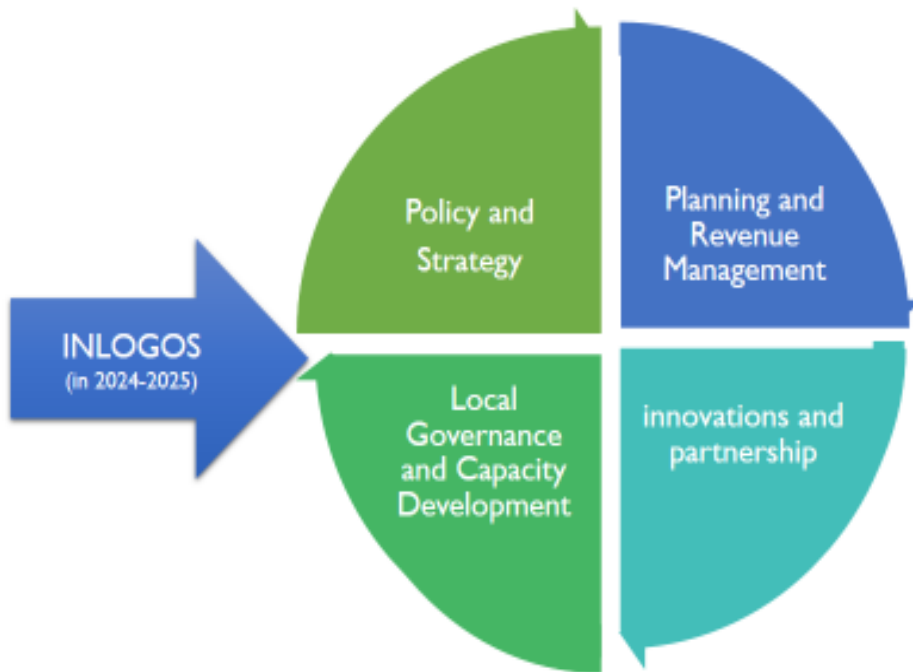


Annual Progress Report

FY 2024-2025 (2081/82)



**Institute of Local Governance Studies
(INLOGOS)**

September, 2025

Acronyms

CIGP	Center for Innovative Governance Practices
EFLG	Environment Friendly Local Governance
FG	Federal Government
GoN	Government of Nepal
HR	Human Resource
INLOGOS	Institute of Local Governance Studies
LG	Local Government
LGOA	Local Government Operation Act
MoFAGA	Ministry of Federal Affairs and General Administration
MPDP	Municipal Periodic Development Plan
MTEF	Medium Term Expenditure Framework
MTP	Municipal Transport Plan
PG	Province Government
SOP	Standard Operating Procedure

Table of Contents

Acronyms.....	1
A. Background	3
B. Actions and Activities	4
1. Education and Agriculture Policies.....	4
2. Environment Friendly Local Governance (EFLG) Curriculum and E-Module.....	5
3. Municipal Periodic Plan, Municipal Transport Plan and Medium-Term Expenditure Framework.....	6
4. Fostering Innovation and Startups in Nepal.....	7
5. Model Standard Operating Procedure (SOP) for Service Delivery for LGs	8
6. Others.....	8
C. Key Results and Outcomes.....	9

A. Background

The Institute of Local Governance Studies (INLOGOS) is a nationally recognized policy, research, and capacity development institution dedicated to strengthening sub-national governance in Nepal. Positioned as an emerging governance think tank within Nepal's federal architecture, INLOGOS provides strategic and technical support to federal, provincial, and local governments in the formulation of policies, plans, strategies, operational guidelines, and institutional systems, alongside the development of human resources through curriculum design and training.

INLOGOS is guided by the conviction that sustainable, inclusive, and resilient development in Nepal can only be realized through a well-functioning decentralized governance system. Strengthening local democracy, improving the effectiveness and accountability of service delivery, and institutionalizing good governance practices at the sub-national level remain at the core of its mission. For more than two decades, INLOGOS has been actively engaged in enhancing the self-governance capacities of local and provincial institutions, supporting democratic practices, participatory decision-making, and citizen-centered development.

