Annual Progress Report 2015/16
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Transparency International (TI)-Nepal Annual Progress Report 2015/16
Approved by the 229th meeting of the Executive Committee held on 9th September 2016
Presented at the 21st Annual General Meeting (AGM) of TI-Nepal
30 September 2016
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<th>Acronym</th>
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<tr>
<td>AFC</td>
<td>Asian Football Confederation</td>
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<tr>
<td>ALAC</td>
<td>Advocacy and Legal Advice Centre</td>
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<td>ALAC-DP</td>
<td>Advocacy and Legal Advice Centre and Development Pact</td>
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<td>AMM</td>
<td>Annual Membership Meeting</td>
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<td>ANFA</td>
<td>All Nepal Football Association</td>
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<td>Affiliated Organization</td>
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<td>AFP</td>
<td>Armed Police Force</td>
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<td>B.S.</td>
<td>Bikram Sambat (Nepali Calendar)</td>
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<tr>
<td>BNIN</td>
<td>Building National Integrity in Nepal</td>
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<td>CIAA</td>
<td>Commission for the Investigation of Abuse of Authority</td>
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<td>CPI</td>
<td>Corruption Perception Index</td>
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<td>DAO</td>
<td>District Administration Office</td>
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<td>DDC</td>
<td>District Development Committee</td>
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<td>Executive Committee</td>
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<td>Executive Director</td>
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<td>Federation Internationale de Football Association</td>
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<td>G20</td>
<td>Group of Twenty</td>
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<td>GA</td>
<td>General Assembly</td>
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<td>GG</td>
<td>Good Governance</td>
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<td>Government of Nepal</td>
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<td>HAIN</td>
<td>Humanitarian Aid Integrity Network</td>
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<td>Nepal Oil Corporation</td>
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<td>PEC</td>
<td>Promoting Ethical Culture</td>
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<td>RTI</td>
<td>Right to Information</td>
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<td>South-South Exchange</td>
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1. Introduction

1.1 Context and Background

Nepal marked a historic milestone in 2015 with the adoption of the much awaited Constitution of Nepal which brought about renewed optimism of establishing a vibrant and thriving democracy in the country. Unfortunately, the opportunity to establish democracy and achieving socio-economic growth was short lived due to the overwhelming opposition of some political parties on constitutional matters. This, along with the lust for political power and bitter rivalries among members of small parties and a poor economic growth, led to a state of uncertainty which was further aggravated by the devastating earthquake of April 2015 followed by the undeclared border blockade, resulting in complex governance issues and hindering the establishment of good governance in Nepal.

Last year’s shocking earthquake and unofficial blockade led to several dreadful incidents where corruption climbed its peak and black-marketing showed its ugliest face throughout the country. The CIAA found that several government officials indulged in corruption to the tune of millions of rupees, all in the name of relief distribution to earthquake victims. Several fake bills and exaggeration of reports to Ministries were also found. Likewise, some senior APF officials were also indicted for corrupt practices last year. Similar to the other incidents, former president of the ANFA, was banned for 10 years and fined 20,000 Swiss francs ($19,870) for taking cash during 2009 and 2011 elections for the FIFA Executive Committee at the AFC congress. Five current and former national football players, including the captain, were also arrested on charges of alleged match-fixing during World Cup qualifiers in 2011. The general scenario last year, thus, cannot be termed encouraging. Instances of tolerance of corruption and defense of criminals were visible at different times when the core governance areas such as legislature, executive and judiciary failed to perform adequately to ensure good governance.

Four trends experienced during the period were particularly harmful for the anti-corruption movement. One related to interpreting a corruption-case from the viewpoint of partisan interest, opposing it publicly and not allowing due process of law to be followed. Another was regarding corruption as something outside the framework of good governance. This practice promoted irregularities through use of laws as per the convenience of decision makers. The third was application of power-sharing accord by political parties to key appointments in public institutions. And the fourth was the tension between the CIAA, Parliament and the Judiciary in terms of approach they demonstrated last year. This not only affected the anti-corruption move negatively but also questioned the credibility and coordination among these important state-actors. Furthermore, the chief executive’s astonishing remarks in the media, which reported an ‘agreement’ with the Chief Commissioner of the CIAA for ‘not initiating’ an investigation that CIAA intended to open, discouraged efficiency and quality performance—the main components of good governance.

Because of political instability, the government witnessed leadership changes three times in a year resulting in a lack of focus on priorities—particularly delivery of good governance and control of corruption. Political parties could not guide their leaders in government to be serious about corruption. All three state bodies did not pay attention to the recommendations of the Supreme Audit Institution for proper and transparent financial management. The Election Commission did not have
any specific role to play because the laws for mobilizing it as per the new constitution could not be formulated by the parliament. Bills to this effect have not yet been tabled in the legislature. Similarly, the judiciary took a long time to take full shape to make a difference in handling corruption cases and delivering required justice.

The public sector and the law enforcement agencies were mostly in disarray throughout the country because of the effects of disruptions in transport and supply of essential goods including petroleum products and LPG gas caused by some political parties’ agitation and over the 135-day-border-blockade and six-month long closure of Terai areas. The two events were instrumental in openly institutionalizing corruption through black market and various sorts of manipulation in the transport, supply-sector. The trend continued even after the agitation was withdrawn. It is likely to have adverse effect on the social and economic sector for a long time in the future.

Anti-corruption agencies, despite having a number of anti-corruption legal tools, appeared helpless. A few initiatives they undertook could not bear fruit because of their failure to make investigation non-challengeable in court. Moreover, they were more interested in publicizing their action than in making their pursuit of anti-corruption effective. The private sector, particularly industry and trade, was so adversely affected that it could not chart a roadmap for resuming growth and expansion. Law enforcement bodies could not function because of political intervention--each time with the change in command within the government. Media reported irregularities in the market but there was no adequate response to it. Its coverage was so dominated by the blockade and agitation-politics that it could not adequately place in the public domain how important the agenda of integrity, transparency, accountability and anti-corruption was in the aftermath of blockade, agitation and in the context of the mammoth task of post-quake reconstruction. Yet its coverage shed light on a number of policy level corruption-trends in the educational sector, hospitals, industry, and business, land, sand, water resources, herbs, transport, migration, gas and petrol, other essential goods, market syndicates, corruption at Tribhuvan International Airport and custom offices. Above all, civil society’s role as a pressure group and enabler was also not very encouraging due to the slackness in the pursuit of the governance agenda.

These challenges notwithstanding, TI-Nepal managed to pursue a wide range of activities last year that focused on promoting anti-corruption, establishing good governance and enhancing the rule of law. TI-Nepal’s knowledge base in enabling evidence based advocacy, enhanced coalition-building, identification of sectors that require structural change, and the promotion of values of integrity through effective media engagement continued unabated. The set of social accountability tools piloted and applied by the organization in key service sectors have delivered integrity, transparency and accountability and has been recognized both nationally and internationally. Besides, TI-Nepal has been consistently pressurizing on effective lawmaking so as to facilitate rule of law in the country.

### 1.2 TI-Nepal as a Social Mobilizer

TI-Nepal is a volunteer based NGO, registered with the Kathmandu District Administration Office and affiliated with the Social Welfare Council. TI-Nepal is also a national chapter of TI - a global movement against corruption - which is active in more than 100 countries. The International Secretariat is in
Berlin, Germany, and works with the national chapters to promote an international movement of transparent and corruption-free society.

The governing bodies of TI Nepal are: GA and EC. The EC sets organizational policies, presents annual progress and financial reports to the GA, which is the supreme governing body. GA includes individual, honorary and institutional members. EC is responsible to the GA. The EC and the President are elected every two years by the GA, which meets annually. TI-Nepal has a 9 member EC, 59 General Members including EC and a Secretariat with 14 staff. EC guides the Secretariat to execute organizational policies and programs. The Secretariat, led by the ED, is responsible to implement organizational plans and programs approved by the GA and the EC.

