Role of NGOs in Rural Development in Nepalese Context

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Abstract

This research aims to revive dormant NGOs for rural and community development, emphasizing their limited and passive engagement in a specific region, which hinders meeting community needs. It highlights the significance of program selection based on local needs, prioritizing it over donor accessibility as well as that of human resource development within and outside NGOs. Furthermore, the research addresses the issue of the exclusion of marginalized groups due to the dominance of local elites, advocating for empowerment and capacity building. Despite limitations, NGOs are acknowledged as catalysts for transformative change, offering practical insights for revitalizing NGOs and promoting inclusive grassroots development.

Keywords: NGOs, rural development, community development, social inclusion, participation

Introduction

NGOs are voluntary associations established by committed individuals outside of government control but in compliance with applicable laws. They engage in grassroots development projects, including research, education, training, technology advancement, information sharing, and social interaction. Poverty reduction is their overarching goal, with a focus on the underprivileged. The term “international non-governmental organization” (INGO) emerged in the UN Charter in 1947. The NGO sector is diverse and heterogeneous, with varying objectives, organizational structures, and driving forces. Defining NGOs legally is challenging, as they can be classified as foundations, non-profits, or charities based on different laws (COM, 2016).

The number of NGOs in Nepal has grown significantly, with over 50,000 NGOs and 400,000 members currently operating in the country. These NGOs contribute more

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than 20% of Nepal's overall budget and play a crucial role in identifying and assisting communities that are lagging behind in development. NGOs operate at the local, regional, and global levels, and their presence at the grassroots level allows them to fill gaps and empower communities by providing technical knowledge, skills, and information. NGOs have been instrumental in reaching out to marginalized and excluded populations who are often neglected by traditional development initiatives. The scope and activities of NGOs vary, depending on their technical capacity, financial resources, and focus areas. However, due to limited resources, careful consideration must be given to their effective utilization. Monitoring and evaluation are essential to determine the impact and effectiveness of NGO interventions. Process evaluations, conducted within a broader monitoring and evaluation framework, assess the input, process, and output levels of planned activities. These evaluations employ participatory methods to understand how and why the work is being done, facilitate learning, and improve future practices. The study aims to examine the overall effectiveness of NGOs in project management, service quality, governance, transparency, institutional capacity building, and sustainability of HIV/AIDS-related programs. NGOs in Nepal are diverse, with varying objectives, organizational structures, and driving forces, making it challenging to establish a consensus definition of the term “non-governmental organization.” Legislative definitions are insufficient to cover the wide range of laws governing NGO activities, as NGOs can be legally classified as foundations, non-profits, or charities. NGOs in Nepal have expanded their operations beyond relief and rehabilitation to become agents of social change. They provide a wide range of services, including information dissemination, microcredit, education, training, healthcare, women’s development, agriculture, and human rights support, with the aim of empowering the poor socially and economically. Process evaluation examines intra- and inter-program controls to assess the current
status of projects and identify anticipated changes, evaluate partnerships and processes, and ensure effective project implementation (Taru, 2014).

Process assessment is employed to monitor and document project progress, evaluating an organization's activities and providing recommendations for enhancing strategy and program implementation. It involves analyzing program execution, advancement, stakeholder interactions, and aligning with operational and strategic realities (Tanaka, 2011) and recognizing technical management requirements as well as the organization’s strengths and shortcomings. The primary motivation behind NGOs is survival; having access to financial resources is crucial for this, as is the significance of NGO expansion. The overarching goal of this study is to understand the internal dynamics of project execution as well as the project strengths and shortcomings that workers value the most.

The fundamental issue with NGOs in Nepal is that most of their success has been attributed to the assistance of INGOs or donor communities. Performance indicators such as the ultra-poor’s exclusion, the development of group leaders’ only skills, the lack of a clear exit strategy, the use of churches as resources for scaling, the weakness of public-private partnerships, and the difficulties NGOs encounter (UNDP 2004) show that this is a contributing factor to Nepal’s main issue.