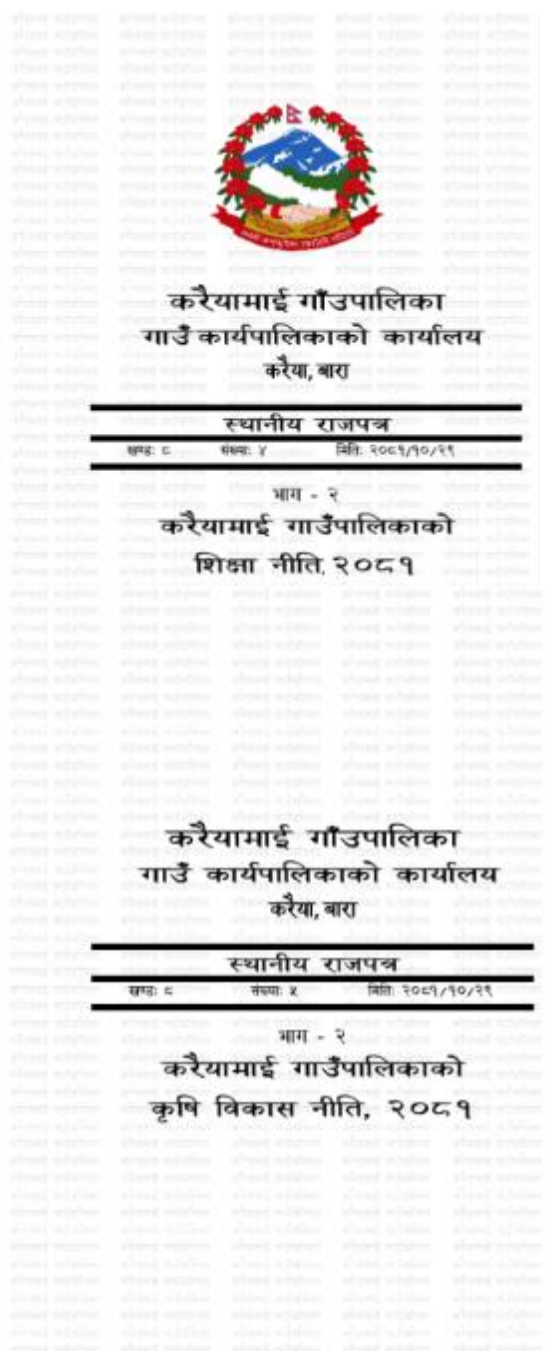
Following the adoption of federalism, INLOGOS has strategically repositioned itself to respond to evolving governance needs within a three-tier government system. Its core competencies lie in providing policy and strategic advisory services; supporting development planning, programming, and budgeting; undertaking research, assessments, reviews, monitoring, and evaluation; and translating policy intent into operational systems and procedures. INLOGOS has accumulated extensive experience in policy analysis, strategy formulation, applied research, and the development of operational manuals and guidelines. It also possesses strong expertise in curriculum development, modular training design, and e-learning platforms, employing participatory and interactive facilitation approaches across its interventions.

To date, INLOGOS has developed curricula and training manuals across diverse development sectors and has delivered capacity development programs on good governance, including Child-Friendly Local Governance (CFLG) and Environment-Friendly Local Governance (EFLG). More than 6,600 individuals and institutions-including officials from federal, provincial, and local governments, training institutes, non-governmental organizations, private sector entities, and community groups have directly benefited from INLOGOS' interventions. In recent years, INLOGOS has supported local and provincial governments in preparing annual and periodic plans, sectoral strategies, Medium-Term Expenditure Frameworks (MTEF), Revenue Improvement Action Plans (RIAP), Capacity Development Plans, and in advancing SDG localization.

INLOGOS faces challenges at present to act in accordance with its motto as the federal system of governance is still not properly functional and institutionalized. However, we have geared our efforts in implementing activities considering the challenges as opportunities to develop a robust system and procedure for sub-national governance. This report highlights the key programmes and activities implemented by INLOGOS during the Fiscal Year 2081/82 B.S. (2024/25).

B. Actions and Activities

I. Education and Agriculture Policies



Knowledge Hub for Uplifting Socio-economically marginalized children and families through actions in Education and Economic Empowerment (KHUSEE) Project on basic education and income generation aiming at increasing children's access to inclusive and quality education through economic empowerment of family and governance support. It has three outcomes: I. Increased learning continuity of children from the poor and marginalized families, II. Improved accessibility, quality education and academic achievement of children, and III. Sustained good governance in schools and municipalities.

Third outcome is expected to achieve through supporting the schools to revise or develop School Improvement Plan (SIP), increasing School Management Committees' (SMC) capacity for good school leadership, management and governance, collaborating with Local Governments (LGs) in formulation of related policies and guidelines to address the educational needs of the children and poverty issues of poor and marginalized families.

