Challenges of Policy Making in Phedikhola Rural Municipality

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ABSTRACT
Policy making has a significant meaning for each level of government. Nepal formally adopted a federal democratic system and the role of local governments has been increased drastically since then. As a doorstep government of the people, local bodies completed their first five years of tenure under the federal system. Concerned with this study, Phedikhola Rural Municipality, one of the rural municipalities in Gandaki Province of Nepal, enacted several policies in the form of acts, rules, procedures, bylaws, directives and decisions. A few of the policies were also reviewed. The policies concerned with agriculture, education, health, infrastructure development, youth enterprising, good governance and the use of barren land got an overwhelming popularity. However, local governments have faced several problems in formulating such policies. The problem of localization of policies, the dominating role of bureaucracy, lack of skilled human resources, problem in identifying local needs and a host of other elements stood as a heavy barrier in the policy-making sector. The policy-making institution has not yet found to be effective to deliver its assigned task. In this context, this article aims to explore the challenges of policy-making faced by the local governments of Nepal.

It attempts to assess the challenges from the viewpoint of stakeholders contributing to enhance institutional capacity in formulation and implementation of policies in the future. This article is qualitative, using descriptive, exploratory and analytical design. Both primary and secondary sources were used for data collection. Key Informants Interview (KII), Focus Group Discussion (FGD) and field observation were intensively used.

KEYWORDS: Policy making, legal knowledge, legislative committee, localization

INTRODUCTION
Local governments are the grassroots units of modern democracy and are considered as the fundamental basis of the democratic system. An ordinary citizen can
feel and exercise their democratic rights directly through local bodies only (Dahal, 2075 B.S.). These are the only institutions with which people have direct and immediate engagements. It is the government of local people stationed in towns or villages. Since democracy has its root in the functioning of government at the local level, it is the local government that takes instant decisions regarding matters directly concerned with the people (Dahal, 2017). The governments represented by local leaders are easily approachable. Their activities can also be scrutinized and judged by the population of that locality directly on a day-to-day basis. Local governments are not only to deliver goods and services to the people, but to prepare them for better and dignified living in society (Khanal, 1998). Democracy at the center cannot survive without its implementation at the grassroots level. The organization and structure of the central government may rise and fall, but the government established at the local level is generally stable. So, local governments are gaining popularity in the present world.

Simply speaking, 'public policy' denotes the policy adopted by the government into various sectors of public concern. It incorporates the sectors like agriculture, health, employment, education, trade, industry, commerce, foreign relations and other aspects of national and international life. It is commonly applied in our daily life and equally concerned with academic literature. Though the concept has got separate identity as "policy science," it has been dominated first by political science and public administration (Sarpu, 1994). Most scholars from political science and administrative studies are closely involved in determining of the policies. Still, it carries a comprehensive meaning in the study of political science.

Policy making in the past was a sole matter of the central government. Its scope gradually widened with the popularity of democratic system. But policy making in developing countries has to face many challenges. The central government exercises a pivotal power in policymaking. Even the developing countries like India enjoy limited power in comparison to the western powers. Unstable political environment, mass poverty, social backwardness, aid dependency, foreign intervention and other situational factors bring challenges in policy making (Osman, 2002). An operational aspect of such policies is equally challenging in these countries. It is said that "policies are brilliantly formulated but ineffectively implemented" (Mulyanyuma, 2016). Developed and democratically matured countries are able to maintain the dynamism of policy process, but developing countries are found weak in this matter.

Nepal's history of policy making by local government is not that long. It remained under a unitary system and policies were formulated by the central government. However, Grammini, janapada, gram, and panchali in Lichhavi and Malla era (Bhatta, 2075 B. S.), panchayat and municipalities in Kathmandu valley and manyajan kachahari during Rana period (Sharma, 1998), Village Panchayat during Panchayat period and Village Development Committee. Municipality and District Development Committee in the post-democratic period were the local-level policy-making institutions (Acharya, Dhungana & Guragain, 2022). But policy making at the local level remained beyond the sphere of local leaders and institutions. It was mainly because of the over-centralization of power in the country.

