

# Community Based Organization Governance in Nepal

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## Abstract

Globally diversity of Civil Society Organizations (CSOs) applications raises the curiosity to analyze CSOs' application in Nepal due to uncoerced collective action around shared interest purposes and values. The study focuses on the analysis of the structure, environment, values and impacts of CSOs to illustrate CSO governance. Based on the four types of Nepalese CSOs- Community Forest Users Groups (CFUGs), Cooperatives, Non-governmental Organizations (NGOs), Not-profit Making Organizations and Community Organizations due to the availability of their data. The findings reveal that CSOs have wide coverage and networking throughout the country having voluntary in nature and autonomous in working style. However, their performance is conditioned by the availability of donors' funds, and elite-captured, begging tools in the name of democratic-value addition except not profit-making CSOs due to individualization of the social members.

*Keywords: Community-Based Organizations, history, performance, CSO governance, livelihood*

## Background

The role of civil society is ever-changing with the changing society's political, economical and socio-cultural diasporas. Thus, the number of civil society has been increasing exponentially globally since the 1960s in the West, since the 1980s in non-communist Asia, Africa and Latin America and since the 1990s in the ex-communist regimes of Europe and Asia (Salamon, 1996). More than fifty thousand International Non-Governmental Organizations (INGOs), millions of national Non-Governmental Organizations (NGOs) and undocumented small, traditional, local NGOs exist formally or informally. Sometimes, NGOs and civil societies are used as synonyms despite differences. Thus, their governance issue comes to the fore for discourse to study their genesis, structure, roles and processes accompanied by the outputs and consequences in the society where they are serving citizens and work as a watchdog.

In the first decade of the twenty-first century, there are 50,000 international nongovernmental organizations (NGOs) worldwide—some with grass-roots engagement. There are also about 7,000 microfinance institutions (MFI) within the world serving 16 million people. There are many thousands of undocumented small, traditional, non-incorporated organizations. Since the Second World War (WWII) the developed world has provided the US \$2,300 billion in international aid, and

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at this time around 10–20% of the annual ODA (Official Development Assistance) folks the US \$60 billion is disbursed through the third sector (Hasan and Onyx, 2008). Thus, the global scenario put stress explicitly and implicitly to study CSOs governance systems locally.

Theoretically, governance is about institutional/organizational networking and relationship with the stakeholders on the one hand whereas civil society is an organization that occupies the space where the government is unable and the private sector is reluctant to serve citizens as and when required. In the governance model of Worldbank (1992), [civil society] organizations that are neither established nor created to distribute profits to its member or owners have an objective to make socio-cultural, political and economical prosperity of the society/country. Here, civil society governance refers to the following areas of functions for the purpose of achieving its goals.

- Visualization of civil society organizations before establishments;
- Setting its mission, visions, structure and process;
- Networking with state and private sectors vis-a-vis interrelationship with them;
- The accomplishment of their missions and results/outputs accompanied by the consequences of their performances in society;
- Addressing cross-cutting issues of health, education, social justice and equality, sustainable development, and human development along with government and private sector.

On one hand, the CSO is composed of a vast array of organizations that are not part of the government as well as not operated to profit from their owners and CSO receives funds from the state and market on the other. Besides, CSOs operate their functions in the political and market/private spheres of the country. To differentiate CSOs from the state and market/private sector is a bit complexity subsequently difficult to define neatly. These CSOs are operating for collective goods and services to their members or for others amid complexities even though CSOs differ in their behaviour from the conventional businesses of government and private sectors. United Nations (2015) argues that ...civil society constitutes the full range of formal and informal organizations that are outside the state and market. This includes social movements, volunteer organizations, indigenous peoples' organizations, mass-based membership organizations, non-governmental organizations, and community-based organizations, as well as communities and citizens acting individually and collectively (United Nations Data 2015, quoted in Hinds, 2019, 24p). Almost all specifically prohibit the distribution of profit directly to members or other stakeholders (Hasan and Onyx, 2008). Likewise, CIVICUS (2008) define CSOs as an arena, outside the family, the state and the market where people associate to advance common interest.

Thus, CSOs are a wide array of organizations, associations, academia, not-for-profit professional and corporate social responsibility groups, non-governmental and not-for-profit organizations, youth and student groups, trade unions, foundations, faith-based institutions, youth groups, indigenous and afro descendants people, formal and informal organizations which belong to and/or represent interests based on community, philanthropic, ethical, cultural, ethnical, religious, scientific perspectives and considerations (Inter-American Development Bank 2015, quoted in Hinds, 2019, 24).

