCs). Sigdel and Sharma (2013) find the establishment of such bodies has helped build service capacity, which has ultimately contributed in state-building.

Drinking water is also one of the major basic services that people require for their livelihood security. It is the state's responsibility to provide drinking water services to people in a reliable manner and at a reasonable price.

In the districts covered by the study, there is a diversity of drinking water service providers, including state owned, private/personal, I/ NGO and other sectors.

Thus, the study relays the respondents' perceptions on drinking water services they have been receiving. People's perception on the availability, satisfaction, reliability, journey time to fetch water, payment requirements etc. are presented in this section. Also presented are all issues related to the use and attainment of water services, and people's satisfaction and dissatisfaction about the drinking water services they have been receiving.

Table 20: Main source of drinking water

Main source of drinking water	First wave (2012)		Second wave (2015)	
	Frequency	Percent	Frequency	Percent
Well	198	6.2	130	4.1
Tube well	1263	39.8	1322	41.6
River sources	35	1.1	27	0.9
Tap water	1654	52.1	1679	52.9
Purchase bottled water from shops	6	0.2	5	0.2
Other (specify)	17	0.5	14	0.4
Total	3173	100	3176	100

(Source: Compiled from SLRC/NCCR Panel Survey data 2012/2015)

The main source of drinking water as recorded in the first as well as second wave is tap water. A total of 1,654 (52.1 percent) respondents in the first wave and 1,679 (52.9 percent) respondents in the second wave perceived the main source of drinking water was tap water provided by the government as well as managed by the community's people. The second main source of drinking water in the study area in both waves was tube well: 1,263 (39.8 percent) in the first wave and 1,322 (41.6 percent) in the second wave said they used it as a source of drinking water. The third main source of drinking water in the study areas in both waves was water from wells: 198 (6.2 percent) respondents in the first wave and 130 (4.1 percent) in the second wave used it as main source of drinking water. Beside these sources people also used river sources, purchased bottled water from shops and resorted to other sources as main sources of drinking water.

The study shows most respondents have access to tap water. The study by Acharya et al., (2015) reveals, however, that all the respondents who said their drinking water sources were taps did not mean they all had taps installed at their house. The qualitative study shows some taps were installed at people's homes, some installed in the community and some were installed at public places. Besides, most of the respondents had access to tube wells and wells. There were only few respondents who did not have access to tap water and tube wells - they had to depend on river sources and even had to buy bottled water. These findings show there is a kind of improvement in the distribution mechanism of the drinking water in the community, as tap water is accessible to the majority of respondents. Since water is the most essential basic element for life, easy accessibility of clean drinking water can build up trust towards the local authorities. The government must ensure all the people get easy access to tap water, which can further strengthen the state-people relationship.

A journey to fetch water took an average of 6.3 minutes in the first wave and 6.5 minutes in the second wave. As shown in the table above, the majority of respondents have access to tap water, tube wells, and wells which are in their homes or nearby, which is the

main reason why it does not take people very long journey to fetch water in the study areas. As most of the respondents have access to drinking water from taps and most people had tube wells at home, it is important to assess the responses on questions regarding whether the respondents had to pay any kinds of fees for their drinking water facilities. Thus, the findings on the requirement of fees show whether the respondents needed to pay for the drinking water in first wave as well as second wave.

The majority of respondents in both waves (around 70 percent) did not have to pay any kind of formal or informal fees for accessing drinking water. In the first wave, 2,247 (70.8 percent) respondents and 2,217 (69.9 percent) in the second wave perceived they did not have to pay any kinds of fees for receiving drinking water. This is largely supported by the fact that they have tube wells installed at their homes. Likewise, 1,927 (29.2 percent) respondents in the first wave and 956 (30.1 percent) in the second wave perceived they had to pay some money for accessing water.

This is largely supported by the fact that most respondents were also using the tap water provided by government or private sectors at the community level, where they must pay monthly charges to access drinking water.

Table 21: Who is responsible for your source of drinking water?

Responsible for water source	First wave (2012)		Second wave (2015)	
	Frequency	%	Frequency	%
Government	832	26.5	671	21.5
Private/ personal	1902	60.5	1709	54.7
NGO/ INGO	139	4.4	48	1.5
Other	269	8.6	700	22.4
Total	3142	100	3127	100

(Source: Compiled from SLRC/NCCR Panel Survey data 2012/2015)

The respondents were asked who was primarily responsible for providing drinking water to them. Most respondents perceived the private sector and personal organisation to be responsible: 1,902 (60.5 percent) in the first wave and 1,709 (54.7 percent) in the

second wave said so. As most of the respondents had tube wells and/or wells at home and because the tap water was also being managed by the community and private sectors, most perceive the private/personal sector has been providing them drinking water. The second highest majority of respondents in both waves perceived government as the responsible entity. In the second wave, significantly less people perceive the government provides them drinking water. It shows the government has lagged behind in providing drinking water.

In order to create a strong state-people relationship the government must act on this kind of feedback and increase its efforts in providing accessible drinking water to the public. The respondents also perceived the important role of NGO and INGO in providing drinking water in both the waves, even though this has decreased a bit in the second wave. There is a significant rise in the number of respondents who perceive other agencies are also active in providing drinking water to them: 700 (22.4 percent) respondents in the second wave said so, compared to 269 in the first wave. This shows the involvement of public authorities in providing drinking water is very low.

People are also managing their own drinking water sources without depending on the government. This does not contribute to make the state-people relationship stronger. Likewise, the study also assesses the respondents' reaction about the reliability and availability of water.

The majority of respondents perceived the water they access was always reliable in both surveys. A total of 2,299 (72.4 percent) respondents in the first wave and 2,097 (66 percent) respondents in the second wave said the water source they access is always available. Likewise, 452 (14.2 percent) respondents in the first wave and 746 (23.5 percent) respondents in the second wave perceived water sources were mostly available. In both surveys, there were fewer respondents who perceived the water sources were sometimes not available and often not available.

The length of queues at water sources is an important factor that shapes people's perception. Respondents were asked whether they had to queue up to collect drinking water. The majority of respondents said they did not have to queue: 2,818 (88.8 percent) respondents in the first wave and 2,903 (91.4 percent) respondents in the second wave said so. Only about 10 percent respondents in both waves said that they have to queue sometimes or always.

However, the scenario of fetching drinking water seems to have improved, as revealed by the findings of this study. The main reason for respondents not needing to queue to fetch water is the majority of respondents have either tap water or tube wells either at their home, or within their premises, or in their neighbourhoods. In cases where respondents fetched water from public taps, they need to queue for their turn to fetch water.

People's perception regarding the cleanliness and safety of the drinking water they accessed was also measured. The respondents were asked whether the drinking water they were accessing was clean and safe. Almost 90 percent respondents in both waves felt the drinking water they were accessing was clean and safe for drinking and people had no complaints about the quality of water.

A total of 2,758 (89.4 percent) respondents in the first wave and 2,807 (90.1 percent) respondents in the second wave perceived the drinking water to be clean and safe, while only around 10 percent of the remaining respondents in both waves felt the water was not safe. It seems water quality has been consistently good enough for drinking during the past three years at least. The reason behind the majority of respondents perceiving their water to be clean and safe, as explored in the qualitative study, may be because they are not fully aware about cleanliness and safety standards of drinking water.

12.5 Social protection and state-people relationship

Social protection allowance is one of the most prominent services provided by the state for the disabled, economically weak, marginalised people, people affected by the conflict as well as elderly citizens for their sustenance. Social protection programmes are in essence political and reflect a 'social contract' between citizens and the state (Cook, 2013). People who meet the criteria are provided an allowance to help them sustain their livelihoods.

There are several factors that are directly or indirectly related to the provision of the social protection allowance. We must keep in mind the required paperwork, need of verification, payment modes, several formal processes and finally the impact of the social protection allowance on its recipients. In order to understand all these factors and to know the people's perception of the social protection allowance and its benefits, the panel survey assesses social protection allowance in relation to state-people relation.

The social protection measures that Nepal has adopted and the respondent's perception measured includes OAA, widow allowance, stipends for Dalit children, disability grants, financial support for families who were affected by the conflict and several others which are shown in detail in the Table 22. Among the respondents, the stipend for girls and Dalit children/students was the most widely-received social protection measure.

In the first wave, it was received by 496 (15.6 percent) respondents, and this had a slight increase to 527 (16.6 percent) respondents in the second wave. Likewise, the other widely-reported social protection measure received by the respondents was the OAA, which 398 (12.5 percent) respondents received in the first wave and 430 (13.5 percent) respondents in the second.

Table 22: Perceptions on receiving social protection transfer

Received social protection transfer	First wave (2012)		Second wave (2015)	
	Frequency	%	Frequency	%
OAA	398	12.5	430	13.5
Single women/widow allowance	219	6.9	286	9.0
Disability grant	29	0.9	40	1.3
Stipend for girls and Dalit Children/ Students	496	15.6	527	16.6
Mid-day meal, school uniform, cooking oil for children	235	7.4	105	3.3
Cash transfers for family whose family member disappeared during or due to conflict	5	0.2	5	0.2
Cash transfers for family whose family was killed during/due to conflict	11	0.3	9	0.3
Scholarship to children of those families whose family members disappeared or were killed due to conflict	6	0.2	9	0.3
Other	54	1.7	61	1.9

(Source: Compiled from SLRC/NCCR Panel Survey data 2012/2015)

The least-received social protection measure in both surveys was cash transfer for families whose family members had or were either disappeared or killed during or due to the conflict. It suggests the sampled respondents in our study were mostly unaffected or less affected by the conflict directly.

Impacts of transfers: The respondents were asked about the impact of the social transfer they received and what changes they experienced after receiving the allowance. As the above table shows, the most used social protection measures among the respondents of our study was the stipend for the girls and Dalit children/students, so we also asked what kind of impact it had upon the recipients.

This study also took the perception of respondents on how useful the social protection measures were and how such transfers

impacted their children's education. It was found 254 (51.7 percent) respondents in the first wave and 425 (81 percent) respondents in the second wave perceived the stipend for girl children and Dalit children was too small to make a difference. There was an increase in the number of respondents who perceived so in the second wave even though the amount receivable remained the same during the three years.

There were 181 (36.9 percent) respondents in the first wave and 59 (11.2 percent) respondents in the second wave who perceived the stipend helps them a bit and they are able to buy some extra food with it. The number of respondents saying so decreased in the second wave, which could be because of increased inflation in the country. Prices have increased in such a way that people cannot buy same things for what they used to pay earlier. It could also be possible that the stipend was very helpful for respondents who were very poor and it enabled them to pay their children's school fees and what remained may have been used to buy other household items for their families.

There were even some respondents who perceived the assistance helped them start a small business as well. This shows even though the monetary assistance provided to different respondents did not make significant difference in their lives of most respondents, it was useful to some extent for some and for respondents who were very poor it was very helpful. Considering all these people, the government has to put an effort in increasing the amount of the social protection allowance so that it helps economically backward people and makes them feel the state is helping them.