For the first time in the history of Nepal, the federal system has been introduced. The Constitution of Nepal (2015) has made a provision for three levels of government. The local government remained at the base while the province and federal governments are placed at the middle and topmost positions respectively (Article 56). The constitution further deals with the structure of the state defining local government as rural municipalities, municipalities, and district assemblies. According to part 18, article 221 of the constitution, the village assembly can exercise the legislative power of rural
municipalities in matters related to the provisions of schedules 8 and 9 of the constitution. Following the spirit of the federal system, the Local Government Operation Act has been enforced since 2017. The act ensures the power of making policies on matters related to its functions and responsibilities as mentioned in section 11. Based on the constitutional and legal provisions, the local governments have completed their five years’ tenure. Taking their first experience of the federal ruling system, the local governments spent their time mostly in the policy-making sector. The Phedikhola Rural Municipality has also enacted several policies in the form of acts, rules, procedures, bylaws and directives. Making policies by the local government under the federal system was a really difficult task mainly because of their new experience in the field and other constraints (Baral, 2022). The operational aspect found equally challenging due to limited resources, lack of skilled human resource and other factors. In this context, the questions automatically arise: What fundamental challenges did the rural municipality face during policymaking? What was the condition of public participation? To what extent the policies were able to address the local needs? Whether the rural municipality was able to formulate required policies? What is the condition of implementation? This article attempts to answer these questions.

METHODOLOGY
Nepal formally entered into the era of the federal system after the promulgation of the Constitution of Nepal in 2015. Strengthening of the federal system depends on the proper functioning of local governments. The local governments are empowered with the task of making required policies to operate their business in new political environment. The new system brought both opportunities as well as challenges. So, the primary objective of this article is to explore the challenges of policy making faced by the local governments of Nepal. It attempts to assess the challenges from the viewpoint of major stakeholders.

The article is based on the challenges faced by Phedikhola Rural Municipality concerning policy making. The rural municipality lies in Syangja district of Gandaki province of Nepal. Initially, it was a village development committee and was declared as rural municipality on 12 March 2017. The article covers a period of five years (2074-2079 B.S.). Since it tries to explore the challenges of policy-making, exploratory design is used. Existing legal provisions and the real experiences of stakeholders in the policy-making process are analyzed which led to the following analytical design. Most essential data and information are collected from the primary sources. Key Informants Interview (KII) and Focus Group Discussion (FGD) were applied as these methods were found very useful to obtain insightful information from diverse sections and departments (Gundumogula, 2020). The interview was taken with the village chairperson, chief administrator, legislative committee members (chairperson, a woman member and a member from marginalized class), secretary member and legal advisor. The interview was conducted in different dates from 9 July 2022 to 18 August 2022. Nine participants including three ward chairpersons, three civil society members and three other stakeholders were involved in a focus group discussion that was conducted on August 18, 2022. The secondary data were obtained from books, official documents, journal articles, magazines and previous research works.

CONCEPTUAL AND THEORETICAL REVIEW
The concept of ‘public policy’ is as old as the formation of society and state. It has got a widespread popularity with the increasing role of public activities concerned with health, education, employment, disaster management, good governance, trade,
business and so on. But its systematic study began during the mid-twentieth century. Harold Lasswell systematically put forward the concept through the publication of 'Policy Sciences' in 1951 (Delon & Vogenbeck, 2007). Nowadays, it is recognized as a separate discipline covering a broad area of study and research.

The word 'public' denotes the involvement of people in general rather than being limited to a particular group of people. And 'policy' generally signifies the plan and guidelines to attain certain goals. It is defined as "a statement by the government that it intends to do about the public problem. Such statements can be found in the constitution, statutes, regulation, case law, decisions, or the behavior of government officials at all levels" (Birkland, 2011, p. 9). Further, the policy is taken as a matter of whatever governments choose to do or not to do (Dye, 2013). Sapru (1994) takes public policy in the form of a declaration of goals and objectives, course of action and societal values as it is defined: "Fundamentally, a public policy is a government action or proposed action directed at achieving certain desired goals or objectives" (Ikelegbe, 2006). In this sense, public policy can be considered as a form of governing principle, plan, or course of action.

