Policy Brief

Strengthening Local Governments' Institutional Capacity for Climate Action in Nepal: Gaps, Opportunities, and Policy Priorities

Kushal Pokharel[1], Gyanu Maskey[2] and Priyanka Gurung[3]

Key Messages

- **Strengthen the national climate governance framework** to provide local governments with clear mandates, skilled human resources, and predictable financing required for effective climate action.
- **Clarify and harmonize the roles of local governments** within Nepal's multi-level climate governance system to improve policy coherence, coordination, and accountability.
- **Invest in sustained, practice-oriented capacity development** for elected representatives and technical staff to enable systematic integration of climate risk into sectoral planning, budgeting, and implementation.
- **Strengthen local governments' access to climate finance** through the establishment of direct, transparent, and risk-informed funding mechanisms for locally led adaptation.

1. Why this Policy Brief

The 2015 Constitution of Nepal envisages Local Governments (LGs) as pivotal actors in climate action and local development. However, this potential remains underutilized. Persistent institutional constraints, including ambiguous roles, limited human resource (knowledge and technical expertise) capacities, and inadequate financing, continue to hinder LGs from moving beyond planning to effective implementation. Even where legal frameworks have devolved authority for climate action, structural gaps remain, thereby undermining LGs ability to deliver meaningful outcomes.

Bridging this implementation gap is a pressing policy challenge. Strengthening the institutional capacity of the LGs is increasingly important as Nepal advances its National Adaptation Plan (2021–2050) and prepares to implement its Third Nationally Determined Contribution (NDC 3.0), both of which emphasize locally led adaptation and resilience-building.

In this Policy Brief, the term 'institutional capacity' refers to the human resources (knowledge and technical expertise) and financial capacities required to drive climate action. The analysis draws on existing literature on decentralized climate governance, review of national and local-level policies and plans, and the authors' long-standing research and engagement with Nepal's local climate governance. It examines constraints faced by LGs across three dimensions: clarity of roles, human resources (knowledge, expertise, and technical capacities), and access to financial resources, while identifying

[1] Research Fellow, Southasia Institute of Advanced Studies (SIAS)
[2] Researcher, SIAS
[3] Research Consultant, The Institute for Study and Development Worldwide (IFSD)

emerging opportunities to strengthen locally led climate action. The brief concludes with recommendations aimed at improving policy coherence and institutionalizing long-term investments in local government capacity, including stable financing, skilled personnel, and sustained institutional support.

2. Policy Context

Nepal's climate governance is closely linked to its broader political transition. The 2015 Constitution of Nepal established a federal system that fundamentally restructured the authority of local governments (LGs), elevating them from administrative units with limited delegated functions to autonomous governance entities with a constitutional mandate (Dhungana, 2019). Under this framework, LGs are entrusted with 22 exclusive and 15 concurrent powers related to service delivery, local fiscal management, and development planning (Government of Nepal, 2015). The Local Government Operation Act (LGOA) of 2017 further operationalized this mandate by authorizing LGs to lead local development planning and oversee natural resource management and disaster risk reduction.

Collectively, these reforms mark a shift from centralized climate governance toward a decentralized model, reflecting a transition

Table 1: **Evolution of Climate Policy Frameworks and Implications for Local Governments in Nepal**

Time Period	Key Policy Instruments	Implications on Local Governments
Pre 2015 (Pre Federalism)	• National Adaptation Plan 2010 prioritized climate change adaptation at local level through the development of LAPAs. • National Climate Change Policy 2011 outlined the need of providing at least 80 percent of the total budget from the Climate Change Fund to program implementation at the local level.	• Climate related responsibilities entrusted to the erstwhile District Development Committee and Village Development Committee • Introduction of the Local Adaptation Plan of Action (LAPA) process at the local level • Policy commitment to allocate 80% of climate finance to the local level, with limited implementation due to unclear allocation mechanisms (MoFE, 2021)
2015–2020 (Federal transition and devolution)	• Constitution of Nepal, 2015 (Art. 57; Schedule 8) • Local Government Operation Act (LGOA), 2017 • Local Disaster and Climate Resilient Planning (LDCRP) Guidelines, 2017 • LAPA Framework, 2019 • National Climate Change Policy, 2019	• Constitutional recognition of LGs as autonomous governance entities with authority over climate-sensitive sectors • Mandate to integrate climate adaptation and disaster risk reduction into local development planning • Policy commitment to allocate 80% of climate finance to the local level, but implementation remained weak due to unclear fund allocation mechanisms (MoFE, 2021) • Expansion of LG responsibilities without corresponding financial resources, technical capacity, or institutional support • Implementation challenges linked to limited funding, weak coordination, and insufficient recognition of local knowledge (Ghimire & Chhetri, 2022)
Post-2020 (Policy consolidation and implementation)	• National Adaptation Plan (NAP), 2021–2050 • Local Government Mobilization Directive, 2021 • Green Climate Fund (GCF) Readiness Programme, 2023 • Third Nationally Determined Contribution (NDC 3.0)	• Reinforced emphasis on locally led adaptation and climate-resilient development • Mandate for LGs to allocate a minimum share of budgets (15%) to climate resilience • Increased focus on capacity building and improving access to international climate finance • Improved fiscal prioritization at the local level, though gaps persist in predictable fund flows, technical readiness, and implementation capacity (FCGO, 2021–22)

