



Interpreting SDGs for South Asia: In
Search of a Regional Framework –
Nepalese Perspectives

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Presentation structure

- Lessons learned from MDGs
- Implementation Challenges
 - Policy alignment
 - Institutional structure
 - Financing
 - Partnership and stakeholder participation
 - Data deficit
- Regional cooperation in SDGs

Some lessons from MDG implementation

- ✓ Remarkable achievement in poverty and hunger but unequal reduction among geography and ethnic groups, and poor who have come out of poverty are vulnerable to disaster and shocks,
- ✓ Qualitative target of education were met but there is question on the quality of education,
- ✓ Gender gap in school education reduced but limited progress in access to economic resources and opportunities,
- ✓ All indicators relating to child health achieved but outcome is not uniformed for different income, social and geographical groups,
- ✓ Progress in maternal mortality is not encouraging,
- ✓ Target related to drinking water has been achieved, however, its quality, sufficient availability, and sustainability water resources are issues,
- ✓ Global commitments made for the flow of ODA, aid effectiveness, access to international market, trade facilitation and aid for trade remained unmet but the committed aid remained underutilized due to lack of absorptive capacity,

Some lessons from MDG implementation contd..

Few lessons?

- ✓ Partnerships between the government, the private sector, cooperatives, civil society, and development partners were instrumental in the greatly reduced levels of poverty and improved social indicators,
- ✓ Sector-wide approaches in health, education, and water and sanitation have demonstrated better results compared to other sectors,
- ✓ Large investments in the social sector led to large improvements in social sector indicators. Large investments are now needed in the infrastructure sector.
- ✓ Hard to take private sector on board on issues of MDGs
- ✓ Monitoring of the outcome and impact level indicators is hampered by the lack of disaggregated data and information,
- ✓ Despite progress, there are still large number of hard-to-reach people

Implementation issues: policy alignment

✓ **Constitution**

- ✓ Guarantees inclusive socio-political and economic development and a wide range of basic and fundamental rights including to equality, justice, property, freedom of religion, a clean environment, education and rights against discrimination;
- ✓ Provides to form a Parliamentary Committee to monitor and evaluate the implementation performance of these provisions.

✓ **Plan Document (Fourteenth Plan 2017-2020)**

- ✓ Increase growth and employment through tourism, small and medium businesses (SDG 8) and transformation of agriculture (SDG 1-2),
- ✓ Infrastructure development: energy (SDG 7), road, air transport and information/communication, rural-urban and trilateral linkages (SDG 9),
- ✓ Sustainable improvement on human development through social development and social security/protection (SDG 1-6),
- ✓ Promotion of good governance and human rights through effective and accountable public finance and clean, transparent and people-friendly public service (SDG 16).
- ✓ Gender equality (SDG 5), social inclusion (SDG 1-6, 7, 8, 9, 10, 16), environmental protection (SDG 11-15) and maximum use of science and technology.

Implementation issues: policy alignment (contd...)

✓ National Budget and Medium Term Expenditure Framework (MTEF)

Sustainable Development Goals	Share in budget (%)
Goal 1: End all forms of poverty everywhere	3.7
Goal 2: End hunger, achieve food security, improve nutrition, promote sustainable agriculture	6.1
Goal 3: Ensure healthy lives and promote well-being for all at all ages	4.4
Goal 4: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	1.9
Goal 5: Achieve gender equality and empower all women and girls	0.8
Goal 6: Ensure availability and sustainable management of water and sanitation for all	4.0

Implementation issues: policy alignment (contd...)

- | Sustainable Development Goals | Share in budget (%) |
|--|---------------------|
| Goal 7: Ensure access to affordable reliable sustainable and modern energy for all | 14.6 |
| Goal 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all | 1.0 |
| Goal 9: Build resilient infrastructure, inclusive industrialization, foster innovation | 26.1 |
| Goal 10: Reduce inequality within and among countries | 0.4 |
| Goal 11: Make cities and human settlements inclusive, safe, resilient and sustainable | 29.8 |
| Goal 12: Ensure sustainable consumption and production patterns | 0.4 |

Implementation issues: policy alignment (contd...)