At present, TI-Nepal has a network of 25 AOs in 24 districts of Nepal, which helps in a variety of outreach efforts. TI-Nepal also has working relationship with several state institutions, the media and other stakeholders.

In the 21 years since the Chapter's inception, the country has undergone dramatic changes, yet TI-Nepal's core mission still remains the same: to create a corruption-free Nepal, where people can demand development, progress and prosperity. In order to achieve this goal, TI-Nepal adheres to key values: such as democracy, integrity, transparency, accountability, justice, solidarity, courage, honor and dignity.

2. Major Achievements and Activities

TI-Nepal implemented five major programs in 2015—(I) ALAC; (II) ALAC-DP; (III) BNIN; (IV) PEC; and (V) SSE. In addition, three new programs: (I) IPERR; (II) ALAC Outreach and (III) Climate Finance Governance were initiated in 2016.

The year 2016 marked the successful completion of TI-Nepal's three major programs ALAC, ALAC-DP and SSE. During its implementation phase, these programs were able to create significant impact at the national as well as societal level. Two programs, ALAC and ALAC-DP ended in November 2015 and February 2016 respectively, and the SSE program ended in August 2016.

The ALAC and ALAC-DP operated free hotlines for victims and witnesses of corruption in order to lodge grievances and complaints with TI Nepal both through the center as well as via the 13 partner organizations based across the country. The ALAC-DP also facilitated the signing of integrity pledges by government officials in order to enhance the quality of service delivery. By the end of the project, 22 integrity pledges were signed by local government agencies. The SSE program ended in August 2016, after successfully facilitating the exchange of more than 38 participants among South Asian National Chapters of TI, which allowed for the smooth exchange of knowledge between the chapters and paved the way for stronger understanding and cultural solidarity.

The programs BNIN and PEC carried out a number of activities at the central and local level. BNIN, an integrated holistic program, specifically carried out activities to promote transparency, and accountability which included district summits, mobile ALACs and help desks, sensitizing VDC secretaries on RTI and GG Act, interactive sessions with important stakeholders such as representatives of government agencies and groups such as women and consumer groups in order to promote integrity. The program, for the first time, also promoted programs in schools to engage
young students, under which several school level activities such as debate competitions, essay competitions, elocution competitions, etc. were initiated.

Programs that were postponed due to the April 2015 earthquake resumed and were conducted despite a few hurdles. Furthermore, these activities were undertaken taking into consideration the changed contextual needs of the country. For instance, mobile ALACs were held regularly in districts most affected by the earthquake, and the grievances of the earthquake victims were directly channeled to the relevant authorities.

As in previous years, TI-Nepal continues to be fully equipped to conduct its activities which make a significant impact at both the district and policy level through advocating with relevant government agencies and keeping in line with its strategic directions. The activities conducted in 2015/16 are based on the five-year Strategic Plan (2013-2017), which outlines TI-Nepal's strategic direction and program implementation.

The Strategic Plan equips TI-Nepal with the following approaches:

1. Advocacy and Interventions
2. Coalitions and Collaborations
3. Sectoral Focus
4. Organizational Development
5. Promoting Values

2.1 ADVOCACY AND INTERVENTIONS

Several advocacy initiatives were carried out to encourage relevant authorities to undertake policy reforms and/or improve the implementation of existing policies. Advocacy goals on policy reform were identified through TI-Nepal's research findings and data collected through the ALAC. Letter and press releases were also issued on a regular basis highlighting emerging issues of national importance. TI-Nepal's approach to use both traditional and nontraditional media has led to a more robust awareness and stronger demand for transparent, participatory and accountable governance.

2.1.1 Press Releases and Letters

Through press statements and letters, TI-Nepal regularly draws the attention of the concerned authorities on matters of public interest. Some press releases/letters were issued congratulating the government, and its ministers/top level bureaucrats, just to express TI-Nepal’s commitment to assist the government in combating corruption, while others specifically focused on cases that undermined the overall spirit of good governance. Below are some of the highlights of active and subtle advocacy done last year.
Press Releases

- **Press release on Ti-Nepal’s concern over cabinet expansion**
  TI-Nepal, on 5th November 2015, urged all the concerned stakeholders, including the GoN, not to have a cabinet of more than 25 ministers and comply with the newly promulgated constitutional provision of Article 76(9) which requires the Prime Minister to nominate a maximum of 25 members in the council of ministers.

- **Press release on Ti Nepal’s concern over the blockade and growing black marketing**
  TI-Nepal issued a press release on 24th November 2015 highlighting black marketing which distorted the supply of fuel and other essential commodities and resulted in massive price hikes, which negatively impacted the most vulnerable segment of society. TI-Nepal also urged citizens at large, the business community, NOC and the GoN to work together to normalize the market situation, and combat black marketing.

- **Press release about former office-bearers’ perquisites**
  On 13th December 2015, TI-Nepal vehemently opposed Nepal Government’s move to direct the Ministry of Home Affairs to come up with a resolution to provide lifelong perquisite of a vehicle, fuel, driver and private secretariat to former Presidents, Vice Presidents, Prime Ministers and Speakers of the House. TI-Nepal demanded GoN to be responsible in making decisions especially in the context of massive destruction after the earthquake followed by a blockade. TI-Nepal strongly pleaded that Nepal cannot afford this in the long-run nor was this economically viable considering the utility of taxpayers’ money.

- **Press release about disparity in petroleum price**
  TI-Nepal issued a press release on 10th March 2016 demanding the GoN to withdraw the decision which allowed private sector to sell petrol at a discriminatory price that exceeded above the NOC rate. TI-Nepal was concerned because GoN made this decision at a time when the petroleum price in the international market was declining.

- **Press release on non-hearing and return of appointments nominations of 11 Supreme Court justices**
  TI-Nepal, on 14 March 2016, expressed its concern over the decision of the Speaker of the House to return the appointment nomination of 11 Supreme Court justices without making an arrangement of its hearing in the Parliamentary Special Committee on Hearing. At a time, when the Nepalese judiciary was witnessing an acute shortage of human resources to hear overdue cases, the Speaker’s decision to return the appointment nomination, as TI-Nepal opined, did not send a good message to the general public who believe in the judiciary and use it as a last resort for dispensation of justice.

- **Press release on omission of “improper act” from the constitutional provision bearing CIAA, and its function**
  TI-Nepal, on 31 March 2016, strongly urged an alternative provision as to who should be responsible for the “improper act” because the constitutional provision bearing CIAA, and its function, discreetly omitted the term “improper act” from CIAA’s scope of work. TI-Nepal opined that this kind of legal omission would not only create a confusion but also paves the way for increased corrupt behavior and unaccountability.

- **Establishment Day press release appealing a committed engagement**
  TI-Nepal on the eve of its 21st establishment day on 3rd of Bhadra issued a press release on 17 August 2016 that appealed to all concerned stakeholders, including the GoN, the Parliament, all other governmental and non-governmental organizations, the media and social
advocates, for a more committed engagement on the corruption agenda in the changed socio-political and socio-economic context.

- **Press release demanding the revocation of the decision to provide public land to political parties**
  TI-Nepal, on 26 August 2016, strongly opposed the cabinet decision to provide public land near the Sugar Mill at Birgunj in Parsa district to a political party—Maoist Center—and demanded an immediate revocation of this decision because this kind of arbitrary giving away of public land to political parties would set a wrong precedent as it is not simply feasible to provide land to all political parties in the country.

- **Press release demanding an official viewpoint of the concerned stakeholders over a media coverage**
  TI-Nepal, on 23 September 2016, issued a press release demanding an official stand of the GoN and the CIAA over media coverage that reported the Prime Minister’s statement of reaching an ‘agreement’ with the CIAA Chief of not ‘initiating’ an investigation which CIAA intended to open. The press statement of TI-Nepal highlighted the Chief Executive’s remarks, if media is to be believed, over such a serious issue could not be taken lightly because this not only discourages the investigation per se but also undermines the credibility of the CIAA, by and large.