Source: *Author analysis based on review of key policy instruments and literature*

from reactive, project-based interventions to a more integrated and comprehensive policy approach. This evolving national commitment to decentralized climate governance is reflected in a series of national and subnational policy instruments (Darjee et al., 2021). Table 1 summarizes key policy milestones across three phases and highlights their implications for decentralized climate action by local governments.

Despite a robust and ambitious policy framework particularly following the adoption of federalism, effective operationalization at the subnational level remains limited. Evidence shows that Nepal's constitutionally empowered LG system continues to face significant challenges in delivering locally led climate action due to unclear mandates, overlapping jurisdictions, and persistent financial and human resource constraints (Darjee et al., 2021; Khatri et al., 2022; Gentle and Mainaly, 2024). These challenges are compounded by weak policy coherence and limited political commitment across governance levels. As highlighted in the literature, the effectiveness of LGs in steering climate action ultimately depends on their ability to secure and mobilize adequate financial resources both domestic and international alongside the necessary human resources and technical expertise to design and implement climate policies (Khatri et al., 2022).

3. Institutional Constraints Limiting Local Climate Action

Although Nepal has adopted multiple policies and plans that recognize the role of local governments in climate governance, several interconnected constraints continue to undermine their ability to translate policy commitments into effective action. These constraints primarily relate to gaps in institutional capacity, which limit the ability of LGs to plan, finance, and implement climate adaptation in a sustained and coordinated manner (See Figure 1).

3.1 Unclear mandates and overlapping roles

Unclear and overlapping mandates across national and subnational policy instruments continue to undermine effective climate governance in Nepal. The presence of multiple federal ministries with intersecting climate-related jurisdictions has further complicated coordination and accountability, placing local governments (LGs) in a position where they must navigate contradictory directives. As noted by a climate governance expert (interview, June

