



INNOVATIONS FOR SUCCESSFUL SOCIETIES

*An initiative of
the National Academy of Public Administration,
and the Woodrow Wilson School of Public and International Affairs
and the Bobst Center for Peace and Justice,
Princeton University*

Oral History Program

Series: Civil Service
Interview no.: H1

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Interviewer: Andrew Schalkwyk

Date of Interview: 3 March 2009

Location: Nepal

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SCHALKWYK: Today is the third of March 2009. I am with Mr. Krishna Devkota, the Training Advisor for DANIDA (Danish International Development Agency) Project in the Inland Revenue Services (IRS) in Nepal.

DEVKOTA: *The name of the project is Revenue Administration Support Project.*

SCHALKWYK: Before we start the interview, can I ask if you've given your consent for this interview?

DEVKOTA: *Okay.*

SCHALKWYK: I'd like to begin this conversation by talking about the role that you've played in civil service reform in Nepal. Could you tell me a little bit about what you do now and then about your positions in the past and some of the responsibilities that you've held in the past?

DEVKOTA: *I started my career immediately after graduating from a local high school in Gorkha district. That was in 1969. Okay, then I started working with an international nongovernment organization (NGO) working in Nepal and I continued my study at the same time. So I completed my intermediate degree, then Bachelor's degree, then Master's degree. Then I left that institution and joined another semi-government, autonomous but semi-government organization called Agricultural Project Services Center. The Center was established in order to provide consultancy services to the government, to the INGOs, bilateral agencies, multilateral agencies, mainly in the field of agriculture and rural development. I was associated with the organization for say about twenty years.*

After I left that organization, I started working as a freelance consultant.

SCHALKWYK: What year was that?

DEVKOTA: *It was around 2000, 1999, or 2000. It has been about ten years now, slightly less than ten years. During all those years I provided consultancy services to the bilateral agencies like DFID (Department for International Development), DANIDA and multilateral agencies like ADB (Asian Development Bank), FAO (Food and Agriculture Organization), UNDP (United Nations Development Program) but that was mainly in the field of develop and management of the livelihood programs, some of that.*

In the year 2002 I happened to join the Civil Society Support Project. That was a Technical Assistance (TA) Program of the main program known as Governance Reform Program. The core program was funded by the Asian Development Bank and the TA I was involved in was funded by the Swiss Development Cooperation, the SDC.

SCHALKWYK: TA is technical assistance.

DEVKOTA: *Yes, TA, technical assistance. I was the project manager or was called team leader. I worked there as a team leader and there were about eleven or twelve staff members working with me. My office was located in the Ministry of General Administration of the Government of Nepal. I worked there for about two and a half years, 31 months actually.*

After that ADB offered me to work as a consultant in one of the TA under the same program. The TA was known as Performance-Based Management System. Previously there were two consultants working for the TA, one expatriate from New Zealand and the other one was from Nepal. Their duration was completed. They went from Nepal, was appointed as a member in the National Planning Commission and the position was vacant. The ADB knew that I had, I was working, I was involved in some way or the other in the implementation of the Governance Reform Program. So they approached me. I accepted their offer and I worked as a consultant to the Minister of Agriculture for implementation of the Performance-Based Management System, initiated by the two previous consultants. One was expatriate from New Zealand, and the other one from Nepal.

So my task was just to add bricks on what they had done in the past. I was not even to initiate new tasks. So it was not my responsibility to determine or to assess whether what they had done in the past was correct or not; I just had to add bricks on what they had done in the past.

SCHALKWYK: And you're currently working at—?

DEVKOTA: *Currently I have been working for DANIDA. I have signed a contract with the Embassy of Denmark in Katmandu so I am a training advisor in Revenue Administration Support Project. That project is for the Inland Revenue Department, under the Minister of Finance of the government of Nepal. I have been working here for the last say six months.*

SCHALKWYK: How long were you involved in the second technical assistance program with ADB.

DEVKOTA: *It was nine, effective nine months. I was involved nine months but the period was spread over one and a half years, almost eighteen months.*

SCHALKWYK: When was that?

DEVKOTA: *When was that?*

SCHALKWYK: Yes.

DEVKOTA: *I think I started from September 2005 and completed in January 2007, something like that.*

SCHALKWYK: Okay, when you started in 2002 with the Governance Reform Program, what were the specific goals of your part of the program?

DEVKOTA: *I think I should give you some background information before I give my exact job because you have to know that the history of public administration in Nepal is not that long. It began only around 1951 after the autocratic rule of the family government, Rana government, was thrown away. So immediately after the installation of the—the restoration of democracy in 1951, a commission was formed under the chairpersonship of an expert from India, Mr. Butch. This commission was known as the Butch Commission. One other member was from Nepal, one Rana and the other member was from India. They have this, they gave a report to the government in order to make the civil service more prepared, more people oriented, for the benefit of the people because earlier that was for the benefit of the ruling family, the Rana family.*

But the report was not implemented completely. Later on, in 1958, one administrative reform commission was formed under the then Prime Minister Tanka Prasad Acharya. But Tanka Prasad Acharya's government was gone before he was able, before he had time to implement his own report. Then again, in 68, no the earlier was not '58, it was '56, 1956.

