# Research Report
# on
# Efforts Made by Local Level to Manage COVID-19 Situation

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# Abstract

In Nepal, it was in January 2020 when the first case of COVID-19 was recorded. Since then, Government of Nepal has taken various measures to control and contain the situation. To save human lives, it was imperative to take any necessary actions and utilize all resources at their disposal. Local level authorities were the first contact of the citizen. Confined to small geographical territory, local level played critical roles at such grave situation to save as many as human lives.

The study is undertaken with the objective to o assess the efforts made by local level authority to manage COVID-19 situation. The study uses the secondary data which has largely depend on the Local and Provincial Government Survey (LPGS) data that Yale Economic Growth Centre, London School of Economics, Nepal Administrative Staff College (NASC) and, Governance Lab have conducted in three rounds.

Of the 101 municipalities, ninety of them had maintained or collected the information of the citizen. Likewise, Of the 101 local level units that were included in the phase 1 interview, 19 of the had not formed the Committee during the time of the interview. Most of the Committees of the local level with priority enforced quarantine followed by testing, public awareness and lockdown. Only 22 local level stated that they had enough financial resources available. More than 80 local level secured their resources from provincial government, use their emergency fund. Average fund from provincial government and federal government were insignificant given the gravity of the situation. There was increment by almost 5 times in the use of emergency fund by local level followed by almost 4 times of the use of fund transferring from other budget heads. On an average in the phase 2, each local level received Rs 22.2 lakh conditional grant and Rs. 18.9 lakh unconditional grants. Overall, the utilization of the grant for each local level is Rs. 15.77 lakh which means this a saving amount which in fact was supposed to be utilized.

It has increased management capacity at the local level. Additionally, it has increased the public service deliver capacity, figured out improved way to utilize the budget to produce better result it a short period time.

## Acknowledgements

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Lastly, we express our gratitude to the entire NASC faculties who supported us in every way possible to materialize this study to the meaningful outcome.

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## Abbreviations

| | |
|---|---|
| CAO | Chief Administrative Officer |
| CCMC | COVID-19 Crisis Management Centre |
| FCGO | Financial Comptroller General Office |
| FG | Federal Government |
| GoN | Government of Nepal |
| HLCC | High Level Coordination Committee |
| IEC | Information Education and Communication |
| INGO | International Non-Governmental Organiztaion |
| LG | Local Government |
| LPGS | Local and Provincial Government Survey |
| MoF | Ministry of Finance |
| MoFAGA | Ministry of Federal Affairs and General Administration |
| MoHP | Ministry of Health and Population |
| NASC | Nepal Administrative Staff College |
| NGO | Non-Governmental Organization |
| NHRC | Nepal Health Research Council |
| NPRP | Nepal Preparedness Response Plan |
| PG | Provincial Government |
| PPE | Personal Protective Equipment |

# CHAPTER ONE: INTRODUCTION

## 1.1 Background

COVID-19 has affected every aspect of human society. The loss of life due to COVID-19 pandemic is significant. With the mutation of the virus, the end of COVID-19 seems uncertain. Vaccine has been produced; however, it only contains and prevents. Solution to cure the COVID-19 seems to take a while. As of now, following health protocol has been one of the best ways followed by vaccine.

In Nepal, it was in January 2020 when the first case of COVID-19 was recorded. Since then, Government of Nepal has taken various measures to control and contain the situation. The government made steps to prevent a broad outbreak of the disease between January and March by procuring critical supplies, medicine, and equipment, improving health infrastructure, and educating medical workers. Nepal was an exception in South Asia until late May, with a low number of COVID cases and a gradual increase. To those with symptoms, the preliminary intervention mostly focused on enhancing awareness, communication, and self-isolation. For those with flu-like symptoms, the necessity of hand washing and sanitization, mask use, and self-isolation were actively disseminated. According to the GON (White, Letchford, Pokharel, & S, 2020) those with COVID-19 symptoms were also asked to quarantine themselves in their own homes. On the 24th of March 2020, a country-wide rigorous lockdown was announced, and it went into effect on the 24th of March 2020, ending on the 21st of July 2020, but there was a phased reopening (Pradhan, 2020). In addition, the government has canceled the year's most prominent program, Visit-Nepal 2020. Both national and international flights were halted as the borders with India and China were fully blocked. Academic sessions and tests have been canceled, and schools and institutions have been closed.

