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Federalization in

Nepal

Inclusion with Limits

Assessing the Conflict Risks Arising from
the Emerging Gaps in Nepal's
Federalization Process

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Research Design Team:

- Ashim Pandey
- Rabina Shrestha
- Teri Murphy

Desk-Based Research

- Ashim Pandey
- Teri Murphy
- Mahabir Paudel
- Sambridha Ghimire
- Anuj Tiwari
- Rabina Shrestha

Case Studies:

- Tharu and Kiranti Case Studies: Ashim Pandey, Anju Tiwari and Keshab Khafle
- Madhesh case studies: Ashim Pandey and Anuj Tiwari

Data Collection

- Basanta Banjade
- Bidhya Sapkota
- Diwakar Upreti
- Hemkarna B.K.
- Keshab Kafle
- Mahabir Paudel
- Ritesh Rijal
- Shobha Ram Chaudhary
- Shiwani Pant

Report Analysis (Policy Brief and Federalism Paper)

- Ashim Pandey
- Anuj Tiwari
- Ben Francis
- Mahabir Paudel
- Rabina Shrestha

Special Thanks

Editor:

Amy Dragga

<https://www.bluehyphencreative.com>

Report Design and Layout:

Kelly Whitaker

Kyle McCray

Project Co-Sponsors:

The Mershon Center for International Security Studies

<https://mershoncenter.osu.edu/>

International Alert Nepal

<https://www.international-alert.org/locations/nepal/>

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EXECUTIVE SUMMARY

Nepal's transition to federalism was driven by the need to address historical marginalization and create a more inclusive and representative governance structure. A decade after the promulgation of the 2015 Constitution, federalism has delivered some progress, particularly in terms of increased political representation and localized governance.



However, significant challenges persist in the form of harmful power imbalances and the practice of exclusion and corruption in various forms. These issues particularly impact marginalized communities, who continue to face token representation, economic disparities, and sociocultural exclusion. It is these power relationships, and the risks they create, that are the source of the greatest gap between what federalism promised to deliver and how it is perceived contemporarily by many Nepali citizens. That gap is at the heart of future conflict risks.

Politically, while federalism has enabled greater representation of marginalized groups including women, Dalits, and indigenous communities, their participation sometimes remains symbolic rather than substantive. Bureaucratic inefficiencies, elite capture, and entrenched power structures continue to limit the ability of marginalized representatives to meaningfully influence decision-making. Economically, the promise of fiscal decentralization has not fully materialized due to insufficient revenue generation at the local level, mismanagement of resources, and the persistence of economic inequality. Socioculturally, despite constitutional guarantees, traditional hierarchies and identity-based grievances continue to shape exclusionary practices, limiting the full realization of cultural inclusion.

To ensure that federalism delivers on its promises, targeted policy interventions are necessary and should be used as a viable tool for peace and equality. Strengthening local institutional capacity, implementing evidence-driven governance, and fostering genuine political empowerment are crucial. Addressing economic disparities requires equitable resource distribution and sustainable development initiatives at the local level. Furthermore, preserving and legitimizing traditional governance systems can enhance cultural inclusion and community participation.



**Strengthen local
institutional
capacity**



**Implement
evidence-driven
governance**



**Foster genuine
political
empowerment**

While federalism has created new opportunities, its success depends on continued reform, proactive governance, and a commitment to addressing systemic barriers. By refining policy mechanisms and enhancing local accountability, Nepal can move toward a more inclusive and equitable federal system that truly serves all its diverse communities.

INTRODUCTION

The concepts of decentralization and devolution were placed at the heart of Nepal's post-constitution federalism, as a mechanism to address the structural causes of conflict and achieve a lasting peace. This policy brief explores how the role of federalism contributes to building peace. It evaluates federalism's track record through a peace and conflict lens by analyzing power dynamics, focusing on how devolved decision-making and resources have reshaped governance for historically excluded groups.



Nepal's Flag. Credit: Zomlien Neihsiel

Given the long time horizons required for systemic change, a ten-year period may be too short for federalism to fully mature as a governance model. However, early signs from the transition from a unitary to a provincial system have been discouraging from a peacebuilding perspective. The associated transition processes have evolved at varying paces to create changes in local socioeconomic and political conditions. As such, the anticipated effects of decentralization, delegation, and devolution of political and administrative authority and responsibility have not yet arrived in Nepal. Hence, the intended outcome of sustainable peace and functioning governance mechanism has been compromised. Our analysis attributes this failure primarily to a lack of political will, the dominance of central governmental institutions, and inadequate fiscal and human resources. Of most concern is an entrenched system of political clientelism that is evident across all three tiers of government.