Sustainable Development Goals	Share in budget (%)
Goal 13: Take urgent action to combat climate change and its impact	1.8
Goal 14: Conserve and sustainably use oceans, sea and marine resources	0.0
Goals 15: Protect, restore and promote sustainable use of terrestrial ecosystems, manage forest, combat desertification, alt/reverse land degradation and biodiversity loss	1.0
Goal 16: Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels	0.4
Goal 17: Fortify implementation and Global Partnership for Sustainable Development	0.2
Matching and special grants to provinces and local levels	3.4

Implementation issues: policy alignment (contd...)

✓ **United Nations Development Assistance Framework (UNDAF), 2018-2022**

- ✓ Sustainable and inclusive economic growth,
- ✓ Social development,
- ✓ Resilience, disaster risk reduction and climate change,
- ✓ Governance, rule of law and human rights,

✓ **World Bank Country Partnership Framework (CPF) (2019-2023)**

- ✓ Public institution: strengthening public institutions for effective public management and service delivery and to underpin private sector development,
- ✓ Private sector led-growth: private sector investment for jobs and natural resource management, promote better business environment for entrepreneurship and channeling remittance into productive sector,

Implementation issues: policy alignment (contd...)

Challenges

To cascade national efforts to subnational levels, and mainstream the SDG agenda into provincial and local level planning and budget.

Implementation issues: institutional structure

✓ High Level SDG Steering Committee

- ✓ Chaired by the Prime Minister and includes Finance Minister, Foreign Minister and Chief Secretary among others,
- ✓ Provides policy directives, oversees the financial, human and technical resources required for SDGs implementation, reviews annual progress and gives feed back to Coordination and Implementation Committee

✓ **Coordination and Implementation Committee**

- ✓ Vice Chairman, National Planning commission as coordinator and Member responsible for macroeconomic affairs as joint coordinator, includes Secretaries of relevant Ministries
- ✓ Responsible for guiding line Ministries on mainstreaming the SDGs into national, provisional and local plans
- ✓ Arrange financial, human and technical resources by mobilizing internal and external resources
- ✓ Coordinate with private sector, civil society and development partners,
- ✓ Monitor and evaluate progress against the SDG targets and provide feed back to the Thematic committee

Implementation issues: institutional structure (contd...)

✓ **SDG Implementation and Monitoring Thematic Committee**

Chaired by related National Planning Commission Member and provide guidance to prepare SDG related sectoral plans, policies, programmes, budget implementation and monitoring and evaluation.

- ✓ Economic development,
- ✓ Industrial development,
- ✓ Urban development,
- ✓ Social development,
- ✓ Labour and employment
- ✓ Agriculture, climate change and environment
- ✓ Infrastructure development
- ✓ Energy development
- ✓ Governance

Implementation issues: institutional structure (contd..)

Challenges

- ✓ Some of the SDGs do not directly fall under purview of particular Ministry, such as transparency, corruption, inclusion, human rights and there needs to be some mechanism to engage constitutional bodies,
- ✓ Many SDGs such as basic and secondary education, basic health and sanitation, agriculture, cooperatives, local infrastructure, water supply and sanitation, environment and biodiversity, disaster management fall under exclusive function of local level and coordination with 752 local government would be a great challenge,
- ✓ Lack of awareness as well as institutional capacity at the local levels,

Provinces	Expenditure in first four months 2018/19 (% of budget)
1	1.97
2	1.77
3	5.41
Gandaki	1.45
5	3.02
Karnali	0.99
7	2.69

Implementation issues: financing

Financing Gap (Rs. Billion)

SDG areas	Total investment requirement	Financing gap in Public sector	Financing gap in private sector
Poverty	2,295.0	903.9	-80.8
Labour and Tourism	853.2	10.4	-180.3
Agriculture	1,768.3	-258.3	-74.5
Health	2,012.1	122.9	371.2
Education	4,593.8	276.8	471.9
Gender	234.1	81.5	11.3
Water and Sanitation	1,155.4	195.0	36.6
Energy	3,906.0	789.5	1,296.3
Transport, Industry and ICT	9,207.7	842.2	2,452.0
Urban Infrastructure, housing and reconstruction	2,554.2	103.4	1,105.3
Climate Change	372.0	62.7	13.1
Forestry	561.8	76.3	19.7
Governance	870.4	66.9	61.2
Total	30,384.2	3,273.1	5,502.8

Source: Preliminary estimate by NPC

Implementation issues: Financing (contd...)