Among all the efforts, implementation and initiatives taken by local government has been a noteworthy. With the implementation of the federal constitution, crisis and pandemic management at local level has been effective in implementation.

## 1.2 Statement of problem

Implementation of federal constitution is recent. Laws are still not in place, and because of that implementation of federal law is slow – and COVID-19 has been one of the latest reasons. The federal government has set policies and guidelines for COVID, while provincial and municipal governments are responsible for execution, notwithstanding local officials' criticisms of the material and financial support (Gill & Sapkota, 2020). However, numerous provinces have complained about a lack of logistical support for identifying, diagnosing, and quarantining people. To avoid duplication, the administration implemented a "one door policy" in relief distribution. Because there are no requirements for the packages, the role of all three tiers of government in relief distribution with cooperation is claimed to be non-systematic in order to save livelihoods and lives (Gautam, 2020). It clearly shows that assessing the efforts of local government in handling and managing the crisis situation under federal constitution is very limited.

## 1.3 Objective

Following is the objective of the study:

- To assess the efforts made by local level authority to manage COVID-19 situation

## 1.4 Rationale for the study

Pandemic situation is unique situation to Nepal. Nation was implementing its federal constitution; hence, institutions were not fully developed and ready to face both length and breadth of the situation. To save human lives, it was imperative to take any necessary actions and utilize all resources at their disposal. Local level authorities were the first contact of the citizen. Confined to small geographical territory, local level played critical roles at such grave situation to save as many as human lives. Assessing the efforts made by local level is important is such dire situation, and learning for future actions to better manage the situation is vital.

## 1.5 Limitation of the study

The research uses the data collected by the Local and Provincial Government Survey (LPGS). The study found out there are gaps in the data management. Data is collected at local level, however there are no municipal labels in the data instead there are numerical codes. By using municipal codes, it is not possible to create the tabulation by local level. Therefore, calculation is made at local level but the tabulation is made using Province name. In each phase questions asked to respondents, mostly, were unique due to which limited comparatively was possible.

## 1.6 Organization of the study

The research paper is organized and divided into following chapters:

Chapter one presents the introduction and background of the study, statement of the problem, purpose and research questions, rationale of the study, and limitation of the study.

Chapter two presents the review of the existing literature. This chapter presents the literature review, which supports the construct of this research. Literature of COVID, its management, budgetary information in terms of managing COVID.

Chapter three details the methodological overview of the study where the research approach, sources of data collection, tools for data collection and methods of data analysis is presented concluding with the ethical considerations.

Chapter four presents result from the collected data/information. The data generated for the study is analyzed and presented.

Chapter five covers a summary of the entire research work with discussion and way forward. The major findings and summary of data presentation is done in relation to the research objectives of the study.

# CHAPTER TWO: LITERATURE REVIEW

After the promulgation of the Constitution 2015, Nepal adopted federalism. The government of Nepal is divided into three autonomous sets of government – Federal Level, Provincial Level and Local Level. Regarding the management of pandemics such as COVID-19, Constitution does not specifically mention about distribution of powers amongst the three levels of government. In 2017, Nepal endorsed the act Disaster Risk Reduction and Management Act 2017 that defines pandemic as a non-natural disaster. The act clearly states about the institutional mechanism for disaster management and roles and responsibilities to all levels of government (Shrestha, 2021). Public health is the shared responsibility of all levels of government. The Constitution 2015 has vested the authority related to basic healthcare and sanitation exclusively to local government (Center, 2020). Therefore, they have the right to direct the resources to counteract looming threats against the health of their residents on their own accord (Budhathoki, 2020). However, when responding COVID-19 pandemic, the Federal government established new ad-hoc mechanisms COVID-19 Prevention and Control High Level Coordination Committee (HLCC) and COVID-19 Crisis Management Centre (CCMC). Due to which, local government do not have representation as well decision-making power in the new mechanism limiting them to implement decisions and orders of the Federal CCMC and carrying out the function delegated to them. Based on the act Infectious Disease Act 1963 and Local Administration Act 1971, federal and provincial government has power to take necessary action and issue various orders (Shrestha, 2021).