**Letters**

- **Letter to the Secretary of Ministry of Commerce and Supplies**
  TI-Nepal, on 22 November 2015, wrote a letter to the Secretary of the Ministry of Commerce and Supplies demanding appropriate action to ease fuel and other essential commodities, which included life-saving drugs, also, on the backdrop of the ongoing blockade and subsequent black marketing in the absence of strict government monitoring.

- **Letter to the Prime Minister on former office-bearers’ perquisites**
  TI-Nepal, on 13 December 2015, wrote a letter to the Prime Minister over an issue that surfaced in the Nepali media about former office-bearers’ perquisites. The letter strongly urged the Prime Minister to stop this because former office-bearers, in one way or the other, are entitled to receive post-retirement perks in the form of pension and other benefits. TI-Nepal was of the opinion that the perquisite was absolutely wrongly timed and completely unviable especially in the aftermath of the devastating earthquake, and subsequent blockade—both of which affected Nepali citizens adversely.

- **Letter to the Prime Minister on Petroleum Product Sale**
  TI-Nepal, on 10 March 2016, wrote a letter to the Prime Minister demanding immediate revocation of GoN decision which allowed a private operator—the Birat Oil Company—to sell petrol at a discriminatory price. TI-Nepal opined that such discriminatory pricing would, by and large, add additional woes to an already impoverished Nepali consumer.

- **Letter to the Law, Justice and Parliamentary Affairs Minister on Amendment of Some Nepalese Acts**
  TI-Nepal, on 31 March 2016, wrote a letter to the Law, Justice and Parliamentary Affairs Minister over the amendment of some Acts, which included Black Marketing (Crime and Punishment) Act and Customs Act, among others, that reduced the scope of criminality and
punishment. The letter strongly demanded repeal or re-amendment of the newly introduced provisions in these acts so as to not provide room for impunity in any form whatsoever. TI-Nepal also cautioned GoN to consider this while enacting new laws pursuant to the new Constitution in the future as well.

- **Letter to the Law, Justice and Parliamentary Affairs Minister submitting TI-Nepal findings on who should be made responsible for investigating “improper act” in the event of its discreet omission from the CIAA’s scope of work**

  TI-Nepal, on 3 April 2016, wrote a letter to the Law, Justice and Parliamentary Affairs Minister submitting findings of TI-Nepal deliberation on ‘who should be made responsible for investigating “improper act” in the event of its discreet omission from the CIAA’s scope of work.’ According to the findings, there should be sustained dialogue among the concerned stakeholders as to what should be done to do away with this legal omission, and find a legal recourse. For this, TI-Nepal had organized a focused group discussion with former Chief Commissioners of the CIAA and the Election Commissioner, former Auditor General, former Chief Secretaries and Civil Society Leaders.

### 2.1.2 Tracking Earthquake-Aid

TI-Nepal continued tracking earthquake-aid that was initiated last year to ensure transparency and accountability in the resources related to the devastating earthquake. TI-Nepal continued uploading aid-tracking and other bi-monthly reports to its official website with a view to inform the public about all donations and disbursements. The government portals, financial tracking services of the UN, and different media reports are the sources for financial-tracking and dissemination.
2.1.3 Initiation of IPERR Program

Foreseeing the governance problems that could arise from the heavy flow of foreign aid and donations, TI-Nepal initiated a new program IPERR this year. TI-Nepal has hired its District Officers in 14 districts, and preliminary orientation has already been conducted to equip them to undertake work at earthquake-hit districts.

2.1.4 Mobile ALACs and Help Desks

In order to directly reach citizens at the grassroots, TI-Nepal in collaboration with its district affiliates of ALACDP and BNIN programs carried out mobile ALACs and Help Desks in the premises of government offices in Banke, Baglung, Bhaktapur, Butwal, Dang, Darchula, Gulmi, Ilam, Siraha, Surkhet, and Rupandehi. These clinics were held in district offices that experienced heavy flow of service recipients on a daily basis and are often rife with corruption. District offices such as District Transportation, District Administration, DDC and Land and Revenue offices, Nepal Telecom were specifically targeted. Through mobile ALAC camps, more than 200 grievances relating to irregularities in public service delivery were addressed. Delays in service delivery, misuse of budget, malpractices and bribery were identified as some of the major areas of concern. Administrative guidance, facilitation and legal advice were provided to the complainants. Subsequently the grievances were brought to the attention of the relevant public authorities for redress through letters and follow-up.

Similarly, Help Desks provided direct support to
service recipients who, due to lack of information and knowledge of the procedures adopted by specific institutions, often faced difficulties in acquiring vital services provided by the State. More than 1000 service recipients sought assistance from 70 Help Desks that were run throughout the year.

These programs created the opportunity for TI-Nepal staff and district partner teams to directly interact with the people and to hear their concerns regarding inefficiencies in service delivery first hand, allowing TI Nepal to make better informed and targeted advocacy programs.

2.1.5 Women Leadership and Integrity

TI-Nepal recognizes women as equal partners in the anti-corruption movement and has focused repeatedly on increasing their direct participation in all its programs and activities. On May 13, 2016, a program was held in the Bhaktapur District Administration Office for seven women who are currently serving as Office Chief at 7 government institutions in the Bhaktapur District. The focus of the program was to further understand and assess the role of women leaders in promoting integrity and good governance.

The program was organized in partnership with district affiliates based in Bhaktapur. During preprogram the Office Chiefs extensively discussed the challenges they faced and the role they play to promote integrity and accountability in their respective offices. They also pointed out the challenges they face while instilling values of integrity both in the office and in the home environment.

In order to further emphasis the role women have played across the globe in fighting corruption, TI-Nepal delivered a presentation on “Women and Corruption” at the program. The discussion highlighted the global studies that argues that women led institutions and governments are less prone to corruption. The discussion also reiterated facts on women empowerment and the significant role that women can play in promoting integrity both at an institutional and societal level. This program not only demonstrated the importance of initiating and designing such programs, but also encouraged TI-Nepal to have more programs to engage women in specific anti-corruption activities.

2.1.6 International Index, CPI, Release

Transparency International’s Corruption Perception Index Survey, 2015 placed Nepal with a score of 27 in 130th position among 167 countries surveyed. Nepal failed to improve both its country ranking and score. It was placed 126th on the index among countries surveyed with a score of 29 last year. According to the index, Nepal is the third most corrupt country in South Asia. A score of ‘0’ denotes most corrupt and ‘100’ denotes corruption free. The index rightly indicated that corruption is increasing in Nepal and remains a major threat to governance and democracy. The index received much attention from the media and was widely covered.

2.1.7 Public Hearings
The District based surveys and grievances received via ALAC centers allowed TI-Nepal to identify “hotspots” of corruption in public service delivery institutions. An analysis of the information received indicated an increasing dissatisfaction among service recipients on the services rendered particularly by public health delivery institutions. In order to address these issues and demand higher standards of transparency and accountability from the respective health delivery institutions, two AOs based in Rautahat and Baglung District conducted 2 public hearings on Gaur District Hospital and Dhaulagiri Zonal Hospital. The objectives of the programs were to inform the public on health related entitlements and services and to enhance transparency in the activities of the offices and related line agencies. Issues such as low quality of health care services, weak administration, lack of skilled medical officers, unavailability of free essential medicines, increase in corruption due to the growing influence of intermediaries were put forward by citizens, who went on to demand accountability from the relevant government authorities. The District Administration Officer and other representatives of the relevant line agencies present in the program provided assurance to the public that efforts to reform and improve public services will be initiated in the District, based on the suggestions provided.

Through the use of social accountability tools, TI-Nepal has been able to inform citizens about their rights and entitlements empowering them to demand accountability from authorities and enabling better access to services for vulnerable groups.