In 1968 another administrative reform commission was formed under the chairmanship of the then Minister Veda Nanda Jha. He was quite influential minister at that time. The report was submitted to the government, but that was also not completely implemented. Again, after several years, in 1975, another commission was formed under the chairmanship of the then minister, Dr. Bhekh Bahadur Thapa who later became Ambassador to the United States of America. That report was also not completely implemented.

Later on after the restoration of democracy in 1990 and a commission, a new commission was formed under the chairpersonship of the then Prime Minister Mr. Girija Prasad Koirala. The Commission recommended 116 points in regard to reforming public administration. They have suggested various measures like decrease the number of ministries from the then existing number of 21 to 18 and to reduce the number of civil servants to bring it to the right size and all that. Again, that report was also not implemented completely and I have gone through all those reports briefly. It is my feeling that in all the reports they have written good points; they have identified the problems. The reports of the later years have included the suggestions made by the previous commissions also. That means, because there were suggestions submitted by the earlier commissions were also very important and necessary for the reform in the civil service of Nepal. But those were not implemented.

What I can say is that in regard to the reform of public administration in Nepal a major problem was the lack of implementation. Why? Probably it is because of lack of political commitment. They know what to do. They know what is good for the people. They know how to write a report. They just accept the report but they don't implement it. The major reasons I feel is a lack of political commitment, that's one. Probably lack of expertise on the part of the civil servants. Lack of knowledge, lack of skills and all that. Another is disregard of participation of civil society in the administrative reform process and lack of knowledge and skills on how to solve the problems that they confront during the implementation of the reform programs.

It was in this scenario, in this environment, that the government, which was formed in 1991 formed a new commission under the [Indecipherable] of the then Prime Minister Girija Prasad Koirala. Again that report was also not implemented completely. It was implemented, implementation was begun, but there were criticisms and all.

SCHALKWYK: When was the report released?

DEVKOTA: *I think it was 1991 or '92. Then the government was asking help from the donor community and donor community were not, were a bit reluctant to provide support to the government saying that whatever money has been given to the government of Nepal, there has not been much development, there has not been reform in the administrative system and the people are still poor. There is not much socioeconomic development. The women in parliament are still lacking. So it was in 2000 when the meeting of Nepal Development Forum was held in Paris, France, that the donor communities showed their concern whether they should really give high amount of money for the development of the country or not. They*

raised the question, whatever money has been given to the government of Nepal that has gone like water in the sand. Not much development has been seen.

The minister, the Finance Minister, who was participating in that meeting, in Paris, he went, asked the donor community to help the Nepal government in reforming the administrative system also, to provide support for governance reform also. It was my understanding that the Asian Development Bank among many other donors said that they would be interested to provide support in the field of governance reform in Nepal. That's how the governance reform program was formulated.

In that program there were four or five key areas, four or five components. One was leadership development for the change management, for the change management. When I say leadership development, in the central ministries of the government, so that they would be able to manage the change because it was felt in the past that the people who were responsible in the administration were a bit reluctant to change themselves. Were reluctant to adopt the change process. So one priority was given that the leadership should be developed in all the ministries. That was the first priority.

The second was to increase the efficiency of the civil service. To make it right sizing, to bring it to the right size, to bring the number of civil servants to the right size and the third, I'm just telling you briefly. The third component was to make the governance more effective and to make the corruption control more effective, to make the governance and corruption control more effective. That was the third component. The fourth component was to increase the capability of the civil servants and to motivate them to work harder. The fifth component was to develop some mechanism in all the ministries so that the good performer would be rewarded and bad performer would be penalized. That was the scenario of the whole project, the Governance Reform Program.

But my project, Civil Society Support Project, to the Governance Reform Program of the government of Nepal. That's very long. That was sponsored by Swiss Development Cooperation¹ and that was implemented by Pro Public, the national NGO and I was the team leader of the project. So my responsibility was there were two different responsibilities. One was to monitor the progress of the implementation of the Governance Reform Program. Actually there were five ministries involved in this process. One was the Ministry of General Administration as the coordinating ministry. The second was the Ministry of Finance as the facilitating ministry, as a resource allocating ministry, and three other ministries responsible for the delivery of public services like Ministry of Agriculture and Cooperatives and Ministry of Education and Sports, and Ministry of Health and Population, well Ministry of Health at that time.