Based on the trends and developments of the global COVID-19 pandemic, the Nepal Preparedness Response Plan (NPRP) highlights the preparedness steps and essential response activities to be conducted in Nepal. The strategy describes two levels of interventions, the first of which is early preparedness and the second of which is an effective response across sectors to a caseload of 1500 infected people and 150,000 others who are collaterally affected (United Nations, 2020). The objectives of the COVID-19 NPRP were to assist the Government of Nepal in responding to and preparing for an outbreak of COVID-19 that necessitated an international humanitarian response that included mitigating both social and economic impacts and confirming the protection and equal access to assistance for those affected (United Nations, 2020). Coordination between the government, local communities, and international partners is critical for an effective response to the COVID-19 pandemic, as it ensures that operations are evidence-based and that the programs

implemented effectively respond to the needs and gaps, while avoiding duplication and supporting government leadership and response systems (MoHP, 2020)The purpose of COVID-19's policy and readiness program is to reduce morbidity and mortality associated with infection through early detection and appropriate treatment, as well as to prevent disease transmission in patients and the general public.

The rules and programs focused on the management of critical equipment such as personal protective equipment (PPE) and ventilators, the preservation of healthcare resources, and patient flow planning. To combat the pandemic, countries around the world have instituted a variety of severe rules, including "stay-at-home lockdowns," school and workplace closures, public transportation limitations, and the cancellation of big events and public gatherings. The restrictions were put in place to slow the transmission of the infection by requiring people to maintain physical distance from one another (NHRC, 2020)

For this, the local government established the CCMC, a replica of Federal CCMC, led by its Chair/Mayor. Establishing and managing quarantine facilities and distributing relief to the needy people were the responsibilities assigned to them. Moreover, to support the prevention, control and treatment of COVID-19 patients, provide relief to the poor and vulnerable, and cover the expenses of infrastructure and human resources directed at COVID-19 responses, it also established the COVID-19 fund. A committee led by Chair/Mayors operated the COVID-19 fund (Shrestha, 2021).

Since, the local government is the closest public institution to local people, it played active role on preventing and controlling the spread of COVID-19. Due to lack of knowledge and information regarding COVID-19, people were compelled to live in fearful atmosphere. That is why, local government carried out various awareness programs, disseminate the information, education and communication (IEC) materials, and paraded vehicles mounted with loudspeakers across the locale urging people to wear masks, maintain proper hygiene etiquette including hand washing (Budhathoki, 2020).

For the crises, policy choices, clear direction, and central management are critical, while delivery takes place mostly at the provincial and local levels. Local institutions and organizations should give facilities, networks, and central resources to those who are fragile in executing critical

policies, such as quarantine, while also guaranteeing that the quarantine has access to basic facilities. They must be closely connected to, coordinated with, and supported by national and provincial technical teams. Despite the fact that MOHP produced plans and policies, there was no legal framework in place to implement the plans and policies at the local level. The main reason for this is a lack of a robust legal framework that is specific to the context. Furthermore, all of the plans, policies, and guidelines were difficult to follow in the first place (NHRC G. , 2020).

One of the major challenges faced by the local government is limited budget earned through the collection of revenues and taxes. Overwhelming number of returnee migrant workers from India made the testing facility slow. Moreover, lack of skilled health workers, poorly managed and crowded quarantine centers are reason to soar the COVID-19 cases at local level having open border with India (Budhathoki, 2020). Consequently, COVID-19 has posed a significant danger to both Nepal's poor and middle-income countries. The fragile health system and the availability of restricted resources are critical hurdles in dealing with the large-scale outbreak and mitigating its consequences (Koirala & Acharya, 2020)

# CHAPTER THREE: METHODOLOGY

The study uses the secondary data which has largely depend on the Local and Provincial Government Survey (LPGS) data that Yale Economic Growth Centre, London School of Economics, Nepal Administrative Staff College (NASC) and, Governance Lab have conducted in three rounds. The first round was conducted from 2 June-18 June 2020; the second round was conducted from 5-23 October 2020; the third round was conducted from 30 March-9 May 2021. Additionally, data from various government institutions like: MoFAGA, Ministry of Finance (MoF), Financial Comptroller General Office (FCGO), Ministry of Health and Population (MoHP) and local government data will be used.