2.1.8 Interactions on RTI and GG

To ensure that values of integrity, transparency and accountability is widely promoted and embraced by diverse sectors, sensitizing programs on the RTI and GG Act were conducted in the Districts targeting government officials and VDC Secretariats. Through the programs, appeals were made to the local government authorities to reactivate the Good Governance and Right to Information Act to better serve the citizens. TI-Nepal was able to create a space to initiate a discourse on good governance practices, RTI and GG Act at the local level.

At the District level, where these sessions were held throughout the year, several VDCs conducted public hearings in their respective Districts, while in Rautahat the program was attended by the representatives of political parties and media personnel who vouched to refrain from politicizing VDC related activities.
2.1.9 Stakeholder Interactions

The partner organizations of ALAC-DP program conducted interactive meetings in Illam, Rupandehi, Gulmi and Kaski Districts on a regular basis. These interactive programs have been quite effective in improving public service delivery at the local level. Pertinent issues at the local level such as poor quality of services provided by community hospitals, absence of safe drinking water, lack of transparency in aid distribution to disaster victims were discussed intensively amid relevant government officials, activists, media personnel and representative of political parties. The strategy of bringing service providers and recipients to the same platform to discuss local governance issues, allowed citizens to put forward the problems they face acquiring services while recognizing the challenges faced by public officials during service delivery. Furthermore, these programs contributed to enhanced collaboration and commitment from all the involved parties to implement necessary changes in order to increase effectiveness and efficiency of the local public service delivery institutions.

Overall, the interventions carried out has been instrumental in creating a platform for effective grievance redress through legal advice, District summits, initiating further discussions with government representatives and policy makers both at the central and local level and strengthening overall anti-corruption initiatives.

2.1.10 New Initiative: Governance Standards for Climate Adaptation Finance

This project is part of TI's Climate Finance Integrity Program that aims to improve the overall standard of governance of climate finance in Bangladesh, Maldives and Nepal. The project is led and funded by TI-S, but is implemented by project teams in Bangladesh, Maldives and Nepal, with international coordination and technical assistance from the Adaptation Watch network, of which TI is a member. The project aims to bring about behavioral changes among stakeholder groups and make the interplay between the public sector, business and civil society in relation to climate finance less fragmented and more synergistic. The total funding of the project is 62000 Euro.

TI-Nepal will carry out a national level research to identify governance challenges in climate for knowledge-based advocacy. Furthermore, findings of the studies will be disseminated through workshops, conferences, meetings and dialogues targeting specific actors. Initiating strong alliances with local NGOs working on climate finance, media engagement, capacity building workshops will be the major highlight of the program. The program is set to kick start from September 2016 and will run up to January 2018.
2.2 COALITIONS AND COLLABORATIONS

TI-Nepal continues to work through networks and partnerships both nationally and locally. While the organization faced many challenges from different fronts, it was also able to build strong networks with present partners while fostering new networks. The collaborative approach adopted by TIN has yielded valuable results in terms of both citizens’ and government’s sensitization and their intensive engagement in issues related to good governance. The practice of exploring and collaborating with like-minded institutions, specified as a strategic direction, has strengthened partnerships with various stakeholders. Several programs, either targeting a specific region or district, were organized by various partners working to promote good governance.

2.2.1 National Summit

On December 23rd 2015, TI-Nepal hosted a National Summit titled ‘Promoting National Integrity’ to reflect on its nationwide anti-corruption initiatives. The summit was open to multi-sectoral stakeholders representing the Government of Nepal, TI-Nepal’s local partners, media personnel, academicians and other experts working in the field of good governance. The first half of the conference was chaired by the Chief Secretary of the Government of Nepal, Dr. Somlal Subedi and the second half by Lila Mani Paudel, Former Chief Secretary of the Government of Nepal.

TI Nepal released the reports of four research studies conducted in 2016 at the summit. They were the reports on Budget Formulation Process of the Government of Nepal, Integrity Pact in Public Procurement, A Survey on Public Service Delivery 2015 and Moral Education. Researchers involved in the studies delivered presentations on the major findings and the recommendations. In addition, the District partners shared best practices at the local level, challenges they faced while implementing Integrity Pledges and Development Pacts, grievance redressal mechanisms and other district specific integrity issues. These issues were further discussed amongst high level government officials. The gathering allowed for the exchange of information among key stakeholders enabling follow up and review, and to share TI-Nepal's anti-corruption initiatives at a national platform.

2.2.2 District Summit

In partnership with its district based partners, BNIN conducted three District summits in the Districts of Dolakha, Darchula and Baglung on 12th April, 21st April and 15th May 2016 respectively. Each District summit had 60-80 participants in attendance consisting of government representatives, and other primary stakeholders including media, representative of political parties and concerned citizen groups. These summits focused on deliberating integrity issues related to education, local development and the hydropower sector.

At the summit, pressing integrity issues specific to the district were put forward by the citizens. In Baglung, the focus was on issues related to education and integrity promotion at district and zonal level while in Darchula issues on local development and the present gap in policy implementation were discussed. In Dolakha the focus was on local governance, issues related to hydro-power and monitoring of reconstruction efforts. The representatives of district government offices acknowledged the problems associated with substandard public service delivery especially in the education and
health sector and pledged to make necessary improvements to promote good governance and reiterated their full support to the initiatives carried out by TI-Nepal. Each district summit produced a District Specific Declaration on Good Governance to help promote integrity in the district and improve the status of governance in areas specific to socio-economic development. These summits have helped TI-Nepal to deepen its outreach initiatives and enhance the credibility of partner organizations at the local level.

2.2.3 National Youth Conference

Recognizing the important role that youth can play in the overall anti-corruption movement, TI-Nepal through its BNIN project implemented programs specifically targeting youth at the district level. The second National Youth Summit 2016, hosted by AO based in Nepalganj Banke, in partnership with TI-Nepal, regional office CIAA, Tax Department, Nepalgunj Youth Center and other related civil society and media houses, was held with the aim of bringing together a large group of young people associated with diverse sectors to contribute to the anti-corruption discourse. The objectives of the summit were to seek youth involvement in the anti-corruption movement, recognize the important role played by youth in anti-corruption initiatives, develop an anti-corruption strategy and build strong alliances with local based CBOs and CSOs. More than 428 member representing 60+ districts actively participated in the program.

The conference highlighted the challenges of sustaining youth participation in the anti-corruption movement and also extensively discussed the regional and national impact that a successful collaboration with like-minded young individuals could result in. To achieve this result, the AOs sought alliances with likeminded young individuals and institutions who pledged to promote a culture of integrity and to take a zero tolerance stance against corruption. The conference also released the Nepalgunj Declaration, highlighting the need of sector-wide collaboration to launch a powerful anti-corruption movement and the promotion of values to instill integrity in each sphere of society.
2.2.4 Investigative Journalism Training

TI-Nepal worked on raising the standard, quality and skills of local journalists recognizing the important role played by the media in promoting good governance both locally and nationally. A workshop on Investigative Journalism (IJ) targeting the Districts of Baglung, Parbat and Myagdi was conducted in partnership with the AO based in Baglung district. TI-Nepal’s resource person carried out the training program with the objective of capacitating local based journalists to skillfully report on local corruption. The training outcomes included disseminating comprehensive information on skills required to conduct investigative journalism and covered other related topics such as effectively identifying corruption related news, documenting evidence, building powerful stories, and initiating necessary follow-up reports. A total of 34 local newspapers, radio reporters and representatives of major dailys such as Kantipur and Nagarik news were also present in the training program. These trainings are vital to fight corruption and will inevitably contribute to an increased standard of governance.

2.3 SECTORAL FOCUS

In order to promote values of integrity in the public sector and make service delivery efficient and equitable, TI-Nepal conducted a number of initiatives targeting specific sectors that have been continuously scrutinized for malpractices or have been identified as susceptible to corruption. Under this, studies targeting specific sectors were undertaken and comprehensive public awareness was carried out based on its findings.