So we, whatever the five ministries had to do in respect to the governance reform, we had, the project was given responsibility to monitor the progress of the implementation. That was one role. The other role was to get the civil society involved in the process, in implementation of the governance reform program. Basically in the functioning of the three line ministries. I'll repeat it, the Ministry of Agriculture and Cooperatives, Ministry of Education and Sports and Ministry of Health and Population.

SCHALKWYK: So before we move on, who was involved in setting the goals of the governance reform program?

¹ Swiss Agency for Development and Cooperation

DEVKOTA: *Well, it was the government. The through them, the document was signed and delivered to the Asian Development Bank by the Finance Minister. In that case it was the government. But, as I understand, the support was, there was support from an expert from Singapore, I think her name was Genet Tay.*

SCHALKWYK: Do you know how to spell that?

DEVKOTA: *Tay, Genet, that's what I think. She was an ex-minister in Singapore and she was employed, or she was recruited by the Asian Development Bank in order to facilitate, to prepare the governance reform program. So the document was prepared by a team, but that was owned by the government of Nepal and forwarded to the Asian Development Bank after the signature of the Finance Minister.*

SCHALKWYK: So do you know who was involved in that team? Do you know which ministries were involved?

DEVKOTA: *The Minister of Finance submitted the program document to the Asian Development Bank with the signature of the minister, Dr. Ram Sharan Mahat.*

SCHALKWYK: Okay.

DEVKOTA: *I think she was working with the Ministry of Government Administration while she developed the program document. She was associated with the Ministry of Government Administration.*

SCHALKWYK: When you joined the project how did you monitor the progress of the governance reform program?

DEVKOTA: *We had been provided with a list, from the Asian Development Bank or I should say that what was to be done by each of the ministries were listed in the program document. So we used to refer to the program document, what were the things to be done by each ministry and the time schedule was also given there. We just used to compare the progress with the schedule. But in order to get acquaintance with the progress that they have done, we have to visit them and discuss with them and converse with them.*

SCHALKWYK: Were the ministries involved in drawing up the program documents?

DEVKOTA: *Those ministries? I don't think so. I don't think all the ministries were involved there but definitely the Ministry of Government Administration and Ministry of Finance were involved.*

SCHALKWYK: How did the ministries react to the demands of the reform?

DEVKOTA: *Well, as you might have realized that once the government had approved the program, the ministry, they just have to accept it. While talking informally, they may have had some problems, some complaints, but officially they just accept it. Also that was a very high-level committee also, like one committee that is known as Administrative Reform Coordination and Monitoring Committee, ARCMC. That Committee was chaired by the Prime Minister. Under that committee there was a committee known as the Administrative Reform Committee. That was chaired by the General Administration Minister, the Minister of General Administration.*

Even the Prime Minister was involved in implementation of the program. So the bureaucrats who were heading the line ministries, they had to accept, they had to implement the program. Even if they were not that happy with the program document. That's what my understanding was.

SCHALKWYK: So when you went about this monitoring, how were the goals set and what sort of goals were you measuring their progress against.

DEVKOTA: *I might not remember all the goals, but like, there were many activities to be carried out by the government. Even for any of the first tran second tran third tran, really of the money, the government had to fulfill certain tasks. After completing the following tasks the government will be given this much of money, like, as the first tran. So I just don't remember all the tasks now, but there were many tasks to be fulfilled by the government. Some were to be fulfilled by the Ministry of Education, the others were to be fulfilled by the Ministry of Finance, others were to be fulfilled by the Ministry of Agriculture and all that.*

SCHALKWYK: And it was your responsibility to monitor all those, that fulfillment?

DEVKOTA: *Well, the coordinating ministry was the Ministry of General Administration, so we had to facilitate that ministry. Our office was located there. Whatever, the training of our monitoring team, we used to discuss with the concerned line ministries, as well as with the officials from the Ministry of General Administration.*

SCHALKWYK: Who was on the team? Was it made up of Nepalese or was it made up of foreigners?

DEVKOTA: *On my project team?*

SCHALKWYK: Your project team.

DEVKOTA: *All Nepali.*

SCHALKWYK: All Nepali. So how was—

DEVKOTA: *That was when I was working for the civil society support project.*

SCHALKWYK: Yes.

DEVKOTA: *Yes, all Nepali.*

SCHALKWYK: How did you interact with the Ministry of General Administration?

DEVKOTA: *Well, we used to ask is there time for a meeting and we used to visit them. Sometimes, if there were some common issues to be discussed. We used to invite them to our office also, all the people from the ministry. It was possible because the chairperson—there was a steering committee to steer the implementation of the project and the chairperson of the committee was the secretary to the Ministry of the General Administration. In the steering committee the joint secretary, the second hierarchy from secretary and joint secretary. Joint secretary from the five ministries were the members of the steering committee. Me, I was the team leader, the project leader, was the member secretary to the steering committee.*

So if there were major issues that would be discussed in the steering committee meeting but if there was not that major issue then there was a specific concern of

different ministries, we used to visit the concerned ministry and talk to them individually.