However, the CSO term covers many things to many people. For some, it is Non-governmental Institutions likewise non-profit organization (NPO), Non-Governmental Development Organizations (NGDO), Private Voluntary Organizations (PVOs), Third Sector Organizations (TSO), Public Service Organizations (PSO), Charitable Organizations (CO), Grassroots

Organizations(GO), Community Based Organization (CBO), Voluntary Organization (VO) etc. Whatever the terminology, the definition given by United Nations Data, 2015 and Inter-American Development Bank can be quite supportive to define CSO in order to achieve its functional goals.

In sum, “Civil society refers to the arena of uncoerced collective action around shared interests, purposes and values. In theory, its institutional forms are distinct from those of the state, family and market, though in practice, the boundaries between state, civil society, family and market are often complex, blurred and negotiated. Civil society commonly embraces a diversity of spaces, actors and institutional forms, varying in their degree of formality, autonomy and power (Center for Civil Society, 2004). Civil society is not a neat and tidy sphere of social engagement, it is one that is political and riddled with internal contestation (Hinds, 2019, 29). Having said that, CSOs inherit the following attributes.

- Conceived voluntary by nature
- No profit distributions to its members or others
- Politically somewhat neutral
- Work for the public cause
- More people-oriented
- Self-governing
- Watchdog
- Service providers operating in a contested space between and among state, market and family

Based on the above theoretical discussion of CSOs, it is at the forefront of discussion to correct the weaknesses of public and private sectors with the aim of improving the values of democracy and the better livelihood of the people. The objectives of the article are to analyze the applications of CSOs doctrines in Nepal; discuss their sustainability and whether they are able to continue their values and impacts on society; elucidate their performance style by examining their strength and weakness. The analytical dimensions of the CSOs and their rationality are derived from the literature review and their applications are analyzed and discussed in the following sections of the article.

### **Analytical Dimension of CSOs**

On one hand, the CSOs role is analyzed through economical perspective articulating and organizing through their productive, economic interest and material conditions of existence likewise, CSOs act as a group to reform the state in order to achieve political and judicial equality, claiming their rights to take part in the process of forming the laws, making decisions, formulating public policies and in reforming the state within the current situation. Similarly, its role is seen from the political movements that seek to prevent wide-ranging and comprehensive ethical, political and cultural alternatives to transform the individual communities and the structure of the society as a whole (Hinds, 2019). Thus, the structure, the environment, the value and the impacts are considered to analyze the state of civil society.

- The structure: Breath of citizen participation, depth of citizen participation, diversity civil society, participants, level of organizations, interrelationships, resources etc.
- The environment: Political context, basic freedoms and rights, socio-economic context, legal environment, state-civil society relation, private sector-civil society relations, cultural context;

- The values: democracy, transparency, tolerance, non-violence, gender equity, poverty eradication, environmental sustainability;
- The impacts: public policy impact, holding state and private corporations accountable, responding to societal interest, empowerment of people, meeting societal needs etc

## **Rationale of CSOs**

The World Bank, the Organization for Economic Cooperation and Development (OECD) and many advocate the rationality of CSOs due to improvement of public governance in countries of the South. The public governance improvement in the South pins a lot of hope on the capacity of civil society to hold government accountable.

Hasan and Onyx (2008) and Hinds (2019) argue that the CSO as an advocacy group was started to install a democratic government due to fear of communist invasion in the 1990s on one hand. On the other hand, CSOs played a vital role to make the government accountable and monitoring government activities. Likewise, CSO became not only an alternative source for providing goods and services but also addressing social issues such as climate change, sustainable development, poverty alleviation, equity and equality, gender mainstreaming, discrimination against women and minorities etc. Besides, CSOs generate the resources through establishing dynamic relationships with international governments, funding agencies and national governments and local organizations.

In the Asian context, the rationality of CSOs includes- firstly, CSOs have heralded significant space in society because CSOs are traditionally reinforcing society for unity within diversity; secondly, CSOs injected movement against the authoritarian regimes for the cause of the democratic political system; and thirdly, CSOs have been seen as an alternative movement for providing goods and services, development-oriented campaigners and resource mobilizers when the state functionaries were facing difficulties due to their own weakness or western influence (Hasan, 2008).