2.3.1 Research

TI-Nepal produced and disseminated a wide range of studies on corruption that contained a contextual analysis and recommendations for appropriate legal and policy measures. Five studies focusing on sectors such as Public Service Delivery, Budget Formulation Process, Integrity Pact, Study on Hydro Power Sector, Constitution of Nepal 2072 B.S, were conducted. Studies on Public Service Delivery Survey 2015, Budget Formulation and Integrity Pact were released in December 2016 while the other three studies on Hydro Power Sector, Constitution of Nepal and Public Service Delivery Survey 2016 is still ongoing.

Major Studies released in 2015/16

- The NIS Assessment was carried out by senior journalist Mr. Rama Krishna Regmee as the lead researcher. The study assessed the level of integrity of 12 governance pillars. It highlighted key areas within the National Integrity System that need improvement, and provided policy-makers and lobbyists a clear picture of the issues facing the country. The study was released in December 2015.
A Study on Budget Formulation Processes was conducted by the Molung Foundation. This study examined the strengths and weaknesses of budget formulation and implementation and recommended pragmatic reforms to deliver an effective budget formulation process.

The study on IP in Public Procurement was carried out with Scott Wilson Nepal. The report assessed current procurement laws and prevailing practices in Nepal and prescribed a framework for the implementation of IP in each stage of procurement. The researchers reviewed the laws and practices in public procurement system which had provided the evidence base to lobby for the introduction of the IP in public procurement.

A Study on GoN Policies and Practices of Free Distribution of Medicines

To assess governance issues related to the health sector a study titled- “Policies and Practices of the Government of Nepal on the free distribution of Medicines” was conducted. The Lead Researcher of the study was Ram Babu Nepal. The study identified a number of challenges pertaining to the distribution of free medicine which includes: the lack of timely availability and access to free medicine; demand exceeding domestic supply; procurement and distribution of medicine that is close to the expiry date; delays in budget disbursement and other procurement complexities.

Study of GG provisions in the Constitution of Nepal 2072 B.S.

A study was initiated in April 2016 to assess to what extent the present constitutional provisions promotes good governance in the country. The study will highlight key provisions in the Constitution that will influence the governance agenda including control of corruption. An independent consultant from Kathmandu School of law, Dr. Bipin Adhikari, has been contracted to conduct the study which will highlight the relevant provisions and provide recommendations for implementation and improvement.

Public Service Delivery, 2016 and Satisfaction Survey, 2015

The 2016 Public Service Delivery Survey was carried out by an independent consultant, Dr. Prakash Bhattarai. The survey basically assessed people’s perceptions on the improvement of service delivery as compared to the findings of the Satisfaction Survey that TI-Nepal commissioned in 2015. The Survey examined local people’s experience and perceptions of corruption while accessing public goods and services at the district level. 13 public service delivery offices were covered: Offices of Land Reform and Revenue, Land Survey, District Administration, Health, Police, Communications, Transport, Municipality, Electricity, Water, Agriculture, Forest and Tax/Customs.

The 2015 Satisfaction Survey, on the other hand, mapped public's perceptions and experience of government service delivery in 9 Districts. The AOs based in the 9 Districts were trained as enumerators to collect primary data in order to carry out the survey. Through the survey the AOs received first-hand information on the challenges related to public service delivery at the District level providing them with an evidence base to conduct issue specific programs. The report will be released in September 2016.

Study on Hydropower Sector
To generate a holistic understanding of the governance issue in the hydropower sector of Nepal, a study was commissioned to an independent consultant of the Economic Forum, Sujeev Shakya in April 2016. The study will review the policies and programs within the hydropower sector from the perspective of formulation, execution, monitoring and evaluation. It will also identify high fiduciary risk zones in the hydropower development process and will prescribe appropriate strategies to overcome these risks. The study is due to be completed in September 2016.

2.3.2 Grievance Hotline as an Outreach and Evidence based Advocacy

Over the years, facilitating grievance redress through hotline services has become a core component of TI-Nepal's sectoral focus. The process of lodging complaints based on cases of inefficacy of public service delivery institutions has become a powerful tool to empower people, especially victims and witnesses of corruption, to fight corruption and injustice.

Hotline services operated through ALAC centers also serve as the focal point of TI-Nepal's anti-corruption outreach. From September 2015- to July 2016, TI-Nepal received approximately 800 public contacts, both at the center and affiliated organizations based in 22 districts.

Relevant authorities were contacted based on the complaints received and where necessary cases were submitted to the State anti-corruption bodies. In addition, this mechanism has also allowed TI-Nepal to identify key corruption issues affecting people, and thus initiate sustainable solutions and advocate with the government for its implementation. The grievance hotline operation, therefore, has in a way helped TI-Nepal in conducting evidence-based advocacy.

The officers based in the Districts assist clients to compile strong cases, which have strengthened the locals demand for their State entitlements. On the other hand, raising awareness of relevant officials has improved their understanding and recognition of citizens’ needs and challenges. These centers have given citizens the belief that corruption is surmountable enabling them to hold officials accountable and fight injustice.

2.3.3 Mass Awareness

To create awareness among the citizenry at large, TI-Nepal launched a widespread publicity campaign though the use of both traditional and nontraditional media. Information on programs carried out by TI-Nepal including other anti-corruption agendas were advertised and disseminated through newspapers, radio stations, leaflets, posters and billboards, while TI- Nepal also collaborated with national and local radio stations and developed anti-corruption radio dramas, good governance songs and other Public Service Announcements (PSAs) on accountability, transparency, and integrity issues.

TI-Nepal has used the media effectively to communicate and promote its anti-corruption messages, as media has been supportive of TI-Nepal's events and news. Throughout the year the media covered interviews, anti-corruption day celebrations and activities, seminars and meetings as well as advocacy letters and press releases. The campaign has solidified TI-Nepal's profile as an organization dedicated to establishing good governance in the country.

Besides, TI-Nepal has been publishing calendars, which employs the tools of art (cartoons) to spread anti-corruption message, and a regular bulletin "Paradarshi."
2.4 PROMOTING VALUES

As strong ethical and moral values are central to the establishment of a transparent, accountable and non-corrupt society, a number of initiatives were undertaken by TI-Nepal to promote ethical values in public life. These include dissemination of messages related to integrity and anti-corruption recognizing and honoring individuals and institutions that have significantly contributed to good governance in the public sector, engaging students in school level anti-corruption activities and initiating an extensive discourse among the NGO sector on an NGO Code of Conduct. These programs have resulted in an environment where anti-corruption is freely discussed which is vital to instilling values of TI-Nepal in society.

2.4.1 Celebration of International Anti-Corruption Day

To mark International Anti-Corruption Day on 9th December 2015, programs were organized both at the central and District level. In Kathmandu, a day-long event was organized with the attendance of over 100 people. The program featured a powerful performance by the theatre group Sisnu Pani and Sarwanam that showcased the worrying case of institutionalization of corruption in Nepal’s public sector. On the same day, TI-Nepal also awarded the Integrity Award 2015 to recognize and honor the efforts of an individual or an organization known for their contribution towards integrity and combating corruption. Dr. Govinda KC from TU Teaching Hospital, Institute of Medicine, received special recognition in honor of his exceptional display of high integrity in public life. TI-Nepal had been repeatedly supporting Dr. KC’s fight against irregularities in the medical and public health sector.

Simultaneously, TI-Nepal’s affiliates based in the Districts marked the day by conducting public interactive programs, rallies, and other creative events such as anti-corruption sports events, poetry and song competition. A few affiliates also carried out activities throughout the week. Celebrating and organizing such events have allowed TI-Nepal to pass on its core values through a larger platform.