Public policy is equally concerned with administrative management by which the government translates its political, developmental and managerial vision into programs and actions. It is concerned with the 'how' of the government that aims to deliver 'outcomes' for achieving desired changes. "The policy is also explained as the code of conduct determined for the regulation of public behavior. It combines the basic decisions, commitments and actions made by those who hold or influence government positions or authority" (Gerston, 2010, p. 7). But it seems irrational to exclude individuals, society and other organizations that have close relations with public matters. So, Karl J. Fredrich is correct who defines 'public policy' as "a purposive course of action of a person, organization or government within a given environment to achieve a goal" (cited in Pandey, 2069, pp. 2-13).

The policy formulation is equally concerned with the social sciences. Sapru (2010) opines that "the meaning of the word 'policy' is changing like other concepts of social science" (p. 24). The social sciences in general and political science in particular is concerned with policy making. Exploring deep attachment with 'Political Science', Brikland (2011) describes the policy as the management of power. All stakeholders have political relations and are concerned with the allocation of political power. Hence, "policy is concerned with the study of political relationship; that is, the study of the processes by which societies seek to allocate political power and the benefits of such power" (Brikland, 2011, p. 15). Thus, the policy is taken as the guideline principle that contributes to effective governance. It is the tool or the instrument of transformation that builds the capacity to deliver social values. Overall decisions of the government are guided by the policy which in the long run determines the future of the community.

Every institution is guided by certain policies. Such policies include acts, rules, procedures, by-laws, ordinances, decisions, directives, judgments, etc. Generally, these policies are formulated and implemented by the government. The legislature, an important organ of government, is the sovereign body to make such policies. These are the collective activities of the government either local or central. After a government acknowledges the existence of a public problem and the need to do something about it, policymakers need to decide on some course of action. Making such a course of action is generally known as policy formulation (Howlett & Ramesh, 2003).

Policy making requires a definite process. Harold Lasswell is of the opinion that policy making passes through intelligence, promotion, prescription, invocation, application, termination and appraisal (Jann & Wegrich, 2007). Dye (2010), on the other
hand, opines that policy making consists of five major steps i.e. problem identification, agenda setting, policy formulation, policy legitimization, policy implementation and policy evaluation. However, problem identification, policy drafting, consultation with stakeholders, preparation of final draft and passing of draft are the major steps in policy making. Besides these, monitoring and evaluation are also included in the process.

Policy making is the fundamental task of government. Hence, 'Village Assembly' and 'Village Executive' are the formal actors who play pivotal role in policymaking at local municipalities. However, it is taken as the outcome of the interaction of several stakeholders. The political parties, NGOs, consumer groups and local elite have their role as non-state actors (Baral, 2022). Regulatory, restrictive, distributive and redistributive are the major types of such policies. The non-state actors focus on distributive policies whereas the state actors are more concerned with regulatory and restrictive matter.

The existing concept is supported by several theories. In this context, system theory, institutional theory, elite theory, group theory and rational choice theory can be applied for a better interpretation of this study. Out of above theories, system theory can be employed in the explanation of policymaking process in developing countries. This theory observes the policymaking as a "political system responding to the demands arising from its environment" (Osman, 2002). According to this theory, there exist several actors and there is an interrelationship among the stakeholders. Eyestone (1071) rightly remarks that "public policy is the relationship of a government unit to its environment" (p. 18). A continuous interaction occurs within the internal and external environment. The system performs the 'input', 'conversion', 'output', and 'feedback' functions through which public policies are formulated (Easton, 1953). Public policy is taken as the response of a political system to demands arising from its environment. The policy is considered as an output of the political system which David Easton called an 'authoritative allocation of values'. Hence, 'Village Assembly' is the system that is affected by several environmental factors like consumer groups, interest groups, unions, civil society, etc. Likewise, the institutional theory advocates on the role of political institution. The formal governmental structures such as legislatures, executives and courts have a pivotal role in policymaking and its implementation as it is mentioned here: "A policy becomes a public policy only when it is authoritatively determined by government institutions" (Chakrabaty & Chand, 2016, p 26). The government applies policies to all citizens and has a monopoly on the use of force in applying policy. 'Village Assembly' and 'Village Executive" are legitimate institutions to formulate policies at the local level. They use coercive power to enforce those policies.