12.5.1 Old age allowance

The OAA is a prominent social protection measure that directly affects the state-people relationship. The provision of OAA has created a positive mindset among people towards the government (KC et al., 2014). It is important to consider the allowance contributes not just to the receivers' wellbeing, but also to their households. In Nepal there is a trend of resource sharing and mutual solidarity

within families. There is evidence that older people tend to share their OAA with other family members (Samson, 2012; HelpAge International, 2009; Uprety, 2010). After the OAA was provided to elderly citizens, it has helped them and their families a lot to fulfill their needs, which is reflected in the people's positive perception of the state.

The majority of respondents in our study receiving social protection allowance were elderly citizens who have started receiving the allowance, so the impact of OAA transfer was also observed in this study. Thus, this sub-section specifically reflects how useful the allowance was according to the perceptions of the recipients, or whether it has not been useful to them.

Table 23: Impact of old age allowance

Impact of old age allowance	First wave (2012)		Second wave (2015)	
	Frequency	%	Frequency	%
The assistance is too small to make a difference	149	37.7	150	34.9
The assistance helps a bit, we can buy some extra food	219	55.4	232	54.0
The assistance helps quite a lot: It helps us buy other household items	25	6.3	48	11.2
The assistance helps quite a lot: It helps us pay school fees and/or invest in a small business	2	0.5	0	0.0
Total	395	100.0	430	100.0

(Source: Compiled from SLRC/NCCR Panel Survey data 2012/2015)

The survey found 219 (55.4 percent) respondents in the first wave and 232 (54 percent) respondents in the second wave perceived OAA has helped them a bit, which meant they could buy some extra food for themselves. Likewise, there were 149 (37.7 percent) respondents in the first wave and 150 (34.9 percent) respondents in the second wave, whoreceived OAA and said it is too small to make a difference in their lives.

Twenty-five (6.3 percent) respondents in the first wave and 48 (11.2 percent) respondents in the second wave perceived the

assistance helped them quite a lot and it enabled them to buy other household items. Only 2 (0.5 percent) respondents in the first wave and no respondents in second wave perceived the allowance has helped them quite a lot and they used it to pay school fees and/or invest in a small business. This shows the OAA has only helped its recipients a bit, in which cases they use it to buy extra necessities for themselves. Beside this, the OAA has not been used in any productive manner.

Even though the allowance does not fulfill the needs of people, it has helped its recipients, who do not have any other income, use the money as they wish. This provision has created a positive aspect among elderly citizens towards the state, which further strengthens their trust of the state.

Easiness to access OAA: The survey recorded ease of access to OAA. It was found 348 (88.3 percent) respondents in the first wave and 410 (95.3 percent) respondents in the second wave perceived the process of receiving OAA was really convenient. There were no complaints from the respondents about the bureaucracy of receiving the allowance and people felt satisfied. Twenty-six (6.6 percent) respondents in the first wave and 14 (3.3 percent) respondents in the second wave perceived the journey to the office was long. Twenty (5.1 percent) respondents in the first wave and 6 (1.4 percent) respondents in the second wave perceived the paperwork of applying for the allowance was complicated and that they had difficulties in completing all the paperwork.

Overall, the respondents perceived the process to obtain the allowance was very easy and there were no significant problems while receiving it. However, there were hurdles and difficulties for some people who were not able to complete all the paperwork. Recipients are required to open a bank account at district headquarters and urban areas, which created problems for some recipients who were unable to go to the banks. In the past, an official from the VDC used to deliver the allowance at home, but now this provision has been replaced by bank transfers. Recipients who cannot travel face difficulties in receiving the allowance, which can only be drawn by the recipients themselves.

This provision has made the elderly recipients take an unnecessary burden of having to travel to a bank to receive their money. However, a qualitative research done earlier found this method of transferring the allowance was more secure because no one had a chance to misuse this money.

Receiving the right amount and on time: During the study, the recipients were asked whether they receive the right amount or not. As shown in the table, 361 (91.9 percent) respondents in the first wave, and 400 (93 percent) respondents in the second wave perceived they have always received the right amount. Only 23 (5.9 percent) respondents and 17 (4 percent) respondents perceived they only sometimes get the right amount. Very few respondents perceived they rarely or never get the right amount. This shows the allowance has been fairly provided and the government has ensured recipients are paid what they are entitled to receive.

The majority of respondents - 304 (77.6 percent) in the first wave and 386 (89.8 percent) in the second wave-perceived they received the allowance on time. The data recorded in the second wave suggests there are number of people who received the allowance on time, which implies the distribution has been improved. Forty-eight (12.2 percent) respondents in the first wave and 31 (7.2 percent) respondents in the second wave perceived they sometimes receive the money on time, which points to a delay in the distribution system. Less than 10 percent of respondents in the first wave and even lesser than 3 percent in the second wave perceived they rarely or never receive the allowance on time.

These findings suggest the distribution of the allowance has improved in the span of 3 years, which indicates a better state-people relation.

12.6 Livelihood assistance and state-people relationship

Livelihood sources such as agriculture (livestock, fishing, and farming) and non-agricultural work, business, jobs in the private

and government sectors are most common in the study areas. Respondents were asked about their livelihood sources. This section presents the livelihood sources of respondents in the years 2012 and 2015. This helps us see the changes in livelihood practices of the respondents in the past three years. Respondents' engagement in several livelihood practices during the last three years has also been presented in this section.

Table 24: Respondents livelihood activities

Respondent engaged in this activity in last 3 years	First wave (2012)		Second wave (2015)	
	Frequency	%	Frequency	%
Own cultivation, livestock or fishing	2255	71.0	2493	78.5
Casual labour in agriculture	592	18.6	856	27.0
Casual labour (non-agriculture)	632	19.9	684	21.5
Selling goods	393	12.4	993	31.3
Own business	408	12.8	526	16.6
Private sector job in agriculture	7	0.2	3	0.1
Private sector non-agriculture	80	2.5	129	4.1
Public sector	128	4.0	127	4.0
Paid housework & childcare	25	0.8	6	0.2
No paid activity	350	11.0	2227	70.1

(Source: Compiled from SLRC/NCCR Panel Survey data 2012/2015)

The survey recorded how people perceived their livelihood options and their engagements in the last three years. In the first wave 2,255 (71 percent) respondents and 2,493 (78.5 percent) in the second wave said they were involved in their own cultivation, livestock or fishing activities. The number of respondents involved in these livelihood activities has increased by around 8 percent in the second wave. The second highest number of respondents were involved in casual labour (non-agriculture) in the first wave - 632 (19.9 percent) respondents, which increased to 684 (21.5 percent) in the second wave. Respondents involved in selling goods totalled 393 (12.4 percent) in the first wave and 993 (31.3 percent) in the second wave, which is a drastic increment.

A significant number of respondents - 408 (12.8 percent) in the first wave and 526 (16.6 percent) in the second wave – had their

own businesses. Livelihood activities of people have changed from subsistence agriculture to self-owned businesses in non-agricultural sectors, meaning people are increasingly being empowered. Some respondents involved in the public sector have not changed jobs by the time the second survey was conducted. Some respondents were involved in non-paid activities in the first wave, which increased by 60 percent in the second wave, a huge increment. People said they helped neighbours and other community members, and were involved in community development works in the last three years.

Main source of household income: Information regarding the main sources of income and dependency sources reveals the majority of people depend on their own cultivation, livestock or fishing activities for sustenance. There were 1,461 (46 percent) respondents in the first wave and 1,513 (47.6 percent) respondents in the second wave who depended on their own cultivation and agriculture. Almost half of the respondents in the study were involved in agricultural activities. Besides being involved in agriculture and just being dependent upon their own production, the majority of respondents were also dependent upon casual labour in the non-agricultural sector as well. Respondents have been involved in other sectors these days and have started commercialising agricultural activities.

People have started selling their agricultural products and started doing petty trade. People have started their own business, like hairdressers' salons, motorbike workshops and repairing centres, eateries and shops. The respondents involved in these activities totaled 393 (12.1 percent) in the first wave and 424 (13.4 percent) in the second wave. Remittance has also been a major source of income for most respondents in the study areas. It plays a vital role in fulfilling livelihood needs. As agriculture is the main source of income for most people, the state has to provide several kinds of subsidies and facilities to improve the agriculture system so thatpositive perception towards the state is formed.

Table 25: Problems faced with farming activities

Problems with farming activities	First wave (2012)		Second wave (2015)	
	Frequency	%	Frequency	%
Unable to afford sufficient amounts of seed, fertiliser or pesticides	544	47.0	298	43.4
Poor quality of / not enough land	168	14.5	123	17.9
Lack of transportation to market	389	33.6	156	22.7
Security (violence/ robbery)	28	2.4	4	0.6
Insufficient water for irrigation	450	38.9	289	42.1
Nowhere to sell	23	2.0	43	6.3
Intermediary buyers pay little	58	5.0	35	5.1
Can't buy seeds/ fertiliser/pesticide at the right/expected time	517	44.6	320	46.6
Others (specify)	51	4.4	29	4.2

(Source: Compiled from SLRC/NCCR Panel Survey data 2012/2015)

The biggest problem people face in farming activities is they cannot afford to buy sufficient amounts of seed, fertilisers and pesticides. Respondents saying this totaled 544 (47 percent) in the first wave and 298 (43.4 percent) in the second wave. Even though the number of people involved in agriculture and farming practices increased in the second wave, people experienced fewer problems when the second survey was conducted.

This finding suggests the state must make certain interventions to help people deal with their problems, which would further help in increasing trust towards the state. The second major problem the respondents faced during the first survey was they were not able to buy seeds, fertilisers, pesticides at the right time. The number of people facing these problems has decreased in the second wave.

There were other significant problems the respondents faced in both surveys. The poor quality of land and inadequate land of the respondents had for farming compelled them to make optimal use of land. But in the span of three years, the problem has decreased slightly because the farmers might have adopted organic agriculture.

Irrigation plays a vital role in agriculture throughout the country. Irrigation determines the total output of agricultural products, the more of which would result in a higher income and better livelihood. A significant percentage of respondents, i.e. 450 (38.9 percent) in the first wave, did not have sufficient water for irrigation, although this problem decreased slightly in the second wave.

Likewise, respondents who have farms in rural areas say they face transportation problems. There were 389 (33.6 percent) respondents in first wave who faced this problem, while this decreased to 156 (22.7 percent) in the second wave. In addition to these problems, the respondents also faced security (violence/robberies) problems in agriculture production and selling.

Respondents also faced problems related to the marketplace. Some respondents said they did not have access to selling centres for them to sell their agricultural products, which is demotivating factors. Another problem farmers have been facing is that the intermediary buyers tend to value their products at lower rates than the prices they command at the marketplace. These problems have a direct impact on farmers' livelihoods.

12.7 Governance and state-people relationship:

During the two waves of the survey, the perception of respondents on local governments was assessed to see what they thought of governance. The perceptions of the respondents on local government, central government and the roles these entities have played in their livelihood are presented below.

Table 26: Do the decisions of the local government reflect your priorities?