From LPGS, the questions related to budget has been compiled. The questions were administered to Mayor/Chairperson and Chief Administrative Officer. Once the questions are selected, the related data were compiled and structured to the study need. Following is the overview sections from the questionnaire that has been considered:

*Table 1: Sections of questions by phase*

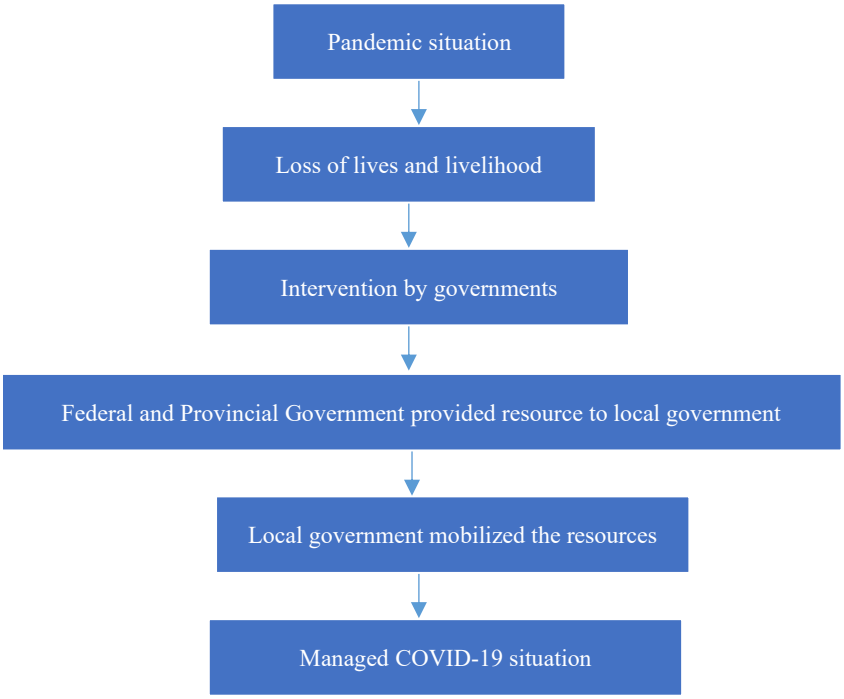
| Phase | Mayor | CAO |
|---|---|---|
| Phase 1 | Basic information | Basic information |
| | Number of household | Number of household |
| | Vulnerable household | Vulnerable household |
| | Responsibilities | Responsibilities |
| | COVID-19 prevention activities | COVID-19 prevention activities |
| | Food relief and market management (6) | Food relief and market management |
| | Support to specific individuals | Support to specific individuals |
| | Finance | Finance (3) |
| | Coordination and support from other levels/organizations (1) | Coordination and support from other levels/organizations |

| | | |
|---|---|---|
| | | |
| Phase 2 | Basic information | Basic information |
| | COVID-19 prevention / response activities (6) | Local COVID-19 impact |
| | Lockdown activities | Local government capacity |
| | LG challenges (5) | COVID-19 data related |
| | Coordination and support from other levels (1) | Budget (3) |
| | Working relationship with CAO (2) | Quarantine centers |
| | Belief and perceptions towards COVID-19 | Testing and tracing |
| | | PPE and hygiene kit distribution |
| | | Relief activities |
| | | Working relationship with mayor (2) |
| Phase 3 | Panel questions (phase 1 and 2 questions) | Vaccine administration and capacity |
| | Migration | Budget and finance (3) |

From the final datasets, cross tabulation on various aspects of responses has been tabulated. Moreover, the study uses the descriptive analysis and while analyzing the data measures of central tendency and dispersion has been used.

## 3.1 Conceptual framework

For this study following conceptual framework has been developed. In the framework, it states that the role played by government during the time of COVID-19 situation was very vital to save lives and livelihood of the people. Local governments were key to manage the situation. Federal government provided resources to local government to manage the situation and provide relief to the people. For this study, the following




## 3.2 Ethical consideration

Since, this research has mainly used the secondary data, in this regard researchers are adhering to the ethical considerations of mentioning the sources of obtained data and information. The research team have followed the ethical codes maintaining the professional responsibilities.

# CHAPTER 4: RESULTS

## 4.1 Context

In the first phase from seven provinces, 101 Chief Administrative Officer (CAO) from local level participated in the survey and 71 mayors were interviewed. Similarly, in the second phase 101 CAO participated and 95 mayors were there in the telephone interview. However, in the third phase the number of respondents were significantly higher – 687 CAOs and 661 mayors.