CSOs that mobilize as part of the labour movement, the women's movement, the environmental movement or on several other areas of concern, diversity in the types of organisations, strategies and approaches is what is often visible(Hinds, 2019). However, CSOs are not found criticism free. Thus, they are negative terminologies used against them which includes Briefcase NGO (BINGO), Come and Go NGOs (ComeN'GO), Commercial NGO (CONGO), Criminal NGO (CRINGO), Fake NGO (FANGO), Mafia NGO (MANGO), Party NGO (PANGO), Politician's NGO (PONGO) etc.(Fowler, 2000, 32).

## **Methodology of the Study**

The method adopted in this article is a meta-analysis of CSOs. Data from four types of CSOs were collected and analyzed based on legality, history and their coverage throughout the country. The data of 26495 CFUGs were collected from Forest Department(2014) whereas 50367 NGOs' data was from Welfare Council, 34512 cooperatives' were from Cooperative Department and 32276 community organizations' were from the Poverty Alleviation Fund. Primarily, their structure and performance style was analyzed based on the legal mandate. Their history was analyzed from a time-series analysis. Their coverage was analyzed based on their locality where they provided service to the needy people. Finally, their strengths and weaknesses against their motto/doctrine were analyzed.

## Legal Background for CSO Governance in Nepal

It is a curiosity how far these characteristics of CSO resemble to the Nepalese CSOs. So, the legal frameworks, structure, volume of CSOs and their functional patterns in the Nepalese context are discussed in the following sections.

Without legal framework, CSOs or any other forms of organization cannot operate in the society. Constitutionally, the right to freedom in the Article 17 has provision of freedom of opinion and expression. This is fundamental departure point for the sake of civil society. Likewise, other categories of freedom include right to assemble peacefully without arms, to form political parties, to form unions and association, to move and reside in any part of Nepal and to practice any profession, carry on any occupation, establish and operate any industry, trade and business in any part of the country. Besides, right to equality, communication, justice, against torture, property, religious and others that are provisioned as fundamental rights in the constitutions are essential rights to operate CSOs in Nepal. Article 51 (a, b and f) mentions certain areas of CSOs under the policy adopted by the state. The sub-section b of Article 51, describes the policy regarding political and governance system. The following acts, rules and policies are made to materialize the constitutional spirit.

|   |   |
|---|---|
| • Constitution of Nepal, 1947, 1958, 1962, 1990, 2006, 2015 | • Local Self-Governance Act, 1999         |
| • Organization and Association Act, 1977                    | • Poverty Alleviation Act, 2006           |
| • Social Service National Co-ordination Council Act, 1977   | • Cooperative Act, 1992                   |
| • Social Welfare Council Act, 1992                          | • Forest Act, 1993                        |
| • Working Journalist Act, 1993                              | • Trade Union Act, 1992                   |
| • Press and Publication Act, 1991                           | • The Income Tax, 2002                    |
| • National Broadcasting Act, 1993                           | • Company Act, 2006                       |
| • Right to Information Act, 2007                            | • National Directive Act, 1961            |
| • Senior Citizens Act, 2006                                 | • Citizen Rights Act, 2002                |
| • Corruption Elimination Act, 2002                          | • National Broadcasting Rule, 1995        |
| • Good Governance Act, 2006                                 | • National Mass Communication Policy 2016 |
| • Human Right Commission Act, 2012                          | • Local Government Operation Act, 2017    |
| • Development Cooperative Policy 2014                       |   |

However, Humagain (2020) argues that the rulers have been shrinking the right of CSOs on the ground of misinterpretation of sovereignty, national integrity, national unity and social cohesion. Khadka and Pokharel (2018) argue that CSOs are facing challenges due to the lack of appropriate definitions and integrated laws despite sporadic legal provisions to govern CSOs in Nepal.

CSOs can work collaboratively with the public institutions in Nepal to make democracy more viable. To sustain democracy in Nepal, the rights of government extends its arms from ward level to federal level. Each layer of government has to right to coordinate, manage, formulate policy, mobilize

resources, deliver goods and services in favour of citizens. Thus, the Ministry of Women, Children and Senior Citizen is a central agency that is the main institution at the Federal level. Ministry of Finance, Ministry of Education, Ministry of Labour, Ministry of Home, Ministry of Forest, Ministry of Foreign Affairs, National Planning Commission, Constitutional Bodies and other ministries which governs CSOs as per their working jurisdictions. Social Welfare Council is an autonomous institution that registers and coordinates CSOs. Likewise, there are also institutional arrangements established at the provincial level as per provincial laws and policies. Similarly, CSOs are governed by local governments from ward level to District Coordination Committees. However, each layer of government invites CSOs as per their wishes. It is necessary that all mechanisms of civic engagement are and should be formal (MoFAGA, 2019). It means civil servants who are working in each layer of government have to be knowledgeable of CSOs so that they can establish fair and impartial relations with Citizens in favour of making democracy sustainable.