Decisions of the local government reflect my priorities	First wave (2012)		Second wave (2015)	
	Frequency	%	Frequency	%
Never	1585	56.7	1132	37.6
Almost never	268	9.6	428	14.2
Only in some areas	842	30.1	1222	40.6
To a large extent	94	3.4	201	6.7
Completely	6	0.2	27	0.9
Total	2795	100	3010	100

(Source: Compiled from SLRC/NCCR Panel Survey data 2012/2015)

Table 26 presents people's perception on whether the decisions of local governments reflect their priorities or not. People were asked whether their local government prioritised their needs and whether their demands have been fulfilled by the local government or not. It was found that 1,585 (56.7 percent) respondents in the first wave and 1,132 (37.6 percent) respondents in the second wave felt their local government's decisions have never reflected their priorities. There were 268 (9.6 percent) respondents in the first wave and 428 (14.2 percent) in the second wave who felt the local government's decisions have almost never reflected their priorities.

There were 842 (30.1 percent) respondents in the first wave who felt that the decisions of local government reflected their priorities only in some areas, while 1,222 (40.6 percent) respondents felt this way in the second wave. This increment in the span of three years reflects the progress the local government has been able to achieve. Few respondents - 94 (3.4 percent) in the first wave and 201 (6.7 percent) in the second wave - said the decisions of the local government reflected their priorities to a large extent. Only very few respondents perceived the local government's decisions completely reflect their priorities. The respondents were also asked whether the local government cares about their opinion or not. The majority of respondents – 1,799 (66.2 percent) in the first wave and 1,673 (55.8 percent) in the second wave - who felt the local government does not care about their opinion at all. There

were 917 (33.8 percent) respondents in first wave and 1,326 (44.2 percent) respondents in second wave who felt the government cares about their opinion.

A positive trend is the rise in the number of people who feel the government cares about their opinion. During the second wave study, respondents were asked about whether the government cares more or less than it used to in 2012. It was found that 1,925 (63.1 percent) respondents in second wave felt the government's attitude towards them remained the same in the past three years. There were 729 (23.9 percent) respondents who felt that the government has started caring more about the people. There were 397 (13 percent) respondents who felt the government's concerns towards the people have been decreasing in the last three years.

Table 27: Do the decisions of the central government reflect your priorities?

Decisions of the central government reflect my priorities	First wave (2012)		Second wave (2015)	
	Frequency	%	Frequency	%
Never	1824	69.8	1684	59.3
Almost never	275	10.5	428	15.1
Only in some areas	460	17.6	640	22.6
To a large extent	54	2.1	79	2.8
Completely	2	0.1	7	0.2
Total	2615	100.0	2838	100.0

(Source: Compiled from SLRC/NCCR Panel Survey data 2012/2015)

Respondents were also asked whether the decisions of the central government reflect the priorities of the respondents or not. There were 1,824 (69.8 percent) respondents in the first wave who felt the central government's decisions never reflect their priorities, but this number decreased to 1,684 (59.3 percent) in the second wave. There were 275 (10.5 percent) respondents in the first wave who felt the central government's decisions almost never reflected their priorities, which three years later increased to 428 (15.1 percent). There were 460 (17.6 percent) respondents in the first wave who felt the government's decisions reflect their priorities in

some areas, which increased to 640 (22.6 percent) in the second wave.

There was a very small number of respondents who felt the government's decisions reflect their priorities to a large extent and even completely. This shows people's perception towards the central government is not good and they do not think the central government plays any significant role in fulfilling their priorities and needs.

Table 28: Government perceptions by ethnicity

Ethnic Groups	Decisions of local government do reflect my priorities (percent) ***		Local government does care about my opinion (percent) ***	
	First wave (2012)	Second wave (2015)	First wave (2012)	Second wave (2015)
Brahmin/Chhetri	44.5	65.1	37.4	49.7
Janjati/Indigenous	44.9	60.7	33.1	40.4
Dalit	44.8	64.4	38.5	49.8
Madhesi	31.4	50.6	21.2	30.3
Muslim	30.8	60.2	22.1	40.4
Other	37.5	85.3	27.7	67.7
Total	43.3	62.4	33.8	44.2

(Source: Compiled from SLRC/NCCR Panel Survey data 2012/2015)

This study and both rounds of the survey assessed the perception of different ethnic groups towards the decisions of the local government and whether its decisions reflected their priorities and opinions. The Brahmin/Chhettri group seems to feel most satisfied with the government's decisions.

All the ethnic groups have a positive perception about the local government, and this feeling has increased in the span of three years. This suggests the government must have performed better.

12.8 Summary of the chapter

This chapter is the synthesis of the research findings of the panel survey. It is based on a framework that depicts the interrelationship

between the state and people, and considers several factors including health, education, water services, livelihood assistance, governance and social protection allowance. This chapter specifically focuses on how these factors have influenced state-people relationship in the study districts and how these factors can influence state-people relationship throughout the country.

One prominent service that directly influences state-people relationship is health. The two surveys have shown better health service delivery has a direct influence in the state-people relationship. The better the health services and facilities provided by public health institutions are, the more positive the people's perception of the state comes to be. This also results in a stronger state-people relationship.

Another prominent service the state provides is education. Public schools are established throughout the country to provide equitable access to economically backward people. If public schools are able to provide quality education services to people, their trust towards the public education service delivery increases. As this chapter has highlighted, people living in rural areas are not able to afford private school education for their children. People who can afford to send their children to private schools are also attracted to public schools if the latter are able to provide adequate services and quality education.

The chapter has exemplified a case from Rolpa, where a public school has attracted students from the private schools because of the infrastructure and quality education it provides. This shows people's trust towards public school education increases if public schools are able to maintain quality education, ultimately strengthening the relationship between people and the state.

The other prominent service the state has to provide to the public is the supply of clean and safe drinking water. Water is the most essential component for life and people immediately stop trusting the state if it is not able to provide clean and safe drinking water. If the delivery of water is easily accessible, it naturally leads the

people trust the state more, which helps in creating a strong state-people relationship. On the other hand, the state's inability to provide drinking water easily undermines its standing among the people.

Likewise, the other factor this chapter discusses is the provision of the social protection allowance and its effects in state-people relation. The state provides social protection allowance to Dalits, marginalised groups, handicapped persons, single women, and elderly citizens. The provision of social protection allowance has helped create positive aspirations among the people towards the state. People in poor economic conditions and elderly citizens who do not have any support crave for the state's assistance; therefore, this service has created a positive attitude towards the state.

As described throughout the chapter, among the various social protection allowances, the OAA has been able to mark a strong influence towards the state. This has created a strong state-people relationship. However, the services need to be made easier to access and state must ensure that people receive the allowance on time and in regular basis.

The other area that helps to strengthen state-people relationship is livelihood assistance. As most of Nepal's population lives in rural parts of the country and most people depend upon agriculture for their livelihood and as their major source of income is agriculture, the state must provide better livelihood assistance services. This chapter has listed out the problems people encountered and the state yet to assist further, such as providing better quality seeds, fertilisers, irrigation facilities, technicians to help them improve agriculture outputs, markets for their products, transportation facilities, etc. The chapter has highlighted that agriculture loans and opportunities in other non-agricultural jobs throughout the country further helps to create positive attitudes towards the state, which further strengthens the state-people relationship.

The other factor this chapter discusses is governance. People's trust of the government depends on how the local government and the

central government reflect people's aspirations and priorities in their decision-making. If the state is able to prioritise the people's needs, it results in people thinking positively about the state, while inability leads to people doubting the credibility of the state.

The chapter has raised some other positive notes as well, such as the state has been able to prioritise the need of the people in recent years, resulting in higher trust levels among the people, though the implementation side is still patchy. The aspirations of the people have to be met by the state to maintain a healthy state-people relationship. The chapter has presented a concluding gist that better provision of the basic services, livelihood assistance, social protection allowance and better governance can create a stronger state-people relationship, while the state's inability to do so undermines the state-people relationship.

* * * * *

References:

Acharya, G., Upreti, BR, Paudel, S., Tandukar, A., and Harris, D. (2016). The drinking water and sanitation programme of Nepal's Local Governance and Community Development Programme. Working Paper 45. London: Secure Livelihoods Research Consortium (SLRC)/Overseas Development Institute (ODI) and Nepal Centre for Contemporary Research (NCCR).

Acharya, G. (2015). "Conflict and co-operation dynamics of politics in South Asian water security", in Aneel, S.S., Haroon, U.T., and Niazi, I. (eds) *Creating momentum: Today is tomorrow*. Islamabad: Sustainable Development Policy Institute (SDPI) and Sang-e-Meel Publications (Lahore): 295–-309.

Acharya, G., Upreti, B.R., Paudel, S.B., Tandukar, A., and Harvey, P. (2015). The drinking water service and users' perceptions of the state in Rolpa, Nepal. SLRC Working Paper 35. London: Secure Livelihoods Research Consortium.

ADB (Asian Development Bank). (2012). Nepal: Updating and Improving the Social Protection Index. Manila: Asian Development Bank.

ADB. (2011a). Asian Development Outlook 2011: Nepal. Kathmandu: Asian Development Bank.

ADB. (2011b). The Revised Social Protection Index: Methodology and Handbook. Manila: Asian Development Bank.

ADB. (2011c). Supporting the Development of a Social Protection Framework in Nepal. Social Protection Project Brief. Manila: Asian Development Bank.

ADB. (2010). Overview of gender equality and social inclusion in Nepal. Metro Manila: Asian Development Bank.

ADB. (2004). Social Protection Study: Nepal. Final Report. Manila: Asian Development Bank.

References

Adhikari, A. (2014). The Bullet and the Ballot Box: The Story of Nepal's Maoist Revolution. New York and London: Verso Books.

Adhikari, R., and Shrestha, S.D. (2007). 'Municipal Services through ICTs: The case of Rural-Urban Partnership Programme in Nepal'. Presented at Workshop on Midway to MDGs: Accelerating Progress through ICTs, organised by One World South Asia, 27-28 February.

Adhikari, R.K. (2010). Food utilization practices, beliefs and taboos in Nepal: An overview. The Global Health Technical Assistance Project. Washington, DC: USAID.

Adhikari, S. (2008). 'Livelihood Options of Dalit: An Analysis with Reference to Land Resources: Study in Dhangadi Municipality'. A master's thesis submitted to Human and Natural Resource Studies Centre, Kathmandu University.

Adhikari, T.P. (2014). 'Social Insecurity', The Kathmandu Post, 30 April (www.ekantipur.com/2014/04/30/oped/social-insecurity/388956.html).

Adhikari, T.P., Thapa, F.B., Tamrakar, S., Magar, P.B., Hagen-Zanker, J., and Babajanian, B. (2014). How does social protection contribute to social inclusion in Nepal? Evidence from the Child Grant in the Karnali Region. London: Overseas Development Institute.

Ali M., Dolan J., and Vaux, T. (2011). Case study: Nepal, State building, peace building and service delivery in fragile and conflict affected states. Practical Action, Save the Children and CfBT.

Allendorf, K. (2007). Do Women's Land Rights Promote Empowerment and Child Health in Nepal?, *World Development* 35 (11): 1975-1988.

Aryal, M. (2013). Nepal scores low on quality education. Available at: (www.ipsnews.net/2013/07/nepal-scores-low-on-quality-education).

Arino, M.V. (2008). Nepal : A gender view of the armed conflict and the peace process. Barcelona. School for a Culture of Peace.

Ashe, J., and Parrot, L. (2001).Impact Evaluation of PACT's Women's Empowerment Program in Nepal: A Savings and Literacy Led Alternative to Financial Institution Building. Cambridge, Mass.: Brandeis University.