2.4.2 School Level Activities

To instill values of anti-corruption and good governance among students, several school level programs were conducted by the AOs in the districts. The focus of these programs was to sensitize and nurture strong ethical values and principles of democracy and governance amongst young people primarily at the local level through cultural and other activities. Student friendly competitions such as inter-school speech competitions, elocution competitions, comic and cartoon competitions and essay competitions were organized by the AOs in 9 Districts.

Activities carried out at the center also continued to engage youth in their work, both as volunteers and participants. Also to ensure information on good governance is easily accessible to locals, especially local students, three AOs based in Rupandehi, Bhaktapur and Dolakha have set up Good
Governance Libraries in each of their office premises. Books and materials on good governance were distributed to the affiliates by TI-Nepal office.

2.4.3 Peer Facilitator Training

TI-Nepal developed a peer facilitator training manual to systematically engage young students in the anti-corruption movement. The manual was developed by Former Secretary, GoN, Mr. Balkrishna Prasai. The manual includes topics on good governance, ethics, morals and values and also lists anti-corruption, transparency, and accountability as additional topics. The peer-to-peer training allows young students to learn from each other about good governance and integrity. To effectively launch the peer facilitator training, representatives of AOs associated with BNIN programs were given a TOT based on the training manual. Two external trainers, Bishwa Raman Neupane and Suresh Pradhan, facilitated the program that focused on moral and civic education and its relation to good governance. The training also focused on applying proven techniques to actively engage young students from schools and to help them become successful peer educators. This method of peer-to-peer education is effective in rapidly spreading the values of civic duties and responsibilities across student groups due to the potential ripple effect it can create at the societal level.

2.4.4 Promoting NGO Governance

With the objective of addressing the tarnished image of NGOs in Nepal, which has deteriorated over the years, TI-Nepal launched a series of interactive programs with representatives of prominent NGOs at the District level. Through the programs, NGOs were encouraged to adopt a set of internal governance standards, and to adopt the NGO Federation Code of Conduct and Social Welfare Council and DAO offices guidelines. The strengthening of influential NGOs’ capacity and commitment to establish good governance internally will result in inspiring the communities they work in to aspire towards higher standards of governance.

2.4.5 Promoting an Anti-Corruption Alliance

TI-Nepal has promoted an anti-corruption alliance involving organizations working against corruption. The major objectives of this alliance is to build a strong coalition against corruption and conduct an effective advocacy with the stakeholders concerned for policy reform. TI-Nepal acts as a Secretariat of this alliance.
2.5 ORGANIZATIONAL DEVELOPMENT

TI-Nepal is dedicated to expanding the knowledge base within the organization, including the EC, members and secretariat in order to achieve higher organizational performance. The board members along with members from the secretariat participated in international events to learn and share knowledge on anti-corruption initiatives that is being carried out across the globe.

2.5.1 South-South Exchange Fellowship

In 2015/2016, four personnel from TI South Asian Chapters of Nepal, India, and Bangladesh were exchanged under the South-South Exchange program, TI-Nepal hosted Md. Rabiul Islam from TI-Bangladesh and TI-Nepal Program Officer Emojani Shrestha and intern Samrat N. Rayamajhi were stationed in TI-India and TI-Bangladesh respectively. After successfully completing the one-year fellowship, both fellows returned to Nepal in July 2016.

At TI-Nepal, Md. Rabuil Islam made valuable contribution to TI-Nepal’s research work. Samrat Rayamajhi worked predominately with TI-Bangladesh’s work on youth involvement and mobilization in anti-corruption and Emojani Shrestha learned about the grassroots advocacy of TI-India. The program facilitated a smooth exchange of valuable experiences on combating corruption at the regional level.

2.5.2 Members Meet

A members meeting was organized in Kathmandu on 2nd June 2016 with the participation of 25 TI-Nepal members. The meeting discussed details of major events and achievements of TI-Nepal during the last two years along with upcoming projects and plans for the organization. The board reflected on the multitude of possible governance challenges that the nation might face post Constitution promulgation to which the members made valuable suggestions and recommendations to minimize risks.

The event provided an opportunity for the members to be updated on TI-Nepal’s activities and plans and to share their views and opinions on ways the organization should move forward to address current challenges posed by increasing levels of corruption and impunity in the country.
2.5.3 Capacity Building Program

In order to ensure that TI-Nepal’s partner organizations accurately reflect the values of the organization, and are recognized as credible institutions at the local level, TI-Nepal conducts capacity building training programs on a regular basis for the AOs. Two training programs were held in Kathmandu from 23rd-24th December 2015 and on 31st May 2016 for partner organizations from 9 districts, associated with BNIN program. At the training, TI-Nepal officials and resource persons shared their perspectives on NGO management, GG Act, RTI Act, mobile ALAC, media mobilization, research work, public service delivery, and peer facilitator training tools. Furthermore, the training also focused on equipping the AOs with necessary program finance planning and skills and knowledge on accurate reporting.

The training has enabled TI-Nepal’s partners to effectively plan and carry out BNIN related activities and at the same time has allowed them to build strong relationships with both government representatives and local citizens.

2.5.4 FK-SSE Concluding Meeting

After successfully coordinating the exchange program among South Asian TI National Chapters since 2009, TI Nepal hosted the chapter representatives from– TI- Bangladesh, TI-India and TI-Nepal, on 29th June 2016 in Kathmandu to officially wrap up the program. 38 participants were exchanged between and among the South Asian National chapters through this program over the years. The meeting focused on the overall impact of the exchange, lessons learnt and sustainability of results. At the meeting, representatives observed that the exchange had fostered a stronger relationship, understanding and solidarity among the TI chapters. Exchange partners also agreed that the program facilitated the transfer of knowledge and best practices on tested anti-corruption frameworks.
2.5.5 International Visits:

Members of TI-Nepal and staff participated in various international events that created the opportunity to share and learn from best practices across the globe.

A team led by TI-Nepal President Bharat Bahadur Thapa, which included Secretary General Mukunda Bahadur Pradhan and Program Coordinator Mohan Bahadur Budhathoki participated at the IACC held at Putrajaya, Malaysia from 2nd to 4th September 2015. Prior to the IACC, President Thapa had represented TI-Nepal at the TI AMM held from 29 August to 1st September 2015, also in Putrajaya. Nearly 1,200 participants from 130 countries gathered in Putrajaya for three days to discuss one of the world’s biggest challenges: how impunity enables the spread of corruption. The 16th biennial IACC brought together representatives from the public, private and non-profit sectors to explore how impunity enables the spread of grand corruption. In over 55 sessions special emphasis was put on corruption in development, clean business and illicit flows, investigating and exposing the truth, and grand corruption. The final declaration called on G20 Governments to act against the enablers of corruption and adopt public registries of beneficial owners of companies.

A team, led by Program Coordinator Tumburu Gautam comprising of Program Officer Binod Bhattarai and Finance Officer Babita Sharma visited Gujarat, India from 14th to 19th January 2016. The purpose of the visit was to observe the good governance and achievements made in public service delivery by the Government of Gujarat, which is considered as an exemplary intervention. The team also observed and learnt from the good practices of reconstruction and rehabilitation where citizen oriented action was implemented after the severe disaster that hit Gujarat in 2001. The official meetings with the government parties were coordinated by TI India.

The Secretary General, Mukunda Bahadur Pradhan, participated in the “Integrity Dialogue on Climate Change Application Finance Transparency: Accountability and Participation” organized by TI-Bangladesh on 29th March 2016. In the Dialogue, delegates from Australia, Germany, India, Indonesia, Kenya, Malaysia, the Maldives, Nepal, the Netherlands, Sri Lanka and the USA along with reputed national experts deliberated on multi-dimensional aspects of climate finance issues, more particularly climate change adaptation finance. The Secretary General also participated in a cross-regional TI meeting on 14-17 June in Brussels, Belgium to support organization’s work on the UN Sustainable Development Goals (SDG). The event mainly focused on to support the global TI movement in strengthening its capacity to successfully carry out impactful, collective and coordinated advocacy on the critical role of anti-corruption in sustainable development.