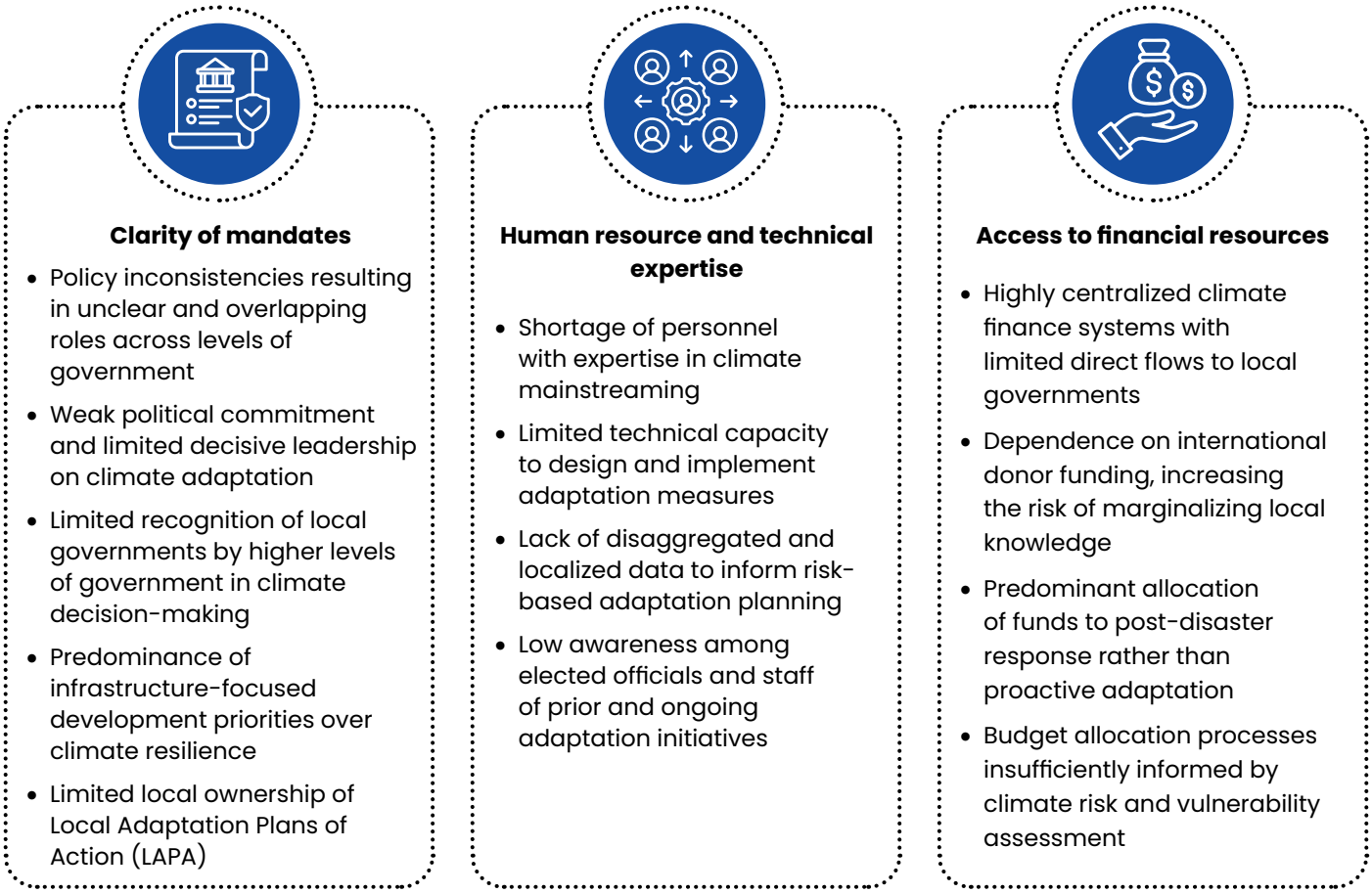

Figure 1: Constraints in Institutional Capacity of LGs for Climate Action

30, 2025), these inconsistencies constrain LGs' ability to prioritize locally relevant climate actions. For example, the Ministry of Federal Affairs and General Administration requires LGs to integrate disaster management through the Local Disaster and Climate Resilient Planning (LDCRP) framework, even though an updated national framework for Local Adaptation Plans of Action (LAPA) already exists (Pant, 2025; Dhungana et al., 2025).

Policy inconsistencies are also evident across national climate frameworks. While the National Climate Change Policy (2019) assigns responsibility for climate adaptation to all three levels of government, the LAPA framework emphasizes LG leadership in preparing and implementing adaptation programs. In contrast, the National Adaptation Programme of Action (NAPA) prioritizes community-level organizations, such as Community Forest User Groups, as key implementing actors. This fragmented institutional design has, in practice, weakened the authority of local governments and diluted accountability for adaptation outcomes (Darjee et al., 2021).

These inconsistencies are further compounded by limited political will to harmonize mandates and clarify institutional responsibilities. In the absence of decisive leadership, jurisdictional ambiguities persist, undermining coherent climate action and accountability. The weak implementation of the National Climate Change Policy (2019) provision to channel 80 percent of climate finance to the local level illustrates this challenge (GoN, 2019). Reflecting this disconnect, a mayor of an urban municipality (interview, June 10, 2025) noted:

> *"Local governments are not recognized as an integral part of the policy formulation process. The federal government formulates policies without proper consultation with provincial and local governments while designing adaptation projects even in cases where there is a mandate of provincial and local government to implement".*

Discussions during the Climate Adaptation Dialogue further highlighted how these ambiguities encourage LGs to defer responsibility for adaptation (SIAS, 2022). One participant captured the issue:

