

# Management of the Local Roads Network in Federal Nepal

RAP 3



## The priority of roads in Nepal

People living in remote areas of Nepal demand and aspire to be physically connected year-round to markets and service centres. A wealth of evidence from Nepal indicates that those communities living close to a road are generally economically better off than others. In other words, remoteness, access and connectivity are correlated with social and economic well-being. There is cross-party political consensus on the importance of connectivity for social and economic development as well as demand for improved connectivity from communities across the country. This was demonstrated in the recently concluded elections of the local (palika), provincial and federal government in 2017 and 2018 whereby improving physical connectivity (upgrading existing roads network and new construction) were key policy priorities in all of the major political party manifestos (Table 1).

This policy brief summarises this recent once-in-a-lifetime historical political change in Nepal with respect to its effects on the Local Roads Network (LRN) sector. It highlights the recent political changes and potential impact on how rural roads are managed from an institutional and policy perspective.



A bolero jeep on a road maintained by RAP in Achham.

## The political changes affecting the local roads network (LRN) sector in Nepal

At the end of 2017, Nepal became a federal republic with autonomous provincial and local governments, replacing the district level government administrative structures that existed previously. The local governments (palikas or municipalities) existed in Nepal

prior to the recent election, but functioned with a far lower level of autonomy. The devolution of power is historic and places far greater decision-making power in the hands of locally elected government bodies. A second tier of government above the level of the local governments, termed the provinces, has come into existence, thereby cementing the federal governance structure. A total of 753 local governments (palikas) exist within seven provinces.

This change in the political system and subsequent major revision of roles, responsibilities and accountabilities between the three tiers of government provide new opportunities as well as challenges for the delivery of basic services. A major challenge will be how the centralised civil service will be devolved through the different tiers of government. In particular the Local Roads Network (LRN), which was previously managed by individual district development committees, is now under the management of newly formed local governments. This presents opportunities for local governments to prioritise roads sector spending according to their needs. However delivering these services presents a major administrative challenge.

**Table 1: Political party manifesto highlighting road connectivity**

The Left Alliance (the ruling party in the centre and in six provinces)	Nepali Congress (the main opposition party in central parliament)	Nepal Democratic Forum (the ruling party in Province No.2)
<ul style="list-style-type: none"> <li>• Upgrade existing 81,000 KM of rural roads to 'agricultural roads'.</li> </ul>	<ul style="list-style-type: none"> <li>• Blacktop roads connecting palika headquarters to strategic networks.</li> </ul>	<ul style="list-style-type: none"> <li>• Upgrade existing roads network within palika to gravel and blacktopping in next 10 years.</li> </ul>
<ul style="list-style-type: none"> <li>• Double the length of road network within 10 years.</li> </ul>	<ul style="list-style-type: none"> <li>• Safe transportation to link wards with palika headquarters.</li> </ul>	
<ul style="list-style-type: none"> <li>• Ambitious plan to widen and upgrade existing Strategic Road Networks and new SRN construction.</li> </ul>	<ul style="list-style-type: none"> <li>• Classification of rural roads into tourist, historic and green categories.</li> </ul>	
	<ul style="list-style-type: none"> <li>• Ambitious plan to widen and upgrade existing Strategic Road Networks and new SRN construction.</li> </ul>	

## Existing policies and institutions in the rural roads sector - are these still relevant?

The transition to a federal republic presents an opportunity to reflect on existing policies in the LRN sector that could be relevant and applied by the new local governments. This is an important consideration in the context of the likely restructuring of the existing institutions responsible for administration, policy and funding of the LRN sector.

An example of existing policies in the sector is the inventory and documentation of all existing rural roads networks. These have been collected and developed into district-wide 'District Transport Master Plans' (DTMPs). The concept of the District Core Road Network (DRCN) for prioritising roads and the process of annual resource allocation and planning emerged from this district-centered approach to road planning. Annual Road Assessment Management Plans (ARMP) were developed as a tool for this planning. The two central institutions instrumental to policy, funding and implementation in the rural roads sector are the Roads Board Nepal (RBN) and DoLIDAR (see Box 1). Through its district offices, DoLIDAR in particular has provided guidelines and funding to implement policies and procedures for LRN management, including a shift towards a maintenance-first approach to road assets. The RBN on the other hand has been focused more on funding strategic road networks (SRN) and less on rural roads, but still maintains some oversight for funding of rural roads.

As part of the transition to a federal structure, the roles of central level ministries and their specialised agencies, such as DoLIDAR, are likely to undergo a fundamental review with major executive functions handed over to the provinces. The major question for the LRN sector is whether aspects of these existing policy and institutions are relevant in the changed federal context; and what will be the impact of this on the rural road sector going forward?

### Box 1: History of political change in the LRN sector in Nepal

History has shown that changes in the political system in Nepal have had a major impact on the rural roads network. For instance, the shift to a multi-party system from the single party system in 1990s, combined with limited fiscal transfer to the local governments, led to a significant expansion in the length of the rural roads networks. However the majority of the network was not properly engineered in the first place and has subsequently fallen into disrepair because maintenance has not been prioritised. New institutions such as the Roads Board Nepal (RBN) and Department of Local Infrastructure Development and Agricultural Roads (DoLIDAR) were created in the 1990s to address these issues.

## What issues should local governments and provinces consider?

Local governments (palikas) will take over responsibility for prioritising planning and funding of road activities, including new construction and maintenance. In doing this, local governments face massive capacity constraints – relating both to qualified technical human resources and to financial resources. Many are starting from scratch and are likely to prioritise new construction and upgrading of their networks over maintenance of existing roads.

In working through how best to manage road activities, the existing LRN management practices and guidelines we have highlighted will be a useful starting point for local governments. However they are likely to face challenges in adopting these practices.

Firstly the elected local governments lack knowledge and understanding of which roads were previously prioritised and why, as this prioritisation occurred under the previous governance structure where local governments were unrepresented.

Secondly, the shift from a district focus (i.e. the DRCN) to a more municipal and province-focused approach is likely to lead to a shift in connectivity priorities. The majority of public service provision, including roads, are now in the hands of the local governments. They are likely to have little incentive to invest in the existing DRCN network to link with previous district development committee headquarters.

### Opportunities and the way forward

The transition to a federal structure shifts responsibility for delivering road related services, including maintenance, to local governments for the first time in the history of Nepal.

To support this transition, an immediate priority for the central government and development partners should be to support local and provincial governments to update existing DTMPs and assess the extent to which the identified DRCN aligns with local and provincial needs. Local governments are also likely to require technical support to enable them to adopt annual maintenance planning procedures based on existing guidelines and good practices.

It will also be necessary for local and provincial governments to develop knowhow on how to generate resources to fund public service delivery – including roads maintenance and new construction.

The establishment of a specialised provincial agency to provide policy and technical support for the implementation of a 'maintenance first approach' could be one way to contribute to this.