THE PURPOSE OF THIS POLICY BRIEF

This policy brief aims to assess whether Nepal's federalism process, a decade after the 2015 Constitution's promulgation, has contributed to building sustainable peace by devolving power and promoting inclusive governance. Federalism was envisioned as a pathway to sustainable peace by addressing historic exclusion and centralization. It identifies key gaps between constitutional intent and implementation, particularly for marginalized groups, and offers evidence-based recommendations to strengthen federalism as a peacebuilding tool.

RESEARCH CONTEXT

The policy brief is based on a two-year research initiative that combined desk-based analysis, extensive fieldwork, and research outputs. The research included case studies on the Koshi, Madhesh, and Sudurpaschim Provinces. It also included an investigation into Nepal's federal model to assess its effectiveness in including marginalized and underrepresented groups and to understand whether new political spaces and opportunities opened for fair, accessible, and participatory processes at the local level. Research also focused on areas of decentralization and the reconsolidation of power, powerful actors and their source of power and legitimacy, and elitism and its influence in three tiers of government. This research served as a Peace Audit of Nepal's progress in fulfilling its 2015 constitutional commitments to address political and social exclusion. It specifically focused on exploring the complex interplay between cultural identity, insecurity, and federalism as drivers of ongoing identity-based tensions.

APPROACH AND METHODS

The research methods informing this policy brief utilized a mixed approach that drew on existing literature and qualitative data collection methods. The study relied on in-depth Key Informant Interviews (KIIs) with political actors and experts who have closely observed the federalization process, offering nuanced perspectives and insights into its challenges and shortcomings. Focus group discussions (FGDs) were conducted in municipalities capturing the lived experiences and perceptions of ordinary citizens regarding the impact of federalism at the local level.

This brief draws upon three specific case studies conducted in Koshi, Madhesh, and Sudurpaschim Provinces. Additionally, it incorporates insights from a study into Nepal's federalization journey through the lenses of representation, decentralization, consolidation and reconsolidation of power, elite capture, and accountability. The case studies were used to capture a diversity of experiences that might draw meaningful conclusions about the national context. To this end, the analytical framework employed examines how Nepal's decentralization process has reshaped power dynamics, particularly in relation to historically marginalized groups. The case studies used an adaptation of Steven Lukes's three dimensions of power to analyze how federalism has reshaped governance. Furthermore, the case studies draw on understandings of sociopolitical power to understand both formal and informal governance structures and their impacts on marginalized communities. It emphasizes how access to power is shaped by factors such as political affiliation, resources, networks, and historical legacies at the local level.

The findings were synthesized through the triangulation of interview insights, FGDs, and secondary literature, though limitations remain in terms of geographic scope and respondents' diversity.