> *"The failure to implement adaptation strategies reflects a gap between structural and functional levels. Jurisdictional divisions across the three levels of government create ambiguity over adaptation responsibilities. Although legal provisions exist for local governments to act, this ambiguity encourages the shifting of responsibility and reveals limited political buy-in for adaptation across all levels of government."*

In this fluid policy environment, many LGs have prioritized infrastructure-led development aligned with short-term political incentives. As a result, resources are diverted away from climate adaptation, leaving such efforts chronically underfunded. Moreover, infrastructure-focused investments particularly road construction that fail to incorporate climate-resilient design standards, have often resulted in maladaptation, exacerbating erosion and disaster risks. Participants in the Climate Adaptation Dialogue emphasized the need for systematic audits of past infrastructure investments and critical evaluation of their contribution to climate adaptation and mitigation.

Limited local ownership of LAPAs has further reinforced these challenges. Many LGs remain reluctant to adopt LAPAs, citing their limited alignment with local priorities. Even where LAPAs are implemented, they remain heavily dependent on external donor support. As noted by Gentle and Mainaly (2024, p. 8):

> *"The government did not furnish any resources or technical support for the vulnerability analysis, planning, implementation, monitoring, and evaluation of LAPA adaptation nor it has a capacity or resources to continue this program; this has been carried out as per the interest of development agency. All LAPAs prepared so far by local government are based on both financial and technical support from the donor funded programs. We don't know how we continue following the donor support."*

3.2 Limited human resources and technical expertise

Despite the devolution of climate-related responsibilities to local governments (LGs), a persistent mismatch between assigned functions and institutional capacity continues to constrain effective climate action. Limited availability of skilled personnel, combined with insufficient technical expertise and financial resources, has restricted LGs' ability to mobilize climate knowledge and integrate climate risks into development planning (Khatri et al., 2022). As a result, climate considerations are often addressed

in isolation rather than being mainstreamed across sectors, leading to fragmented and siloed planning processes (Pokharel et al., 2022).

In many LGs, climate change and disaster management responsibilities are assigned to administrative staff with little or no relevant training. In some cases, information technology officers or general administrators serve as disaster focal persons, despite limited understanding of climate risks and adaptation frameworks. This capacity gap is further reflected in the limited institutional memory within LGs, particularly regarding earlier adaptation initiatives such as the Local Adaptation Plan of Action (LAPA). As one local official noted:

> *"We don't know what the LAPA and NAPA are. Really! Because we now have new a generation of elected leaders and we've not been able to educate them about these issues. We are also not experts. We used to have an engineer, but now we don't have him. We do not have staff who have knowledge of issues related to forest and climate change"* (Khatri et al., 2022, p. 5).

Experiences shared during Climate Adaptation Dialogue further highlight how capacity constraints extend beyond individual skills to broader institutional arrangements. A district project coordinator involved in an adaptation program implemented across seven districts in two provinces observed:

> *"While the project was designed to build climate resilience of smallholder farmers through grant disbursements, limited funding and inadequate institutional arrangements emerged as the major hindrances. Limited capacity of local government institutions and service providers has posed grave challenges to effective adaptation initiatives."*

Current capacity-building efforts remain largely ad hoc and centralized, with training programs typically conducted in Kathmandu and limited follow-up support at the local level. Consequently, few LGs retain skilled personnel with the authority or institutional backing to translate training into practice. As previous studies note, even trained officials often lack decision-making power and organizational support to apply climate knowledge in planning and budgeting processes (Bhattarai-Aryal et al., 2020).

These challenges are compounded by significant data gaps. Most LGs lack access to disaggregated, location-specific data necessary for climate risk assessment, vulnerability analysis, and evidence-based budgeting. Illustrating this constraint, an official from Tsum-Nubri Rural Municipality in northern Gorkha remarked:

> *"We do not have knowledge about what to do on climate change. There are no staff nor a dedicated office for forest and climate related issues. We spent the first year drafting key policies required for [development] planning and expenditure. We have not given any attention to environment-related issues."* (Khatri et al., 2022).

3.3 Limited access to climate funds

Nepal's climate finance architecture remains highly centralized, significantly constraining local governments' ability to lead climate adaptation. Between 2020 and 2023, only around 12 percent of international climate finance reached local governments. This imbalance persists despite the fact that LGs now manage approximately 40 percent of total public expenditure (World Bank, 2023). Less than five percent of climate-specific funding is transferred directly to LGs, limiting their capacity to implement locally responsive adaptation measures. As a result, adaptation finance remains opaque and weakly aligned with local priorities, often favoring centrally managed projects such as large infrastructure investments, policy workshops, and study tours over community-driven solutions (Bhattarai-Aryal et al., 2020).

