

Challenges and Prospects of Intergovernmental Relations in Emerging Federal System of Nepal: An exploration of the specific challenges faced by Nepal's federal system and prospects for improving coordination.

The primary agenda for the formulation of federal system in Nepal was to develop a political as well as economic authority away from the central government. As a result, three levels of government has been formulated, that is, federal, the provincial and the local government. Intergovernmental relations, in emerging federal system like Nepal face various challenges and hold various prospects. Since Nepal has recently transitioned from unitary system to federal system, it has encountered various hurdles and opportunities in establishing an effective coordination and cooperation among different levels of government.

Challenges of Intergovernmental Relations Faced by Nepal's Federal System

One of the major challenge that has been faced by the governments of federal system is the unclear designation of roles and responsibilities. Such unclear authority and overlapping jurisdiction leads to various uncertainties and conflicts among the government. Apart from that, even when the authority is made clear, mostly the local and provincial government are not provided with technical as well as administrative capacity in order to fulfill the roles that has been assigned. So, this depicts that there is a need for various initiatives to increase the capacity of the local and provincial level governments.

Since Nepal has started to exercise fiscal decentralization, the federal system has brought along resource management and fiscal decentralization challenges. Even though the government has been classified into three levels, the functions of Nepalese government is more inclined towards the federal government. Due to this reason, the provincial and local government are dependent upon the federal government for the revenue generation capacity, distribution of resources, funding and other such activities which has caused disparities and imbalances on the intergovernmental relations.

Political issues has always prevailed in Nepal since a long time. The same has been reflected in the intergovernmental relations in emerging federal system as well. The political difference among the different level of governments has somehow hindered the cooperation and collaboration among the three levels of government. A proper mechanisms must be established in order to address the political issues so the intergovernmental relation can be properly coordinated. Intergovernmental relation automatically bring along the separation of jurisdiction. Since federal, provincial and local level government has their own jurisdiction, there seems to be some sort of interjurisdictional conflicts among them in case of resource allocation, policy implementation, and regulatory authority.

The nascent federal system in Nepal encounters multifaceted challenges, including defining clear roles, building administrative capacity, managing fiscal decentralization, navigating political differences, resolving inter-jurisdictional conflicts, and ensuring equitable service delivery. These hurdles necessitate strategic interventions and robust mechanisms to foster cooperation, clarify

responsibilities, and address disparities among the various tiers of government for the successful functioning of the intergovernmental relation.

Prospects of Intergovernmental Relations

In Nepal, the adoption of a federal system holds significant promise for various aspects of governance and regional development. This transition brings governance closer to the grassroots level, enabling communities to actively participate in decision-making processes that directly impact their lives. By granting regions more autonomy, federalism supports the preservation of diverse cultures, languages, and traditions, fostering a stronger sense of local identity and belonging.

Additionally, this shift towards federalism offers opportunities for tailored development initiatives that address the specific needs of different regions. It encourages entrepreneurship and innovation at the local level, paving the way for economic growth and job creation tailored to the unique characteristics of each area within Nepal.

Furthermore, federalism allows for the sharing of successful policies and practices across provinces, promoting learning and collaboration among regions. Moreover, it establishes mechanisms for peaceful conflict resolution between different levels of government, ensuring smoother coordination, transparency, and accountability in governance. Overall, federalism presents a pathway for inclusive growth and holistic development throughout Nepal by empowering local communities and fostering unity in diversity. This in turn fosters the intergovernmental relations as well.

Addressing these challenges and maximizing these prospects requires a common effort from all levels of government, as well as active participation from the entire society, to establish effective mechanisms for intergovernmental coordination, capacity building, and resource management in Nepal's evolving federal system.