Challenges in the NGO sector include the lack of capacity building and repair mechanisms, limited accountability and transparency, governance structure issues, and long-term sustainability concerns. Coordination and complementarity between elected municipal bodies and local NGOs are crucial for resource mobilization, sustainability, and legitimacy. The effective functioning of NGOs has a significant impact on the overall environment. While the NGO Association in Nepal has networks with major NGOs, it is difficult to address all management issues in such forums.
Internal rivalries and conflicts further complicate the decision-making process (Shrestha, 2007).

Nepal has a National Social Council dedicated to monitoring and organizing NGOs, but its effectiveness has been limited. The exact amount of funding received by NGOs and how it is utilized remains unknown, hindering proper assessment of resource allocation. To address this, the Council should establish efficient methods to oversee NGO activities and ensure transparency and accountability. Vertical and horizontal monitoring mechanisms are necessary for optimal resource utilization and improved outcomes. NGOs should focus on enhancing institutional capacity through proper governance, management, and auditing processes. Despite some positive contributions in raising awareness among marginalized communities, NGOs face challenges such as overreliance on external funding, centralized activities in urban areas, scalability issues, lack of transparency, and sustainability concerns. These issues must be addressed to enable NGOs to become effective agents of social change and to regenerate response (Shahnal, 2006).

NGOs in the study area were primarily established by wealthy villagers for political reasons, leading to their perception as vote banks and affiliated groups of specific political parties. These NGOs struggle to independently raise resources and collaborate with other development organizations due to their diverse aspirations and limited capacity. Many NGO activities lack a larger plan or long-term goal, and insufficient support from governments and donors threatens their participatory spirit.

**Method and Materials**

This study employs a quantitative research design, using numerical data to address research questions. It also utilizes a developmental progressive framework to understand the subject’s evolution over time. Data is collected through the library method, accessing diverse academic and non-academic sources. The descriptive
analysis summarizes the data, revealing patterns and insights. Additionally, analytical methods, like inferential statistics, are used to draw meaningful conclusions and contribute to existing knowledge. Overall, this approach ensures a rigorous investigation with evidence-based interpretations.

**Results and Discussion**

NGOs play a crucial role in promoting social mobilization and driving change in Nepalese society, despite their limitations. They provide protection and representation for various groups and professional interests. With their procedural flexibility and integrated approach, NGOs enhance the efficiency of social mobilization, service delivery, and cost-effective programs. They empower the underprivileged, foster self-help organizations, and improve living standards through local governance and capacity-building efforts (Neupane, 2015). Despite some successes, the overall impact of NGOs on social change in Nepalese society has been limited, with little advancement in recent years and a focus on raising awareness and fostering social contradictions. The following general assessment of NGOs operating in VDCs can be made.

There are more than 12 recognized NGOs, and the study area is heavily influenced by other VOs, POs, and COs. This institutional capacity is adequate to support social inclusion and encourage involvement in her VDC.

NGOs can provide basic services and dynamism to poor and marginalized communities in study areas that are difficult to reach for governments and other development agencies. NGOs can respond quickly and directly to promote social inclusion and people’s empowerment because they are small and informal. Local NGOs in this VDC will assist in mobilizing broad and active involvement and support for inclusive development initiatives. Some NGOs have substantial expertise in promoting social inclusion policies, programs, and projects.
NGO-formulated initiatives are more cost-effective than formal programs like VDC and DDC since they are generally connected with low overhead costs for personnel, volunteers, and adequate technology.

NGOs working for positive change are increasingly being used in Nepal as a means of integrating underprivileged groups into society. The aspirations of the people for development could not be managed or addressed by the government acting alone in its conventional capacity. In order to involve and engage the backward and disadvantaged impoverished rural people in the development mainstream, NGOs are thus recognized as development drivers and partners in important government projects. National and local NGOs can thus contribute to the social inclusion and engagement of the populace thanks to such NGO-friendly national policies enacted by the government itself.