### **Community Organizations in Nepal**

The above conceptual analysis includes the CSOs like developmental non-governmental organizations, self-help groups, professional organizations, trade unions, registered charities, women's organizations, faith-based organizations, social movements, business associations, endogenous associations and advocacy groups, religious organizations etc

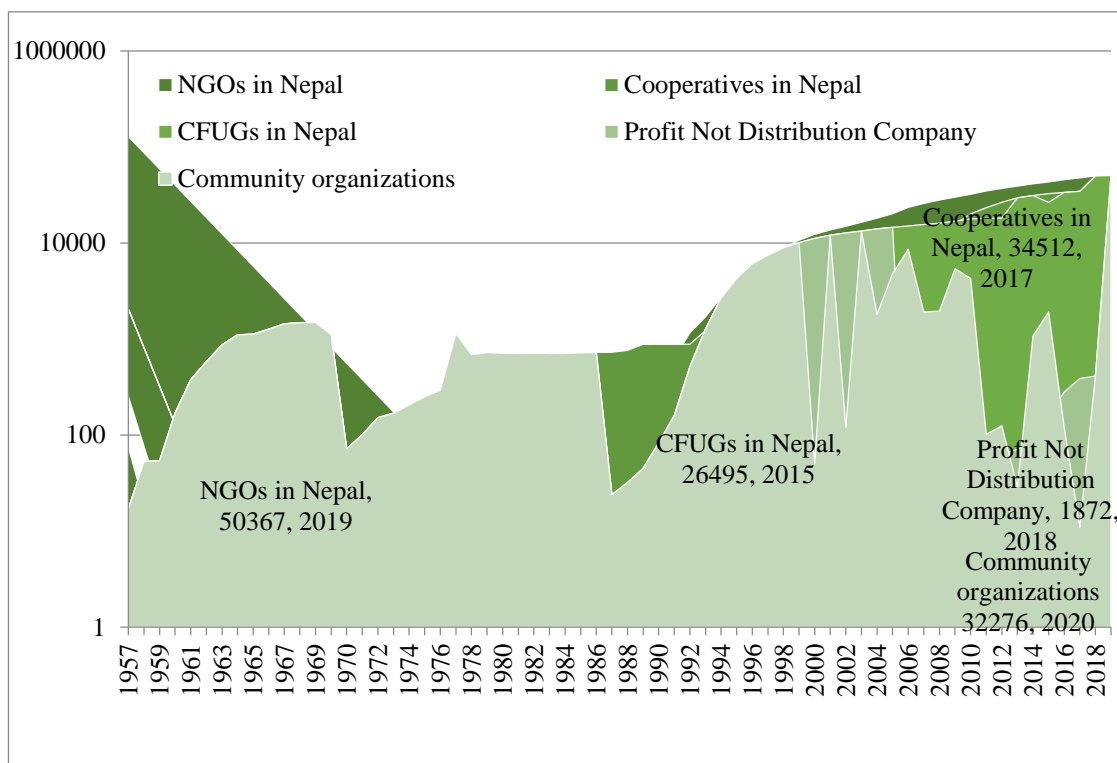
whereas within the Nepalese context, CSOs include a large number of organizations such as voluntary organizations, consumers groups, advocacy groups, human rights organizations, peace movements and religious organizations (ICA, 2006, p.8). The details of these CSOs are undocumented. Their exact numbers and location is not found properly. However, these CSOs are providing their services to the needy people at local level. In this section of the article is analyzed the nature of CSOs in Nepal, their history, spatial coverage of the Nepal and their performance level for the betterment of the societal members. See the list of civil society organizations exhibited in Nepal in box.