On the other hand, elite theory presupposes the reflection of the preferences of the governing elite. This theory argues that "society is divided between the mass of people and a ruling minority, whereas the political power – the power to take and impose decisions valid to the whole society- always belongs to the latter" (Mariott, 2020). The elite represent the mass based on influence, prestige, resource, skill, knowledge and authority. The elite theory speaks that the society is composed with a powerful minority and a weak majority such as it is mentioned: "Although we often assert that public policy reflects the demands of the people, this may express the myth rather than the reality of democracy" (Dahal, 2017). Panchas in the Panchayat system, NGOs in the democratic era, and ‘all party mechanism’ (2006-2016) remained the dominating elites in policy making (Acharya, Dhungana, & Guragain, 2022). Still, social and party elites have a dominating role in policymaking. Likewise, various groups formed in society have equal influence in policy making. The groups organized in the name of profession, occupation, religion and sometimes caste and ethnicity have sufficient influence in policy making, but all need to go through legal institutions. The weak section of society is encouraged to be
organized and put pressure upon the policymaker if they are ignored and neglected. The
group has its own identity and follows collective interests. Policy making is taken as the
management of group conflict (Pandey, 2069 B.S.). This theory is more workable with
policy formation in a society having pluralistic nature. In addition to these, rational
choice/public choice, and populist theories are equally workable with policy making and
its implementation.

Policy making itself is a difficult issue. Various interest groups play with
bargaining, compromise, and accommodation. The problem is more acute in developing
countries. Their limitations differ from those of developed ones. The policies effectively
implemented by developed countries cannot be adopted in developing countries. The
developing countries are often influenced by limited economic resources, political
instability, social backwardness, unemployment and low standard of living (Osman,
2002). In Cairney's view, successful policy requires clear and consistent goal, enough
resources, dedicated and skillful bureaucrat, dependency relationships, stakeholder's
support, and policymaker's approach in policy implementation (2012). But most of the
developing countries lack these conditions. They face similar challenges during policy
implementation. Ineffective governance, corrupt civil servants, instable politics,
unnecessary political interference, aid dependency and problems of institutional
acceptance on policy outcomes are the common challenges encountered during the
implementation phase (Mulyanyuma, 2016). Policy implementation seems a crucial
phase as success and failure of policy depends on the operational aspects of such policies.

FINDINGS AND INTERPRETATIONS

Policymaking in the Local Level: Constitutional and Legal Provisions

Nepal has a long practice of a unitary system of government. History witnessed
that different forms of local governments existed in various phases of history. Policy
making in the past was the sole business of the central legislature. The local governments
used to exercise certain power based on the principle of decentralization. But it is
different in the federal system where the power of a government is divided into a federal,
provincial and local government.