SCHALKWYK: How frequently did you have these meetings?

DEVKOTA: If you are talking about the steering committee meeting, it was not that frequently, maybe we just had two or three in a year. But you are talking about the meeting with the concerned ministry for monitoring purpose it was at least one or two times in a month.

SCHALKWYK: And who would typically be involved in those meetings?

DEVKOTA: For monitoring purpose there was a colleague of mine, she was a lady, she was involved, and from the ministry side, those who were in the change management unit. When I mentioned to you earlier the first priority of the government was to develop leadership in the public service delivery ministry, like Health, Education and Agriculture. There was a change management unit in each of the three ministries. The change management unit was headed by a joint secretary.

The joint secretary had his team where the under secretary, section officers and other staff members were included. So sometimes we used to meet the joint secretary, and some other times to the staff members.

SCHALKWYK: In terms of the processes of reform, was there a plan about the sequence of reforms? Which reforms would come when?

DEVKOTA: Yes, there was, not which reform, but there were certain activities planned. So there was schedule of the activities during the program which was of four years duration. In the first year, what are the things to be done, in the second year what are the things to be done. In the third year what were the things to be done. It was listed down there. More specifically the activities were divided say for getting so we call it a trans-condition. In order to get the first tran those were the conditions to be fulfilled by the government. In order to receive the second tran those were the conditions to be fulfilled by the government.

SCHALKWYK: And those conditions were agreed on between the government and the ADB?

DEVKOTA: Yes, yes, correct. The money given by the bank, it was actually a budgetary support to the government. But in order to give the budgetary support also, the ADB put some conditions to the government that they must do this and this and this. Sometimes I compare that program with, like if somebody comes to me, asking for some financial help, and he says I want to run a small sum, I just want guarantee that you'll not spend that money just like anything else, you'll just make more income out of that. I just want to be assured with it, so that he can repay back that money to me. Probably it is in the same line. ADB put some conditions to the government.

SCHALKWYK: All right. So in the second part of your, of that TA, how did you work with civil society to get them involved?

DEVKOTA: When you say the second part of the TA, that is the ADB part?

SCHALKWYK: The SDC part? The Swiss—

DEVKOTA: First we tried to develop awareness among the civil society members in regard to the governance reform program. We just gave them, provided information to

them, what the government was supposed to do during the four years, what the people could expect from the government, what the people could expect from the Ministry of Agriculture, from the Ministry of Education, and from the Ministry of Health.

The line ministries or line agencies in the districts, at the district level, they had to prepare a citizen charter saying what were the functions of the offices, what were the services available to the people. What were the services that the people should have paid fee, if the people should have paid fee what was the amount of the fee? What were the normal working hours of the line agency people? I hope you understand what a citizen charter means.

SCHALKWYK: Yes.

DEVKOTA: *So we just used to encourage the line agency officials to put the citizen charter there and encourage the civil society to ask the services, as mentioned in the citizen charter.*

SCHALKWYK: Did you provide any help in developing the citizen charters?

DEVKOTA: *No, not exactly. But we helped the civil society people on how to talk to the government officials. We just tried to tell them that the government officials were there to serve the people; they were not the masters. Actually the people were the masters. So you don't have to be afraid to go and ask for services from the government offices. It is their duty to provide you the services, it was in that line.*

SCHALKWYK: How did you go about providing this information?

DEVKOTA: *Three ways. One, we had run a radio program, just once in a week. We call it sasakir—sorry, Government Reform Program, radio program. The radio program was, mainly it was broadcast through the government radio, but later on we just gave to the local FMs also so that the publicity was much higher, the level of publicity was much higher.*

The other one was we used to publish bulletins like, journals like—here is a journal that we published, this is actually number one in the very beginning. We used to circulate this paper, the journal, to the concerned line agency offices in the districts and also to the civil society, members of civil society. Here I must add that the focal point of the civil society was while we visit at the district level, the civil society people were invited for a meeting, for a interaction program, two, three days before the interaction program and at the end of the interaction program we encouraged them to form a citizen monitoring committee, civil society. A citizen monitoring committee. All the members of the civil society, the number ranging from 30 to 50 were present in the interaction program. That is not only interaction, we can call interaction come training or interaction come workshop, three, four days, continuous.

At the end of the program we used to form a citizen monitoring committee. We used to tell them, we used to work through this committee. So that is one journal that we distributed to district people. The other one was radio programs. The third one was just say, very frequent interaction programs in Katmandu and at the district level.

Interactions, radio, journals, and we used to distribute the pamphlets, like big, we published—.

SCHALKWYK: Big posters.

DEVKOTA: *Yes, posters and brochures published.*

SCHALKWYK: Whose idea was the citizen monitoring committees? Where did that come from?

DEVKOTA: *I think in the civil society support project document it was mentioned there.*

SCHALKWYK: How many of them did you form?