Institute of Local Governance Studies (INLOGOS) carried out the assignment to support the selected LGs to develop their Education and Agriculture Policy. The objective of this assignment was to provide technical supports for the preparation of education and agriculture Policies along with action plan for three LGs (Mahagadhimai Municipality, Devtal and Karaiyamai Rural Municipality) of Bara district. The process involved the meaningful meetings and consultations with the LGs, target communities, and relevant government stakeholders at local level. INLOGOS produce a quality deliverables and completed the assignment on time. However, INLOGOS contributed to strengthening local governance systems that support inclusive education and sustainable livelihoods through the KHUSEE project.

2. Environment Friendly Local Governance (EFLG) Curriculum and E-Module

INLOGOS initiated the development of an Environment-Friendly Local Governance (EFLG) curriculum and e-learning module as part of a broader effort to institutionalize environmental sustainability, climate change adaptation, and disaster risk management within local governance systems. The curriculum adopts a behavioral and modular learning approach, clearly defining learning objectives and structuring content into flexible, self-contained modules that respond to the needs and capacities of diverse target groups.

The behavioral approach of curriculum development focuses on specifying goals and objectives and arranging syllabus and activities to meet those objectives. Whereas, modular learning is a teaching and learning approach that breaks down a course or curriculum into smaller, self-contained units known as modules. The principles of curriculum development include considering needs and interests of the target group, integrating the subject matters, flexibility to modify over time, developing knowledge and social skills,

and ensuring the curriculum is useful for the people/HH level, community level, ward level, municipal level or to the broader geographical area. INLOGOS focus on the capacity building approach of the stakeholders to mainstream EFLG into the governance practices through planning, budgeting and participation. We are following some key approaches to mainstreaming the issues related to environment, climate change adaptation and disaster management in the local level planning process and make the local governance system environment friendly. On the top of this approach the process will facilitate to increase local ownerships by localizing different dimensions of EFLG. The project has come to execution in FY 2082/83.

Through this initiative, INLOGOS seeks to enhance local ownership by contextualizing and localizing EFLG dimensions within existing governance practices. The programme also contributes to strengthening the interface between environmental governance and local development planning. The EFLG curriculum and e-module were developed under the UNDP-supported initiative and are scheduled for implementation beginning in FY 2082/83.

Situation Analysis
Environment-Friendly Local Governance (EFLG) in Nepal
(First Draft)
(UNDP/RFP/12/2025 (UNDP-NPL-00474))
Submitted to:
UNDP Nepal

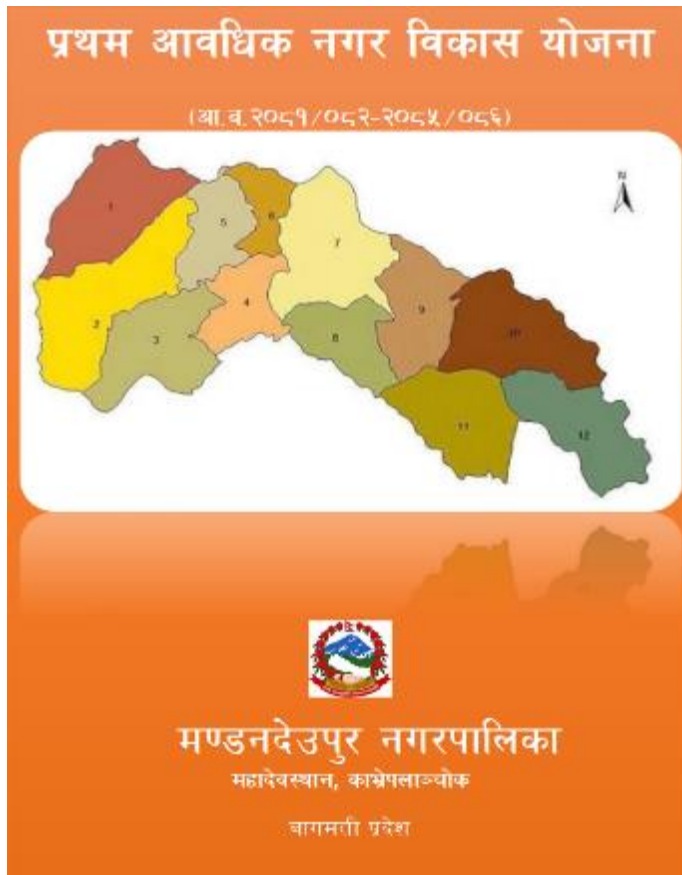
Submitted by:
Institute of Local Governance Studies (INLOGOS)
Kathmandu
Tel: 01-4565942, Web site: www.inlogos.org
Email: info@inlogos.org