Despite progressive policy provisions that recognize the role of LGs in climate action, most local governments remain unable to access climate finance directly. In practice, only LGs engaged in donor-funded programs receive direct financial support for initiatives such as the Local Adaptation Plan of Action (LAPA). The majority lack both the financial resources and the technical and administrative capacity required to independently design, manage, and implement climate adaptation interventions.

This misalignment between finance and local needs has been repeatedly highlighted in national policy dialogues. At the Sixth National Conference on Locally Led Adaptation in 2024, a Deputy Mayor of Mithila Municipality stated:

> **"***Limited research capacity and expertise often make it difficult to accurately allocate*

> *funds for climate adaptation. Much of the finance is directed towards post-disaster recovery, such as flood rehabilitation, rather than to proactive adaptation measures. Budget allocations are often power-centric rather than informed by climate risk or a systematic approach which hinders effective integration between climate change and development."* (Climate and Development Dialogue, 2024).

Similar concerns regarding the political economy of climate finance were raised during a Climate Adaptation Dialogue in 2022. One participant noted:

> *"More than 50% of the budget for adaptation efforts is donor funded. Since donors operate within their own frameworks, local knowledge and experience are often sidelined. It is high time to reflect on who are the producers of knowledge and who defines adaptation priorities? How can we mitigate problems of conventional development"* (SIAS, 2022).

4. Opportunities for Strengthening Locally Led Climate Action

Despite persistent institutional and financial challenges, Nepal's federal governance system provides important opportunities to advance inclusive, locally led climate action and development. LG are uniquely positioned to act as conveners of transformative spaces which are collaborative platforms that bring together communities, technical actors, and policymakers to jointly reframe climate challenges and test context-specific solutions that strengthen systemic resilience (Kohlitz et al., 2024).

A key opportunity lies in strengthening and institutionalizing local adaptation planning. The Local Adaptation Plan of Action (LAPA) framework represents a critical shift toward participatory climate governance by establishing formal mechanisms for community engagement in identifying climate risks and adaptation priorities. When embedded within local governance systems, LAPAs can move beyond project-based planning to support sustained, locally driven adaptation processes. Greater local

Table 2: Examples of Emerging Locally Led Climate Adaptation Initiatives in Nepal

Thematic Area	Illustrative Initiatives and Practices
Integration of Indigenous Knowledge in Early Warning Systems	LGs have strengthened drought and flood resilience by combining indigenous water management systems such as *pokharis* (ponds) and *kuwas* (wells) with modern irrigation technologies. In several municipalities, traditional flood forecasting practices, including observations of bird migration patterns, have been integrated into municipal early warning systems to enhance disaster preparedness (Chaudhary et al., 2021).
	Agroforestry cooperatives in mid-western Nepal have combined drought-resistant crops with traditional soil conservation techniques to restore degraded land and diversify livelihoods. Practices include intercropping drought-tolerant crops such as pigeon pea and finger millet with nitrogen-fixing species and natural pest repellents. Participatory micro-climate mapping guides land allocation, with women managing approximately 60 percent of nursery operations (Li-BIRD, 2023).
	In 13 municipalities in southern Nepal, community-based flood early warning systems have been strengthened through basket funding approaches that combine digital technologies with local knowledge. These initiatives have enhanced community ownership and improved preparedness for flood risks (ICIMOD, 2024).
	Communities in Nepal's Far-Western region are reviving traditional fire management practices, such as *ailani* (controlled seasonal burning), to reduce the incidence of climate-induced wildfires. These practices are guided by indigenous knowledge of lunar cycles and wind conditions and have been combined with modern firebreaks and community patrols, resulting in a reported 50 percent reduction in uncontrolled wildfires in pilot areas (DPNet-Nepal, 2024).
Green and Nature-Based Innovations	Pokhara Metropolitan City has implemented nature-based solutions, including wetland restoration and decentralized renewable energy systems, contributing to emissions reduction while enhancing adaptive capacity and promoting inclusive urban development (UNDP Nepal, 2023).
	Bharatpur Municipality's Climate Smart Schools initiative integrates climate education with resilient water infrastructure, actively engaging students, teachers, and communities in climate-resilient and sustainable practices (GreenShift Nepal, 2023).

ownership and commitment can enhance the effectiveness of decentralized adaptation, particularly in areas such as soil conservation, watershed management, and ecosystem-based approaches, as envisaged under the Local Government Operation Act (2017) and Nepal's National Adaptation Plan (2021–2050) (MoFE, 2021).