Askvik, S., Jamil I., and Dhakal, T.N. (2011). Citizens trust in public and political institutions in Nepal. *Internal Political Science Review,* 32 (4): 417-37.

Ayala, F. (2009).'CCT Pilot Proposal.' Report prepared for UNCDF, Nepal.

Babajanian, B. (2013). 'Tackling old age poverty and vulnerability: Social pensions in Asia', *Poverty in Focus* (25). Brasilia: International Policy Centre for Inclusive Growth (www.ipc-undp. org/pub/IPCPovertyInFocus25.pdf).

Babajanian, B., and Hagen-Zanker, J. (2012). 'Social protection and social exclusion: an analytical framework to assess the links'. ODI Background Note. London: Overseas Development Institute.

Babcock, J.F. (2013). *Samar Basi – 'We Go There Together': The Local Peace Committees and their Effect on Building Peace in Nepal.* Capstone Collection. School for International Training, Graduate Institute.

Badal R. (2005). 'Social Security in Nepal'. Paper presented in Social Security Seminar in Beijing. Beijing: November.

Baechler, G., Acharya, N., Dammann, P., Rajbhandari, R., & Upreti, B. R. (2008). Nepal Building New Road to Peace. Kathmandu: SDC.

Bahns, R. (2003). Women's Empowerment Program, Pact Nepal: Group Evaluation Survey. PACT.

Baland, J.M., Bardhan, S., and Mookherjee, D. (2010). 'The Environmental Impact of Poverty: Evidence from Firewood Collection in Rural Nepal'. *Economic Development and Cultural Change*, 59 (1): 23-62.

Barrientos, A. (2010). 'Social Protection and Poverty'. Social Policy and Development Paper number 42. United Nations Research Institute for Social Development (UNRISD).

Barrientos, A. and Hulme, D. (2008). 'Social Protection for the Poor and Poorest in Developing Countries: Reflections on a Quiet Revolution'. BWPI, Working Paper 30. School of Environment and Development, University of Manchester. Brooks World Poverty Institute.

Baumgartner, R., and Hogger, R. (2006). In Search of Sustainable Livelihoods: Managing Resources and Change. New Delhi: Sage.

Berry, C., and Igboemeka, A. (2005). 'Service delivery in difficult environments: Issues arising from DFID support to health sector interventions in Burma, Afghanistan and Nepal'. Report produced for DFID.

Bhattachan, K.B., Hemchuri, K., Gurung, Y.B., and Bishwokarma, C.M. (2002). Existing practices of caste-based untouchability in Nepal and strategy for a campaign for its elimination. Final Report.Kathmandu: Action Aid.

Bhattachan, Y.K. (2007). 'Democracies in the indigenous organisations of Nepal'. In: Koirala B.N., Khadka A., Khadka R. (eds). *Democratic Indigenous Practices of Nepal*. Kathmandu: Nepal Centre for Creative Research, pp. 7-13.

Bhattarai, B.R. (2003). The Nature of Underdevelopment and Regional Structure of Nepal : A Marxist Analysis. Delhi: Adroit Publishers.

Bhattarai, P. (2013). 'Inclusive peace building in Nepal: Challenges and opportunities.''Local First' Blog. Available at: http://actlocalfirst.org/2013/08/inclusive-peacebuilding-nepal.

Bhattarai, R. (2004). Geo political Specialties of Nepal and a Regional Approach to ConflictTransformation. Kathmandu: Friends for Peace.

Bhusal, L.N. (2012). Poverty estimates and welfare state development: The case of Nepal. *Contemporary South Asia,* 20 (1): 45-59.

Bhusal, T. (n.d.). Flaws in the citizen's charter'. Gorkhapatra Online. (http://trn.gorkhapatraonline.com/index.php/op-ed/10512-flaws-in-the-citizen's-charter-thaneshwar-bhusal.html).

Bohara, A., Mitchell, N., and Nepal, M. (2006). 'Opportunity, democracy and the exchange of political violence: a subnational analysis of conflict in Nepal'. *Journal of Conflict Resolution* 50 (1): 108-28.

Bohara-Mishra, P., and Massey, D.S. (2011). 'Individual Decisions to Migrate During Civil Conflict'. *Demography* 48: 401-24.

Bornemisza, O., and Checchi, F. (2006). Health interventions in crisis-affected communities of Nepal. Kathmandu: Emergency and Humanitarian Action Programme, WHO.

Burnell, P. (2006). 'Autocratic opening to democracy: Why legitimacy matters', *Third World Quarterly,* 27 (4): 545-562.

Caddell, M. (2009). 'Private schools as battleground: Contested visions of living and livelihood in Nepal', In: Bhatta, P. (ed.). Education in Nepal. Kathmandu: Martin Chautari: 121–148.

Cameron, M.M. (2007). 'Considering dalits and political identity in imagining a new Nepal', Himalaya, *The Journal of the Association for Nepal and Himalayan Studies,* 27 (1).

Carpenter, S., Slater, R., and Mallett, R. (2012). Social protection and basic services in fragile and conflict-affected situations. Working Paper 8. London: Secure Livelihoods Research Consortium.

CBS (Central Bureau of Statistics). (2012). Nepal Living Standard Survey 2011. Kathmandu: CBS.

CBS. (2009). Report on the Nepal Labour Force Survey 2008. Kathmandu: Central Bureau of Statistics, United Nations Development Programme and International Labour Organisation.

CBS. (2004). Nepal Living Standards Survey 2003/04: Statistical Report Volumes 1 and 2. Kathmandu: CBS.

CBS., and UNICEF. (2012). Nepal multiple indicator cluster survey 2010: Mid- and far western regions. Final Report. Kathmandu: Central Bureau of Statistics and United Nations Children's Fund.

CERID. (2002). School effectiveness in Nepal: A synthesis of indicators. Research Centre for Educational Innovation and Development, Tribhuwan University.

Chambers, R., and Conway, G. (1992). 'Sustainable Rural Livelihoods: Practical Concepts for the 21st Century'. IDS Discussion Paper 296. Brighton: IDS.

Chandran R., Jones B., and Smith, N. (2008). 'Recovering from War: Gaps in early action'. A Report by the NYU Center on International Cooperation for the UK Department for International Development. New York: NYU Center on International Cooperation.

Chua, C. (2004). 'Perceptions of quality in higher education', Proceedings of the Australian University Quality Forum. Melbourne: Australian Universities Quality Agency.

Collins, S. (2006). 'Assessing the health implications of Nepal's ceasefire'. *Lancet* 368: 907.

Cook, S. (2013). 'Rescuing social protection from the poverty trap: New programmes and historical lessons', In: Bender, K., Kaltenborn, M., and Pfleiderer, C. (eds). *Social protection in developing countries: Reforming systems*. Routledge: Milton Park, Abingdon: 13-24.

Cramer, C. (2006). *Civil War is Not a Stupid Thing: Accounting for Violence in Developing Countries*. London: Hurst and Co.

CWIN (Child Workers in Nepal). (2003). 'Coalition for children as zones of peace: A national campaign to protect children from the effects of armed conflict in Nepal'. Child Workers in Nepal. (www.cwin.org.np/resources/issues/cic/coalition4czop.htm).

Dahal, D.R., and Bhatta, C.D. (2008). The Relevance of Local Conflict Resolution Mechanisms for Systemic Conflict Transformation in Nepal. Berghof Foundation for Peace Support.

Dahal, D.R., Gurung, Y.B., Hemchuri, K., and Swarnakar, D. (2002) Situational analysis of Dalits in Nepal. Kathmandu: Action Aid, Care Nepal, Save the Children US.

Das, M., and Leino, J. (2011). 'Can Social Safety Nets Help Peace Building in Nepal? Results from a social protection technical assistance program'. Presentation on Social Safety Nets in Post Conflict Nepal. Available on: http://web.worldbank.org/WBSITE/EXTERNAL/TOPICS/EXTSOCIALPROTECTION/

EXTSAFETYNETSANDTR   ANSFERS/0,,contentMDK:22965395~
menuPK:282803~pagePK:64020865~piPK:51164185~theSite
PK:282761,00.html.

Deraniyagala, S. (2005). 'The Political Economy of Civil Conflict in
    Nepal'. Oxford Development Studies, 33 (1), 47-62.

Devereux, S., and Sabates-Wheeler, R. (2004). Transformative
    Social Protection. Brighton: IDS.

Devkota, B. and Van Teijlingen, E.R. (2012). 'Why did they join?
    Exploring the motivations of rebel health workers in Nepal'.
    Journal of Conflictology, 3 (1).

Devkota B. and Van Teijlingen, E.R. (2010). 'Understanding effects
    of armed conflict on health outcomes : The case of Nepal',
    Conflict and Health 4: 20.

Devkota B., and Van Teijlingen, E.R. (2009). 'Politicians in Apron:
    Case Study of Rebel Health Services in Nepal'. *Asia-Pacific
    Journal of Public Health*. 21 (4): 377-84.

Devkota, B. (2008). 'Effectiveness of essential health care services
    delivery in Nepal', *Journal of Nepal Health Research Council,*
    6(13): 74-83.

Devkota, D.C. (2007). Drinking water policies and quality issues in
    Nepal. Available on: www.nepal.watsan.net.

DFID (Department for International Develfopment). (2002).
    Sustainable Livelihoods Guidance Sheets, London: DFID.

Dhakal, T. (2002). 'The Role of Non-Governmental Organization
    in the Improvement of Livelihood in Nepal'*,* PhD Dissertation,
    Submitted at the Faculty of Economics and Administration,
    University of Tampere, Finland.

Dixit, K. N. (ed.). (2003). External Affairs: Cross Border Relations.
    New Delhi: Lotus Collection Roli Books.

Dixit, K.M. (2011). Peace Politics of Nepal: An Opinion from Within.
    Kathmandu: Himal Books.

Do, Q and Iyer L. (2010). 'Geography, Poverty and Conflict in Nepal',
    Journal of Peace Research, 47.

DoHs (Department of Health Services). (2014). Annual report 2013. Kathmandu: Department of Health.

Dupuy, K. (2008). *Education for Peace Building and Transforming Armed Conflict Through Education Systems*. International Peace Research Institute, Oslo (PRIO) for Save the Children, Norway.

DWSS (Drinking Water Supply and Sanitation). (2010). *DWSS Database*. Kathmandu: Department of Water Supply and Sanitation.

European Report on Development. (2009). *Overcoming fragility in Africa: Forging a new European approach*. San Domenico di Fiesole: Robert Schuman Centre for Advanced Studies.

FAO (Food and Agriculture Organization). (2010). Assessment of food security and nutrition situation in Nepal. Kathmandu: Food and Agriculture Organisation.

FEC (Fulbright Education Consultancy). (2011). 'A study on effectiveness of community managed schools'. Kathmandu: Fulbright Education Consultancy and the Ministry of Education.

Fischer, W.F. (2001). Fluid Boundaries: Forming and Transforming Identity in Nepal. New York: Colombia University Press.

Fritz, V., and Menocal, A.R. (2007). Understanding State-Building from a Political Economy Perspective. London: Overseas Development Institute.