Ashish Thapa, ED, participated in a two-day regional Impact Meeting (23-24 April, 2016) organized by TI in Dhaka, Bangladesh. The Impact Meeting focused on knowledge and experience sharing, showcasing work and brainstorming on how to effectively work together in the implementation of the new Asia Pacific Program. Within the mandate of TI Asia Pacific program, the meeting collected ideas from the TI NC representatives on relevant themes. The Executive Directors of National Chapters from South Asia- Bangladesh, Sri Lanka, Nepal, Maldives and Pakistan - and TI Vietnam, TI Cambodia and TI PNG participated at the meeting. The ED also participated in HAIN meeting in Istanbul, Turkey, on 25th and 26th May 2016. The meeting was organized on the sidelines of the UN Humanitarian Summit where 15 delegates from TI National Chapters and associates participated. TI chapter representatives from Pakistan, Nepal, Palestine, Afghanistan, Jordan, Lebanon and Senegal shared interventions made in their countries. Details of TI Nepal’s new intervention, IPERR, was also shared at the meeting.
Nisha Aryal, Program Officer, visited TI Bangladesh from 21st to 24th June 2016 to learn about their Monitoring and Evaluation system. In a 3-day visit, the monitoring tools used by TI-Nepal were reviewed and suggestions were made on how the current format can be improved and tools to effectively track the progress and accurately map the impact of TI-Nepal's activities.

Exchange fellows Emojani Shrestha and Samrat N. Rayamahi participated in the South-South Exchange Homecoming seminar in Bangkok, Thailand from, 23rd to 29th July 2016. At the meeting the fellows shared their key learning and challenges faced during their stay at the host country.

2.5.6 Internship

TI-Nepal hosted two international interns- Isabelle Johnson from Lund University Sweden and Kornelia Sofie Arnulf from University of Oslo, Norway. Isabelle worked with TI-Nepal team and provided assistance in mapping and presenting findings of Nepal's earthquake aid distribution, while Kornelia conducted preliminary work on ways to use the latest technology like mobile applications in the anti-corruption movement. Internships provide an opportunity to students to gain hands on experience and allows TI-Nepal to incorporate new and fresh perspectives on the anti-corruption discourse.

3. Conclusions and the Way Forward

The NIS of the country appeared weak during the past year. People, however, demonstrated a sense of resilience and coped with the unprecedented adverse effects of the earthquake and serious disruption of supply of essential goods triggered by the blockade and political agitation.

There is a ray of hope for the future in not allowing the replication of the past year. A number of positive achievements of the year could be cited as inspiring. Special among them were the smooth transfer of power, three different times from one Prime Minister to another through democratic parliamentary process, competitive elections of a new President, a Vice-President, and Speaker of parliament. Three state bodies are being led by women – the Head of State, the Chief Justice of the Supreme Court and the Speaker of the Parliament – indicating Nepal's openness for social inclusion, gender equality and opportunities for women in leadership and governance.

The new government, through its address to the nation on 8 September 2016 in the parliament, has expressed its commitment to good governance, accountability, non-tolerance for bribe, negligence and red-tapeism. It has assured the people that severe action against market manipulators and obstructers of public services will be taken. And the necessary changes in appointing High Court Judges, as envisaged by the new constitution, has already been initiated. Law enforcement bodies and other constitutional bodies are also being developed in provincial and federal levels, with the formulation of necessary laws to give effect to the new set-up.

Political parties are also intensifying consultations on consensus building with dissenters to make the constitution acceptable to all. They are finalizing the number of local bodies and province areas to clear passage for three tier elections within the next 16 months. All these will ultimately help the country to create an environment for good governance.

In the aforesaid backdrop, and the backdrop of TI-Nepal's strategic direction which is approaching its end in 2017, TI-Nepal is committed to continue with its governance agenda hoping to cater to the changed politico-legal context in its new strategic plan which is due next year. The general
commitment, however, remains the same: (i) corruption should be a national agenda, and (ii) zero-tolerance to corruption be visible in action. As usual, TI-Nepal has continued to work through local and national partnerships. The set of accountability tools and actions that TI-Nepal has applied in key service delivery sectors through its partners have resulted in higher standards of integrity, transparency and accountability.

Through its well-designed strategy and activities, TI Nepal was able to engage in policy reform advocating for systemic change while improving the quality of service delivery. Policy level advocacy will continue in the coming year based on the findings of the studies which TI-Nepal regularly commissions, and on the basis of its new strategy—to be formulated next year.

Besides, TI-Nepal will continue to build on the successes achieved through three of its major programs: ALAC, ALAC-DP and SSE, by incorporating its successful components into TI-Nepal’s work plan through new and existing programs. These new initiatives will be carried out to ensure sustainability of the results achieved. Hotline services, a major component of ALAC, is already integrated into other programs such as BNIN while through a new program funded by TI- Secretariat ALAC outreach will not only continue to serve through the hotline grievance center but will also go on to monitor the integrity pledges signed by government institutions.

Lastly, the new program IPERR will ensure that the relief and reconstruction efforts are monitored effectively and that the principles of transparency and accountability are upheld in the entire process. By strategically intervening, this program will help to promote integrity at three key levels in the reconstruction process—policy, implementation and post-implementation.
Annex I: Ongoing Interventions

ALAC Outreach

The ALAC Outreach officially commenced operations on 10th August 2016, with the objective to continue the efforts that were initiated by the central ALAC and the ALAC-DP project. The program will be carried out through the same six partner organizations that were involved with the ALAC-DP project. Gulmi, Chitwan, Rupandehi, and Surkhet and it is a four-year project funded by TI-Secretariat with a total funding of Euro 643,330.

ALAC hotlines for grievance redress, the conduct of social audits, public service delivery survey and monitoring of Development Pacts are the activities of this initiative. Through this set of activities, the project aims to improve good governance, enhance public service delivery, advocate for transparency and empower citizens to hold government offices accountable. The centers (ALACs) will not only act as a local contact point where people can seek legal remedies for their grievances related to public service delivery but it will also conduct social audits of the most problematic institutions/ sector at the local level. Similarly, Development Pacts that were signed between civil society and local authorities, containing specific actions for better public service delivery and transparency, will be revived and efforts will be made to mark the improvements initiated by the government officials that signed DP. The survey and the expenditure tracking social audit will assist TI-Nepal to identify local level problems while the consolidated data will provide a national picture of the standard and status of service delivery institutions.

BNIN

BNIN is a holistic program which aims to strengthen the anti-corruption movement and increase public integrity in key service institutions, sectors and society. Initiated in the year 2014, the program is implemented both at the central and local levels, in partnership with nine affiliated NGOs in different Districts. The program’s key intervention areas are: (1) Advocacy with government institutions and agencies, (2) National Integrity Study publication and advocacy, (3) District based service delivery surveys, publication and dissemination, (4) Expansion of the Advocacy and Legal Advice Services (ALACs), and 5) Good governance, RTI awareness and educational programs at District level.

Under the program, advocacy targeting relevant government institutions and representatives are carried out. Advocacy is based on the findings and recommendations of the past and present studies of TI-Nepal. At the District level, interventions are designed and implemented in coordination with the 9 affiliated organizations based in the Districts.

In its second year of operation, BNIN released three important national level research studies titled National Integrity System, Study on Budget formulation, Satisfaction Survey 2015, and Integrity Pact in Public Procurement. The other three studies on the Hydro Power Sector, Constitution of Nepal 2072 B.S. and Satisfaction Survey 2016 are currently being conducted through independent consultants. In addition, TI-Nepal in coordination with the AOs conducted activities to engage multi-sectoral stakeholders at the district level through interactive meetings, seminars, national and district summits, focusing on GG Act, RTI, research findings and recommendations. The activities carried out under the project received considerable attention from the media.
By the end of 2017, the program will release and disseminate the above mentioned studies that are due to be completed in September 2017. Based on the findings and recommendations of all the studies, a Strategic Advocacy Document will be developed for targeted advocacy. Moreover, TI Nepal will go on to conduct numerous programs using social accountability tools, promote the integrity award, engage more youth and launch an effective media campaign at the central and district levels.