The People's Movement-II (2062/2063 B.S.) established a loktantric
democratic) system in the country. Nepal formally entered into a federal ruling system
after the promulgation of the constitution in 2015. The political and administrative
systems were also managed in a new structure with three tiers of government i.e. the
federal, province and local (Article 56). Altogether, 753 local governments were also set
up. Part 18 of the constitution has made the provision of 'local legislature'. According to
the constitution, "the legislative powers of the local level shall be vested in the "Village
Assembly" (Article, 221). The village assembly may make necessary laws on the matters
outlined in the list contained in Schedule 8 and Schedule 9 (Article, 226) of the
constitution. Further, Article 57 of the constitution reads that the powers of local level
shall be vested in the matters enumerated in Schedule 8, and such powers shall be
exercised under this constitution and the law made by the village assembly. Federal,
provincial and local legislature have the power to make laws included in the concurrent
lists. But the laws enacted by village assembly concerning Schedule 9 should be
consistent with the federal and state law. If the law made by the village assembly is found
inconsistent with the federal and state law, shall be invalid in the extent of such
inconsistency (Article, 57 (6) & (7)). Such constitutional provisions make it clear that the
local assembly (municipal assembly or village assembly) has the power to make
necessary policies under the conditions mentioned in the constitution. All such policies
should respect federal law.
In addition to the constitutional provisions, the Local Government Operation Act-2017 empowers rural municipalities to make necessary laws within their jurisdiction. According to Section 102, the village executive has every jurisdiction to make necessary rules, directives, procedures and by-laws. It is also mandatory that those policies should be published in the local gazette. Policies cannot be implemented until they are published in the local gazette (Section 102 (5)). The rural municipality has also the responsibility to inform and send laws to the state and federal governments.

**Challenges of Policy Making**

Providing policy making rights to the local government is an important contribution of the democratic system. It is said that "political decisions should be as close as possible to the society they concern" (Dahal, 2007, p. 11). Following this spirit, Article 221 of the constitution of Nepal has granted legislative powers to the village assembly on the matters mentioned in the constitution.

Accordingly, Phedikhola Rural Municipality, one of the local governments of Gandaki Province, has made a breakthrough in the policy making sectors. It enacted 79 policies in the form of acts, rules, directives and procedures. Ten such policies were reviewed during the last five years (Phedikhola Rural Municipality, 2079 B. S.). But the stakeholders faced several challenges in making and implementing the policies. The researcher observed the following challenges during the field visits.

**People’s Participation**

A proper functioning of local government provides better chances for all citizens to control and participate in the decision-making process (Dahal, 2017). Democracy has no meaning if a large portion of people is left behind in the process of decision-making affecting their life. They help in promoting democratic ideals and values at the grassroots level. They need to involve people in the developmental effort as much as possible because real democracy lies in popular participation (Khanal, 1998). But it was found that the stakeholder’s participation in policy making was very poor. Several policies required review as they were enacted in a hurry (Baral, 2020). The chief administrative officer also shared the same view. He opined that most policies were formulated in haste. On the one hand, it was very hard for the stakeholders to identify the need whereas they also ignored the process of making such policies on the other. The legislative committee chairperson said that most stakeholders were found budget oriented. Their interest was to allocate a budget for the programs. The policy-level discussion was rarely held though many formal programs were organized for policy making purposes. The situation is often created to pass policies hastily to spend the budget of rural municipalities. On the one hand, the members of the legislative committee do not bear expertise and they do not want to make their weakness public on the other (Baral, 2022). Exploring the cause of poor participation, one of the members of the village executive spoke that most stakeholders lacked legal knowledge and technical aspect of policy making.

**Ownership in Policy Formulations**

The local governments are supposed to deliver people-friendly services. It requires better policies based on local needs. Policies are formulated accordingly where public participation plays a crucial role. But most policies were formulated based on the draft given by the federal government. That ignored local needs, which ultimately reduced ownership of the policies (Baral, 2022). According to the chief administrative officer, stakeholders were more interested in the local origin policies, but participation seems poor in the policies given by the center. It is found that regular interaction among
the stakeholders helps in the localization of policies (Sayapatri, June 2020). Participation and regular interactions help in the localization of policies, which develop the feeling of ownership. But most imported policies like 'Forest Act' failed to catch this spirit and difficulties arose in the implementation of policies.