Gautam, A.P., Karmacharya, M.B., and Karna, B.K. (2008). 'Community Forestry, Equity and Sustainable Livelihoods in Nepal. In: Proceedings of the 12th Biennial Conference of the International Association for the Study of the Commons (IASC) held during 14-18 July 2008 in University of Gloucestershire, Cheltenham, England.

Geiser, A. (2005). 'Social Exclusion and Conflict Transformation in Nepal: Women, Dalit and Ethnic Groups. FAST Country Risk Profile'. Bern: Swiss Peace Foundation.

Geriatric Center Nepal. (2010). Status report on elderly people (60+) in Nepal on health, nutrition and social status focusing on research. Kathmandu: Government of Nepal, Ministry of Health and Population.

Gersony, R. (2003). Sowing the Wind: History Dynamics of the Maoist Revolt in Nepal's Rapti Hills. Report Mercy Corps International.

Ghale, Y., and Bishokarma, N. (2013). 'Food security: a fundamental basis for human security'. In Upreti, B.R., Bhattrai, R.,and Wagle, G.R. (eds). *Human security in Nepal: concepts, issues and challenges*. Kathmandu: Nepal Institute for Policy Studies and South Asia Regional Coordination Office of NCCR.

Ghimire, A., and Upreti, B.R. (2008). 'Conflict Induced Displacement: An Emerging Phenomenon of Internal Migration in Nepal'. In: Pyakuryal K.N., Upreti B.R. and Sharma S.R. (eds). *Nepal: Transition to Transformation.* Kathmandu: HNRS-Kathmandu University and the SAs RCO NCCR North-South.

Ghimire, S. (2009). 'The intersection between armed conflict and the health service system in the Rolpa District of Nepal: An ethnographic description', *Social Medicine*, 4 (3): 139-147.

Gill, G.J., Farrington, J., Anderson, E., Luttrell, C., Conway, T., Saxena, N.C., and Slater, R. (2003). Food Security and The Millennium Development Goal on Hunger in Asia. Working Paper 231. London: Overseas Development Institute.

Gilligan, M., Benjamin, P., and Cyrus, S. (2011). 'Civil War and Social Capital: Behavioral-Game Evidence from Nepal'. Working Paper, New York University.

GoN (Government of Nepal). (2014a). 'Estimates of expenditure for fiscal year 2013/14'. Kathmandu: Government of Nepal Ministry of Finance.

GoN. (2014b). 'Basic district information : Rolpa', Western Uplands Poverty Alleviation Project. Kathmandu: Government of Nepal, Ministry of Co-operatives and Poverty Alleviation (www.wupap. gov.np/Districts/26).

GoN., and NPC. (2013). Millennium Development Goals progress report. Kathmandu: Government of Nepal and National Planning Commission.

Gotame, M. (2009). Domestic Workers in their Living: A study of Selected Localities in Kathmandu District. A master's thesis

submitted to Tribhuvan University, Faculty of Humanities and Social Sciences.

Gross, J., and Rajbhandari, S. (2009). 'Local Peace Committees : Still a model of cooperation across conflict lines'. *In Asia* (blog), The Asia Foundation. Available at: http://asiafoundation.org/in-asia.

Gyawali, T.R. (2009). 'Socio-economic impact of political insurgency in Nepal'. Japan: Maeda Corporation.

Hagemejer, C., and Schmitt, V. (2012). 'Providing social security in old age: The International Labour Organization view'. In Handayani, S.W., and Babajanian, B. (eds), *Social protection for older persons: Social pensions in Asia*. Manila: Asian Development Bank: 137-153.

Harris, D., Wales, J., Jones, H., and Rana, T. (2013). Human resources for health in Nepal: The politics of access in remote areas. London: Overseas Development Institute.

Hart, J. (2001). Conflict in Nepal and its Impact on Children. Discussion document prepared for UNICEF Regional Office South Asia. Refugee Studies Centre, Oxford University. Pp. 1-43.

Harvey, P., Holmes, R., Slater, R., and Martin, E. (2007). *Social Protection in Fragile States*. London: ODI.

Hatlebakk, M. (2007). 'LSMS Data Quality in Maoist Influenced Areas of Nepal'. Working Paper 2007: 6. Bergen, Norway: Chr. Michelsen Institute.

Haug, M., Aasland, A., and Dahal, D.R. (2009). 'Patterns of Socio-Political Participation in Nepal and Implications for Social Inclusion' Forum for Development Studies 36 (1): 112–113.

Help Age International. (2013). *Global Age Watch Index 2013*. London: HelpAge International (www.helpage.org/global-agewatch/reports/global-agewatch-index-2013-insight-report-summary-and-methodology).

Help Age International. (2009). The Universal Social Pension in Nepal: An assessment of its impact on older people in Tanahun District. London: Help Age International.

Holmes, R. (2011). 'The Role of Social Protection Programmes in Supporting Education in Conflict-affected Situations'. *Prospects*, 41: 223-236.

Holmes, R. (2010). 'The Role of Social Protection Programmes in Supporting Education in Conflict-affected Situations'. Paper commissioned for the EFA Global Monitoring Report 2011. London: ODI.

Holmes, R. (2009). 'Cash transfers in post-conflict contexts'. ODI Project Briefing No. 32. London: Overseas Development Institute.

Holmes, R., and Jackson, A. (2008). 'Cash transfers in Sierra Leone: Are they appropriate, affordable or feasible?' ODI Project Briefing No. 8. London: Overseas Development Institute.

Holmes, R., and Uphadya S. (2009). The Role of Cash Transfers in Post-Conflict Nepal. London: ODI.

Hutt, M. (ed.). (2004). Himalayan 'People's War': Nepal's Maoist Rebellion. London: Hurst and Company.

ICG. (Inter Crisis Group) (2007). 'Nepal's Maoists: Purists or Pragmatists'. Asia Report No 132. Brussels/Kathmandu: ICG.

ICG. (2006a). 'Beyond Victimhood: Women's Peace Building in Sudan'. Africa Report No. 112. Nairobi/Brussels: ICG.

ICG. (2006b). 'Nepal: From People Power to Peace?'. Asia Report No. 115. Brussels/Kathmandu: ICG.

ICG. (2005a). 'Nepal Dealing with Human Rights Crisis'. Asia Report No 94, 24 March 2005. Brussels/Kathmandu: ICG.

ICG. (2005b). 'Nepal's New Alliance: The Mainstream Parties and the Maoists'. Asia Report No. 106. Brussels/Kathmandu: ICG.

ICG. (2004). 'Nepal: Dangerous Plans for Village Militias'. Asia Report No. 30. Brussels/Kathmandu: ICG.

ICG. (2003a). 'Nepal: Obstacles to Peace'. Asia Report No. 57. Brussels/Kathmandu: ICG.

ICG. (2003b). 'Nepal Backgrounder: Ceasefire-Soft Landing or Strategic Pause'. Asia Report No. 50. Brussels/Kathmandu: ICG.

IDMC (The Internal Displacement Monitoring Centre). (2012) 'Nepal: Population Figures and Profile'. Available on: http://www.internal- displacement.org/idmc/website/countries. nsf/%28httpEnvelopes%29/1949E98C81942B55C12571F E004D8821?OpenDocument.

Ilam Municipality Office. (2013). 'Profile of the Ilam Municipality.' Ilam: Ilam Municipality.

ILO (International Labour Organization). (2004). 'Social Protection of People in the Informal Economy of Nepal'. Series 3. Kathmandu: ILO.

INSEC (Informal Sector Service Centre). (2008). Human Rights Year Book 2008. Kathmandu: Informal Sector Service Centre (INSEC).

IRIN (Integrated Regional Information Networks). (2005). Between Two Stones : Nepal's decade of conflict Pp. 1-81.

Jha, P. (2013). "A Nepali Perspective on international involvement". In Einsiedel, Von S., Malone, D. M., and Pradhan S. (eds.). *Nepal in Transition: From people's war to fragile peace*. New Delhi: Cambridge University Press, Pp. 332-358.

Jha, P., and Laxminarayan, R. (2009).Choosing health: An entitlement for all Indians. Toronto: Centre for Global Health Research. (www.cddep.org/publications/choosing_health_ entitlement_all_indians).

JICA (Japan International Cooperation Agency). (2011). 'A Model Road for New Nepal: The Kathmandu-Bhaktapur Road'. *Quarterly Newsletter*.Kathmandu.

Jones, B., and Chandran, R. with Cousens, E., Slotin, J., and Sherman, J. (2008). 'From Fragility to Resilience: Concepts and Dilemmas of State-building in Fragile States'. Research paper for the Fragile States Group of the Development Assistance Committee of the Organisation for Economic Co-operation and Development (OECD DAC). Paris: OECD/DAC (http://www.cic.nyu.edu/global/ docs/fragilitytoresilience.pdf).

Jones, N., Bhatta, B., Gill, G., Pantuliano, S., Singh, HB., Timsina, D., Uppadhaya, S. and Walker, D., (2009). 'Governance and citizenship from below: Views of poor and excluded groups

and their vision for a New Nepal'. Working Paper 301. London: Overseas Development Institute.

Jones, S. (2012). 'The Politics of Social Rights: Social protection and free health care in Nepal'. Public Management Review 14 (2): 239-54.

Jones, S. (2010). 'Policymaking during Political Transition in Nepal'. Working Paper 2010-03. Oxford: Oxford Policy Management.

Joshi, N.P., Maharjhan, K.L., and Piya, L. (2010). 'Poverty and Food Insecurity in Nepal: A Review'. Review Document. Hiroshima University, Japan. Pp. 1-20.

Junginger, M. (2010). 'Migration, Multi-local Livelihoods and Societal Change in Far West Nepal'. A PhD summary developed by the author for reporting in NCCR North–South.

KC, G. (2015). Lost in Transition: Rebuilding Nepal from the Maoist mayhem and mega earthquake. Kathmandu: nepa~laya.

Kabeer, N. (2009). 'A review of social protection in South Asia'. Brighton: SPA.

Karkee, R., and Jha, N. (2010). 'Primary health care development: Where is Nepal after 30 years of Alma Ata Declaration?' *Journal of Nepal Medical Association,* Pp 178-184.

KC, S. (2012). 'Walking for nothing', *The Kathmandu Post*, 12 September (www.ekantipur.com/the-kathmandu-post/2012/12/08/free-the-words/walking-for-nothing/242631.html).

KC, S., Upreti, B.R., Acharya, G., Paudel, S.B., Tandukar, A., and Babajanian, B. (2014). The old age allowance and the perception of the state in Rolpa district, Nepal. Working paper 25. Secured Livelihood Research Consortium, Overseas Development Institute.

Khan, A., and Khalid, U. (2012). 'Consumption patterns of male and female headed households in Pakistan: Evidence from PSLM 2007-08'. The Pakistan Development Review 51 (4): Pp. 465-478. (http://econpapers.repec.org/article/pidjournl/v_3a51_3ay_3a2012_3ai_3a4_3ap_3a465-478.htm).

Kharel, S. (2014). 'KMC plans to distribute senior citizen allowance from mid-April', *The Kathmandu Post*, 1 April (www.ekantipur. com/2014/04/01/capital/kmc-plans-to-distribute-senior-citizen- allowance-from-mid-april/387581.html).