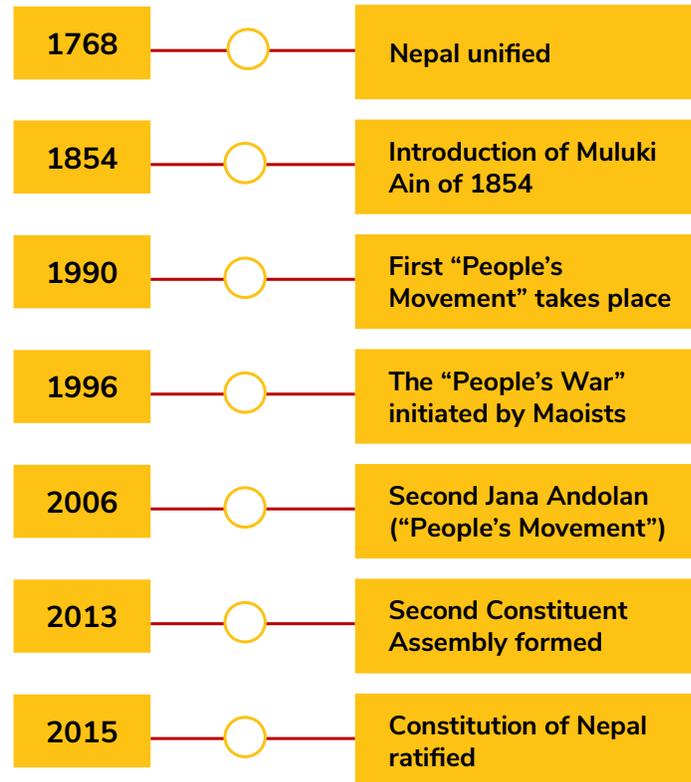


Community people in Madhesh Province. Credit: International Alert Nepal

BACKGROUND

Nepal's journey to federalism is deeply rooted in a history marked by conflict, exclusion, and the diverse aspirations of its population.

Historically, Nepal operated under a highly centralized administrative system that began with its unification in 1768. This system was largely dominated by high-caste Hindus, specifically Brahmins and Chhetris. The introduction of the Mulukī Ain of 1854 further reinforced this hierarchical structure by codifying relationships between communities according to Hindu traditions.¹ Discontent grew over time due to persistent exclusion and stigmatization, which disproportionately affected marginalized groups. This discontent fueled the “People’s War,” initiated by Maoists on February 13, 1996, who sought to establish a new democratic state that would ensure equality for all diverse and marginalized groups.² The decade-long Maoist insurgency, or “People’s War,” marked a critical turning point, arising, in part, from discriminatory practices against marginalized communities and a desire to dismantle the existing semifeudal state to build a new democratic one. While the Maoist movement alone was insufficient to initiate the transition, it gained momentum when other political parties, which had been ousted by King Gyanendra in February 2005, united in the second *Jana Andolan* (“People’s Movement”) in April 2006. The first movement occurred in 1990.



Prior to the 1990s, Nepal’s unitary government system limited opportunities for citizen participation. This unitary system did not allow for public accountability and citizen participation across various government agencies. A major obstacle to strengthening local government capacity, which is essential for improving functioning and accountable public services, was the hierarchical bureaucracy controlled by the central government.

The second Jana Andolan paved the way for the First Constituent Assembly. Although this initial attempt failed, the Second Constituent Assembly, formed in 2013, successfully delivered the Constitution of Nepal.³



On September 20, 2015, the new constitution was ratified, declaring Nepal a Federal Democratic Republic with the goal of fostering a “multi-caste, multi-lingual, multi-cultural, and diverse” society, as stated in its preamble. Its goal was to transfer power from the federal level to provincial and local levels, thereby fostering accountability and inclusiveness.

To do this, the 2015 Constitution introduced a three-tier government structure, devolving power to from the federal to the provincial and local levels. Provisions within the constitution outline the powers of each level, including both exclusive and concurrent powers. To address the demands of historically marginalized communities by encompassing social and cultural diversity, the constitution acknowledged the plight of women, Dalits, Janajatis, Muslims, Madhesis, sexual minorities, and other identities, making provisions to champion their rights. Additionally, Part 27 of the Constitution established seven “Other’ Commissions” to improve the socioeconomic conditions of underprivileged communities and protect their human rights.⁴

Three-Tier Government Structure



The 2015 Constitution was not universally embraced by all groups, particularly by the Madhesis and Tharu people, who felt it did not adequately address their expectations and aspirations. The initial federal division into seven provinces was unwelcome to the Madhesis and Tharu people. Issues of power devolution, bureaucratic obstruction, and elite capture continue to hinder the realization of substantive results. Article 296, clause (1) of the 2015 Constitution necessitated the formation of the Local Government Operation Act to create clear structure and practices for local governments. The goal of the act was to enhance local leadership and governance by granting rights to municipalities, rural municipalities, and wards to make local laws. However, systemic obstacles persist, promoting certain cultures and religions and influencing systemic inequalities. For example, while female representation in local governance has increased, women still face barriers in the decision-making process.



The 2015 Constitution was not universally embraced by all groups, particularly by the Madhesis and Tharu people, who felt it did not adequately address their expectations and aspirations.

Left: Tharu elder

KEY CONFLICT RISKS

The federalization process in Nepal was envisioned as a transformative step toward more inclusive governance. Yet, as research undertaken by International Alert has highlighted, it has also created new, and in some cases exacerbated old, power asymmetries that present serious risks for future conflict. These risks stem not from federalism as a concept, but from how power has been distributed, contested, and at times captured within the three-tier structure.