*Table 2:Number of respondents by phase*

| Province | Phase 1 | | Phase 2 | | Phase 3 | |
|---|---|---|---|---|---|---|
| | CAOs | Mayors | CAOs | Mayors | CAOs | Mayors |
| Province 1 | 18 | 13 | 16 | 18 | 125 | 119 |
| Madhesh Pradesh | 19 | 10 | 12 | 18 | 125 | 121 |
| Bagmati Pradesh | 17 | 8 | 9 | 15 | 99 | 104 |
| Gandaki Pradesh | 12 | 15 | 16 | 10 | 80 | 73 |
| Lumbini Pradesh | 17 | 15 | 16 | 16 | 103 | 91 |
| Karnali Pradesh | 9 | 17 | 21 | 9 | 77 | 71 |
| Sudurpashim Pradesh | 9 | 6 | 11 | 9 | 78 | 82 |
| **Total** | **101** | **84** | **101** | **95** | **687** | **661** |

When the situation of the COVID-19 abruptly increased, necessary measures to prevent COVID-19 spread, protect lives and support the supply of essential survival goods and medicines were the first steps. For that, maintaining the record of the citizen is important. According to the table 3, of the 101 municipalities, ninety of them had maintained or collected the information of the citizen. Karnali and Sudurpaschim Province were quite late to collect the information of the beneficiaries. Reasons could be accessibility, and a large of work in India and there was sudden surge of the inflow from India in those two provinces.

*Table 3:Maintain the record of its beneficiaries*

| **Province** | **Number of municipalities** |
|---|---|
| Province 1 | 14 |
| Madhesh Pradesh | 18 |
| Bagmati Pradesh | 15 |
| Gandaki Pradesh | 11 |
| Lumbini Pradesh | 15 |
| Karnali Pradesh | 8 |
| Sudurpashim Pradesh | 9 |
| **Total** | **90** |

Additional reasons for not maintaining the record, CAOs and mayors stated includes political will and lack of proper record keeping system.

Moreover, to ensure the COVID-19 situation in a well-managed and to control the damage, COVID 19 Committee was formed at each local level. This Committee was chaired by Mayor/Chairperson of the local level. However, table no. 4 states that of the 101 local level units that were included in the phase 1 interview, 19 of the had not formed the Committee during the time of the interview. In some local level Chairperson of the Committee was Deputy Mayor or CAOs. Karnali and Sudurpaschim Pradesh had formed least number of the Committees as compared to other provinces.

*Table 4:Formation of the COVID-19 Committee*

| **Province** | **Number of municipalities** |
|---|---|
| Province 1 | 15 |
| Madhesh Pradesh | 16 |
| Bagmati Pradesh | 13 |
| Gandaki Pradesh | 10 |
| Lumbini Pradesh | 14 |
| Karnali Pradesh | 8 |
| Sudurpashim Pradesh | 6 |
| **Total** | **82** |

First and foremost, task of the Committee or local level was to prevent to COVID-19 following protection of lives and ensure supply of essential survival goods and services. As part of their duty, local level enforced activities such as lockdown, quarantine, testing, tracing, distribution of kits and PPEs, mask rule, awareness and health desk at designated places. Most of the Committees of the local level with priority enforced quarantine followed by testing, public awareness and lockdown. In the phase 1 during the interview period, only local levels from Province 1, Madhesh Pradesh and Bagmati Pradesh had enforced use of mask in public places. Only 15 local level units from the province 1, Bagmati and Sudurpaschim had enforced the tracing activities (see table 5).

*Table 5:Preventive measures taken by local level-Phase I&II*

| Province | Lockdown | Quarantine | Testing | Tracing | Distribution of kits | Distribution of PPE | Mask rule in public areas | Public awareness | Health desk |
|---|---|---|---|---|---|---|---|---|---|
| Province 1 | 6 | 17 | 8 | 5 | 4 | 1 | 1 | 15 | 2 |
| Madesh | 4 | 19 | 9 | | 15 | - | 1 | 15 | 4 |
| Bagmati Pradesh | 7 | 16 | 9 | 5 | 3 | 1 | 1 | 10 | 3 |
| Gandaki Pradesh | 5 | 12 | 9 | | 4 | 2 | - | 8 | 1 |
| Lumbini Pradesh | 3 | 17 | 13 | 4 | 6 | 1 | - | 9 | 2 |
| Karnali Pradesh | 1 | 9 | 4 | | 5 | | | 7 | 2 |
| Sudurpashim Pradesh | 3 | 9 | 6 | 1 | 5 | 1 | - | 4 | |
| **Grand Total** | **29** | **99** | **58** | **15** | **42** | **6** | **3** | **68** | **14** |

