

Newsletter

Nov & Dec 2025

Welcome to Our First Edition

The Local Infrastructure Support Programme (LISP) proudly brings updates, stories, and insights. Through its newsletters, the programme aims to keep its stakeholders and readers informed and connected.

LISP's mission remains steadfast, to empower local and provincial governments to effectively respond to citizens' demands for local infrastructure, increase their legitimacy and accountability. The programme emphasises empowering women and marginalised communities, creating green recovery jobs, stimulating the local economy, and embedding climate resilience into all local infrastructure projects.

LISP is funded by the UK Government and implemented by the Government of Nepal with technical assistance from DT Global UK International Pvt Ltd, in partnership with CARE Nepal.

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Women participation in a settlement level consultation

Capacity Development Validation workshop in 35 LGs

In November 2025, LISP organised 35 Capacity Development Validation Workshops across Karnali and Lumbini Provinces to review assessment findings, identify gaps, and agree on actionable steps to strengthen governance and improve service delivery. The programme held 20 workshops in Karnali and 15 in Lumbini, bringing together more than 500 participants, including mayors, deputy mayors, chief administrative officers, executive committee members, and heads of thematic sections from each local government. Women's representation ranged from 14 to 41 percent, signaling a growing commitment to inclusivity in local governance.

The key findings from capacity assessment revealed that while local governments generally hold regular assemblies and executive meetings with inclusive decision-making processes, documentation and recording of dissent remain inconsistent. Capacity development plans exist but are often outdated or poorly implemented, and training for elected representatives and staff is irregular. Skilled human resources are insufficient, particularly in technical, environmental, and administrative sectors. Public accountability tools such as hearings and audits are in use but need strengthening. Infrastructure planning follows guidelines, yet challenges persist due to budget constraints, geographic remoteness, and limited technical capacity. Environmental and social inclusion policies are in place but require better enforcement and awareness.

During the sessions, capacity development experts presented the findings, facilitated discussions, and worked to build consensus on priority actions. Each local government endorsed between 10 and 15 action points aimed at improving internal control systems, grievance handling, financial accountability, and mainstreaming gender equality and social inclusion principles.



CD Validation workshop in Bheriganga

These sessions significantly emphasised updating Medium-Term Expenditure Frameworks, operationalising project banks, and enhancing the functionality of judicial committees. Several municipalities committed to upgrading Information and Communication Technology infrastructure, adopting e-governance tools to promote transparency and efficiency, and integrating disaster preparedness and climate resilience into local development strategies to ensure governance reforms are sustainable and responsive to emerging challenges.

Local governments stressed the need for technical and financial support, regular monitoring, and expert involvement in data management. Follow-up meetings will finalise timelines, responsibilities, and resource allocation for agreed actions. With local governments taking the lead and LISP providing support, these initiatives represent a major step toward strengthening governance, promoting transparency and inclusion, and improving service delivery across Karnali and Lumbini Provinces.

Technical Workshop on Public Procurement and Public Finance Management

LISP successfully convened two high-level technical workshops on Public Procurement and Public Finance Management (PPFM) for 50 working Local Governments (LGs) in Karnali (25) and Lumbini Provinces (25) in November 2025, to address implementation challenges, strengthen governance systems, and ensure timely and transparent delivery of climate-resilient, inclusive infrastructure projects.

Held in Surkhet (17th–18th November) and Nepalgunj (20th–21st November), the sessions convened 269 participants, including representatives from Ministry of Federal Affairs and General Administration (MoFAGA), provincial governments, Office of Chief Minister and Council of Ministers (OCMCM), British Embassy Kathmandu (BEK), Independent Verification and Quality Assurance (IVQA), and LG leadership. Discussions focused on reviewing progress and lessons from the previous fiscal year, clarifying procurement and financial management policies, and developing strategies for timely and efficient utilisation of Financial Aid budget for the year. Key sessions covered procurement frameworks, contract management, SUTRA-based financial discipline, and integration of Gender Equality, Disability and Social Inclusion (GEDSI) and Climate Resilience (CR) in design and budgeting. Peer-to-peer learning panels provided candid insights into systemic improvements, operational dilemmas, and sustainability concerns, while IVQA findings highlighted gaps in technical design, safeguarding, and site safety.

The workshops produced actionable recommendations: enforcing annual procurement plans, institutionalise documentation systems, strengthening UC capacity, and allocating O&M budgets. MoFAGA committed to clarifying policy ambiguities and advocating programme continuity, while BEK reaffirmed technical support despite global financial aid reductions.

Participants committed to implement improved practices to achieve 100% budget utilisation and maintain quality standards. The LISP technical assistance will provide standardised templates, checklists, and clear guidance for procurement processes; provide targeted support for complex procurements cases; facilitate cross-Palikas learning sessions focused on users-committee management; document and disseminate best practices, lessons learned across Palikas to promote continuous improvement.