To understand these risks, it is necessary to categorize some of the main threats that emerge from them and to identify examples of where such dynamics are either already facilitating resentment and exclusion, or where they may do so in the future. Background research for this policy brief, consisting primarily of KIIs, FGDs, and case studies, highlights evidence of six specific conflict risks that are emerging from the current approach to implementing the federal system of governance. These risks are discussed in this section.

Conflict Risk Categories

- Entrenched Elite Capture and Tokenistic Inclusion
- Inter-Tier Tensions and Legal Disputes
- Symbolic and Cultural Marginalization
- Perception of Federalism as a Vehicle for Corruption and Economic Exclusion
- Caste and Intra-Ethnic Hierarchies Within Marginalized Groups
- Diminished Role of Civil Society

ENTRENCHED ELITE CAPTURE AND TOKENISTIC INCLUSION

A persistent theme across our research inquiries has been the reconsolidation of power by traditional elites under a new guise. The move to federalism in Nepal aimed to rectify historical exclusions and promote greater political inclusion for marginalized communities. This was intended to foster a more equitable and representative governance structure. Constitutional provisions for proportional representation and quota systems provide platforms for previously marginalized communities like Dalits, women, indigenous groups, and ethnic minorities to gain representation at the local level. Significant increases in visibility and representation among these groups have been achieved, and regional parties have also been empowered to represent minority groups in formal political arenas. However, hidden and invisible power dynamics undermine these advances.

Despite constitutional provisions for inclusion, political and bureaucratic power remains concentrated in the hands of historically dominant groups, particularly Khas-Arya and upper-caste men, who continue to wield disproportionate influence across governance levels. Resources intended for marginalized communities are often diverted by elites.

Our case studies and field data clearly illustrate tokenistic inclusion practices. At the local level, Dalits and women, though numerically present due to quota systems, often lack meaningful voices in decision-making. In Koshi and Madhesh Provinces, Dalit women elected to ward committees are frequently described as “token representatives.” They are excluded from meaningful participation and reduced to mere procedural signatories. This fuels disillusionment and reinforces historical grievances, particularly among communities like the Musahars and Santhals in Koshi, who remain structurally excluded.

In Nepalgunj, a Dalit woman’s husband acted in her place at the ward office. In Kapilvastu, Dalit female members’ input is ignored, with final decisions made by ward chairs or the mayor/chairperson. In the municipal council, their roles are reduced to applauding pre-decided announcements.

Key challenges include the following:

- **Token representation**
Marginalized individuals are often present in name only. In Ilam, Dalit and women ward members reported being sidelined in decision-making, with their roles reduced to fulfilling quotas while others signed on their behalf. Elsewhere, Dalit women were described as “showcase” representatives with no say in policy or budget decisions.
- **Party gatekeeping**
Political parties exert strong control over appointments and decisions. In various parts of the country, International Alert found evidence that dissenting voices, even from elected representatives, are sidelined if they don’t “dance to the party’s tune.”
- **Limited voice and capacity**
Even when present, representatives often lack the support to raise issues effectively. In Kapilvastu, a Dalit ward member noted that her input was ignored at the municipal level, and that final decisions were made without her consultation.
- **Centralized bureaucracy**
Local governments remain constrained by a centralized bureaucratic mindset. In Kapilvastu, ward chairs who were elected under the quota system felt sidelined at the municipal level.
- **Traditional hierarchies**
Deep-rooted caste and gender norms continue to shape political participation. Women are often excluded from senior posts and dismissed by male colleagues, despite legal quotas.

INTER-TIER TENSIONS AND LEGAL DISPUTES

Power struggles between federal and provincial authorities are a clear structural fault line. Several provinces, including Madhesh, have filed cases at the Supreme Court over perceived federal encroachment on their jurisdiction, particularly concerning control over forests, human resources, and policing.⁵ The failure of constitutional coordination bodies to function effectively has deepened frustration, and in provinces governed by opposition parties, intergovernmental conflict has turned overtly political.⁶

These disputes reflect not only legal confusion but also deeper contestations over autonomy, identity, and recognition—especially in provinces like Madhesh, where self-rule has long been a political demand.