## 4.2: Financial resources

According to the table 6, in the first phase out of 101 responses from local level, 79 of them stated that they did not have required financial resources whereas only 22 local level stated that they have financial resources to manage COVID-19 situation. From 22 local level units, Province 1, Karnali Pradesh and Sudurpaschim Pradesh had lower number of local levels i.e., only 1 that stated they had available financial resources.

*Table 6:Number of local levels with financial resources*

| Province | Municipality |
|---|---|
| Province 1 | 1 |
| Madesh Province | 5 |
| Bagmati Pradesh | 7 |
| Gandaki Pradesh | 4 |
| Lumbini Pradesh | 3 |
| Karnali Pradesh | 1 |
| Sudurpashim Pradesh | 1 |
| **Grand Total** | **22** |

Similarly, in the phase 1, local levels somehow were managing resources. There were various sources they tried to access to ensure they had adequate resources to control the situation. More than 80 local level secured their resources from provincial government, use their emergency fund. Only 4 of them received fund from federal government. Local levels from Karnali and Sudurpaschim Pradesh were those that were not able to secure adequate resources from multiple sources (see table 7).

*Table 7:Sources of fund to ensure adequate finance-Phase I&II*

| Province | Use of emergency fund | Transfer from other budget head | Received fund from federal government | Received fund from provincial government | Received fund from private agencies | Received fund from NGOs | Received fund from INGOs | Other sources |
|---|---|---|---|---|---|---|---|---|
| Province 1 | 16 | 11 | 1 | 14 | 7 | 3 | 1 | 2 |
| Madhesh Pradesh | 14 | 12 | 0 | 15 | 2 | 0 | 0 | 0 |
| Bagmati Pradesh | 16 | 9 | 1 | 17 | 8 | 5 | 0 | 3 |
| Gandaki Pradesh | 8 | 10 | 0 | 10 | 7 | 4 | 0 | 4 |
| Lumbini Pradesh | 14 | 12 | 0 | 15 | 10 | 3 | 0 | 3 |
| Karnali Pradesh | 7 | 7 | 1 | 7 | 2 | 3 | 1 | 1 |
| Sudurpashim Pradesh | 7 | 6 | 1 | 8 | 3 | 1 | 0 | 1 |
| Grand Total | 82 | 67 | 4 | 86 | 39 | 19 | 2 | 14 |

As seen in the table 8, local level received support from different organization from local organizations to national and international organizations. Common supports include financial support, food supplies, health related support and information support. However, in the phase 1, local level used financial resources from their internal sources that includes emergency fund and transfer of fund from other budget head. From those two internal sources on an average Rs. 35.1 lakh and Rs 30.1 lakh were used respectively. Average fund from provincial government and federal government were insignificant given the gravity of the situation.

Moreover, local level from Lumbini Pradesh, Madesh Pradesh, Bagmati Pradesh and Gandaki Pradesh largely depended on the emergency fund. Province 1 and Lumbini Pradesh's local level relied on transfer of budget from other budget headings. As compared to local level from other pradesh, Karnali and Sudurpaschim seems to have lower resource endowment.

*Table 8:Average of fund received by local level from different institutions (Rs in. Lakh)*

