

MIMAP-Nepal

**Poverty and Development Monitoring System
& Decentralized Planning in Nepal**

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Decentralization in Nepal

Development strategy of Nepal reflected in its recent periodic plan (Ninth Plan) and development policies emphasizes the commitment to decentralization. The decision making process for development is aimed to be relegated to locally elected bodies at the village and district levels. The government has demonstrated its seriousness through political and administrative actions supporting decentralized governance, fund allocation and development initiatives. It brought two Acts directly facilitating decentralization: Decentralization Act and Local Self-governance (SG) Act. It has formulated series of by-laws to that effect in 1999. These arrangements have increased the responsibility of locally elected governments including those at the village and district levels. The local governments are now required to maintain basic socio-economic data sets, prepare periodic plans and increasingly involve themselves in the execution of the plans. The Acts allows greater devolution of financial power to the local governments. This has allowed them to levy local taxes, and formulate their own plans and projects based on priorities of the communities they serve. Commensurate capacity development at the local level, however, is yet to be attained. For a large number of key development players including the government agencies and the donors, decentralization has meant an increasing local involvement in implementation of development interventions designed not-locally. Efforts to empower the locals by information and development visions are at lackluster. Consequently, the ad-hoc planning without proper information base still continues.

Locally Elected Bodies in Nepal

Local bodies in Nepal comprise Village Development Committee (VDC) and Municipality. There are about four thousand VDCs and 60 municipalities. The VDCs and municipalities are further divided into Wards, which contain cluster of small hamlets. In the VDCs, there are nine Wards. In the municipalities, depending upon population, there are up to 36 Wards. The VDCs in average have 1000 households, and this divided into nine wards gives about 100 households per ward. The VDCs and municipality make up District, and there are 75 districts in Nepal (Map 1). Number of VDCs in districts range from 10 to 120, the average number of VDCs per district being about 54. Each district has District Development Committee (DDC) comprising 11 members elected from among the local unit members. The DDC is an apex elected body at the district, and under the SG ACT, has influence and control over all government development initiatives in the district. The district level activities are allocated to the VDCs through the DDC. It is a link between the line agencies representing government ministries and the local bodies.

VDCs and municipalities and their Wards have locally elected bodies to govern the units. There is one chairman and four elected members in each ward, thus ward representation in the VDC is 45. There is one elected chairman and vice-chairman for the VDC. Altogether, there are 47 elected members in the VDC council. The executive body of the VDC comprise Chairman and Vice-chairman of VDC and all Chairmen of the Wards. The municipality committees are also formed in the similar manner. The local

units have defined geographical areas, households and population and authority to generate revenue and use it as provisioned by the Self-governance Act. The units including the DDC prepare annual plans detailing the resources and expenditure. In addition, the government initiatives for development is channeled in and through VDCs including the current arrangement to allocate a flat grant of Rs half million per VDC. In essence, VDC is the lowest political unit in periphery of which all local level initiatives and development interventions are conceived, designed and implemented.