SYMBOLIC AND CULTURAL MARGINALIZATION

Despite constitutional efforts to recognize Nepal’s diversity, symbolic exclusion continues to be a source of tension. The renaming of Koshi Province without consultation with the indigenous Kiranti population has sparked backlash and eroded trust in the state’s commitment to inclusion. Such symbolic slights, though seemingly minor, carry heavy weight in societies with a history of marginalization and can exacerbate grievances. A relevant parallel can be observed in the case of the Tharu community in Sudurpaschim Province. The 2015 Tikapur incident, where Tharu demonstrators advocating for the establishment of a Tharu province were met with a forceful state response, continues to be a source of deep grievance and perceived marginalization within the community. The failure to create a province reflecting Tharu identity is cited repeatedly as evidence of deliberate exclusion.⁷

The Tikapur incident and the subsequent criminalization of Tharu activists remain unresolved. The state’s selective use of justice and lack of responsiveness to Tharu demands for cultural and political recognition continue to show distrust and embolden identity-based mobilization. In Sandakpur, Koshi Province, attempts to develop sacred forest areas into football grounds sparked local outrage and exhibited an approach that was blind to important local cultural concerns.

Nepal's transition to a federal system was significantly motivated by the need to address the historical marginalization of diverse communities and foster sociocultural inclusion. The constitution aimed to recognize Nepal as a “multi-caste, multi-lingual, multi-cultural, and diverse” society, ending discrimination related to class, caste, region, language, religion, and gender. While efforts to promote cultural inclusion have achieved success in terms of institutional recognition and preservation of cultural heritage, they also reveal persistent challenges, including systemic biases and the undermining of traditional cultural systems.

Key challenges include the following:

- **Identity-based grievances**
Cultural grievances tied to identity remain unresolved. In Koshi, the name of the province (chosen without consulting the Kiranti community) provoked backlash, deepening mistrust toward the state. Similarly, in the Tharu region, long-standing frustrations over unrecognized territorial and cultural identity persist.
- **Erosion of traditional structures**
Federal restructuring has, in some cases, weakened traditional community systems. For instance, the traditional roles of cultural leaders like *Bhalmansa* in managing conflict, cultural practices, and community decisions, are declining due to the establishment of formal judicial committees under the Local Governance Operation Act, 2017. While progressive in including women and non-Tharu individuals, these committees subject traditional leaders to formal oversight, thereby reducing their autonomy and compromising the preservation of indigenous practices and identity.
- **Weak implementation of inclusion laws**
In Madhesh, the 2019 Dalit Empowerment Act has seen little on-the-ground implementation so far. Many beneficiaries are unaware of the law, and mandated local monitoring bodies are often not formed.
- **Persistent caste discrimination**
Caste-based discrimination remains widespread. Survey data shows that many Dalits experience ongoing discrimination, but few cases lead to punitive action, reinforcing impunity.⁸
- **Internal inequalities**
Even where cultural identities like “Madhesi” unify certain demands, they mask internal disparities. Dalits and women within the Madhesi community sometimes continue to be excluded from key roles and decisions, raising questions about who benefits from cultural inclusion.

PERCEPTION OF FEDERALISM AS A VEHICLE FOR CORRUPTION AND ECONOMIC EXCLUSION

Rather than reducing inequality, federalism is increasingly perceived as having decentralized corruption. Local governments are often seen as mechanisms for party patronage and elite capture. Across the provinces, elected officials and bureaucrats have been accused of distributing jobs, resources, and development projects to allies, relatives, and party cadres, marginalizing other citizens, especially Dalits and economically vulnerable groups.

This perception can serve to weaken public faith in the state and risks creating a legitimacy crisis, particularly in areas where federalism was expected to deliver tangible improvements for historically disadvantaged populations. One example of this kind of corruption emerged in Nepalgunj, where a young applicant for an IT officer position was encouraged to pay several months' salary in advance to the hiring official. Unwilling to engage in this kind of payment to secure the job, the candidate secured an interview only after personally asking the mayor for support. Examples such as this highlight the paths through which corruption can undermine confidence in the entire federal system if it is seen as a feature of this form of governance.

Economic decentralization was a key tenet of the federal design in Nepal. By delegating certain economic decision-making powers and revenue-raising levers, it was intended that more inclusive systems would emerge representing people's diverse economic interests. To some extent, structural change toward this end has been achieved. Local resource mobilization has become more pronounced, and access to resources has improved at the local level in some ways. However, significant challenges remain.