This locally driven approach is well aligned with Nepal's broader climate commitments. The Third Nationally Determined Contribution (NDC 3.0) emphasizes strengthening the adaptive capacity of vulnerable communities, reinforcing ecosystem resilience, and promoting cross-sectoral collaboration to address interconnected climate risks (MoFE, 2025). It also prioritizes localized adaptation measures, including climate awareness, behavioral change initiatives, and community-led actions.

Aligning the objectives of NDC 3.0 and the National Adaptation Plan with the LAPA framework presents a strategic opportunity to institutionalize adaptation planning at the grassroots level. Doing so can help embed climate resilience within routine local planning and budgeting processes, ensuring that climate adaptation is integrated into local development decision-making rather than treated as a stand-alone intervention (Climate Adaptation and Dialogue Report, 2022).

Several local governments have already begun demonstrating this potential through initiatives that integrate indigenous knowledge into early warning systems and promote green and nature-based innovations. Selected examples of such practices are presented in Table 2.

5. Conclusion and Policy Recommendations

Nepal's climate adaptation governance is constrained by a dual challenge: limited political commitment across all tiers of government and persistent institutional gaps at the local level. Despite an enabling federal framework, unclear mandates, inadequate human resource and technical capacity, and restricted access to climate finance have impeded the institutionalization of locally led climate action. These structural constraints have weakened coordination and trust between federal and local governments, limiting the effective translation of national climate commitments into local action.

At the same time, emerging practices at the local level such as the integration of indigenous knowledge into early warning systems and the adoption of green and nature-based innovations, demonstrate the potential of local governments to deliver context-specific and transformative adaptation solutions. Existing policy instruments, including the Local Adaptation Plan of Action (LAPA), the National Adaptation Plan (2021–2050), the Third Nationally Determined Contribution (NDC 3.0), and recent fiscal directives mandating climate-related budget allocations, provide a strong foundation for scaling these efforts.

Capitalizing on this opportunity requires decisive action to address governance fragmentation and strengthen institutional capacity at the local level. Empowering local governments with clear mandates, sustained capacity development, and predictable access to climate finance is essential for advancing climate resilience in Nepal.

To institutionalize locally led climate adaptation, the following priority actions are recommended:

5.1 Establish a Coherent National Climate Governance Framework

Develop an overarching framework to harmonize federal, provincial, and local climate policies, clarify mandates, and reduce overlapping roles and responsibilities. This framework should explicitly define leadership, coordination, and accountability mechanisms for climate adaptation across all three levels of government.

5.2 Strengthen Multi-Level Coordination and Trust

Revitalize and institutionalize coordination platforms such as the Multi-Stakeholder Climate Change Initiatives Coordination Committee to enable regular dialogue, joint planning, and knowledge exchange across levels of government. Such platforms should be formally linked to policy formulation and implementation processes to ensure that local priorities meaningfully inform national climate decisions.

5.3 Strengthen Local Government Capacity for Climate Action

Invest in sustained, hands-on capacity development for elected representatives and technical staff on climate adaptation frameworks (LAPA, NDC), climate-responsive budgeting, and risk-informed planning, moving beyond ad hoc training approaches. Capacity-building efforts

should prioritize in-situ mentoring and institutional learning within LGs to ensure knowledge is retained and applied over time.

5.4 Institutionalize Climate-Responsive Budgeting

Support local governments to conduct climate vulnerability assessments and integrate climate risk into planning and budgeting processes, ensuring resources are directed toward anticipatory adaptation rather than predominantly post-disaster response.This will help shift local investment decisions from politically driven infrastructure projects toward evidence-based, risk-informed adaptation priorities.

5.5 Expand Direct Access to Climate Finance

Establish mechanisms that enable local governments to directly access national and international climate finance, reducing dependence on donor-driven projects and promoting locally relevant, community-centered adaptation solutions. Strengthening fiduciary, technical, and reporting systems at the local level will be critical to operationalizing such direct access arrangements.