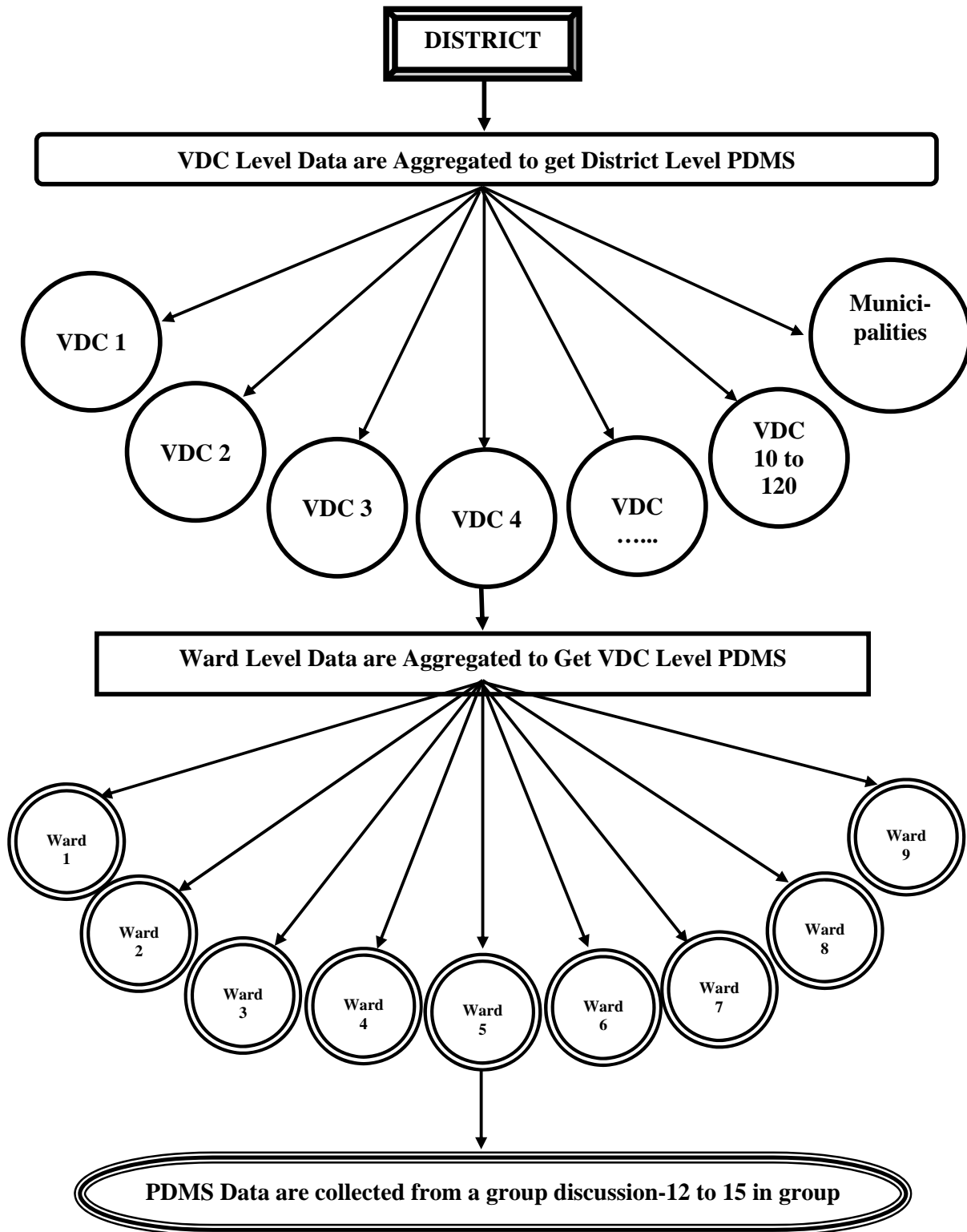
Status of Information at the Local Level

The information base at the local unit level is virtually non-existent, however. This constrains both the planning and seeking resource from DDC and the government. Lack of information has also constrained effective decentralization as government line agencies at the district level are not bind by the need and priorities of local units. This has been promoting ad-hoc planning and thus sub-optimal resource allocation. The resources at the local unit level and DDC level are also allocated at annual basis thus precluding long term initiatives and development opportunities. The vacuum situation in local level information base and planning thus has prompted MIMAP project in Nepal to design "Decentralization Component" with basic objective to assist grass roots level information collection, and compilation and use of it for local development. The initiative has potential to empower the locally elected bodies with information and initiate sound resource allocation stimulating growth at the local level. The information is useful to monitor the poverty and development situation at the local units level. Decentralization Component (DC) has three components, viz. Poverty and Development Monitoring System (PDMS), VDC and DDC Resource Profiles, and VDC and DDC Planning. The first two components are designed to generate data base and the last one builds on them to assist in evolving 5-year socio-economic development plans for the individual local units.