#### **List of CSOs in Nepal**

- Secular movement organizations
- Ama Samuha (Mothers' group)
- Bar Association
- Consumer Groups
- Education and Informational Institutions
- Advocacy Groups
- International CSOs
- Various social groups fighting for their rights
- Agencies that fight for public rights, such as the Dalit rights organizations
- Human rights and peace institutions
- Promotional and protective interest groups
- Relief and development associations
- Civil groups
- Social and cultural associations
- Right-based organizations
- Heritage societies
- Madheshi organization
- Reform groups
- Conservation societies
- Economic societies
- Indigenous Dalit, Women, NGOs
- Religious organization
- Student organizations
- Public trusts and private philanthropic associations



In Nepal, there are many more CSOs either formally registered or informally practised since their inception. Guthis, Parma, Rodi etc are its examples. The governance system in Nepal has been changing due to people’s movements in the 1950s, 1990, 2006 and others. The genesis of these movements is also due to CSOs’ cause. Many more professional organizations, trade unions, political parties and their sister organizations, business unions, consumer society, students union, teachers unions, medical association human rights associations are the CSOs whose exact number is still unknown. Thus, it will be difficult to find the exact volume of CSOs. For the CSOs governance study purpose, three areas such as NGOs, Cooperatives and Community Forest Users Groups (CFUGs) are taken as a reference. There are 50,367 NGOs registered in SWC(as of 2019), 34,512 Cooperatives in the Department of Cooperatives (as of 2017), 26,495 CFUGs as of 2015 and 32,276 community organizations as of 2020. Besides, some unofficial sources claim that NGOs/CSO are more than 83,000 in Nepal (ICNL, 2017). One more new practice is initiated in Nepal as a company registered as a profit not a distribution company since 2006. Its total number is reached 1,782 from 2006 to 2018( KC et al., 2020).



NGOs as per SWC classification, their working areas ranges from health, education, community development, moral education, drug addictions etc. For instance, community and rural development (32,332), aids and abuse control (125), child welfare (1,379), educational development (942), environmental protection (1,654), handicapped and disabled service (930), health service (1,334), moral development (2,008), youth service (6,054) and women service (3,589) are distributed throughout the country. However, how much resources they have mobilized are not known. These NGOs are facing criticism of urban-centric and donor-driven.

Likewise, Cooperative movement in Nepal has been contributing since 1956. Cooperative movement accounts for at least 12% humanity, 2.1 Trillion(\$) turn over and 10% employed globally in cooperatives whereas it's mobilized resources its worth as equivalent to 2.7 billion NRP and generated 60 thousand employment opportunities in Nepal. There are 51 percent (3,213,514) women and 49 percent (3,092,067) male ratios in its decision-making bodies. Cooperatives such as saving and credits (3,489), multipurpose (432), agriculture (1,076), dairy (1,655), vegetable and fruits (191), consumers (1,408), tea (105), coffee (155), beekeeping (93), electricity (461), communication (143), sugarcane (48), health (128), junar (145) and others (991) have their organizational structure through the country.

Similarly, 3.8 million people are involved in CFUGs. They have managed 38 percent of Nepal's forest. CFUGs have enhanced the practice of leadership development, social inclusion and gender mainstreaming. About one thousand CFUGs are being handled by female-only executives (Bhattarai and Conway, 2008). These kinds of achievements of CFUGs have contributed to the value of CSOs. In Nepal, there are 18324 community forests, 23 collaborative forests, 7419 pro-poor leasehold forests, 16 protected forests, 36 religious forests and 677 buffer zone community forests distributed throughout the country altogether 26,495 as of 2015.

Community organization: Community organization in Nepal has wide networks and are dedicated to uplifting the livelihood of marginalized citizens. It worked with the cooperatives in the partnership models. NRP 19 billion from 2000 to 2019 was mobilized. Its structure extended into 64 districts out of 77 districts as well as 551 local bodies out of 753. In 32276 community organization, 68 percent women are leading these organizations as its executive. Community organization covered 988632 households. As per the report of the Poverty Alleviation Fund (2021), 78 percent out of 4.9 million beneficiaries are women beneficiaries. Likewise, there are 3 percent Muslim representatives, 28 percent Dalit representatives, 30 percent ethnic community representatives in these organizations. The attempt was made to through poverty alleviation funds supported by foreign donors.

Major funding partners to the CSOs are INGOs in Nepal. In Nepal 251 INGOs in 2017, 144 INGOs in 2018 and 258 in 2019 are working for the sake of education, health, environmental sustainability, disaster management, community development, democratization etc. These INGOs spent money 42.93 billion through local NGOs in 79 projects in 2016. Likewise, 35.08 billion NRPs were spent in 93 projects in 2017; 18.51 billion NRP in 71 projects in 2018 and 26.25 billion NRPs in 49 projects in 2019 (Ministry of Women, Children and Senior Citizens, 2019). Local resource generations in favour of CSOs will be vital for the sake of CSOs' sustainability in Nepal.