- **Elite capture**

Economic resources meant for marginalized groups are often diverted by local elites. In Koshi Province, a Dalit-targeted program was co-opted by upper-caste beneficiaries, while in Nepalgunj, youth reported that only those close to power accessed local grants and schemes.

- **Misuse of funds**

The practice of discretionary budgeting, or *Dalle Budget*, allows funds to be pooled and spent with minimal oversight. This can fuel partisan projects over community needs.⁹

- **Fiscal dependency**

Local governments remain heavily reliant on federal transfers, with limited capacity to generate their own revenue. This dependence undermines their autonomy in development planning.

- **Inequitable access**

While some gains have been made in service delivery, access to income-generating opportunities remains uneven, especially for women, Dalits, and indigenous groups.

- **Regressive tax burdens**

Poor and marginalized communities, including subsistence farmers in Tharu regions, face disproportionate tax burdens as different governmental actors seek to raise revenues. This limits their ability to invest in their livelihoods.

- **Documentation gaps**

Many marginalized people still lack citizenship or voter IDs, cutting them off from vital government aid and economic schemes.

CASTE AND INTRA-ETHNIC HIERARCHIES WITHIN MARGINALIZED GROUPS

The assumption that including ethnic or regional groups in governance automatically ensures equality within those groups often overlooks important internal dynamics. For example, in Madhesh Province, while representation of Madheshi communities has increased, local governance is largely dominated by Yadavs, leaving Dalit groups politically marginalized and socially excluded, despite having a comparable population size. Similarly, in Tharu-majority districts, internal class divisions influence who has access to decision-making power and resources. These patterns highlight the need for more inclusive approaches that address inequalities within as well as between communities.

This intragroup inequality poses a dual challenge: It can fragment social movements advocating for inclusion and deepen feelings of betrayal among the most disenfranchised within already marginalized communities. In Koshi Province, despite the presence of indigenous Kiranti communities, Brahmin-Chhetri dominance persists in both formal politics and bureaucratic institutions. Elite capture of Dalit-targeted programs was observed, such as musical training meant for the Pariyar community being redirected to upper-caste groups.

DIMINISHED ROLE OF CIVIL SOCIETY

In Nepal, civil society has historically functioned as a potent force in shaping the democratic landscape, wielding power through civic intermediaries such as media organizations, human rights advocates, intellectuals, and grassroots groups.¹⁰ These actors were instrumental in inculcating democratic values, amplifying marginalized voices, and embedding principles of freedom and inclusion. During critical periods, such as the Maoist insurgency and the post-conflict transition, civil society bridged the divide between citizens and policymakers, facilitating dialogue and influencing governance.

Over time, however, this influence has waned significantly, particularly following the federal restructuring into a three-tier government system. The devolution of power to local elected representatives, while expanding political participation, has centralized authority and resources, thereby sidelining civic intermediaries. Patronage networks and elite capture have replaced the neutral role once played by civil society, while the rise of digital platforms has further eroded their influence. Social media, often exploited by political actors to spread propaganda, has diminished the credibility of traditional media and intellectual voices, replacing structured discourse with fragmented, unverified narratives. This decline has profound implications for peacebuilding. Without robust civic intermediaries to mediate conflicts, promote accountability, and facilitate inclusive dialogue, Nepal risks deepening social divisions and undermining the democratic foundations essential for peace.



*Nepali women spinning a wool in front of a house. Bhaktapur in Kathmandu valley, Nepal.
Source: Getty Images*

POLICY RECOMMENDATIONS

Nepalese federalism in its current format faces a variety of problems, including dysfunctional coordination and cooperation between the three tiers of government, that lead to ineffective governance and unresolved jurisdictional disputes. Coalition politics and central interference have led to governmental instability at the provincial level. These issues are compounded by widespread corruption and a lack of accountability, which appear to have been decentralized under the new system. Additionally, hidden power dynamics, such as elite capture, and invisible power structures, exemplified by systemic inequalities in the form of underrepresentation of marginalized groups such as Dalits and Muslims, persist across various levels of government and hinder the equitable distribution of power and resources. These issues contribute to public disenchantment, raising the risk of a backlash against federalism and potentially leading to further conflict and instability.