DEVKOTA: *Six or seven, I'll have to count it. One was in, at the central level in Katmandu. One at the district level in Dhankuta district, one in Kavre district, one in Bara district, Kaski district, Banke district. Six in the districts, one centrally.*

SCHALKWYK: How many districts are there?

DEVKOTA: *In Nepal?*

SCHALKWYK: Yes.

DEVKOTA: *Seventy-five.*

SCHALKWYK: Did you see a difference in the effect of the reform program in the districts where there were citizen-monitoring committees?

DEVKOTA: *Yes, there was a difference. It was—we could see it significantly but it was unfortunate that we just had work there for about two years only. In two years for a governance reform program was too short.*

SCHALKWYK: Why do you think these six developed the citizens—?

DEVKOTA: *Why were there six?*

SCHALKWYK: Yes, why these six.

DEVKOTA: *Well, we had limitations. We had limitations of manpower. We had limitations of financial resources. Moreover, we just had gone on a pilot basis. If these were successful and if the Governance Reform Program was continued, the citizen monitoring committee would have been formed say in all districts. But that was a four-year program. That was completed in four years and there was no further initiation from the government side and that work was stopped.*

SCHALKWYK: Who was typically on these citizen-monitoring committees? Who made up the citizen monitoring committees? What sort of people?

DEVKOTA: *Members of civil society organizations like all the major political parties. There are so many political parties here but when I say major, minimum four and maximum seven in one district. There were other NGOs, local NGOs. So the representatives of political parties, NGOs and the business houses also like journalists, Red Cross, they were there. The general member of the committee could be all those who were interested and who participated in the interaction programs but in the executive committee, there were nine or eleven members with one coordinator.*

SCHALKWYK: Was there any funding provided for the citizen monitoring committees?

DEVKOTA: *In the beginning no. We paid all the expenses incurred in the interaction program and during the training program. They were provided with food and you know—but they were not given any pocket money.*

SCHALKWYK: So it was—.

DEVKOTA: *But later on, while we were just putting out and we were trying to make them independent, that time we gave some budgetary support, one time budgetary support, like 50,000 or 60,000 rupees so that they could buy one computer, establish one small office for that.*

SCHALKWYK: So how did you choose the six areas that you set these up?

DEVKOTA: *The six?*

SCHALKWYK: Yes.

DEVKOTA: *Although Nepal is divided into 75 administrative districts, there are five development regions. So we tried to select one district from one development region. But that was one. The other one, Nepal is made of, say plain land in the south, hills in the middle, and high mountains in the north. We also were planning to select at least one from the plain, at least one from the hills, and at least one from the mountains, but we were not able to select one from the mountains. As you know that was a very difficult time. The security was also threatened.*

SCHALKWYK: So have the citizen monitoring committees been disbanded or do they still continue?

DEVKOTA: *Our intention was not to disband, we just encouraged them to go ahead but say after about one or two years I visited some of those six on my own, for other tasks, I met them there. They say, they were not defunk, they were not dissolved. But they were just wondering what they do without guidance from any agency. Also, when the Governance Reform Program was still under implementation, they had some recognition. They could go to the line agency, government line agency and ask for some information. You know. But when the Governance Reform was not in implementation, their recognition was somehow also questioned.*

SCHALKWYK: Okay, and how did the line departments in the districts react to the citizen monitoring committees?

DEVKOTA: *They were really positive. They took it very much positively. They appreciated the approach of the government. Well, we sensed some, very few officials in the line agencies probably would prefer not to have that committee yes, but we just had sensed that also. But while talking to us they were very appreciative.*

SCHALKWYK: Did they do anything, did they cooperate with the citizen monitoring committees?

DEVKOTA: *Well, working the style of the citizen monitoring committee in all the places was not the same. Some were more aggressive and some were say less aggressive. So when the members of the citizen monitoring committee were more aggressive, say when there were some corruption practices and the citizen monitoring committee they just jumped n that, well, the government officials were not that happy, it is but natural.*

SCHALKWYK: I wonder if you could talk to me a little bit about the second technical assistance program you were part of and that was the performance management schemes. You came into that half way through, correct?

DEVKOTA: *It was more than half way already anyway.*

SCHALKWYK: But significant work had been done before.

DEVKOTA: *Significant time was already spent, but significant work was still to be done.*

SCHALKWYK: So what had been done up to the point where you arrived?