**Role of NGOs in community development**

Collaboration between governments, NGOs, and the corporate sector has been proven to yield more extensive and lasting effects compared to independent efforts. NGOs have successfully tackled poverty in emerging nations, primarily through grassroots projects that involve direct action, research, training, and other components. Targeting the poor, NGOs employ a group-based approach to achieve their objectives. They are expanding their operations beyond relief and rehabilitation, providing services such as education, health, nutrition, and economic empowerment to marginalized communities (Sharma, 1996).

**Nepal’s development of non-governmental organizations**

Nepal has over 50,000 NGOs with over 400,000 members, contributing more than 20% of the country's budget. The history of NGOs in Nepal can be traced back to the establishment of religious or charity organizations. However, in the past, NGOs faced
limitations in altering Nepal's economic situation due to a lack of government financing (SWC, 2012). Following the restoration of democracy in Nepal in 1990, the modern NGO movement gained momentum. The government implemented policies that supported NGOs and the new constitution expanded people's rights, altering the development landscape. The number of NGOs grew nationwide, and their focus shifted from aid provision to socio-economic development, targeting the underprivileged and the poor. NGOs have effectively empowered communities to improve their lives, fostering self-sufficiency and sustainability. This transformative pattern has enabled NGOs to adapt and bring about positive change (Maskey, 2013).

**Social inclusion**

The meanings of social inclusion and exclusion are diverse and sometimes interconnected. These terms have evolved over time and are influenced by different theoretical frameworks. Initially proposed in France, the concepts gained popularity in social policy debates, particularly in response to the crisis of the European welfare state, and spread to various fields, including development. While widely used by institutions like the World Bank, the terms remain contentious and subject to debate. However, studies indicate that social exclusion and inclusion have been present since the early days of civilization. Social inclusion is based on the idea that a thriving economy should benefit everyone, while social exclusion highlights the need to prevent individuals from being left too far behind. Achieving social inclusion means providing equal opportunities and resources for full participation in social, economic, and cultural activities that are considered societal norms. By embracing new strategies rooted in social inclusion, collective efforts can be directed towards achieving common goals (Lane, 1992). Inclusion requires the establishment of inclusive goals and regulations that encompass everyone. It fosters a society where all individuals can live happily, with dignity and purpose. Unlike poverty, social inclusion should be
embraced and promoted. It has the potential to enhance our understanding of politics and social issues and can serve as a unifying force. When a significant portion of the population lags behind, it undermines the overall fabric of society. Social inclusion strategies encompass various aspects, addressing issues such as meeting basic needs, reducing income disparities, creating more middle-class jobs, and enabling work-life balance. Integrated interagency actions and breaking down program silos are essential components of social inclusion frameworks (Mkhwanazi, 2013).

**People’s participation**

Issues related to exclusion and the plan for inclusion include cultural caste prejudice, skepticism from the state, social and economic ignorance, lack of accessible education, unemployment, discriminatory seating arrangements, landlessness, low representation in politics, religious intolerance, socioeconomic disparities, poor representation in college elections, discrimination against marginalized groups like Dalits and Janajatis, and the need for targeted education and positive action to address these challenges. Historically, the concept of majority participation in public affairs was first introduced by Greek philosophers like Plato, emphasizing the importance of civic engagement, voting, and defending the state (Joshi, 2013). Due to the far poorer performance of the anticipated results of the billions of dollars spent on development projects through a ‘top-to-bottom’ development method, the World Bank has also introduced a participatory development approach. The idea of widespread participation has evolved into a catchphrase with political appeal. It is acknowledged as a new source of investment and as a tool that is more efficient. The private sector can participate directly in development initiatives thanks to participation, which has emerged as a great funding mechanism (Pandey, 1994). Participation of the community is now frequently acknowledged as a requirement for the implementation of renewable or corrective initiatives. The long-term effectiveness of local resource
management systems is commonly acknowledged as being dependent on community involvement (Pariyar, 2012). Community development, social mobilization, involvement of the community, public involvement, etc. Participation is defined differently by various writers. According to Bastola (2015), community participation is a way to include individuals who are not part of the government in the planning process. It also serves as a way to lessen power disparities, which promotes social justice and equity. I believe White (2012) is referring to those actively participating in decision-making or the execution of development programs. According to the World Bank (1995; 6), "participation" is "active rather than passive involvement and must be transformative." According to Cohen and Norman, the term "community participation" is frequently used to refer to local residents making voluntarily given labor or monetary contributions. The first step is to make room for people power and to reestablish understanding of how democratic rights, resources, authority, and powers operate and may be accessed. The second requirement is that the people be involved in all stages of development projects that touch them, including decision-making, planning, direction, execution, control, monitoring, and evaluation (Dahal, 2015). The UN Development Report states that the following issues should be prioritized in any effort to encourage public participation:

- increasing public expenditure on human development priorities,
- dismantling market barriers,
- improving democratic governance,
- strengthening the elements of a civil society.

NGOs, community organizations, and a free press, for example (UNDP, 2013). The LSGA promotes institutionalizing the process of development by increasing the participation of all people in bringing out equity in development, strengthening local self-governance by maximizing people's participation in the governance process
through decentralization, institutionalizing local self-governance by developing local bodies to exercise power and authority in formulating and implementing plans, and developing local leadership capable of making decisions affecting the community. Since people are stakeholders in government and development, the law views their engagement as both a means and an end to their well-being. Any development program that aims to create sustainable development must include community participation (Dahal, 2015).

**Global perspectives on NGOs**

The term “NGO” has several antecedents and legal standing. International Non-Governmental Organization (INGO) was first used in the 1947 United Nations Charter, which is one of its provisions. It signifies "no" or "no government" when it says "An organization not established by intergovernmental agreement is considered an international non-governmental organization." The term was supported for use to express "freedom from external (governmental) domination" by later European philosophers and social critics including Godwin, Tolstoy, Proudhon, and Kropotkin. "Replacing dictatorships with some form of non-state cooperation between free individuals" is the definition of anarchism in social affairs. The NGO sector has been regarded as a third sector in development philosophy. The government sector is the first, and the business sector is the second. The World Bank has played a significant role in campaigns to promote the NGO movement globally during its whole history in the last ten years. The idea for the expansion of NGOs everywhere came from the global search for practical ways to help grassroots development. NGOs are increasingly seen as tools for encouraging the ideals of self-help and self-reliance among the populace as well as for assisting in the development of a systematic procedure for raising awareness through education and training in areas of social and economic importance.
It is challenging to accept a single description of these organizations and to determine the basis on which to categorize them due to the NGO sector's extremely dynamic and diverse nature, as well as its operation with so many variations in size, objectives, activities, and styles of functioning. (2014) Maskey 20 According to the Commonwealth Foundation and the Johns Hopkins Non-Profit Sector Project, development and welfare NGOs have the following characteristics:

- They have private and independent governance;
- They are not for profit (i.e., do not distribute profits to employees or shareholders);
- They have a clearly stated and definable public purpose;
- They respond to, and are accountable to, the public; and
- They are formally constituted in law. They are motivated by values that reflect a desire to improve people's lives. in general

The role and responsibilities of NGOs are to start initiatives primarily at the micro level with the help of the local community, with a strong emphasis on the socially excluded, destitute, disabled, and downtrodden communities and individuals in rural areas (Maskey, 2014).

**South Asian perspectives on NGO**

Many independent NGOs in Asia see NGOs and INGO types of NGOs as "people's participation in government and the conditions of acceptable development as defined by donors," rather than as tools for people-centered development (Maskey, 2014) South Asia also has a very vibrant civil society, which is evidenced not only by the quantity and caliber of its NGOs—some of which are well-known worldwide—but also by the growing engagement of civil society. Since most donors in Asia lack the authority to influence South Asia's governance, aid's influence is likely to be small. Donors are frequently inclined to manufacture civil society with the use of aid,
employing NGOs as a stand-in (Pyakurel, 1980). By using NGOs to establish a civil society, donor strategies open up new points of dependency. This may be seen in the vast number of NGOs in South Asia that today rely on foreign donations to survive and provide for their hundreds of thousands of employees.