November 16, 2025

3. Municipal Periodic Plan, Municipal Transport Plan and Medium-Term Expenditure Framework

The concept of systematic development planning in Nepal was started in 1956. After the introduction of development planning in Nepal, the 16th development plan has been in implementation now. The same practices have been introduced at local level especially from the enactment of Local Self Governance Act in 1999. Under federal Constitution with three tier of government (federal, province and local level) are functioning independently but with proper cooperation, coordination and collaboration. The Constitution of Nepal clearly indicated the rights and duties of all the governments. The Local Government Operation Act (LGOA) clearly describes the role and responsibility of the Local Governments (LGs). Among others, database management, plan formulation (annual, periodic, strategic, long term, etc.), resource mobilization (generating/getting tax and non-tax revenue, grants (equalization, conditional/non-conditional, special grant and matching fund and expenditure), plan implementation with proper M&E, social accountability and internal control mechanism, regulating functions, citizen participation and service delivery including social security and Sipharis/approval are the major roles of the LGs.

The ultimate goal of the LGs is attainment of sustainable livelihood, well-being of people and overcome of poverty. The residents of this Municipality are looking for better access to agro and non-agro based economic opportunities, information, markets, basic health, education, water supply, hygiene, roads, irrigation, electricity, other physical infrastructure and other basic service.



It is nearly impossible to achieve those results without long term vision, goal and a long term integrated development plan. In this context, INLOGOS provided technical support to Mandendeupur Municipality, Kavrepalanchok is preparing Digital Municipal Profile and the Municipal Periodic Development Plan (MPDP), Municipal Transport Plan (MTP) and Medium-Term Expenditure Framework (MTEF). The plan has been developed through a participatory planning approach where each of the stakeholders participated. Besides, number of citizen representatives including women, farmers, children, disability, dalits and marginalized group participated the planning process to raise their voices on local need and priorities. It is expected that the periodic plan will support the municipal officials to address

the citizen priorities through the optimum use of available resources. The resulting five-year periodic plan articulates a clear vision, mission, goals, and objectives, aligned with measurable indicators and defined institutional roles. It provides an integrated development framework to guide municipal investments and policy decisions, enabling the municipality to prioritize citizen needs and optimize the use of available resources.

4. Fostering Innovation and Startups in Nepal

Institute of Local Governances Studies (INLOGOS) and Center for Innovative Governance (CIGP) jointly organized an Interactive Workshop on Fostering Innovation and Startups in Nepal on November 11, 2024, in Lalitpur. Honorable Minister for Industry, Commerce and Supplies Mr. Damodar Bhandari were the chief guest and NPC member Dr. Prakash Shrestha was the special guest in the workshop. Altogether 62 participants representing from the government agencies, private sector, development partners, financial institutions, youth entrepreneurs, media persons and INLOGOS- CIGP officials attended the workshop. During the workshop a technical paper on startups was presented and two panel discussions were held.

The program featured a technical presentation on Nepal's startup ecosystem and two panel discussions that facilitated informed dialogue among policymakers, experts, and entrepreneurs. The workshop provided a collaborative platform to identify key policy, regulatory, and financing challenges faced by startups, while also exploring innovative solutions to strengthen Nepal's entrepreneurial ecosystem and promote inclusive economic growth.