DEVKOTA: *The expatriate consultant from New Zealand and the national consultant, Dr. Sewell they had laid the foundation for the performance-based management system in order to reward for good performance. They had just developed some indicators on the performance, like say in the case of agriculture they were of the opinion that first the database would be established like production of say agricultural commodities like rice, wheat, vegetables, fruit, all that. What was the area of cultivation in a district of the various commodities. What was the total production in the districts of all the commodities? What was the productivity?*

So they had just designed a system, like if there was an increase in the production, productivity and cultivating area, those districts were to be rewarded. For that the line agencies were suggested to develop a three- year rolling plan for the district level, a three-year rolling plan. When I started, when I joined the, not the team, because I was the senior consultant, when I joined the TA, I developed guidelines for the preparation of three-years rolling plan. I organized a interactive program or workshop to develop the plan, but because the database system is so weak that I was not that optimistic whether that would work or not. Say, in the district, how many hectares of land in number in cultivation of paddy all that and what was the total production in the district. We don't have that yet information collection system very effective. Without having effective information collection system, how can we rate that the performance was improved from this level to that level.

SCHALKWYK: What is the current information collection system? What was it like when you were working there?

DEVKOTA: *In the case of total production, productivity, what they do is they do and just identify a small patch of land under say patty cultivation, they got that and we have the measure, say a specific area, if the total production is this much in all the area, it must be multiplied.*

SCHALKWYK: So they take a small ample and multiply it out.

DEVKOTA: *Yes. Anyway, that system is not scientific at all. So personally I was of the opinion that performance could not be measured that way. Even if I felt that, I had no authority to go for other options, for other alternatives. I'm sorry to say that that system accurately doesn't work, mainly because the program was not continued. So when there was no program, there was no monitoring, no follow up from the higher level. The district people, they did not have enough motivation to go for that.*

SCHALKWYK: So why was the program stopped?

DEVKOTA: *The Governance Reform Program?*

SCHALKWYK: Yes.

DEVKOTA: *Well, it was a four-year program and I think, I'm not sure, but I think there was a change in the government, there was no fixed government, the government was changing frequently, and the revolution of the Nepal Communist party, Maoists. They were coming into power and probably they did not believe on slow improvement, slow progress, slow reform progress. They wanted to do something radical, something fast, and they did not go for it, I don't know.*

The party which was ruling at that time, they were not sure what would be the outcome of the election, who would be coming there. That was not in the priority of the government, that's what I feel.

SCHALKWYK: So how were districts being rewarded if they'd improved their production, their productivity or their cultivation?

DEVKOTA: *Well I had recommended certain formulas, like if they met all the targets fixed for them in their annual plan, certain points were given for that and the other task, the other weight was given for the indicators that were included in the three-years rolling plan, like the increase in the cultivation area, increase in the total production, increase I productivity of a major agricultural commodity, not all. Like major, when I say, 4, 5, 6. That would constitute over 80% of the agricultural production in the district.*

SCHALKWYK: What would the offices stand to gain by increasing these? What were the incentives provided by this performance evaluations.

DEVKOTA: *Incentives?*

SCHALKWYK: Yes.

DEVKOTA: *It was in the form of cash. It was also suggested that a certain portion of the incentive would go to the office, that the staff would get, would spend that money for their benefits, like their logistic support and all that, and certain portion would go to their pocket, personal income.*

SCHALKWYK: And that would be done district by district.

DEVKOTA: *Yes, certain monitoring mechanism was developed, suggested, like at the district level they were responsible to collect information, to analyze it but for rewarding the incentive one is that, one step up had to come.*

SCHALKWYK: So who would approve the rewards.

DEVKOTA: *Well, you know, at the district level, the concern of it was under the district development committee so the local development officer who was in charge of the district development committee would chair the local committee and agree that the progress was as claimed by the concerned offices, like agriculture, livestock, you know. After the district development committee, that's not the whole committee, they could form a small committee of three or four members, one from the agriculture section, one from the livestock section, one from the district development community, all three members would be enough. Once they could confirm the process, once I got the report, that was to be forwarded at the high level. Once the high-level authority say go ahead, they would be able to get the incentive. But that didn't work for long I think.*

SCHALKWYK: Where would the money come from?

DEVKOTA: *That was budgeted. You know, there were two types of budgets, like performance development fund, that was the budget for the implementation of the activities and performance incentive fund. A certain portion of the budget, a certain percentage of the budget was separated for the incentive purpose. So I think it is clear?*

SCHALKWYK: That makes sense.

DEVKOTA: *The performance development fund for implementation of the activities that they proposed, for increasing the production and productivity and performance incentive fund if they achieve their targets. That again, over 80%, 100%, there was some breakdowns. Performance incentive fund was provisioned for paying the incentive.*

SCHALKWYK: Why didn't the program work?

DEVKOTA: *That's the program of the administrative system in Nepal mainly. The Governance Reform Program itself was continued, was not continued, so it was natural that the programs initiated under a program would not be continued after the termination of the program itself, termination of the core or major program itself. Number two, in the government offices there is a very frequent transfer of the staff from one place to another. So there are 75 districts as I mentioned to you earlier. We have selected only six districts but for the performance-based management system we just had gone in two districts during the first pilot phase. During the second pilot phase we had gone to two more districts. So all together there were four districts in the case of agriculture and livestock. So if the officials in the districts were transferred to another district, or when the newcomers are there he doesn't even understand what the rolling plan is all about, what the performance-based incentive system is all about.*

SCHALKWYK: Did you see any improvement in performance as a result of the pilots?