**Nepalese perspectives on NGOs**

For centuries, Nepal has had a tradition of community networks and partnerships. The modern equivalent of trusts, cooperatives, and labor distribution between households, Guthi, Dikur, and Parma have long existed and thrived. Program initiatives such as NGOs followed the initiation of smallholder development programs in 1975, followed by government-funded community or group-based programs in the 1980s. But despite a long tradition of community networks and partnerships, the NGO movement gained momentum after his 1990 restoration of democracy. The awakening of disadvantaged groups, including Dalits, people from the most backward tribes, and women, in a democratic environment also paved the way for strengthening his NGO movement in Nepal (Khanal, 2015).

Many of the demands of people cannot be met by governments alone. There are numerous limitations. The most notable of these is bureaucracy, which can only be reached at a basic level. Therefore, it is now generally acknowledged that in order to effectively engage the grassroots level, governments need to be enhanced or augmented by mass groups. Non-governmental organizations (NGOs) started to spread widely over the world as a result. Both vertically and horizontally, they are produced. The size and quantity of NGOs in Nepal have increased recently, prompting the creation of a new institutional framework by the government to manage the whole NGO sector. As a result, the Social Welfare Act 2049, a separate piece of legislation, created the Social Welfare Council (abbreviated SWC) to oversee the NGO sector. According to this law, the Social Welfare Council was created and is in charge of
fostering, facilitating, overseeing, and assessing NGOs' activities in Nepal (SWC Information Bulletin, Social Welfare Council, 2015). NGOs and civil society movements are growing, but their participation in philanthropic and public affairs has been constrained by criticism of their urban, political, projective, and profit-based nature. Representatives of these organizations assert that they want to support political parties in their efforts to become inclusive and decisive (Dahal, 2015). However, a large number of civil society organizations registered with the Social Welfare Council (SWC) are required to focus on social development, economic initiatives, environmental preservation, and disaster relief rather than civic education and dispute resolution. Civil society influences state conduct and political processes, serves as a barrier between civil society and the state, and is explicitly political because it mediates particular interests, in contrast to NGOs, which identify as apolitical. defined by the state to aim to explain societal power structures and hold political leaders legally liable (UNDP, 2012)

**People’s participation in NGO work**

Everyone saw people’s engagement in NGO activities as being of utmost importance. Nevertheless, despite the principle's applicability in the overall context of the nation, there were discrepancies in perception that were identified. According to the findings, it would be great or a good idea for people to be involved in Nepal's development efforts, particularly those started by NGOs. In real life, there are obviously restrictions. The following critical stages are noted as requiring human involvement:

The stages of a program are its formulation, implementation, and maintenance after the project term. Analyzing needs and evaluating programs were of less importance. The following are key recommendations to encourage individuals to participate in NGO activities:
• Leaving all decisions up to the beneficiary’s own organization;
• Consulting with locals when necessary;
• Organizing large-scale events to inform beneficiaries and solicit feedback. A council of locally elected officials received virtually little attention. This reflects the stance of NGOs, according to which there shouldn't be any political meddling in social or development activities.

**Institutional environment for NGOs in Nepal**

The Social Registration Act of 1960 gave the private sector's participation in state-sponsored development legal standing. The Act was revised and given the new name Association Registration Act in 1977. Associations, public libraries, literary societies, self-help groups, NGOs, and cultural institutions are all covered by the statute. Chief District Officers had the authority to enroll, manage, direct, and oversee them. The 1990 Constitution of the Kingdom of Nepal emphasized human rights and popular sovereignty in response to the call for civil society autonomy. The Social Welfare Act was passed after it was established. It was given the authority to promote, facilitate, mobilize, and coordinate the operations of social organizations, including civil society, when it was enacted in 1992.