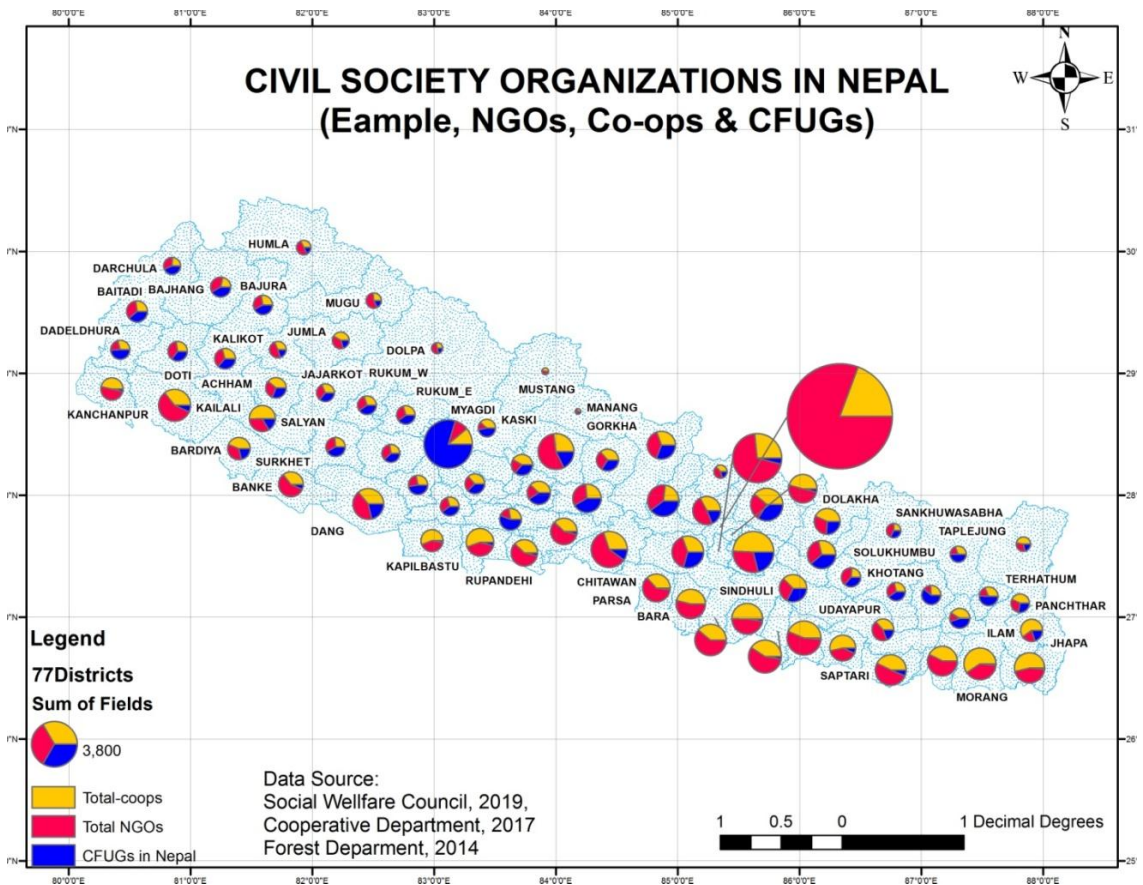
## **Discussions**

Based on the CSOs volume, coverage and functional patterns of NGOs, Cooperatives, CFUGs and Community Organization, the following theoretical issues of CSOs are surfaced in Nepal eventhough thousands of CSOs are undocumented/unrecorded in Nepal.

- **Issue 1:** Are the structure and environment of the Nepalese four types of CSOs compatible against the its doctrine as postulated by the Western Country? If yes or no? Why?
- **Issue 2:** What is their prosperity of sustainability to continue their values and impacts in the society for better livelihood and against the wicket issues of public administration? Discuss.



- **Issue 3:** Are these four types of CSOs working together for the betterment of the society? Discuss.
- **Issue 4:** What are their strengths and weakness against their doctrine?