DEVKOTA: *No. Actually there was not long enough time to see the results. But the staff were a bit motivated. Also please note that to say there is a high level of corruption in government offices. So the amount of money that they can have from the corruption is much bigger than the money they can expect from the incentive. So how much time they should devote for implementing in their performance. Salary they get, even if they don't work.*

SCHALKWYK: So how do you think the performance plan should have been changed considering what you experienced?

DEVKOTA: *No, if the people who are on top in the politics, the people who are on top in the bureaucracy, they're very honest and committed, there is not much to do with the lower level staff. They can ask them to do whatever they want to do. But here the problem is at the highest level. The commitment, they just look for their personal development, their career development rather than the citizens' development. They look for their own benefit, rather than the benefit of the public. That attitude is to be changed. Probably, it takes time.*

SCHALKWYK: Do you know, when the previous consultants had been working, had they involved members of the Ministry of Agriculture in developing the performance management scheme?

DEVKOTA: *Well the people who were involved in preparing the program document, yes, they were involved in it because it was proposed in the program document. That was not a new program initiated by the government.*

SCHALKWYK: And did they talk to people within the districts?

DEVKOTA: *The people who prepared the document?*

SCHALKWYK: You just said that the two consultants that you took over from developed the performance management scheme, correct? Did they talk to people within the districts that they tried to pilot it?

DEVKOTA: *The two consultants?*

SCHALKWYK: Yes.

DEVKOTA: *Yes, they visited the district, they talked to the people yes. Just talking to you about the agriculture and livestock holdings because I was working on that.*

SCHALKWYK: I understand.

DEVKOTA: *In the case of education and health, Dr. [Indecipherable] was involved there. Probably you will see him also.*

SCHALKWYK: I hope so, yes. What was the reaction of the people, of the workers within the districts to the reforms?

DEVKOTA: *Well the government officials, they were saying that the budget was not adequate to bring the reform there. A small amount of money was given for a big reform. So that was a concern. What we were telling them was that this small amount of money is just additional budget, the regular budget you are getting, that also is for improvement. That also is for development, that also is for progress. So don't just consider the small budget as your performance development fund; consider the total budget in the district. That is the performance development fund for you.*

SCHALKWYK: Right.

DEVKOTA: *You know, if your question is whether the government officials in the districts were happy to implement the performance-based management system or not—.*

SCHALKWYK: Yes.

DEVKOTA: *I should say yes and no. Yes because they were expecting some additional remuneration from their own work.*

SCHALKWYK: Right.

DEVKOTA: *No because the evaluation of their performance was mainly based on whether they met their targets or not, like train this number of people in livestock, this number of people in horticulture, this number of people in fishery, all that. So immediately after they organized the program, the training program, the participants are there, the target is fulfilled, 100%. But in this case, the just forming groups, just providing training to the farmers, would be the result, that wouldn't bring them the incentive. For their performance evaluation for the purpose of promotion say, whether they were able to meet their targets 100%.*

They spend money, all the money they spent. They give training, they form groups and all that, the district will survey and all.

SCHALKWYK: So the greater focus on the outcomes, and that was more difficult to meet by the workers.

DEVKOTA: *Yes. Impact of their services.*

SCHALKWYK: All right. So they didn't like that.

DEVKOTA: *Also, the results were of one year. They start off there, in two years period they can get transferred to another district. So if it has already been one year for him, for him or her, and if the incentive program is started just now, by the time the result will come, he or she will be transferred to another district so they won't care.*

SCHALKWYK: Okay.

DEVKOTA: *So this system maybe become more effective once—I'm not sure, but just thinking, once the country will go for federal agents and when they employee will remain there for higher number of years at a time.*

SCHALKWYK: So did they tie the new performance management into promotions?

DEVKOTA: *What?*

SCHALKWYK: Did they use the results of the new performance management, or did they talk about using the results of the new performance management scheme in promotions or is it just financial incentives?

DEVKOTA: *That was a point they had raised very seriously.*

SCHALKWYK: Who had raised?

DEVKOTA: *The staff members. Because while evaluating their performance, they were to be compared with other staff members in other districts also. Where there was no performance incentive based management system. So that was a problem. Even after introduction of the performance-based management system, they were more concerned with their regular job, like to be the targets so the progress of their officers was as expected, as initiated earlier. Their evaluation would be 100 by 100 or 99 by 100, something like that. I think you got my point. You know two or three districts it was implemented as a pilot phase and another 70, 71 districts there was no program like PBMS, performance-based management system. For the purpose of their promotions all the staff members were to be evaluated under the same criteria.*

SCHALKWYK: Okay, what was the outcome of the pilot programs, what did you conclude from the two pilot programs?