Kidd, S.W., and Calder, R. (2011). 'Conditional Cash Transfer Programmes: Their relevance for Nepal'. Discussion paper.DFID Nepal.

Kieveilitz, U., and Polzer, T. (2002). Nepal country study on conflict transformation and peace building. Eschbom, Germany, GTZ.

Koehler, G. (2011). Social protection and socioeconomic security in Nepal. Working Paper 370. Brighton: Institute of Development Studies.

Koehler, G., Cali, M., and Stirbu, M. (2009). 'Rethinking Poverty and Social Exclusion Responses in Post-conflict Nepal : Child Sensitive Social Protection'. Children, Youth and Environment 19 (2): Pp. 229-249.

Kulung, M.D. (2008). 'Niji biddhaylaya ma pahunch ra sarokarwala ko bhumika' [Private schools access and role of stakeholders] in J. Subedi (ed.) *Kasima niji biddhyalaya* [Assessing private schools] Kathmandu: Education Journalists' Group and Action Aid, Nepal.

Lawoti, M. (2007). Looking back, looking forward: Centralization, multiple conflicts, and democratic state building in Nepal. Washington DC: East West Centre.

LGCDP (Local Governance and Community Development Programme). (2013). Local Governance and Community Development Programme (LGCDP II): Programme Document (FY 2013/014-2016/017). Kathmandu: Government of Nepal, Ministry of Federal Affairs and Local Development, Local Governance and Community Development Programme.

LGCDP. (2010). 'Mass media's role in strengthening local governance.' Kathmandu: Government of Nepal, Ministry of Federal Affairs and Local Development, Local Governance and Community Development Programme. Available at: www.lgcdp.

gov.np/home/files/Mass%20Media%27s%20Role%20in%20 Strengthening%20Local%20Governance.pdf.

LGCDP. (2008). 'Programme Document 11, July 2008.' Kathmandu: Government of Nepal, Ministry of Local Development, Local Governance and Community Development Programme.

Lietchy, M. (2008). Suitable Modern: Making Middle Class Culture in Kathmandu. Kathmandu: Martin Chautari.

LSGA (Local Self Governance Act). (1999). His Majesty's Government, Ministry of Law and Justice, Law Books Management Board, Kathmandu.

Lohani, S., Singh, R.B., and Lohani, J. (2010). 'Universal Primary Education in Nepal: Fulfilling the Right to Education'. *Prospects*, 40 (3): Pp. 355-374.

Mahat, R S. (2005). In Defence of Democracy: Dynamics and Fault Lines of Nepal's Political Economy. New Delhi: Adroit Publishers.

Mallet, R., Harvey, P., and Slater, R. (2014). How to study capacity support to states in fragile and conflict affected situations: an analytical framework Researching livelihoods and services affected by conflict (Working paper 15). London: Secure Livelihoods research Consortium (SLRC)/Overseas Development Institute (ODI).

Mallett, R., and Slater, R. (2012). Growth and livelihoods in fragile and conflict-affected situations. Working Paper 9. London: SLRC.

Mallik, V. (2013). Local and community governance for peace and development in Nepal. Bonn: German Development Institute / Deutsches Institut für Entwick lungs politik (DIE).

Mammen, S., Bauer, J.W., and Lass, D. (2009).' Life Satisfaction among Rural Low-Income Mothers: The Influence of Health, Human, Personal, and Social Capital'. The International Society of Quality-of Life Studies 4 (1): Pp. 365-386.

Maskey, M. (2004).'Practicing politics as medicine writ large in Nepal'. *Development* 47: 122-30.

Maslow, A. H. (1954). Motivation and personality. New York : Harper and Row.

Maslow, A.H. (1943). 'A Theory of Human Motivation'. *Psychological Review*, 50, 370-96.

Mayoux, L. (2008). 'Uganda: Kabarole Research and Resource Centre's participatory, self-managed microfinance model'. In Gender and agriculture sourcebook, World Bank, FAO and IFAD, Washington, DC: World Bank. Pp. 117-124.

Menon, N., and Rodgers, Y. (2011). 'War and Women's Work: Evidence from the Conflict in Nepal'. Policy research working paper 5745. Washington DC: World Bank.

Ministry of Water Resources. (2002). Final Approved Version of 'Water Resource Strategy Nepal (2002), Kathmandu: Ministry of Water Resources.

Ministry of Water Resources. (1992a). Water Resources Regulation 2050. Kathmandu: Ministry of Water Resources, Government of Nepal.

Ministry of Water Resources. (1992b). Water Resources Act 2049. Kathmandu: Ministry of Water Resources, Government of Nepal.

Mishra, N., Thakur, K.K., Koirala, R., Shrestha, D., Poudel, R., and Jha, R. (2010). 'Corporal punishment in Nepalese school children: Facts, legalities and implications', *Journal of Nepal Pediatric Society*, 30 (2): Pp. 98–109.

Mishra, R. (2004). India's Role in Nepal's Maoist Insurgency. Asian Survey, 44 (5): Pp. 627–646 .

MoE (Ministry of Education). (2009). 'School sector reform plan 2009-2015'. Kathmandu: DOE/MOE/GON.

MoF (Ministry of Finance). (2010a). Economic Survey 2009/10, Volumes 1 and 2. Kathmandu: MoF.

MoF. (2010b). 'Budget Speech 2010/11'. Kathmandu: MoF.

MoF. (2009). Economic Survey 2008/09. Kathmandu: MoF.

MoHP., PMNCH., WHO., World Bank., AHPSR., and participants in the Nepal multi stakeholder policy review. (2014). Success Factors for Women's and Children's Health: Nepal. Kathmandu: Ministry of Health and Population.

MoLD (Ministry of Local Developmet). (2012). 'Public expenditure & financial accountability and fiduciary risk reduction action plan.'Kathmandu: Government of Nepal, Ministry of Local Development.

MoPR (Ministry of Peace and Reconstruction). (2013). 'External Monitoring of Nepal Peace Trust Fund (NPTF).' January 2013. Kathmandu: Ministry of Peace and Reconstruction.

MoPR. (2011). 'External Monitoring of Nepal Peace Trust Fund (NPTF).' Kathmandu: Ministry of Peace and Reconstruction.

Mukhida, K. (2006). 'Political crisis and access to health care: a Nepalese neurosurgical experience'. *Bulletin of the American College of Surgeries* 91: 19.

Murshed, S. M., and Gates, S. (2005). 'Spatial-Horizontal Inequality and the Maoist Insurgency in Nepal'.*Review of Development Economics*, 9: Pp. 121-143.

NDHS (Nepal Demographic Health Survey). (2011). 2011 Demographic and Health Survey.Ministry of Health and Population, New ERA and ICF International.

Nepal, M., Bohara, A.K., and Gawande, K. (2011). 'More Inequality, More Killing: The Maoist Insurgency in Nepal'. *American Journal of Political Science*, 55(4), 886-906.

Nepali, P.B. (2008). 'Access to Land Resource: Dalits and their Livelihood Insecurity'. In: Pyakuryal K.N., Upreti B.R., and Sharma S.R. (eds). *Nepal: Transition to Transformation.* Kathmandu: HNRSC-Kathmandu University and SAs RCO NCCR North-South, Pp. 163-184.

Nepali, P.B., Pyakuryal, K.N. (2011). 'Livelihood Options for Landless and Marginalised Communities in an Agrarian Society: A Case Study from Far Western Nepal'. Pakistan *Journal of Agricultural Science,* 48 (1): Pp. 1-10.

Nepali, R., Faire, K.R., and Khadka, H.B. (2013). 'Subalterns' perceptive on government scholarship to Dalit children: A case study of Baadbhanjyang-1, Basundol'. Social Inclusion Research Fund Secretariat, SNV Nepal, Bakhundole, Lalitpur.

NFDIN. (2012) 'Constitution making and peace building through dialogue on indigenous nationalities' rights. Main observations and recommendations from Joint NPTF-UNPFN monitoring visit.' National Foundation for Development of Indigenous Nationalities.

NPC (National Planning Commission). (2012a) Assessment of social security allowance programme in Nepal. Kathmandu: NPC.

NPC. (2012b) National Population and Housing Census 2011 (National Report). Volume 1. Kathmandu: NPC.

NPC. (2012c). 'Nepal public expenditure tracking study on primary education'. Kathmandu: NPC.

NPC. (2011). NLSS statistical report, volume II. Kathmandu: NPC .

NPC. (2010a). Nepal Millennium Development Goals: Progress Report 2010. Kathmandu: NPC.

NPC. (2010b). Poverty Measurement Practices in Nepal and Number of Poor. Kathmandu: NPC.

NPC. (2010c). Nepal Millennium Development Goals: Progress Report 2010. Kathmandu: NPC.

NPC. (2003). The Tenth Plan PRSP. Kathmandu: NPC.

NPC., and UNICEF. (2010). Analysis of Basic Social Services in Nepal 2004/05 to 2008/09. Kathmandu: NPC and UNICEF.

Odendaal, A. (2010). 'An architecture for building peace at the local level: A comparative study of Local Peace Committees.' Discussion Paper. United Nations Development Programme.

Odendaal, A., and Olivier, R. (2008). Local Peace Committees: Some reflections and lessons learned. Academy for Educational Development and USAID.

ODI (Overseas Development Institute). (2009). 'State-building for peace': navigating an arena of contradictions Donors need to understand the links between peace-building and state-building. Briefing Paper 52. London: Overseas Development Institute.

OECD (Organisation for Economic Cooperation and Development). (2010a). Aid Statistics: Recipient Aid Charts. (www.oecd.org/countrylist).

OECD. (2010b). The State's Legitimacy in Fragile Situations: Unpacking Complexity. Paris: OECD.

OECD. (2010c). The state's legitimacy in fragile situations: unpacking complexity. Paris: OECD.

OECD. (2009). Promoting Pro-Poor Growth: Social Protection. Paris: OECD.

Onesto, L. (2005). Dispatches from the People's War in Nepal. London: Pluto Press and Chicago: Insight Press.

Palacios, R., and Rajan, S.I. (2004). 'Safety nets for the elderly in poor countries: the case of Nepal'.

Panday, D.R. (2009). (revised edition). Nepal's Failed Development: Reflections on the Mission and the Maladies. Kathmandu: Nepal South Asia Centre.

Pant, B., Parker, S., and Standing, K. (2012). 'Caught in the Crossfire: Children's Right to Education During Conflict – The Case of Nepal 1996-2006'. Children and Society 27 (5): Pp. 372-384.

Parker, S., and Pant, B. (2011). 'Longevity in Nepal, Environmental, Health and Policy Challenges'. *International Journal of Society Systems Science*, 3: 4 (Special Issue).

Parker, S., Standing, K., and Pant, B. (2012). 'Caught in the cross fire: Children's right to education during conflict – The case of Nepal 1996–2006'. *Children and Society* 27 (5): Pp. 372–384.

Partap, U., and Hill, D.R. (2012). 'The Maoist insurgency (1996-2006) and child health indicators in Nepal', *International Health,* 4(2): Pp. 135-142.

Paudel, S.B., Upreti, B.R., Acharya, G., Tandukar, A., and Harvey, P. (2015). Health services and user's perception of the state in Rolpa, Nepal. Working paper 36. Secured Livelihood Research Consortium, Overseas Development Institute.