Poverty and Development Monitoring System (PDMS)

PDMS has been developed under MIMAP-Nepal project to measure poverty level and socio-economic changes at the local level. In this, 62 indicators have been designed including major socio-economic variables. In a broad term PDMS consists the information on family and population, women and children, labor and wage, agriculture and environment, credit, information and communication, income, education, health and nutrition and sanitation. Contents of PDMS schedule is presented in a matrix form in Table 1. These indicators are simple to collect, easy to interpret and have little or no room for subjective judgement. In PDMS, information are collected at community (ward) level. Ward level data are then aggregated to get VDC level information. This is essential because it is at the VDC level where monitoring of poverty and planning exercise is done. PDMS data are used in planning process mainly for need identification of the community and deprived households. The collection of PDMS data is envisaged to be repeated every year, so that a time series comparison of VDC level indicators of poverty and development is possible. VDC level information are ultimately aggregated at the district level and planned to maintained at National Planning Commission and other concerned ministries. The process of PDMS information collection is summarized in Figure 1.

Fig. 1: Process of DPMS Information Collection



Participatory Rural Appraisal (PRA) method is used to collect PMS information at ward level. Ward chairman, ward members, schoolteachers and local elite of the wards are invited for a meeting, and information for the indicators are generated from the discussions held with them. Household survey is not required in this system. Yet, as the Wards comprise 100 households or so and the discussant are about 12 to 15 from the same community, many household level information are also obtained in PDMS.

VDC Profile

In a planning exercise two types of information are required: data for need and potential identification and data for resource situation analysis. While PDMS information are used for need identification, VDC profiles are compiled and used for resource analysis. The major information included in the profile are geographical area, population, land, utilization of land in agriculture, livestock and animal health, marketing, forest resources, water resources, education, health services, small and cottage industries, social activities, communication services, administration and budget, infrastructure and technical skills. Details on these broad sectors is given in Table 2. VDC profile helps add on PMS in providing solid factual ground and resource assessment of the VDCs for developing five years plan.

The information are collected using participatory approach. As in PDMS, ward level information are collected at first stage and VDC level profiles are compiled in the second stage. A group meeting of 15-20 persons including the ward chairman, ward members, school teachers and knowledgeable persons of the respective wards is organized and a discussion is held with them to get required information. The VDC records are also resorted to prepare systematic record in the profile.

VDC Planning

For the preparation of VDC level plan, need assessment of the local people and the priorities placed by the community is essential. The potential area in which the VDC commands comparative advantage is identified for planning considerations. The information from PDMS and VDC profile are used to assess the need and resources situation of the VDC. Main attention in planning exercise is given to the agriculture sector including livestock development, transportation, forestry, information and communication, rural electrification, education, health, drinking water, sanitation and nutrition, income generating activities and women development. Detail breakdown of sectors considered in planning process is presented in Table 3. In preparing the five years plan, special emphasis is given to the underdeveloped areas in the VDC and to the poorer section of the community. The potentials of VDC to take lead in specific sectors and sub sectors are also given due consideration.

Planning exercise is done holding series of meetings with VDC officials, school teachers and knowledgeable persons of the VDC. Professionals from NLA facilitate the discussion and systematize the vision and priorities evolved within the VDC. In the plan, estimation of the resources requirement for the accomplishment of the planned activities by year is also presented.

District Planning

District Development Plan (DDP) is a consolidated plan of all the VDC plans. Therefore, all the VDC plans are added together to prepare the district periodic plan. In addition, the activities that are not included in the VDC plans but essential to the district development are also identified and included in the District Development Plan. The plan provides a consolidated vision for the development of district, and hence a basis for stakeholders in the district to mobilize and utilize the resources.

District level plan is prepared by holding series of meetings where DDC elected representatives, representatives from all line agencies and political parties of the district, campus chief and school head master of districts headquarter and knowledgeable persons of the district are present. Professionals from NLA facilitated the meeting and systematized the outcome.