| Province | Funding from LG's emergency fund | Funding from LGs other budget head | Funding from PG | Funding from FG | Funding from private sources | Funding from NGOs | Funding from INGOs | Funding from other sources |
|---|---|---|---|---|---|---|---|---|
| Province 1 | 28.6 | 49.1 | 5.7 | 0.0 | 2.3 | 2.0 | 0.0 | 3.0 |
| Madesh Pradesh | 42.1 | 20.3 | 11.5 | 0.0 | 4.1 | 1.3 | 0.0 | 0.2 |
| Bagmati Pradesh | 39.3 | 11.2 | 9.2 | 0.0 | 2.1 | 0.0 | 0.0 | 0.5 |
| Gandaki Pradesh | 35.4 | 29.8 | 9.5 | 0.0 | 7.8 | 2.1 | 0.0 | 0.0 |
| Lumbini Pradesh | 43.6 | 58.1 | 13.2 | 0.0 | 10.5 | 0.1 | 0.0 | 8.5 |
| Karnali Pradesh | 29.5 | 20.6 | 11.9 | 3.0 | 1.3 | 0.1 | 0.0 | 1.5 |
| Sudurpashim Pradesh | 13.5 | 0.2 | 6.8 | 4.2 | 0.0 | 0.7 | 0.0 | 0.0 |
| **Total** | **35.1** | **30.1** | **9.8** | **0.6** | **4.1** | **1.0** | **0.0** | **2.2** |

In the phase 2, surprisingly, there was increment by almost 1.5 times in the use of emergency fund by local level followed by almost 1.7 times of the use of fund transferring from other budget heads. Local levels from Karnali Pradesh and Sudurpaschim Pradesh largely depended on fund transfer from other budget heads, and the increment was by almost 6.5 and 302 times respectively as compared to local level from other provinces. In the phase 2, there was 0.5 times increment in the fund received by local level from provincial government, and from federal government it was 10 times as compared to phase 1.

In the phase 2 and 3, information on conditional and unconditional finance related information were included (see table 9). On an average in the phase 2, each local level received Rs 22.2 lakh conditional grant and Rs. 18.9 lakh unconditional grants. Both these grants are provided by federal government. Conditional grant received by Karnali Pradesh and Sudurpashim Pradesh's local level remained higher while for the rest growth rate remained negative.

In the phase 3 interview, based on the 687 CAOs responses the calculation shows that from the average conditional grant value the growth rate of the conditional grant was negative by more than -45%, however unconditional grant growth rate remained more than 137%. Bagmati Pradesh, Gandaki Pradesh, Sudurpaschim Pradesh and Karnali Pradesh were the highest recipient of the conditional grant respectively.

*Table 9:Average allocation and growth rate of conditional and unconditional grant received by local level (Rs. In lakh)*

| **Province** | **Conditional grant** | **Unconditional grant** |
|---|---|---|
| Province 1 | 10.9(-19.16) | 47.2(95.1) |
| Madhesh Pradesh | 4.7(-80.7) | 36.1(54.2) |
| Bagmati Pradesh | 21.4(-24.3) | 58.8(240.9) |
| Gandaki Pradesh | 4.1(-0.65) | 49.3(294.9) |
| Lumbini Pradesh | 9.4(-82.81) | 31.4(32.7) |
| Karnali Pradesh | 19.1(102.8) | 49.8(499.5) |
| Sudurpashim Pradesh | 18.5(317.9) | 52.8(260.3) |
| **Grand Total** | **12.0(-45.43)** | **44.9(137.3)** |

***Note: Value in parenthesis is in percentage growth rate***

Table 10 states the utilization of the received grant by the federal government of each province. Here, utilization is measured as allocation minus expenditure in this study. Smaller the value better is the grant utilization. Overall, on an average, the utilization of the grant for each local level is Rs. 15.77 lakh which means this a saving amount which in fact was supposed to be utilized. Similarly, local levels' of Gandaki Pradesh, Madesh Pradesh and Province 1 as compared to local level from other provinces utilized conditional grant well. In the case of unconditional grant utilization for all local levels in each province varied between Rs. 20 lakhs to Rs. 32 lakhs. Local levels located in Sudurpaschim Province were relatively poor performer.

*Table 10:Average utilization of the grant (Rs in Lakh)*

| Province | Conditional grant | Unconditional grant | Total |
|---|---|---|---|
| Province 1 | 3.91 | 24.34 | 14.13 |
| Madhesh Pradesh | 2.83 | 22.16 | 12.50 |
| Bagmati Pradesh | 15.12 | 25.24 | 20.18 |
| Gandaki Pradesh | 0.72 | 27.02 | 13.87 |
| Lumbini Pradesh | 5.15 | 20.90 | 13.03 |
| Karnali Pradesh | 8.71 | 27.91 | 18.31 |
| Sudurpashim Pradesh | 8.69 | 32.89 | 20.79 |
| **Grand Total** | **6.35** | **25.19** | **15.77** |

## 4.3 Challenges

Pandemic situation was unpredictable situation, and most of them were not institutionally prepared to manage such situation, if it emerges all of a sudden. Though there was some time for Nepal to prepare before the situation became unmanageable.