**IPERR**

This program is supported by EU, through the agreement signed on 12 May 2016. The total funding of the project is 1 million euros for a period of 5 years. The grant is part of a broader package of 105 million euros that the EU will provide to the Government of Nepal to support its reconstruction efforts. The program aims at ensuring that the principles of good governance are upheld in the use and distribution of aid, and that it reaches intended beneficiaries. IPERR is a multipronged program which envisions to build integrity at three key levels in the reconstruction process: 1) policy level, 2) implementation level and 3) post implementation level. Actions under the project will primarily focus on building integrity through accountability and transparency measures targeting the GoN reconstruction plans, educational environment, public procurement, social accountability and financial reports. The project will be carried out in the 14 Districts most affected by the earthquake viz. Dolakha, Sindhupalchok, Gorkha, Nuwakot, Rasuwa, Dhading, Kavrepalanchok, Ramechhap, Bhaktapur, Okhaldhunga, Sindhuli, Lalitpur, Kathmandu and Makwanpur. To maximize the efficiency of the action, TI-Nepal will engage government representatives, professionals, media personal and civil societies in the aforementioned districts.
Annex II: Completed Interventions

ALAC

ALAC—originally a brainchild of TI global movement—was essentially an independent platform for the service recipients to redress their grievances, so far as public service delivery is concerned. ALAC provided free and informed legal advice to witnesses and victims of corruption.

ALAC had twofold objectives – it encouraged public institutions to respond more effectively on governance issues building good practice and a culture of accountability, on the one hand; and sensitized citizens at large to build a strong civic resistance against corruption on the other, which largely contributed in enabling the people, especially the rural populace, to claim their rights—right to good governance. ALAC, thus, bridged the gap between providers and beneficiaries, hence functioned as an intermediary adopting fundamentally a non-confrontational approach.

ALAC-DP

The ALAC-DP project was formally signed between TI-Nepal and the European Union Delegation to Nepal on May 7th 2012. The project was executed in 15 Districts of Nepal over a period of 42 months. The project firstly sought to redress public corruption related grievances in different Districts of Nepal and secondly to promote and sign a “Development Pact” – seeking a commitment from the concerned government office to improve the services rendered to promote local accountability.

Major interventions under the program were awareness raising, grievance collection, outreach through district partners focusing on good governance, orientation to local stakeholders, setting up of Citizens Charter, signing DPs, meetings/interactions with stakeholders, media partnership etc. Through its interventions, the program was able to build a common understanding and enhance cooperation between local citizens, civil society organizations and government offices to improve public service delivery.

In spite of many complications and an unfavorable sociopolitical environment, the project was able to leave behind significant structures and exemplary initiatives in the project Districts as envisioned initially. The newly initiated program ALAC outreach through its planned activities will build on the success of the ALAC-DP on a smaller scale.

South-South Exchange

The South-South Exchange program funded by the FredsKorpset Norway was initiated in 2009 under the program, personnel from different Transparency International Chapters in South Asia were stationed in another South Asian Chapter for cross learning and to share knowledge and information. TI-Nepal led the program coordinating other TI South Asian chapters, such as TI-India, TI-Bangladesh, TI- Sri Lanka, TI-Pakistan and TI-Maldives. The program completed 8 rounds and successfully exchanged 38 participants between and among the involved chapters.

The involved chapters agree that the exchange program has enabled the free flow of ideas among the TI South Asian chapters, allowing the partners to adopt the best practices. In addition, the exchange program has not only facilitated the growth of individuals, but has also assisted in improving the overall capacity of involved institutions. This partnership has further enhanced and strengthened TI-South Asia’s regional group and has bought together ideas and knowledge to help make societies free of corruption.
Annex III: General Members

1. Damodar Prasad Gautam (Former President), Member
2. Ambica Shrestha (Former President), Member
3. Mahadev Prasad Yadav, (Former Vice President), Member
4. Sarbagya Ratna Tuladhar (Former Vice President), Member
5. Ramesh Nath Dhungel (Former Vice President), Member
6. Aditya Man Shrestha (Former Vice President), Member
7. Shree Hari Aryal, (Former Secretary General), Member
8. Krishna Prasad Bhandari (Former Secretary General), Member
9. Leela Pathak (Former Secretary General), Member
10. Komal Chitracar, (Former Secretary General/Treasurer), Member
11. Sarachandra Wasti, (Former EC Member), Member
12. Ram Dayal Rakesh, (Former EC Member), Member
13. Khem Raj Regmi, (Former EC Member), Member
14. Sagar Raj Sharma, (Former EC Member), Member
15. Toya Gurung, Member (Former EC member), Member
16. Prayag Dutta Tewari (Former EC member), Member
17. Biswa Keshar Maskay (Former EC member), Member
18. Meena Acharya, (Former EC member), Member
19. Posh Raj Pandey (Former EC member), Member
20. Deep Kumar Upadhaya, Member
21. Jagat Man Shakya, Member
22. Arjun Keshari Upadhaya, Member
23. Surya Nath Upadhaya, Member
24. Purushottam Baskota, Member
25. Prem Raj Panta, Member
26. Kanak Bikram Thapa, Member
27. Suresh Raj Chalise, Member
28. Bijaya K.C, Member
29. Anusuya Joshi, Member
30. Ishwar Prasad Upadhyaya, Member
31. Bhojaraj Pokhrel, Member
32. Mukunda Sharma Poudyal, Member
33. Varun Prasad Shrestha, Member
34. Rewat Bahadur Karki, Member
35. Bimal Prasad Koirala, Member
36. Birendra Prasad Mishra, Member
37. Somraj Sigdel, Member
38. Kedar Bhakta Mathema, Member
39. Banshidhar Ghimire, Member
40. Pawan Kumar Ojha, Member
41. Buddhi Narayan Shrestha, Member
42. Bhim Bahadur Shrestha, Member
43. Keshav Prasad Acharya, Member
44. Kiran Thapa, Member
45. Madan Krishna Sharma, Member
46. Sabita Bhandari Baral, Member
47. Jayram Singh Bohara, Member
48. Prakash A Raj, Member

Annex IV:
The Secretariat

1. Ashish Thapa, Executive Director
2. Kamal Pokhrel, Deputy Executive Director
3. Tumburu Gautam, Program Coordinator
4. Mohan Bahadur Budhathoki, Program Coordinator
5. Rajeev Kunwar, Senior Program Officer
6. Thamanath Ghimire, Senior Communications Officer
7. Dinanath Bhattarai, Administrative Officer
8. Babita Sharma, Finance Officer
9. Binod Bhattarai, Program Officer
10. Emojani Shrestha, Program Officer
11. Samrat Rayamajhi, Program Officer
12. Suvechya Pudasaini, Program Officer
13. Shishor Dyola, Office Assistant
14. Shyam Shahi, Driver

District Officers

1. Junu Dhakal, Bhaktapur
2. Pragya Ghimire, Lalitpur
3. Kamala Rana, Gorkha
4. Rachana Shahi, Dhading
5. Bikash Acharya, Rasuwa
6. Deepesh Ghimire, Nuwakot
7. Pramila Thing, Makawanpur
8. Ganga Lama, Kavrepalanchok
9. Umesh Bishwakarma, Sindhupalchok
10. Ratna Tamang, Dolakha
11. Shirjana Khadka, Ramechhap
12. Ganga Satyal Ghimire, Sindhuli
13. Bhalaman Bishwakarma, Okhaldhunga
# Annex V: AOs

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<th>Organization</th>
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