What is Accomplished

MIMAP-Nepal is working in five of 75 districts of Nepal under Decentralization Component. Intensive activities are underway in two districts viz. Kavre and Dailekh. Information system and planning cycle has been completed in Dailekh, and in Kavre and in Bardiya it will be completed soon. MIMAP-Nepal intends to complete the DC cycle in five districts before embarking on efforts to share the methodology with the government and other stakeholders. Other districts where DC is planned include two districts from plain areas of the country, providing a cross section of experience. Standard models will be developed for PDMS, profile and planning, and will be shared with stakeholders for gradual globalization in all districts of the country.

There has been a growing interest from various organizations on the community based information collection method and planning. MIMAP-Nepal is sharing experiences.

Beauty of Decentralized Information Collection and Planning

1. It is a community based information and planning system. The information is validated in the collection process itself.
2. It provides various statistics, which can be used to cross check census and other information collected by other agencies in regular basis. For example CD provides community census information on households and population for VDCs and districts that can be tallied with population census information to be collected in 2001.
3. The VDC and district level information is made available to community, and they immediately begin its use. The availability of information creates fertile ground for future research interaction with the communities researched.
4. During extensive information collection and planning process locally elected members are simultaneously imparted on-the-work training. Their aptitude for information and planning is enhanced and systematic pattern ensues.

Table 1 : PDMS Indicators

Households	Women and Children	Labour and Wage	Agriculture and Environment	Credit	Information and Communication	Income	Shops	Education and Health	Nutrition and Sanitation
<ul style="list-style-type: none"> • No. of HHs • Population • Out-migration • In-Migrated • Female headed HH • HHs with electricity connection • HHs changed thatch roof into tin, tile or concrete 	<ul style="list-style-type: none"> • No. of widows • Married women residing in parental house • Child marriage • Child labor 	<ul style="list-style-type: none"> • No. of wage labourers • Persons working as permanent farm labour • Wage rate 	<ul style="list-style-type: none"> • HHs with homestead land only • HHs selling different agri and livestock products • Additional area irrigated last year • Livestock death • Area lose due to land slides • Crop area damaged due to flood • Self sufficiency in forest products • Sapling planted 	<ul style="list-style-type: none"> • Borrowing from institutional sources • Borrowing from informal sources 	<ul style="list-style-type: none"> • HHs with radio • HHs subscribing news papers • Individuals who have received training on agri or other related fields 	<ul style="list-style-type: none"> • Persons with less than 1/2 Hectare land • Persons meeting more than half of their HHs expenditure by wage earning 	<ul style="list-style-type: none"> • No. of Shops • Prices of different essential commodity 	<ul style="list-style-type: none"> • HHs with all members illiterate • Children of 5-14 years • Persons became literate through an adult literacy programme • No. of primary schools • No. of students in schools • Schools with piped water facility • No. of death last year • Death of children under 5 years of age • Death due to pregnancy complications • No. of disable person • No. of health posts with staff and budget 	<ul style="list-style-type: none"> • HHs that buy more than 100 kg of cereals per annum for consumption • HHs that make their livelihood by selling firewood • HHs that make their livelihood by portering • Cases of goitre • Cases of night blindness • HHs with their own toilets • HHs with access to piped drinking water • HHs with dwelling space and animal shed in the same house