Civil society organizations in Nepal are recognized as NGOs and many are not formalized due to the lack of clear civil society regulations and government uncertainty regarding their nature and purpose. However, unlike NGOs and INGOs, many members of civil society work under broad mandates and are not required to register with the Social Welfare Council in order to engage in authorized activities in Nepal. It functions as an ad hoc institution. For instance, teacher and student organizations are registered with universities, commercial research and consulting firms are registered with the Ministry of Industry, and some civil society organizations are registered with the Social Council. Trade unions are also registered with the
Ministry of Labor. (Dahal, 2015). About 19,944 of the 22,685 NGOs that have been registered in the nation are functioning at the moment. However, an increasing number of NGOs and civil society groups are active in the nation, enhancing the social fabric of the populace. NGOs' Contribution to Social Inclusion and Public Participation The following subheadings can be used to explain how NGOs contribute to social inclusion and public involvement. NGOs should allow for open membership, and under the Association Registration Act of 2034, Nepali citizens may join any NGO. But in certain NGOs, everyone is a member of just one race, religion, gender, caste, or ethnicity. This is due to the lack of other applicants for membership in these NGOs. Executive Committee (EC) meetings is the executive body of NGOs to implement programs and projects administered by the General Assembly. The president and secretaries call general meetings or board meetings in accordance with the regulations. At least 50% of the committee members must be present at his EC meeting for the decision to be valid. Nearly all NGOs require the attendance of at least 50 percent of their members to form a quorum at both meetings. Both meetings require at least 50 percent of his members to be present in order to make decisions. In each decision, members have the right to maintain their opinion on each topic. Each NGO has a General Assembly to approve its yearly operating plan, draft legislation, and any revisions thereto. Each participant assesses the institution's development after the General Assembly. Every year, the General Assembly receives a status report from each Executive Committee. Members may inquire about the report in any of its iterations as necessary. Future leaders are chosen by the GA, and operational strategies are adopted for new terms. 42 Typically, EC meetings take place once a month on a specific date. If the participants think it's essential, more frequent meetings will be scheduled. The secretary or chairman typically notifies the other NGO members when a meeting is called. The EC and GA are NGOs according to the legislation. He typically attends one or more NGO meetings each year. A decision must be made when
at least a majority of members—50% or more—are present. Members can voice their thoughts during EC meetings, and decisions are taken by a majority vote of the members. During the General Assembly, each member is free to voice their thoughts on any subject.

**Conclusion**

Most people work in rural and community development. On the one hand, the development of village residents is a worry when there are enough NGOs present in the villages. However, the researcher rapidly regrets that there is barely a dozen or two NGOs that are passively inactive and have activities that are sufficiently fulfilling. Social participation and inclusion of individuals are not problematic. Even their DAO office designation was not renewed by them each year. Reviving such dormant NGOs and building their capacity to support social inclusion and participation promotion is a significant task for NGOs. The following can be done to complete this research:

In actuality, donor accessibility and convenience are considerably less important in determining the strengths and weaknesses of NGO grassroots activities than the proper program selection based on local people's needs and efforts. Since human resources are the core of any organization, the NGOs in the study region must invest in their development both inside and outside of the NGOs in order to more easily achieve their aim of social inclusion. The domination of the local ruling elites, their nepotism and favoritism, and the monopoly of upper caste Brahmin/Chhetri members are the causes of the exclusion of Dalit and ethnic communities. In all areas of decision-making, planning, execution, monitoring and evaluation, and benefit sharing of initiatives run by local NGOs, empowerment and capacity building of such excluded groups are required. The NGOs operating in the study region have a lot of work to do to mainstream the Dalit population and emphasize social inclusion. Finally, despite some promising results from some NGOs, such as their modest contribution to raising
awareness among the poor, most of them have failed to successfully bring about social inclusion and change in society. Despite these drawbacks, NGOs are already gaining significant numerical strength and becoming one of the key catalysts for change in the study region when it comes to the transformation of society through social inclusion.

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