Paul, S., and Sekhar, S. (1997). 'A report card on public services: A comparative analysis of five cities inIndia'. *Regional Dialogue*, 18 (2).

Pavignani, E., and Colombo, A. (2001). 'Providing health services in countries disrupted by civil wars: a comparative analysis of Mozambique and Angola 1975-2000'. World Health Organisation.

Pettigrew, J., Delfabbro, O., and Sharma, M. (2003). Conflict and health in Nepal: action for peace building. Kathmandu: DFID, GTZ and SDC.

Pherali, T. J. (2011). 'Education and conflict in Nepal: possibilities for reconstruction'. *Globalisation,Societies and Education,* 9 (1): Pp. 135-54.

Pherali, T., Smith, A., and Vaux T. (2011). A Political Economy Analysis of Education in Nepal. Kathmandu: European Commission. (http://eprints.ulster.ac.uk/30667/1/Pherali_Smith_Vaux_ (2011)AugFull1FINAL-FINAL.pdf).

Poertner, E., Junginger, M., and Müller-Böker, U. (2011).'Migration in Far West Nepal'. *Critical Asian Studies*, 43 (1): Pp. 23-47.

Pokharel, B. (2010). 'A Critical Reflection on the Sustainable Livelihoods Approach and its Application to Nepal's Community Forestry'. In: Upreti, B.R., Müller-Böker, U. (eds). *Livelihood Insecurity and SocialConflict in Nepal*. Kathmandu: SAs RCO of NCCR North-South.

Pokharel, K. (2009). 'Livelihood Strategy of Women Labours in Garment Industries in Kathmandu Valley'. A master's thesis submitted to Tribhuvan University, Faculty of Humanities and Social Sciences.

Poudyal, C.S. (2013). 'Private schooling and Fayol's principles of management: A case from Nepal'. *Journal of Education and Research,* 3 (1): Pp. 6–23.

PSCD., and MoPR. (2013). 'Strengthening LPCs: Peace from bottom up. Main observations and recommendations from Joint NPTF-UNPFN Monitoring Visit.' Peace Structure Coordination Division.

Pyakuryal, B. (2013). Nepal's Development Tragedy: Threats and Possibilities. Kathmandu: Mandala Book Point.

Pyakuryal, B., Adhikari, D., and Dhakal, D.P. (2008). Is Foreign Aid Working? An Analysis of AidEffectiveness and Growth. Kathmandu: Manadala Book Point.

Raj, P. (2004). Maoists in the Land of Buddha: An Analytical Study of the Maoist Insurgency in Nepal. Delhi: Nirala Publications.

Rajan, K.V. (2003). "Nepal". In Dixit, K.N. (ed.). *External Affairs: Cross Border Relations*. New Delhi: Lotus Collection Roli Books. Pp 97-120.

Rajan, S.I. (2003). 'Old age Allowance Program in Nepal'. Kerala: Centre for Development Studies.

Rajbanshi, A. (2009). 'Sustainable Livelihood Patterns of Marginal Communities in a Peri-urban Area: A Case Study of Bajrayogini Village, Kathmandu District'. A PhD thesis submitted to Tribhuvan University, Faculty of Humanities and Social Sciences.

Rautanen, S.L., Van Koppen, B., and Wagle, N. (2014). 'Community-driven multiple use of water services: Lessons learned by the Rural Village Water Resources Management Project in Nepal.' *Water Alternatives,* 7(1): Pp. 160-177.

Regmi, A.R. (2007). 'Water security and farmer managed irrigation systems of Nepal', In Swain, A., and Rotberg, F. (2007). *Natural resources security in South Asia: Nepal's Water*. Stockholm-Nacka, Sweden: Institute for Security and Development Policy: Pp. 69–112.

Resource Center for Primary Health Care (RECPHEC). (2010). Briefing Paper on Essential Health Care Services (EHCS) in Nepal: Status, Achievements, Concerns and Future Directions. Kathmandu: Resource Center for Primary Health Care.

Rimal, H.S., and Pokharel, A. (2013). 'Corporal punishment and its effects in children', *Journal of Kathmandu Medical College.* 2 (3).

Rushton, J., Tulachan, M.P., and Anderson, S. (2005). 'Livestock Technology Change, Livelihoods Impacts and Policy Lessons-Nepal'. Center for Development and Poverty Reduction, Imperial College, London, UK.

Samson, M. (2012). 'Nepal's senior citizens' allowance: A model of universalism in a low-income country context'. In: S.W. Handayani and B. Babajanian (eds), *Social protection for older persons: Social pensions in Asia*. Manila: Asian Development Bank: Pp. 214-246.

Save the Children. (2010). Peace by piece: Mainstreaming peace education in South Asia: Learning and recommendations from

Afghanistan, Nepal, Pakistan and Sri Lanka. Save the Children Sweden.

Schiffman, L.G., Kanuk, L.L., and Kumar, R.S. (2010). Consumer behavior (10ᵗʰed.) New Delhi: Prentice-Hall.

Seddon, D., and Adhikari, J.N. (2003). Conflict and food security in Nepal: a preliminary analysis. Kathmandu: Rural Construction Nepal.

Seddon, D. and Hussein, K. (2002). 'The Consequences of Conflict: Livelihoods and Development in Nepal'. Working Paper 185. London: ODI.

Shakya, A. (2009). 'Social Impact of Armed Conflict in Nepal: Cause and Impact'. SIRF (Soical Inclusion Research Fund).

Sharma S., Koponen J., Gyawali D., and Dixit, A. (eds). (2004). Aid Under Stress: Water, Forest and Finnish Support in Nepal. Kathmandu: Himal Books.

Sharma, J. R., and Donini, A. (2012). 'From Subjects to Citizens? Labor, Mobility and Social Transformation in Rural Nepal'. Briefing Paper. Boston: Tufts, Feinstein International Center.

Sharma, J.R., and Donini, A. (2010). Towards a "Great transformation"? The Maoist Insurgency and Local Perceptions of Social Transformation in Nepal. Boston: Tufts, Feinstein International Center.

Sharma, S. (2013), Prayogshala: Nepali Sankraman ma Delhi Darbarra Maobadi (Laboratory: Delhi Darbar and Maoist in the Nepal's transition). Kathmandu: Fine Print.

Sharma, S. (2003). 'The Maoist Movement: An Evolutionary Perspective'. In: Thapa D. (ed). *Understanding the Maoist Movement in Nepal*. Kathmandu: Martin Chautari. Pp. 362-380.

Sharma, S.R. (2010). 'Private Sector and Post-conflict State Building '. In: Upreti, B.R., Sharma, S.R., Pyakuryal, K.N., and Ghimire S. (eds.) *The Remake of a State: Post-conflict Challenges and State Building in Nepal*. Kathmandu: HNRSC, Kathmandu University and SAs RCO of the NCCR North-South. Pp. 305-310.

Sharma, S. R. (2008). 'Role of Foreign Aid in Transformation'. In: Pyakuryal, K.N., Upreti B.R., and Sharma S.R. (eds). *Nepal:*

Transition to Transformation. Kathmandu: HNRS-Kathmandu University and SAs RCO NCCR North-South. Pp. 49-75.

Sharma, S.R. (2002). 'The Role of ODA and FDI in the Development of Nepal'. *Fukuoka University Journal* 32 (2): 1-26.

Sheng, Y.K. (n.d.). 'Poverty Alleviation through Rural-Urban Linkages: Policy Implications.' Bangkok.

Shively, G., Gars, J., and Sununtnasuk, C. (2011). A Review of Food Security and Human Nutrition Issues in Nepal. Department of Agricultural Economics. Purdue University, IN.

Shrestha, A.D., and KC, J. (2001). 'Final Evaluation Survey of the Women's Empowerment Program (WEP)'. Final report submitted to PACT.

Shrestha, B.K. (2013). 'Public perception of the quality of academic education program', *Journal of Education and Research,* 3 (1): 52–64.

Sigdel, S., and Sharma, S.S. (2013).'Inclusive governance in Nepal'. Policy brief. Enabling State Programme of DFID (www.edgroup.com.au/wp-content/uploads/2014/03/ESP-IG-Policy-Brief-Final.pdf).

Singh, S., Dahal, K., and Mills, E. (2005). 'Nepal's war on human rights: a summit higher than Everest'. *International Journal for Equity in Health*.

SODARC-CPRP. (2010). Working with Local Peace Committees, Enhancing Conflict Transformation and Peace building Capacity of Local Peace Committees (LPCs) and Existing Peace Structures at Local Level. Centre for Peace Building and Reconciliation Promotion.

Stevenson, P.C. (2002). 'High-risk medical care in war-torn Nepal'. Lancet. *359:1495.*

Stites, E., Dyan, L.S., and Anic, A.M. (2005). Coping with War, Coping with Peace : Livelihood Adaptation in Bosnia-Herzegovina, 1989-2004. Tufts University, MA.

Tandukar, A., Upreti, B.R., Paudel, S.B., Acharya, G., and Harris, D. (2016). "The Effectiveness of Local Peace Committes in

Nepal : A study from Bardiya district". SLRC Working Paper 40. London: SLRC Read on :http://securelivelihoods.org/resources_download.aspx?resourceid=405&documentid=534.

Tandukar, A., KC, S., Upreti, B.R., Paudel, S.B., Acharya, G., and Harvey, P. (2015). Education service and user's perception of state in Rolpa. Working paper 37 London. SLRC, ODI.

Terre des Hommes. (2005). 'Nutritional Status of Children Victims of the Armed Conflict in Nepal A survey report of IDP children in Banke district'. Jawlakhel: Terre des Hommes.

Thapa G. (2006). 'A Study on Livelihood Strategy of the Urban Poor in Ramahity, Kathmandu'. A master's thesis submitted to Tribhuvan University, Faculty of Humanities and Social Sciences.

Thapa, D. (2011). 'Nepal'. WDR 2011 Background Paper.

Thapa, D., and Sijapati, B. (2003). A Kingdom Under Siege: Nepal's Maoist Insurgency, 1996 to 2003. Kathmandu: The Printhouse.

Thapa, S.B., and Hauff, E. (2005). Psychological distress among displaced persons during an armed conflict in Nepal. *Social Psychiatry and Psychiatric Epidemiology*, 40 (8): Pp. 672-679.

The Asia Foundation.(2012). Political economy analysis of local governance in Nepal with special reference to education and health sectors. Kathmandu: The Asia Foundation.

The Carter Center. (2011a). Carter Center Observations on Political Parties in Local Bodies. Report. Available on: www.nepal.usaid.gov/.../2-democracy-and-governance.html?. ...278%3 Acar.

The Carter Center. (2011b). 'Carter Center : Local Peace Committee functioning has improved, but overall effectiveness remains unclear'. Carter Center Update on Local Peace Committees. Kathmandu: Carter Centre.

The Carter Center. (2009). 'Carter Center Observations on Local Peace Committees'. Available at: www.cartercenter.org/resources/pdfs/news/peace_publications/election_reports/Nepal-LocalPeaceCommittees-2009-11-09.pdf.

The Kathmandu Post. (2012). 'Senior citizen allowance to be increased to Rs 750 a month', Available on: (www.ekantipur.

com/the-kathmandu-post/2012/11/06/money/senior-citizen-allowance-to-be-increased-to-rs-750-a-month/241501.html).