Table 2 : Contents of VDC Profile

Geographical Information	Population and Land	Utilization of Land in Agriculture	Livestock and Animal Health	Marketing	Forest Resources	Water Resources	Education	Health Services	Industrial Descriptions	Social Activities	Communication Services	Administration and Budget	Infrastructure and Technical Skill	Miscellaneous
<ul style="list-style-type: none"> • Location of VDC • Land under different categories 	<ul style="list-style-type: none"> • Population by ward • Population by age group • Population by ethnic group • Seasonal migration • Bonded labour • Land ownership pattern • Rate of payment for rented in land • Wage rate 	<ul style="list-style-type: none"> • Agricultural land • Land holding • Agricultural production • Use of improved technology • Agricultural production per unit of land • Crop cycle • Fruit cultivation • Vegetable cultivation • Agri credit 	<ul style="list-style-type: none"> • Livestock population • Livestock productivity • Vaccination • Animal mortality • Sources of animal feed 	<ul style="list-style-type: none"> • Market centres • Amount of sold products from VDC • Storage facilities • Co-operatives 	<ul style="list-style-type: none"> • Govt. forest • Private forest • Community forest • Leasehold forest • Benefited HHs from forest • Forest nursery 	<ul style="list-style-type: none"> • Rivers/tributaries of VDC and their use • Other water resources in the VDC • Climatological measurement • Piped water supply system 	<ul style="list-style-type: none"> • Literacy rate • No. of schools with no. of students and teachers • Enrollment • Dropouts • No. of Trained teachers 	<ul style="list-style-type: none"> • No. of health posts • Family planning services 	<ul style="list-style-type: none"> • Small and Cottage industries • Sources of raw materials • Natural resources of the VDC 	<ul style="list-style-type: none"> • Women Development Programs • Youth Development Programs 	<ul style="list-style-type: none"> • Post offices • Telephones 	<ul style="list-style-type: none"> • Estimated budget of VDC (last year) 	<ul style="list-style-type: none"> • Transportation facility • Bridges/culverts • No. of technical persons in the VDC • Physical assets of VDC • Public offices • Rural electrification 	<ul style="list-style-type: none"> • Price of different commodities • Wage rate

Table 3 : VDC Planning

Agriculture		Livestock Development	Transportation	Forestry	Information and Communication	Electrification	Education	Health	Drinking Water, Sanitation and Nutrition	Income Generating Activities	Women Development	
<p>(i) Food and cash crops development</p> <ul style="list-style-type: none"> • Irrigation - new canal - old Maintenance • Improved seeds • Fertilizer application • Crop protection • Exhibition programme • Market development • Farmers training and tours 	<p>(ii) Horticulture Development</p> <ul style="list-style-type: none"> • Orchard establishment (commercial) • Orchard (general) • Nursery • Minikit • Training and tours 	<p>Vegetable production</p> <ul style="list-style-type: none"> • Seed production • Training and tours • Exhibition 	<ul style="list-style-type: none"> • Breed improvement • Animal feeding • Training and animal health • Vaccination • Mobile health camp • Medicine fund establishment • Training and tours • Exhibition 	<ul style="list-style-type: none"> • New road construction • Maintenance of existing roads • Mule track construction • Mule track maintenance • Foot trail construction • Foot trail maintenance 	<ul style="list-style-type: none"> • Private forest • Community forest • Leasehold forest • Soil conservation - roadside - public land • Forest nursery • Use of improved stove 	<ul style="list-style-type: none"> • Post office construction • News paper reading centre • PCO establishment 	<ul style="list-style-type: none"> • Rural electrification 	<ul style="list-style-type: none"> • Literacy programme • Campaign on send all children to school • Adult education • School maintenance • Extra activities in schools • Literacy establishment • Scholarship Programme 	<ul style="list-style-type: none"> • Health post construction • Health post improvement • Female health worker training • Rural health clinic • Mobile clinic • Health post maintenance 	<ul style="list-style-type: none"> • New drinking water project • Old project maintenance • Private toilet construction • Schools toilet construction • Training on compost pit • Awareness about sanitation • Nutrition training 	<ul style="list-style-type: none"> • Agricultural tools making training • Shops/ tea stall • Goat raising • Bee keeping • Skill oriented program 	<ul style="list-style-type: none"> • Group saving • Trainings • Special programmes suitable for women • Goat raising • Poultry farming • Sewing and cutting • Pickle/ chips making • Child care centre