Institutional Challenge

Legislature is the sovereign institution to make required policies. This provision is made in the constitution where village assembly/municipal assembly works as the local-level legislature. There is also the provision of a 'legislative committee' to assist in the policy formulation process. A seven-member legislative committee had also formed but most of its members were found dissatisfied with their role. Most of the respondents agreed that institutional arrangement was set for formalism. They also opined that it was mainly because of the lack of technical knowledge in the policy making process, which ultimately decreased its autonomy and accountability. Two members of the legislative committee from the privileged class openly accepted their weak role in the policy making process. Despite several policies made, institutional capacity could not be mobilized to attain the desired role.

Systemic Barrier

Local legislatures cannot enjoy the sole right to make the required policies in the matter related to Schedule 9 of the constitution. Many policies related to education, forest, health, agriculture, disaster management, etc. required a clear-cut federal policy. The chairperson was found disappointed in the matter that province and federal governments delayed in the formulation of laws required for the local government. One of the ward chairpersons also told that the local policies are sometimes found inconsistent with the federal policy. The chief of education section said that 'Education Act' was reviewed not because of the local need but because of delay of federal government in enacting the related act. This ultimately brings problems in the implementation of those policies.

Financial Barrier

The rural municipality has also introduced several acts related to finance. But barriers have appeared in the implementation of those policies. It is our common problem where the development budget cannot be allocated in the stipulated time (Chaudhary, 2019). It creates a direct challenge in the operational aspect of policy. It has become very challenging to introduce a policy-based program, said the chief of the planning section. According to the account officer, competition is found among the people's representatives and local elite to pull the budget in their region, which became hard to achieve the economic goal through the adoption of better economic policies. Many programs have failed to achieve the target goal due to a lack of the required budget. COVID-19 also added further hardships in the implementation of policies.

Reactive Behavior

The constitution and law have made institutional arrangements for the policy formulation and implementation. But it was found that stakeholders have very little interest in the process of drafting and passing policies. They showed their ceremonial presence in the meeting. One of the legislative committee members from the Dalit community told that she played no role in making policy. But the policies were enacted. They were kept just for clapping. She also realized her weakness of having less knowledge regarding the legal aspects. But they continue to put a maximum attention to
matters related to delivery, which may not suit policy (Baral, 2022). The concerns seem to be related to roads, schools, allowances, drinking water, electricity and the construction of temple and public buildings. The concern is on the budget allocation rather than paying due attention to the formulation of policies. Sharing his experience, one of the ward secretaries complained that the people's representatives play fewer roles in making and reviewing policies rather give unnecessary pressure on the implementation of policies, especially in matters related to the allocation of budget. Most stakeholders tend to show a reactive behavior.

**Passive Civil Society**

The civil society is a people's organization, moment, or forum, which works on a non-governmental basis. It is a protest against excessive institutionalism, bureaucratic, economic determination and fundamentalism (Pokhrel, 1998). But most of our local governments hesitate to cooperate with the civil society (Subedi, 2021). Sharing his bitter experience in an interview, the legal advisor said that institutional authorities are reluctant to discuss policy issues. They have a dual role in accepting the presence of civil society in the policy formulation and implementation process. It lacks a structural mechanism to coordinate with civil society groups. The chairperson of the legislative committee praised the role of 'Sayapatri Society', a leading non-governmental organization working in the policy sector. But the role of other groups like tole (lane) organizations, women's groups, senior citizens, youth clubs, etc. was found nominal in this field. The consumer groups are budget oriented rather than playing a creative role in the policy sector.

**Bureaucratic Domination**

Bureaucracy is mainly concerned with the 'how' of policy that is the operational aspect of policy. Most legislative members were found dissatisfied with the active role of bureaucratic personnel. Tradition's central bureaucratic chain is still playing a dominating role in providing service to the local people (Rijal, 2018). All the participants, including administrative personnel, agreed that bureaucracy is found more active in the policy making process. Exploring the compulsion upon the role of bureaucracy, the chief administrative officer told that legislative committee members lack the required knowledge on the process and content of the policy. He also added that most policies were ready-made and the process was followed just for formality. In other cases, required bills were prepared by the chief of different sections and forwarded to the process. There was no case of rejection of the bill submitted by the section chief. Only the matter was that stakeholders were a bit serious about the policies concerned with a local issue. The 'one teacher one laptop' program, 'agriculture subsidy' program, 'agriculture ambulance', 'use of barren land', etc. were the policies, which the stakeholders paid a little concern. In rest of the cases, the bureaucratic role was found active in making and implementing the policies. In this context, neither the representatives were able to play their role nor easily accepted the bureaucratic domination. This led to the deterioration of ownership of the policies.