Thieme, S. (2006). Social Network and Migration: Far West Nepalese Labour Migrants in Delhi. Muenster: LIT VERLAG.

Timilsina, K.P. (2003). 'Impact of Bhimdhunga- Lamidanda Road on the Livelihood Strategies of Rural People: A Case Study of Jivanpur VDC Dhading District'. A master's thesis submitted to Tribhuvan University, Faculty of Humanities and Social Sciences.

Tiwari B.N. (2010). 'Social Protection against Global Crises in Nepal: Some Challenges (Draft)'. Paper presented at Research Meeting on Social Protection in South Asia 18-19 March 2010, New Delhi.

Tiwari, D.K. (2008). Gender discrimination in health among different caste and ethnic groups in Nepal. Lalitpur: Social Inclusion Research Fund.

Tiwari, I. P. (2011). 'State Welfarism and Social Welfare Policy (Protection Policy) in Asia: A Quadripartite Indistinct/Sluggish Nexus of International Propagandas, Slothful State, Moribund Family, and Right-prone Individual?'. Paper presented at 'Social Protection for Social Justice', Institute of Development Studies, UK, 13-15 April.

Tiwari, M. (2007). 'Chronic poverty and entitlement theory'. *Third World Quarterly,* 28 (1): Pp. 171-191.

UNCED (United Nations Conference on Environment and Development). (1992). 'The Dublin Statement on water and sustainable development'. Rio de Janeiro: United Nations Conference on Environment and Development (UNCED). Principle No. 4. See more at: http://www.wmo.int/pages/prog/hwrp/documents/english/icwedece.html.

UNDESA (United Nations, Department of Economic and Social Affairs, Population Division). (2012). World Urbanization Prospects: The 2011 Revision. CD-ROM Edition.

UNDP (United Nations Development Programme). (2011). Human Development Report 2011: Sustainability and Equity: A Better Future For All. New York: UNDP.

UNDP. (2010). Human Development Report 2010: The Real Wealth of Nations: Pathways to Human Development. New York: UNDP.

UNDP. (2009). Nepal Human Development Report 2009: State transformation and human development. Kathmandu: UNDP.

UNDP. (2008). Bhutan's progress: Midway to the Millennium Development Goals. UNDP.

UNDP. (1997). Human Development Report-1997. New York/ Oxford: Oxford University Press.

UNFPA., and Help Age International. (2012). Ageing in the Twenty First Century: A Celebration and a Challenge. New York and London: United Nations Population Fund and Help Age International.

UNICEF (United Nations Children's Fund). (2010). Analysis of Basic Social Services in Nepal 2004/05-2008/09. Kathmandu: NPC/ UNICEF.

UNICEF. (2009). Humanitarian Action Report 2009. Kathmandu: UNICEF.

UNICEF., New Era., and NPC. (2010). Child Poverty and Disparities in Nepal: Nepal Report 20100 verview. Kathmandu: UNICEF, New Era and NPC.

UNICEF and WHO. (2014). Fulfilling the health agenda for women and children. The 2014 report. Geneva: UNICEF and World Health Organisation.

UNMIN (United Nations Mission in Nepal). (2008). The United Nations and Nepal's Peace Process: Kathmandu: UNMIN.

Upreti, B.R. (2015a). Peace process and challenges of state building in Nepal (in Nepali language). Kathmandu: NCCR.

Upreti, B.R. (2015b). Armed Conflict and its Impacts in Nepal (in Nepali language). Kathmandu: NCCR.

Upreti, B.R. (2014). Nationalism and Militarization in Nepal: Reactive Response or Long-Term Phenomenon? *Asian Journal of Peace building,* Vol. 2 No. 2: Pp. 217-239.

Upreti, B.R. (2012). 'Nepal from War to Peace'. Peace Review: *A Journal of Social Justice*, 24 (1): Pp. 102-107.

Upreti, B.R. (2010). Political Change and Challenges of Nepal: Reflection on Armed Conflict, Peace Process and State Building, Volume 1 and 2. Saarbrucken: Lambert Academic Publishing.

Upreti, B.R. (2009). Nepal from War to Peace: Legacies of the past and hopes for future. New Delhi: Adroit Publishers.

Upreti, B.R. (2008). Women's Role in Nepal's Peace Process with Special reference to inclusion in Peace Structures. A paper presented at the national seminar on Women in Constitution organized by Women for Peace and Justice (Core Committee) at Hotel Yak and Yati, Kathmandu, 18-19 August 2008.

Upreti, B.R. (2007). 'Changing political context, new power relation and hydro-conflict in Nepal'. In Swaine, A. and Rotberg, F. Natural Resources Security in South Asia: Nepal's Water. Stockholm-Nacka, Sweden: Institute for Security and Development Policy: Pp. 17–47.

Upreti, B.R. (2006). Armed Conflict and Peace Process in Nepal: The Maoist Insurgency, Past Negotiation and Opportunities for Conflict Transformation. New Delhi: Adroit Publishers.

Upreti, B.R., and Sapkota, B. (2016). A Study on National Dialogue in Nepal: Observations and reflections on peace and constitution making process. An Assessment Report. Bern: Swiss Peace Foundation.

Upreti, B.R., Uprety, P., Hagen-Zanker, J., and Mallett, R. (2014). 'Surveying livelihoods, service delivery and governance: baseline evidence from Nepal.' SLRC Working Paper 13. London: SLRC.

Upreti, B.R., Pyakuryal, K.N., Sharma, S.R., and Ghimire, S. (eds). (2010). The Remake of a State: Post-conflict Challenges and State Building in Nepal. Kathmandu: HNRSC-KU and SAsRCO of NCCR North-South.

Upreti, B.R., KC, S., Mallet, R. and Babajanian, B. (with Pyakuryal, K., Ghimire, S., Ghimire, A. and Sharma, S.R.). (2012). 'Livelihoods, basic services and social protection in Nepal'. SLRC Working Paper 7. London: ODI & NCCR.

Upreti, B.R., and Müller-Böker U. (2010). Livelihood Insecurity and Social Conflict in Nepal. Kathmandu: SAsRCO of NCCR North-South.

Upreti, B.R., Sharma, S.R. and Basnet, J. (2008). Land Politics and Conflict in Nepal: Realities and Potentials for Agrarian Transformation. Kathmandu: CSRC, HNRSC-Kathmandu University and SAsRCO of NCCR North-South.

Upreti, B.R., Topperwin N. and Heiniger M. (2009). Peace Process and Federalism in Nepal. Kathmandu: SAsRCO of NCCR North-South.

Uprety, L.P. (2010) A summary of major findings of the study on investigating the effectiveness of socialpensions in Nepal. Kathmandu: Nepal Participatory Action Network and HelpAge International.

Vaidya, K., Regmi, P. P., and Ghimire, B. (2010). Appraisal of the Karnali Employment Programme as a Regional Social Protection Scheme. Kathmandu: ILO.

Valley Research Group., and Mayoux, L. (2008). Women ending poverty: The Worth Program in Nepal–empowerment through literacy, banking and business 1999-2007. Kathmandu: Pact.

Vaux, T., Smith, A., and Subba, S. (2006). Education for all – Nepal: Review from conflict perspectives. Kathmandu: International Alert.

Verhey, B. (2010). Towards developing a national framework on social protection in Nepal. Kathmandu: UNICEF.

Vibhishikha. (2006). 'Nepalese People's War, The War Casualties and Medical Science'. Article, CPN(M), The Worker, Issue 10.

Voors, M., Nillesen, E., Verwimp, P., Bulte, E., Lensink, R., and Van Soest, D. (2011). 'Violent conflict and behavior: a field experiment in Burundi'. American Economic Review 102(2): 941-64.

Water Aid. (2008). 'Harmonising the Action: How the Global Framework for Action can Work in Nepal?' Draft. Kathmandu: Water Aid Nepal.

WECS (Water and Energy Commission Secretariat). (2011). Water resources of Nepal in the context of climate change 2011. Kathmandu: Water and Energy Commission Secretariat.

Welber, E. (2012). Contextualizing gender equality and social inclusion in the WASH sector: Locating RWSSP-WN's local level goals in larger frameworks (www.rwsspwn.org.np/wp-content/uploads/2012/05/Contextualizing-Gender-Euality-and-Social-Inclusin-in-WASH-Sector.pdf.

WFP (World Food Programme). (2009). A sub-regional Hunger Index for Nepal. Available on: http://www.un.org.np/system/files/report/tid_113/2009-08-04-Nepal-Hunger-Index.pdf.

WFP. (2007). Food Assistance for Conflict-Affected Populations in Nepal. Available on: http://www.internal- displacement.org/80 25708F004CE90B/%28httpDocuments%29/1A97E3D13C9B820 DC125736000 51A459/$file/Nepal+PRRO+10676.pdf.

White, H. (2009). Theory-based impact evaluation: Principles and practice. New Delhi: 3ie.

Willams, N., Ghimire, D., Asinn, W., Jennings, E., and Pradhan, M. (2010). A micro level approach to investigating armed conflict and population responses. Research Report. Report 10-707, June 2010. Population Studies Center, University of Michigan, Institute for Social Research. Available at: http://www.psc.isr.umich.edu/pubs/pdf/rr10-707.pdf.

World Bank. (2013). 'Migrants from developing countries to send home $414 billion in earnings in 2013, 2nd October (www.worldbank.org/en/news/feature/2013/10/02/Migrants-from-developi.ng-countries-to-send-home-414-billion-in-earnings-in-2013).

World Bank. (2012). World Development Indicators. Available on: http://data.worldbank.org/data-catalog/world-development-indicators?cid=GPD_WDI.

World Bank. (2011). World Development Report 2011: Conflict, Security and Development. Washington D.C.: World Bank.

World Bank. (2010a). *Nepal Country Overview 2009.* Washington: World Bank.

World Bank. (2010b). *Migration and Remittances Factbook 2011, 2ndEdition*. Washington DC: World Bank.

World Bank. (2010c). Nepal Economic Update. Available on: http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/ SOUTHASIAEXT/0, contentMDK:22580832 ~menuPK:2246552~ pagePK:2865106~piPK:2865128~theSitePK:223547,00.html.

World Bank. (2009). 'Regional Fact Sheet from the World Development Indicators 2009- South Asia'. Available on: http:// siteresources.worldbank.org/DATASTATISTICS/Resources/sas_ wdi.pdf.

World Bank. (2005). An assessment of impact of conflict on health services delivery system for the ruralpopulation of Nepal. Kathmandu: World Bank.

World Bank., and DFID. (2006). Unequal Citizens: Gender, Caste and Ethnic Exclusion in Nepal. Kathmandu: World Bank and DFID Nepal.

World Economic Forum. (2011). The Global Competitiveness Report 2011-12. Geneva: World Economic Forum.

World Education. (2011). 'Projects by Region Nepal' Available at: http://www.worlded.org/   WEIInternet/projects/ListProjects. cfm?Select=Country&ID=266.

Yadav S.K., and Lian, K.K. (2009). 'The Management of Persistent Organic Pollutant Pesticides in Nepal'. Macquarie Journal of International and Comparative Environmental Law (6): Pp. 217-236.

* * * * *