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NGOs can work independently without seeking any kind of profit as per the governance structure defined by the Social Organization and Association Act, 1977. Regarding employment and better livelihood of individuals, NGOs are also playing a vital role in advocacy in society against social discrimination and torture. Eventhough the CDOs office has the authority to monitor and evaluate the performance level of NGOs, it has not been in practice. CDO offices concentrates only on the registration and renewal process rather than assessing the NGOs activities (Dhakal, 2006). As per the

report of the Ministry of Women, Children and Senior Citizens, there are only 15 to 20 percent NGOs in operation out of more than 50 thousand registered NGOs at Social Welfare Council. Besides, the NGOs are found in urban-centric rather than needy people-centric who are below poverty-line, less aware of their rights and discriminated against and exploited due to social taboos at peripheral regions. Likewise, their services are conditioned by donor support. Otherwise, they stopped their services. Thus, the sustainability of NGOs is questionable. The value of NGOs is not established in society. The NGOs is assumed to like as monsoon climate.

The cooperatives in Nepal were registered with the aim of mobilizing local resources for better livelihood as per the Cooperative Act, 1992. The performance level of cooperatives is found questionable due to a lack of transparency among its members. Many of its members are family as well as elite captured. The sustainability of cooperatives is questionable due to poor communication and transportation and increased administration cost (Ginrich, NA). The manipulation of poor and illiterate people is increasing by the cooperative leaders because the support provided by the government and donor hardly reach to the rural and poor people. The governance of cooperative is found critical due to its diversified nature in Nepal and elite captured to follow its doctrine like voluntary and open membership, concerns for community, democratic member control etc eventhough it is outreach to the poor and marginalized people. The cooperatives are also working with NGOs, CFUG and Community Organization. The partnership with cooperatives is an important theoretical elaboration of CSOs found in Nepal (Poverty Alleviation Fund, 2021).

The CFUGs governance structure is found democratically satisfactory in hilly regions rather in Terai. Community forest act and policies provide the involvement of marginalized groups in Nepal and 50 per cent quotas for women at all levels of community forest decision-making bodies. CFUGs have several lessons (www.fern.org, 2017).

- First, the importance of political commitment in ensuring the success of community forest;
- Second, involving stakeholders in policy-making ensures buy-in yet as strong policies that reflect experience on the ground;
- Third, strong civil society organizations and community forest networks are vital for awareness-raising, capacity-building and supporting communities' participation.

Likewise, a unique practice in Nepal is found. An example is Profit-not distribution company since 2006. The number of these CSOs are increasing due to their principles such as professionalism, and money earning but not profit distribution purpose. Due to such nature, employment opportunity is increasing. People are ready to take risks. Its governance structure is not found like as cooperative. Individuals as well as other groups can form this kind of CSOs.

As per Poverty Alleviation Act, 2000, community organizations as CSOs were initiated by the poverty alleviation fund 2000 to improve the livelihood of poor and marginalized people. The networks of these organizations have throughout the country. However, these organizations were financed by the government of Nepal and donor agencies. The fate of these organizations is unclear and uncertain due to the discontinuation of the fund since 2019.

The principles, strengths and weaknesses of CSOs of Nepal are presented in the following table:

| CSOs in Nepal         | Principles  | Strength   | Weakness  |
|-----------------------|---|--|---|
| CFUGs                 | <ul style="list-style-type: none"> <li>• Community forest users have the right to form user</li> <li>• Use forest resources and even decide the price for the sale of surplus forest products</li> <li>• Community forest rights</li> <li>• Protect environment</li> <li>• Livelihood and socio-cultural values</li> <li>• Forest management and community participation</li> </ul> | <ul style="list-style-type: none"> <li>• Importance of political commitment</li> <li>• Involvement of stakeholders in policy-making</li> <li>• Networking for awareness-raising</li> <li>• Capacity-building and community participation</li> </ul>  | <ul style="list-style-type: none"> <li>• Politicalization</li> <li>• Corruption</li> <li>• Clientelism</li> <li>• Setting for undue benefits</li> <li>• Coordination issues</li> </ul>                              |
| Cooperatives in Nepal | <ul style="list-style-type: none"> <li>• Voluntary and Open Membership;</li> <li>• Democratic Member Control,</li> <li>• Member Economic Participation,</li> <li>• Autonomy and Independence,</li> <li>• Education, Training and Information,</li> <li>• Co-operation among Co-operatives,</li> <li>• Concern for Community</li> </ul>  | <ul style="list-style-type: none"> <li>• Work with profit motive;</li> <li>• Wide networking;</li> <li>• Financial productivity linked to livelihood of people;</li> <li>• It is neither socialism nor capitalism;</li> <li>• Value chain effects in agricultural products, changes in livelihood of ordinary citizens, social services</li> </ul> | <ul style="list-style-type: none"> <li>• Politicalization,</li> <li>• Fraud money,</li> <li>• Exploitation of its members, cartailing,</li> <li>• Issue of autonomy</li> </ul>                                      |
| NGOs                  | <ul style="list-style-type: none"> <li>• Not profit making</li> <li>• Organized as a legal entity</li> <li>• Private (separated from government institutions)</li> <li>• Self-governing</li> <li>• Voluntary</li> </ul>   | <ul style="list-style-type: none"> <li>• Resource mobilization</li> <li>• Awareness creation against mal-social practices</li> <li>• Service delivery in health and education- family planning and eye cares</li> <li>• Environmental</li> </ul>   | <ul style="list-style-type: none"> <li>• Urban centric-NGOs</li> <li>• Donor driven NGOs</li> <li>• Only 15-20 percent NGOs are functional</li> <li>• Weak monitoring and evaluation of NGOs performance</li> </ul> |