DEVKOTA: *The government should not transfer, at least the senior officials involved in the concerned districts, in the pilot districts, for at least four, five years. At least for four or five years. And the criteria for their promotion should also be given some points under this program.*

SCHALKWYK: Didn't the pilot projects, were they able to accurately assess the effect of the performance management incentive system?

DEVKOTA: *No. That's—this system itself was new for us, new for them. Me as a consultant who has gone through all the reports, who has gone through some literature also, is also not that clear. So for them, just being with the consultant say for one or two days, it is a very—and if it is more clear to the line agency people, the people who are their boss, it is not clear to them.*

SCHALKWYK: All right.

DEVKOTA: *Say, we work with the ministry level, with the joint secretary, the change management unit and there are departments and regional offices and all and then only comes the district offices. We have not worked with the department and regional offices.*

SCHALKWYK: Okay.

DEVKOTA: *First effort was made to involve them, but say, one planning officer or one monitoring officer is involved there, and after some time he is also transferred somewhere else and sometimes we didn't have the program, he'd be in something else and so his deputy or somebody else would go there. So it is all a mix up. And just a little bit of information and that country gets them.*

SCHALKWYK: Okay.

DEVKOTA: *So what I see is first I think government is stable, there must be commitment, political and bureaucratic level and that must be communicated to all the levels, department level, regional level and district level. Then only it can become effective.*

SCHALKWYK: Do you have any other thoughts about the reform program, the Governance Reform Program that you'd like to share?

DEVKOTA: *We feel the old system of management, the old staffing pattern, one cannot, one should not expect much changes.*

SCHALKWYK: Can you describe that system of management and the staffing pattern?

DEVKOTA: *There must be changes. There must be changes, probably if we try to train the current staff members, there will be, they will be reluctant even to accept the program. They just want to go as it is going on for the past so many years. So we have to select or identify some energetic, dynamic officials. Then under their leadership they should groom other groups. If we just try to include all the people, all the civil servants together it will not be effective, it cannot be.*

SCHALKWYK: How was the—what was the relationship of the government with the donors in the program?

DEVKOTA: *How was the relationship of the government with the donors?*

SCHALKWYK: Yes, what role did the donors play in establishing the reform agenda or the goals of the reform?

DEVKOTA: *What?*

SCHALKWYK: What role did the donors play in establishing the goals of the reform?

DEVKOTA: *In fact it was the donor who proposed the program. As I told you earlier, when the donor community was not happy, was not in a good mood to provide the money and when they were reluctant to provide the money because whatever the money was given to the government, that was like, well like water in the sand. So the government promised the donor community that they will not let it happen like that, they promised. But they only promised, they did not implement it, they could not.*

SCHALKWYK: Is there anything particular to Nepal that makes the experience here different from other countries that may affect the lessons that other countries could learn from the reform attempts here?

DEVKOTA: *So far the reports have been prepared, interactions have been done, workshops, seminars have been held, but lacking in the actual implementation of the reforms programs. If you ask a question to an officer what are the things to be done, he will just write very nicely and you will get good marks. But if you employ him to do the same task he will not follow what he has written there. That means, those who work and those who do not work, there is not much difference here, all get salary. And there are only a few who get promotions. The high-level positions are very restricted.*

SCHALKWYK: How are promotions done within the civil service?

DEVKOTA: *There are two matters. One is on the basis of seniority and based on the work performance, but it will taken fourteen, fifteen years to get one promotion. The other one is open competition they call. Say after completion of five years, one is eligible to compete for a higher-level position but he will have to write exam and sit for interview and be selected. One is a they call it the file promotion, like all the records are in the file, how many years he has up there, in how many remote districts, in how many road access districts. There are certain numbers given. High marks are given for those who are working in remote districts for a number of years. That's how they get the marks. Whichever, whoever has the highest marks will get the promotion. There are just certain marks given for academic qualifications, certain for training and certain marks for a number of years of service. Automatic promotion, I said that's automatic, based on the evaluation of the government. Fine. Documented information.*

The other one is, the minimum number of years should be completed, say five years, and then if there are any vacancies that's also, a certain percentage is separated for file promotion and certain percentage, lower percentage, for open competition. So you can find some people who joined the government service together at the time and one is already in the position of the secretary of the ministry, the other one is still a section officer, he has not been promoted. The government simply implemented one automatic promotion. Those who complete a certain number of years, like twelve, fifteen, they were all promoted. The government said now that has created a problem for them and they have now announced a voluntary retirement scheme for those who were promoted automatically.

SCHALKWYK: So before we finish up, do you have anything else you'd like to add?

DEVKOTA: *Can you make me a little bit clear, what is the purpose of doing this, this research?*

SCHALKWYK: Let me stop the interview here.