Challenges:

✓ Low tax base and high concentration in indirect tax

Revenue composition, 2017/18

Description	Share (%)
Tax Revenue	91.1
Value Added Tax	28.2
Customs	18.8
Income Tax	21.8
Excise	14.0
Other taxes and fees	8.3
Non-Tax Revenue	9.9

Source: Nepal Rastra Bank 2018

Implementation issues: financing (contd...)

Challenges:

- ✓ Low per capita income constraints household financing in terms of user's fees for social and environmental services,
- ✓ Private investment both domestic and foreign are hesitant due to lack of conducive investment climate,
- ✓ Declining ODA
 - ✓ Declining share of foreign aid in government expenditure (19.2 percent in 2009/10 to 11.8 percent in 2017/18)
 - ✓ Large chunk of ODA is disbursed through off-budget projects (27 percent in 2016/17)
 - ✓ Highly scattered and fragmented ODA (Foreign aided projects increased to 436 in 2016/17 from 369 in 2015/16)
- ✓ Declining remittance/ GDP ratio (29.51 percent in 2015/16 to 25.11 percent in 2017/18)

Implementation issues: partnership and stakeholder participation

- ✓ Official mechanism for implementation is dominated by government officials
- ✓ Needs effective partnership in implementation and monitoring
 - ✓ Private sector- financing, sustainability and inclusiveness,
 - ✓ Civil society – public education and awareness raising, direct provisioning of social services, monitoring and evaluation,
 - ✓ Parliament- required legislative framework and oversight over implementation,
 - ✓ Cooperatives – mobilizing local resources and communities, delivering essential services,
 - ✓ Trade unions- social protection and labour market intervention
 - ✓ Development partners- generating awareness, providing catalytic technical and financial support, infrastructure development, and capacity building
 - ✓ Media and academic institutions- creating awareness,
 - ✓ Province and local level governments.

Implementation issues: data deficit

Strong monitoring system with credible data base is essential to the success of SDG but very limited data are available in Nepal

Data status	No. of indicators	%
Publicly available	57	15
Available with further analysis	106	28
Not available but can be included in surveys	63	17
Not available	153	40
Total	379	100

Source: NPC 2018

Implementation issues: data deficit

Challenges

- ✓ Data sources are spread over multiple windows- social and governance related data surveys are outside the purview of Central Bureau of Statistics,
- ✓ Credibility of data come under question and there is big difference between government recorded data and those compiled by non-government organizations particularly regarding violence, crime, human trafficking, violation of human rights etc,
- ✓ Comparability of data- inconsistencies of survey, purpose of survey and lack of transparency in data collection,
- ✓ Inadequate technical capacity and insufficient funds
 - ✓ Delays in aid mobilization results delays in census and surveys
 - ✓ Periodicity of social statistics

Regional Cooperation: approach areas and instruments

Approach	Priority areas	Instruments
Developmental Regional Cooperation	Poverty alleviation	Policy dialogue, knowledge sharing
	Food Bank, Seed Bank	Policy dialogue, specific intervention
	Agriculture intensification	Knowledge sharing, networking
	Awareness raising	Networking
	Renewal energy	Knowledge sharing
	Migration	Policy coordination
	Disaster management	Knowledge sharing , specific intervention
	Biodiversity conservation	Policy coordination, knowledge sharing, networking
	Control of illicit financial flows	Policy coordination, knowledge sharing
	Control of human trafficking	Information sharing, policy coordination

Regional Cooperation: approach areas and instruments

Approach	Priority areas	Instruments
Market-led Regional Cooperation	Trade in goods	Existing agreement and policy dialogue
	Trade in services	Existing agreement and policy dialogue
	Investment	New agreement and policy dialogue
	Energy trade	Existing agreement and policy dialogue
Functional Regional Cooperation	Basin-wide water management	Policy dialogue and strategy reformulation
	Regional infrastructure and connectivity	Policy dialogue and strategy reformulation
	Data generation and monitoring	Experience sharing
	Technology transfer	Policy coordination, knowledge sharing, specific intervention

Thank you