| <b>CSOs in Nepal</b>  | <b>Principles</b>  | <b>Strength</b>   | <b>Weakness</b>   |
|---|--|---|---|
|   |  | protection <ul style="list-style-type: none"> <li>• Partnership with INGOs</li> <li>• Wide networking</li> </ul>  | <ul style="list-style-type: none"> <li>• Opaque financial transaction</li> </ul>  |
| Profit-Not distribution company   | <ul style="list-style-type: none"> <li>• Development and promotion of profession/occupation</li> <li>• Protection of the collective rights and interests of the person engaged in any specific profession or occupation.</li> <li>• Operation of any enterprise for the attainment of any scientific, academic, social benevolent or public utility or welfare objective on the condition of not distributing dividends</li> </ul> | <ul style="list-style-type: none"> <li>• Wide networking</li> <li>• Entrepreneurship</li> <li>• Professionalism</li> <li>• Research</li> </ul>              | <ul style="list-style-type: none"> <li>• Hiding black money</li> <li>• Fraud</li> </ul>   |
| Community organization (Poverty alleviation funds) 64 districts- 551 local bodies<br><br>19 billion NRP spent | <ul style="list-style-type: none"> <li>• Partnership with cooperatives with aim to improve livelihood poor people</li> </ul>   | <ul style="list-style-type: none"> <li>• Infrastructure</li> <li>• Resource mobilization</li> <li>• Fund management</li> <li>• Income generation</li> </ul> | <ul style="list-style-type: none"> <li>• Not continued due to lack of financial support</li> <li>• Planned to handover to the local bodies</li> </ul> |

Despite of vast array of CSOs in Nepal, they have strengths and weaknesses. The CSOs in Nepal have wide coverage and are diversified in nature in general especially working sectors and committed to promoting good governance. Likewise, CSOs advocate full democracy and human rights, promote awareness and ensure the participation of minorities, contribute to the development and protect the natural environment. However, these CSOs were not able to include all diverse groups and suffered due to inadequate transparency, weak professionalism and management. The unity of CSOs in Nepal is a crucial aspect for further discourse. Whatever, they are highly donor-dependent rather than endogenously sustained. CSOs which suffered mostly due to politicization and corruption are in critical situations to promote the values of CSOs and impact the betterment of society.

## Conclusion

Many more legal instruments lay the foundations of CSOs governance in Nepal. As per the functional jurisdiction of the Ministry, there are CSOs ministrywise in Nepal. The definition of CSOs in Nepal is found diverse. The number of CSOs is unclear either formally registered or informally accepted by the society at one hand. On the other hand, the types and functional jurisdiction of CSOs vary within the CSOs. For example, SWC classified NGOs as more than half a dozen whereas there are more than one dozen cooperatives. Besides, there are half a dozen of CFUG types.

The structural patterns, governance and impacts are differed because of their working modality. Even though there is a huge number of NGOs in Nepal, only 15 to 20 per cent are functional. Likewise, Cooperatives are registered, but how many of them are functional is not known yet. The same fate is repeated for CFUGs and Community Organizations except for Not-Profit Distribution Companies. Their contributions to better livelihood through poverty reduction, as well as local resource mobilization, are remarkable.

In sum, it does not mean that CSOs are free from criticism. Khadka and Pokharel(2018) argue that these CSOs are plagued by weak internal governance systems, gloomy financial sustainability, elite dominations and others. Thus these five cases of NGOs, Cooperatives, CFUGs, Not Profit Distribution Companies and Community Organizations show that the civil society governance scope is wide and required skilled manpower to manipulate these organizations in their true spirit at one hand. On the other hand, the scope of CSOs is limited due to the misinterpretation of sovereignty, national integrity and social cohesion.

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