Acknowledgement

The authors would like to thank Dr. Hemant Ojha and Dr. Dil Khatri for their valuable guidance and constructive inputs throughout the development of this policy brief. We acknowledge Governing Climate Resilient Futures: 'Gender, Justice and Conflict Resolution in Resource Management' (JUSTCLIME) funded by Swedish Research Council - VR [Grant Number 2018-05866]. This work is also supported through the Strengthening Loss and Damage Response Capacity in the Global South (STRENGTH) project, funded by IDRC.

Disclaimer

The views and opinions expressed in this policy brief are those of the authors and do not reflect the positions and views of the organizations with which the authors are associated, or those of the publishers. They do not assume and hereby disclaim any liability to any party for any loss, damage, or disruption caused by any errors or omissions or any other cause associated with this policy brief.

References

Asian Development Bank (ADB) (2021) *Nepal: Strengthening subnational climate finance*. Manila: ADB.

Bhattarai-Aryal, J., Hurley, J. and Moloney, S. (2020) 'Local urban climate governance in Nepal: The interplay between national governments and aid agencies', *IOP Conference Series: Earth and Environmental Science*, 588, 032038. Available at: https://iopscience.iop.org/article/10.1088/1755-1315/588/3/032038

Chaudhary, B.R., Acciaioli, G., Erskine, W. and Chaudhary, P. (2021) 'Responses of the Tharu to climate change-related hazards in the water sector: Indigenous perceptions, vulnerability and adaptations in the western Tarai of Nepal', *Climate and Development*, 13(9), pp. 816–829.

Climate & Development Dialogue (C&D Dialogue) (2024) *Proceedings of the 6th National Conference on Locally Led Climate Adaptation*. Bardibas, Madhesh Province, Nepal. Available at: https://prc.org.np/wp-content/uploads/2025/03/6th-National-Conference-Proceeding-Report.pdf

Darjee, K.B., Sunam, R.K., Köhl, M. and Neupane, P.R. (2021) 'Do national policies translate into local actions? Analyzing coherence between climate change adaptation policies and implications for local adaptation in Nepal', *Sustainability*, 13(23), 13115. Available at: https://www.mdpi.com/2071-1050/13/23/13115

Dhungana, H.P. (2019) 'The prospect of accountability in local governance in Nepal', *Journal of Management and Development Studies*, 29, pp. 1–19. Available at: https://doi.org/10.3126/jmds.v29i0.25008

Dhungana, N., Upadhaya, S., Bishwakarma, M.B., Khadka, C., Bhattarai, H.K. and Lee, C.H. (2025) 'Building resilience in communities through integrating climate change adaptation and disaster risk reduction policies in Nepal', *Land Use Policy*, 150, 107471. Available at: https://www.sciencedirect.com/science/article/abs/pii/S0264837725000043

Disaster Preparedness Network-Nepal (DPNet-Nepal) (2024) *ITP-DRR Change Initiative from Nepal*. Available at: https://www.dpnet.org.np/public/uploads/files/ITP-DRR-Change-Initiative-from-Nepal%202024-11-12%2003-04-02.pdf

Financial Comptroller General Office (FCGO) (2022), *Consolidated financial statements: Fiscal year 2021/22*, Government of Nepal, Ministry of Finance. Available at: https://www.fcgo.gov.np/.

Gentle, P. and Mainaly, J. (2024) 'Commitment, actions, and challenges on locally led climate change adaptation in Nepal', *Climate Risk Management*, 46, 100650. Available at: https://doi.org/10.1016/j.crm.2024.100650

Ghimire, R. and Chhetri, N. (2022) 'Challenges and prospects of Local Adaptation Plans of Action (LAPA) initiative in Nepal as everyday adaptation', *Ecology and Society*, 27(4), 28. Available at: https://doi.org/10.5751/ES-13630-270428

Government of Nepal (2011) *National framework on local adaptation plans for action (LAPA)*. Kathmandu: Government of Nepal.

Government of Nepal (2017a) *Intergovernmental Fiscal Arrangement Act*. Kathmandu: Nepal Law Commission.

Government of Nepal (2017b) *Local Government Operation Act, 2074 (2017)*. Kathmandu: Nepal Law Commission.

Government of Nepal (2019a) *Climate Change Policy, 2076 (2019)*. Kathmandu: Government of Nepal.