These workshops highlighted LISP's role as a system-strengthening programme that enhances governance, transparency, and local capacity. The agreed action points including development and circulation of checklists for common procurement processes, and FAQs on procurement will guide accelerated implementation, ensuring that LISP-supported infrastructure remains inclusive, climate-resilient, and accountable.



PPFM workshop in Surkhet

LISP's Users Committee approach impresses Kaligandaki Rural Municipalities leaders

“Work quality from Users Committee is as good as the contractors - there is NO COMPROMISE IN QUALITY”, stated Mr. Bed Bahadur Thapa, Chairperson, Kaligandaki Rural Municipality.

In Kaligandaki Rural Municipality (RM), projects implemented by Users Committee (UC) under LISP's technical assistance (TA) demonstrated that community-led initiatives can achieve quality standards equal to those delivered by contractors. The RM's chairperson Mr. Bed Bahadur Thapa (B) and Deputy Chairperson Ms. Manju Kumari Darlami (M) emphasised that LISP enabled UCs to deliver durable, high-quality outcomes that meet municipal standards.

The following results highlight LISP's role in empowering UCs: flood-control structures protect the surrounding land, livelihood programmes enabled 282 individuals to earn over NPR 1 lakh, and irrigation projects now benefit 36 hectares of farmland. The UCs proved that they could perform on par with the contractors, creating a scalable model for inclusive and sustainable development.

To understand this transformation from the local leadership perspective, LISP spoke with Kaligandaki RM's leaders about how LISP's support shaped development outcomes and strengthened community confidence in quality-driven projects.

Q. How has LISP's support strengthened the capacity of UCs in the Kaligandaki RM?

B: Primarily, LISP helped us establish standards, guidelines, and regulations. When we first assumed our roles as RM representatives, we had minimal technical knowledge of these standards. Since LISP's entry, we have gained a clear understanding and encouraged the formation of UCs. Additionally, the programme revised the UC modality to economically empowers workers, which motivated Kaligandaki RM to adopt the modality.

M: We provided capacity-building training to UCs, which significantly enhanced their capabilities. Following the UC modality also created an environment where men and women contributed equally to the work.



**Mr. Bed Bahadur Thapa,
Chairperson, Kaligandaki
RM**



**Ms. Manju Kumari
Darlami, Deputy
Chairperson, Kaligandaki
RM**

Q: Can you share examples where LISP's involvement directly contributed to successful outcome?

B: Certainly. LISP helped us ensure project quality. For example, the RM implemented an irrigation scheme supported by LISP. This scheme provided irrigation to 50–60 acres of previously barren land, increasing production and cultivation, and ensuring sufficient water supply to fields.

M: Yes. Previously, inadequate water supply led to protests from residents. Now, water availability matches the source capacity, and residents using the canal are highly satisfied.

Q: How did LISP's approach to monitoring and guidance influence the quality of UC-led projects?

B: As I mentioned, initially, we lacked technical expertise, but LISP's programme guidelines helped us understand what benefits us and how to leverage them. For example, the pre-construction capacity-building training is something we plan to continue, even without further financial or technical assistance from LISP. This training enabled UCs to develop high-quality, sustainable infrastructure.

M: I agree with Mr. Thapa. In addition to training the UCs, we regularly visit project sites to assess construction progress and quality. Monitoring and evaluation are embedded from the start of each project.

Q: How has LISP's support impacted the community/ rural municipalities confidence in UC-led development?

B: This modality directly creates employment, and the completed projects increase cultivation and production, reducing the need to import crops. The projects developed by the UCs are also sustainable and of good quality; they will remain untainted for generations.

M: Communities gained employment through these schemes and directly benefit from them. Many UC workers use the canal for their fields, earning wages and benefiting from irrigation. Previously, residents fought over water; now, they live in harmony. Payments are made directly to workers' bank accounts, which has increased satisfaction.

Q: Did LISP play a role in ensuring that livelihood activities under UCs generated significant income for individuals?

B: Previously, payments were routed through UCs, who then paid workers. After LISP's intervention, workers receive compensation directly in their bank accounts, ensuring transparency and fairness.

Q: Looking ahead, how do you see LISP's model contributing to sustainable rural development in Kaligandaki RM?

B: We would ideally want the program to continue in the RM to ensure sustainability and continued community benefits. We hope DT Global continues supporting us through LISP. Increased production has allowed farmers to sell crops branded as Kaligandaki products. Even if LISP does not continue, we will maintain its modality.

M: Absolutely. UCs work enthusiastically, and we will continue applying LISP's approach in future projects.