Local level officials including elected representatives were not well prepared for the situation. Most of them mentioned that the immediate challenges for in the phase 1 were:

- Lack of fund at their disposal
- Lack of health facilities and trained human resources
- Lack of coordination within local level structure, with federal and provincial structure
- Lack of quarantine and isolation facilities
- Lack of data and information
- Limited supply of essential medicines and survival goods and services

During the process of COVID-19 management, local level authorities learned many things and started to face new challenges over the time. Level challenges became more specific and complex. In the phase 3, when asked about the challenges they faced included:

- Difficulty in creating public awareness
- Lack of health facilities and trained human resources
- Difficulty in managing returnees
- Difficulty in managing influx of people at border
- Lack of quarantine and isolation facilities
- Limited availability of vaccine

- Limited supply of food and other materials
- Poor coordination among local, provincial and federal units
- Difficulty in providing employment
- Remote and inaccessible location
- Lack of test kit
- Other sector such as education did not get proper attention from authority
- Difficult it enforcing health protocol
- Lack of health equipment

Measuring the level of understanding from the phase 1 to phase 3, local level authorities have matured. But, the point to note is that have they institutionalized their understanding.

# CHAPTER 5: DISCUSSION

COVID-19 is a public health concern that demands strict attention from the state apparatus. Observation shows that none of the level of governments were prepared for this situation. Neither there was any institutional arrangement to deal with the pandemic situation. With the implementation of the federal constitution, concerns and issues at such massive scale was novel to the system. It was an enriching and learning experience to all levels of government.

***Maintain records:*** Maintaining records and information of its local residents was critical. Such information provided the basis for the course of action and to provide much needed relief material. Most of them stated that they lacked information on their resident, and last-minute effort was made to collect on ad-hoc basis. There were significant gaps in the process of collection of data, often, created controversy in the authenticity of the information from the local residents.

***Formation of the committee:*** Management of pandemic situation was in the jurisdiction of the federal government. Authorities at local level had to wait for the directives from the federal government. It took sometimes for the federal government to figure out to learn the situation, and prepare the course of action at national level. By then lives have been lost, public panicking started, supply chain of essentials disrupted badly.

***Preventive actions:*** Local level implemented various activities to prevent and protect human lives. It included lockdown, testing, public awareness, quarantine and isolation and relief distribution. With their limited resources local level attempted their best to control the situation. Local level is the first contact with the citizen, and are more efficient to deliver services which the constitution has envisioned.

***Financial resources:*** Local level at their disposal have their resources. Most of them, immediately, used emergency fund and transfer the budget from other budget head. Federal government and provincial government were too late to provide the required financial resources. Institutional framework was not available to disburse the required-on time. Most of the local levels at Karnali

and Sudurpaschim are least developed having limited capacity to mobilize the resources. Utilization of the resources was also poor.

All the levels of government have learned the management of the situation. This brings a question, have we institutionalized our leaning? Are we prepared for similar situation in the days to come? There is always a cost of leaning. But the cost needs to be converted to opportunity by institutionalization that includes building laws, plans and policies; and of course, allocation of regular resources to upgrade existing institutional framework. This is also helpful to manage other types of natural disasters that are regularly recurring in Nepal.

Investment in the equipment and upgrading health institution needs to continued and maintained as this will ensure quality health services at local level.

# CHAPTER 6: WAY FORWARD

COVID-19 has tested our ability to manage the situation and protect human lives as much as possible. It has increased management capacity at the local level. Additionally, it has increased the public service deliver capacity, figured out improved way to manage the better result it a short period time. Moreover, study has found out the following points to be addressed to effectively and strategically manage the pandemic situation like COVID-19:

- Coordination and cooperation framework among federal, provincial and local government is key. For this, a comprehensive communication framework needs to developed.
- All local levels do not have equal capacity to utilize the resources. Local levels learning from their experience while managing the COVID-19 should institutionalize the leaning by building legal framework.
- A clear and realistic policy guideline and framework with proper instruction is hence very essential for central, provincial and local level.
- Local level needs to maintain the record of its citizen and update it on regular basis that should be the basis to guide local level plan, policies and program.

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