Government of Nepal, Ministry of Forests and Environment (2019b) *Local Adaptation Plan of Action (LAPA) Framework*. Kathmandu: MoFE.

Government of Nepal, Ministry of Forests and Environment (2021) *Assessment of climate financing allocation: Unpacking eighty percent allocation to the local level*. Kathmandu: MoFE.

Government of Nepal, Ministry of Forests and Environment (2025) *Nationally Determined Contributions (NDC) 3.0*. Available at: https://unfccc.int/sites/default/files/2025-05/Nepal%20NDC3.pdf

GreenShift Nepal (2023) *12 schools selected for Climate Smart Schools initiative under GreenShift project*. Available at: https://greenshiftnepal.org/news-and-updates/12-schools-selected-for-climate-smart-schools-initiative-under-greenshift-project

ICIMOD (2024) 'In southern Nepal, a community-centric approach strengthens flood early warning systems', *ICIMOD Blog*, Available at: https://blog.icimod.org/cryosphere-water-risks/flood-early-warning-terai-2024/.

Khatri, D.B., Nightingale, A.J., Ojha, H., Maskey, G. & 'Tsumpa', P.N.L.(2022) 'Multi-scale politics in climate change: The mismatch of authority and capability in federalizing Nepal', *Climate Policy*, 22(8), pp. 1084–1096. Available at: https://doi.org/10.1080/14693062.2022.2090891.

ICIMOD (2024) 'In southern Nepal, a community-centric approach strengthens flood early warning systems', *ICIMOD Blog*. Available at: https://blog.icimod.org/cryosphere-water-risks/flood-early-warning-terai-2024/

Kohlitz, J., Grant, M., Budhathoki, R.B., Chhetri, S., Paneru, H., Basnet, M.P., Lala, S., Halcrow, G. and Carrard, N. (2024) 'Laying foundations for transformation: Insights from local government engagement on climate-resilient rural water services in Nepal', *PLOS Sustainability and Transformation*, 3(3). Available at: https://doi.org/10.1371/journal.pstr.0000081

LI-BIRD 2023, *Scaling land-based mitigation solutions in Nepal: Successes in agroforestry and climate-resilient agriculture*, Local Initiatives for Biodiversity, Research and Development. Available at: https://www.libird.org/publications/annual-report-2023.

Ministry of Forests and Environment (MoFE) (2021) *National Adaptation Plan (NAP): 2021–2050*. Kathmandu: Government of Nepal.

Pant, H. (2025) *Nepal climate adaptation document analysis – Paper*. figshare. Dataset. Available at: https://doi.org/10.6084/m9.figshare.29436923.v1.

Pokharel, K., Devkota, K., Fischer, H., Khatri, D. & Maskey, G. (2023) 'Implications of decentralisation for disaster governance in Nepal's federalism: A case study of COVID-19 response of four selected local governments', *New Angle: Nepal Journal of Social Science and Public Policy*, 8(1), pp. 45–64. Available at: https://doi.org/10.53037/na.v8i1.70

SIAS (2022) *Climate Adaptation Dialogue Report*. South Asia Institute of Advanced Studies. Available at: https://sias-southasia.org/wp-content/uploads/2023/03/Climate-Adaptation-Dialogue-Report_2022.pdf

UNDP Nepal (2023) *Pokhara's green ambition*. Available at: https://www.undp.org/nepal/stories/pokharas-green-ambition

World Bank (2023) *Nepal: Subnational climate finance assessment*. Washington, DC: World Bank Group.

Recommended citation

Pokharel, K., Maskey, G. and Gurung, P. (2026). *Strengthening Local Governments' Institutional Capacity for Climate Action in Nepal: Gaps, Opportunities and Policy Priorities*. Policy Brief, 2026. Published by Institute for Study and Development Worldwide (IFSD), Australia in collaboration with Southasia Institute of Advanced Studies (SIAS), Nepal.

Published by

IFSD Institute for Study & Development Worldwide
8 Parramatta Square, 10 Darcy Street
Parramatta, NSW 2150, Australia
Email: info@ifsd.com.au
Phone: + 61 02 8824 3391
Website: www.ifsd.com.au

In collaboration with

SIAS SOUTHASIA INSTITUTE OF ADVANCED STUDIES
NK Singh Marga-306, Kathmandu, Nepal
Email: sias-info@sias-southasia.org
Phone: +977-1-4569801, 4569938
Website: www.sias-southasia.org