

Nepal: Country presentation on BPOA

Commitment 1: Fostering a people centred policy framework

1.1: PRSP or the 10 th plan of the country prepared in 2002 and implemented, PRSP has four strategic pillars-(i) broad based economic growth, (ii) social sector development and human development, (iii) targeted programs and inclusion, and (iv) governance.

PRSP prepared with wider consultation has evolved as a policy document for all the development partners, has definite indicators and monitoring framework in place.

Flexibility is built in the PRSP in the context of conflict—if normal situation, GDP will grow by 6.1 per cent and if conflict continues, it will grow by 4.3 per cent only.

First poverty status report prepared, and is being published very soon.

1.2 Medium Term Expenditure Framework (MTEF) in place, prioritizes programs as per poverty focus and ensures resources for the pro-poor programs.

1.3 Immediate Action Plans worked out every year to prioritize reforms and implement them with high priority.

Commitment 2: Good Governance at National Level

2.1 Strengthening of decentralization taking place, Local Self Governance Act in place, devolution of service delivery in education , health and agricultural service taken place, bulk grant for local development initiatives provided, and full devolution of basic services being experimented in some districts.

2.2 Civil service reform taking place, road map for inclusion in civil service worked out, reservation being accepted as a means to inclusion in civil service.

2.3 Social mobilization and participation taken as the key to development works, one third of the country's households mobilized in forest, water and micro credit use group programs.

2.4 Corruption control has been the central agenda of the government, institutions are strengthened for that and the results are already visible.

2.5 Human Rights Action Plan has been adopted and under implementation.

2.6 Financial and Corporate Sector Reform under implementation, new legislations are in place, regulatory and supervisory framework has been strengthened, and World Bank, IMF and ADB have supported financial sector reform program in an extensive way.

2.7 Legal reforms are underway for competition policy and act, anti-money laundering and fiscal transparency.

Commitment 3: Building Human and Institutional Capacities

3.1 Share of education and health in total budget increasing over years, 1/3rd of total and 2/5th of development budget in social sector.

3.2 Private sector encouraged in education and health sector investment.

3.3 MDGs being operationalized in education and health sectors extensively.

3.4 Targeted programs in education and health being run to make these services inclusive.

Commitment 4: Building Productive Capacity to Make Globalization Work for the Poor

4.1 Private sector invited in physical infrastructure creation through BOOT policy and Act in place.

4.2 Public-Private partnership exercises in a number of areas including electrification, IT, HRD, and industry.

4.3 liberal trade, industrial, and financial policies opted for for promoting private sector in building productive capacity.

Commitment 5: Enhancing the Role of Trade in Development

5.1 Nepal has been the member of WTO, SAFTA, and BIMSTEC, initiating capacity building, and preparing action plans to cope with new challenges and opportunities.

5.2 Nepal Trade and Competitiveness Study (NTCS) undertaken with World Bank support and policy measures and action plans as recommended by the study being implemented.

5.3 A high level NTCS follow up committee constituted while also looking for the facility of IF-II meant for LDCs.

Commitment 6: Reducing Vulnerability and Protecting Environment

6.1 Sustainable Development Agenda for Nepal (SDAN) prepared in the spirit of WSSD and adopted by the government.

6.2 Bio-Diversity Strategy prepared and biodiversity strategy implementation plan being prepared.

6.3 Environment Impact Assessment (EIA) considered as an integral part of project appraisal and implementation.

Commitment 7: Mobilizing Financial Resources

7.1 Domestic efforts to mobilize more resources successful, as even at a time of conflict revenue is growing by about 15 per cent.

7.2 Nepal Development Forum organized in May to mobilize external donors for PRSP, MDGs, and other programs. But no additional resources available for implementing BPOA not covered by PRSP.

7.3 Foreign aid policy in place to direct and harmonize donors towards country priority areas.