**Shortage of Skilled Human Resources**

The fundamental challenge encountered by the local government in the policy making process is the lack of legal expertise (Baral, 2022). The village assembly members could not exhibit their expertise due to a lack of legal knowledge. Even the 'legislative committee' faced the same problem. Sharing her bitter experience, the legislative committee chairperson told that the committee faced several obstacles in
policy making process due to a lack of legal knowledge. Ignorance in the legal aspect discouraged their active participation in the policy making process. One of the ward secretaries shared her experience of irrational pressure imposed by elected representatives due to a lack of legal knowledge. The same problems were seen in the review process of existing policies. This sort of ignorance ultimately turns into a reactive behavior that widens the distance between stakeholders. Though they were assisted by legal advisors, challenges became more acute because of the lack of legal expertise among the policymakers themselves.

Besides the above-mentioned challenges, policy making in the local government is highly affected by the unusual transfer of civil servants, especially the chief administrative officers. The local government has also a culture of 'all party mechanism'. But the political party, especially the ruling one, found reluctant to bring consensus on the matter concerned with the public issues (Baral, 2022). These trends may create a danger of avoiding ownership of the policy by the upcoming representative body. There may be the problem of implementation. Likewise, few bills were ready-made and failed to identify the local problems. This caused the problem of ownership of the policies at the local level. The guardian institutions (federal and provincial government) also delayed in providing an instruction in the required field. The role of the interest group was equally dominating. Their main focus was to make policies related to the distribution of resources. Policies related to planning and budget allocation were influenced by the local and bureaucratic elite. The mandatory provision of publishing policies at the local gazette was duly followed but it was not accessible to the general public. Despite all the above challenges, Phedikhola Rural Municipality has introduced sufficient policies. It is a breakthrough in the history of the local-level policy making sector.

CONCLUSION AND RECOMMENDATIONS

Nepal formally adopted the federal system after the promulgation of the constitution of Nepal. The constitution and other acts have empowered the local governments where they can make required policies. The 'village assembly' and 'municipal assembly' have the right to make necessary policies regarding the matter enlisted in Schedules 8 and 9 of the constitution.

Phedikhola Rural Municipality has made a significant achievement in the policy making process. The rural municipality enacted seventy-nine policies during its last five years of tenure. Though many more policies were ready-made, they exhibited their originality in the field of policy making. Most policies were distributive and regulatory. 'One teacher, one laptop', 'agricultural ambulance', 'youth enterprise program', 'use of barren land', 'agricultural subsidy', 'union and associations', 'cooperatives' and several other policies have got popularity. But policy making and its implementation could not remain free from problems. The major stakeholders could not play the desired role due to a lack of legal knowledge. The 'legislative committee', which enjoys an exclusive power, was overshadowed by the bureaucratic influence. Participation has turned into formality. The institutional and social elites were found equally active to make policies in their favor. There is a rare practice of maintaining consensus among the stakeholders, especially the party leaders. Many policies were imposed from the center, which failed to identify the local needs. The federal and province governments have delayed in introducing mother policies, which directly influence the policy making process at the local level. It was found that the nature of challenge was almost similar with all developing countries. However, the federal system is a new practice and it is natural to have the challenges. These barriers can be minimized by providing comprehensive trainings to the policy makers, making the provision of legal advisor, and reducing the
bureaucratic dominance. It is also required to focus on local need, public participation and pressure to the federal and provincial governments to enact the mother laws. The upcoming government has the responsibility to make a timely review of the policies and the focus should be given to localizing the policies to create ownership among the stakeholders.

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