Greater inclusion through meaningful representation, genuine public participation in decision-making, and the empowerment of historically marginalized communities, can help address these problems. These approaches work to:

1. **Ensure that the needs and voices of all citizens are considered**
2. **Promote more equitable resource allocation**
3. **Counter elite dominance and corruption**
4. **Foster a sense of ownership and legitimacy in the federal system**
5. **Contribute to long-term peace and stability**

Overall, while federalism in Nepal was intended as a conflict-resolution mechanism, uneven power dynamics driven by elite dominance, bureaucratic inertia, and weak institutional coordination risk making it a source of renewed conflict. If the underlying grievances of symbolic exclusion, economic marginalization, and unfulfilled aspirations are not addressed during implementation, Nepal may face a future that includes a risk of intensified social fragmentation and localized unrest.

The policy recommendations included in this document do not represent a silver bullet that will solve all these issues and potential conflict risks. Many of the changes necessary to address these problems will require significant shifts not only in patterns of governance but also in the culture and attitude of leaders and institutions. The following evidence-based policy recommendations aim to alleviate the potential factors that are likely to increase the risk of violence across Nepal.

1. Strengthen federal inclusion through enforceable representation mechanisms

- Mandate the inclusion of identified marginalized groups in federal and provincial executive bodies, not just legislative assemblies.
- Introduce stricter legal enforcement and oversight to ensure that proportional representation is not tokenistic and that appointments are not co-opted by elites.
- Amend inclusion quotas to ensure diversity across all positions, including leadership roles, not just entry-level or symbolic posts.

2. Advance substantive gender representation and influence

- Revise existing gender quotas to close loopholes that allow for symbolic rather than substantive female participation.
- Provide state-funded training and mentoring programs for newly elected women and those represented by quotas at all levels to enhance their agency and decision-making power.
- Introduce accountability mechanisms to ensure women and marginalized groups are not sidelined in governance, such as regular audits and public reporting on women's actual influence in decision-making.

3. Combat corruption to enable inclusive redistribution of resources

- Empower bodies like the Commission for Investigation of Abuse of Authority (CIAA) to enforce recommendations, thereby strengthening oversight mechanisms at all government levels.
- Improve transparency in public financial management through the mandatory publication of budgets, procurement details, and project progress reports at local and provincial levels.
- Establish anonymous complaint mechanisms and citizen oversight committees to monitor misuse of funds and nepotism in political appointments.
- Establish a consolidated public financial management database, as recommended by the World Bank, to enhance transparency and support evidence-based decision-making. This will help address the fiscal deficits identified in the last fiscal year.¹¹

4. Evaluate and apply reforms in provincial governance

- Conduct an independent review of provincial governance to assess its effectiveness, autonomy, and relevance.
- Consider either strengthening provincial autonomy with clearer jurisdiction and better resourcing, or reallocating responsibilities to local governments where inclusion has been more effective.
- Support provinces in developing context-specific policies that reflect regional demographics, such as linguistic, ethnic, and cultural programs for indigenous populations.

5. Institutionalize meaningful public participation in local governance

- In accordance with existing legislation, enforce the implementation of citizen assemblies and participatory budgeting in local governance processes.
- Develop inclusive civic education programs focusing on the rights and roles of citizens in governance that are tailored to low-literacy and marginalized communities.
- Use technology to establish formal channels for community feedback on government performance which also include mandatory response and action mechanisms for local governments.

6. Consider reform in political party structures and incentives

- Legislate internal party democracy requirements, including inclusive candidate selection processes, term limits, and financial transparency.
- Create incentives (e.g., state funding, public recognition) for parties that demonstrate inclusive practices and prioritize national over partisan interests.
- Launch public campaigns and dialogues promoting the idea of political leadership as service to all citizens, not just party loyalists.

7. Mainstream conflict sensitivity and provide an early warning to ensure policies and interventions proactively foster peace

- Institutionalize periodic independent conflict analysis at national and provincial levels, involving a cross section of society and civil society organizations.
- Create an early warning and response mechanism that uses local data to detect and respond to rising tensions or exclusionary practices before they escalate into violence.
- Integrate conflict sensitivity into policy design across all sectors (education, infrastructure, and development) to ensure inclusive and stable outcomes.



Vibrant Market Scene in Bhaktapur, Nepal. Credit: Aflo Images.

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