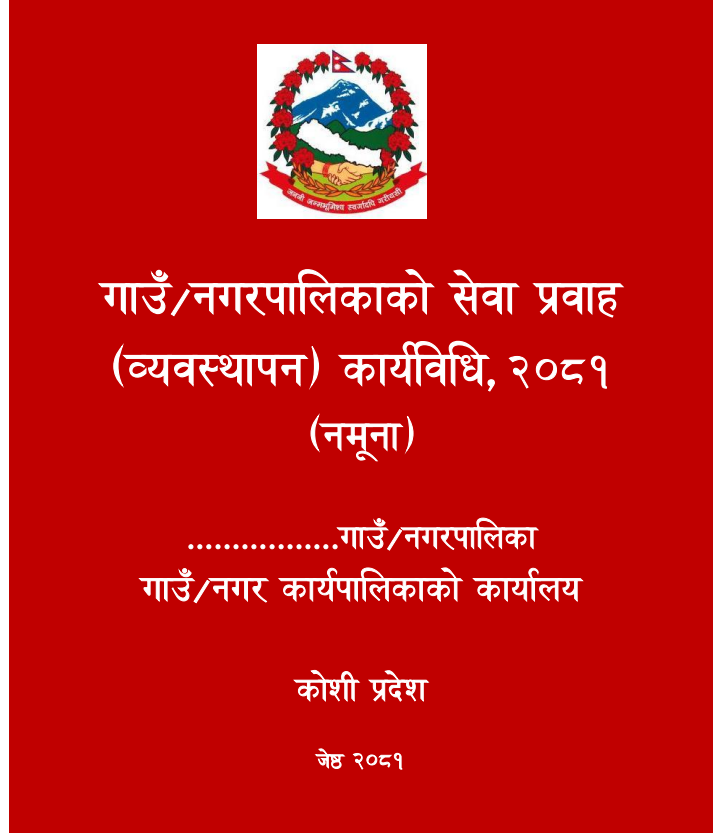
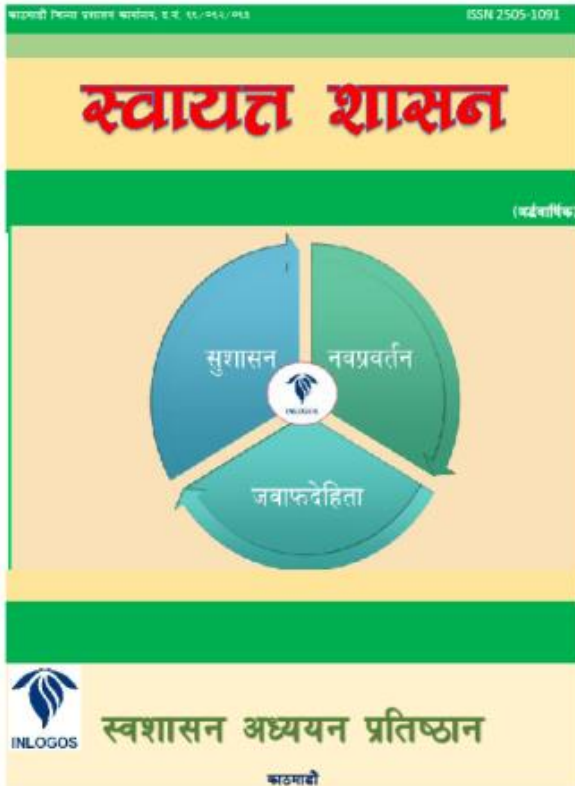
The workshop supported for bringing out together the policy makers, experts, and development partners and startups entrepreneur in a single platform and encourage young entrepreneurs in informed dialogue with policy-makers and experts. The programme identified key challenges and opportunities for startups in Nepal and explore possible and innovative solutions creating an enabling policy environment for innovations and startups and contributed to Nepal's entrepreneurial ecosystem.



5. Model Standard Operating Procedure (SOP) for Service Delivery for LGs

Standard Operating Procedure (SOP) is a step-by-step instructions to the executive team to enable the correct, consistent and efficient undertaking of service delivery related tasks and activities at a local level. The SOP for service delivery provide the policies, processes and standards needed for the organization to succeed. They can benefit a progress by reducing errors, increasing efficiencies and profitability, creating a safe work environment and producing guidelines for how to resolve issues and overcome obstacles. In this context INLOGOS worked with the selected 14 LGs in the Koshi Province to develop a SoP for service delivery for the LGs. The approach was focused on the purpose, procedures, scope, responsibilities and authorities for service delivery at local level.

INLOGOS firstly adopt a participatory process as a major strategy to accomplish this



assignment. The Expert Team keep the concerned authorities onboard to understand the process, values and uses of the SOP. Secondly, we follow the inclusive approach and strategy to incorporate the issues of GESI and better service delivery. Thirdly, the applicability approach was followed. Our strategy was on how to make the SoP useful, practical and user friendly. This assignment was completed in the previous fiscal year that has been under review and applications by the LGs in Koshi Province.

6. Others

INLOGOS has given continuity to its publication. An e-copy of the **Local Self Governance (Swyattyta Shasan)** issued during the period. INLOGOS has participated in various meetings, workshops, seminars and talk programmes organized by different institutions. The regular office operation activities such as office management, committee meetings, AGM, audit, registration renewal and

calendar publication activities were conducted as usual. Besides, INLOGOS has been providing technical support to different institutions through its members, roasters of experts and officials.

C.Key Results and Outcomes

- Selected LGs capacitated to develop their own policy, strategy and programs.
- Established a culture of information and evidence-based planning, enhanced programming and budgeting practices.
- SOP for functional space management (Reengineering of available space) supported some LGs to serve people more effectively and efficiently.
- Support for Building systems and procedures for effective operation and management of LGs enhanced.