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From: The Acting Secretary

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Government of Nepal

National Planning Commission

Singha Durbar, Kathmandu, Nepal

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03 March 2023

Madame Kristalina Georgieva
Managing Director
International Monetary Fund
Washington, D.C. 20431 USA

Dear Madame Georgieva,

I am pleased to provide you with the Poverty Reduction and Growth Strategy (PRGS) Paper - Nepal's Fifteenth Plan (Fiscal Year 2019/20 – 2023/24). Launched in March 2020, the Fifteenth Plan is the latest in the series of national development policy frameworks that Nepal has undertaken in the past six decades, including one earlier PRGS Paper, the Tenth Plan (2002-2007). This PRGS Paper was developed through extensive public consultation, where an estimated 4,500 people contributed to the priority setting and validation processes.

We expect this document will fulfill the requirements associated with the completion of the Second Review of our ECF-supported program. It was prepared to fulfill the long-term shared national goal to graduate from least developed country (LDC) status through achieving income growth, formation of quality of human capital, and reduce economic vulnerabilities. It also envisages graduating to an upper-middle-income country by achieving Sustainable Development Goals.

The PRGS Paper incorporates long-term objectives for the social sector, including poverty alleviation, improving education, health, and gender equality, as well as advancing physical infrastructure and the energy sector. During the Fifteenth Plan period, development initiatives are focusing on accessible modern infrastructure and intensive connectivity, development and full utilization of human capital potential and policies to promote high and sustainable production and productivity, with the aim to achieve high and equitable national income.

The PRGS is structured around 10 national goals with impact, effect, and outcome level indicators and annual quantitative targets. Special priority is given to the infrastructure construction, information technology, agriculture, industry, education, and health sectors. The goals are supported by comprehensive programs in eight sectors, as well as a set of "national pride" projects and transformational projects.

Government of Nepal

National Planning Commission

Singha Durbar, Kathmandu, Nepal

Ref. No:

We believe our policy agenda is strongly aligned with the ECF-supported program. The government looks forward to collaborating with the IMF to achieve the objectives described in the NDP. It authorizes the IMF to publish the attached document on its website.

Please let me know in case yor require further assistance from my side.

Thank you and regards,

Mr. Prakash Dahal
Joint Secretary

The Fifteenth Plan

(Fiscal Year 2019/20 – 2023/24)

Government of Nepal

National Planning Commission

Singhadurbar, Kathmandu

Unofficial Translation

The Fifteenth Plan

(Fiscal Year 2019/20 – 2023/24)

Government of Nepal

National Planning Commission

Singhadurbar, Kathmandu

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Kathmandu, Nepal

Prime Minister

Foreword

Nepal implemented 14 periodic plans prior to this democratically elected government assumed office. The Government formed under my leadership in 2015 had approved the approach paper to the Fourteenth Plan and initiated its implementation. The Plan completed its term last fiscal year. The Fourteenth Plan had the responsibility of reviving the economy suffering a colossal loss from the earthquake and the economic blockade. The available statistics verify that the Plan has attained its national goals, including the target for economic growth. Nepal has achieved impressive results in various sectors of development, including poverty alleviation, education, and health, infrastructure, and gender equity. While continuing to work towards enhancing the quality of these sectors, more emphasis should be given to economic and physical infrastructure sectors.

The economic inequality that prevails even in the 21st century remains a challenge for human civilization. Absolute poverty, climate change and its adverse effects, newly emerging infectious diseases and pandemics, and social and gender discrimination are continued to be the major challenges. Our efforts today should, therefore, be geared towards achieving prosperity through good governance and development and supporting it through the two pillars of social justice and equality in order to guarantee environmental security and people's happiness.

It is against this background that the Fifteenth Plan has been prepared with the long-term vision of fulfilling the shared national aspiration for "Prosperous Nepal, Happy Nepali" by making Nepal a high-income country by 2043. The Plan represents the foundation for achieving the long-term vision of increasing Nepal's per capita national income to at least USD 12,100. The Plan defines national goals and targets for prosperity and happiness and incorporates long-term objectives in terms of significant progress in the social sector, including poverty alleviation, education, health, gender equality as well as in physical infrastructure and the energy sector. During the Plan period, a foundation for economic

prosperity is expected to be created through accessible modern infrastructure and intensive connectivity; development and full utilization of human capital potential; high and sustainable production and productivity; and high and equitable national income.

During the Plan period, people's level of experiencing happiness will increase substantially through improvements in their living standards achieved in such a way to fulfil both biological and human needs. With the long-term commitment to eliminate absolute poverty in the country, the Plan aims to limit the percentage of people under the poverty line to a single digit within the Plan period. The Plan also aims to produce healthy citizens through investing in child health and nutrition and to achieve equality and sustainability by facilitating people's access to capital and skills, minimum wages, and social security arrangements. Nepal will graduate to a developing country within the Plan period by increasing the per capita national income based on increased production and productivity, improving the quality of human assets, and reducing economic vulnerabilities. The Plan is also expected to create a foundation for Nepal to graduate to an upper-middle-income country by achieving the Sustainable Development Goals well before 2030.

The local, provincial, and federal governments will have to play a leading and coordinating role to achieve the national goals set by this Plan. Based on the goals and roadmaps adopted by the Plan, provincial and local governments will formulate and implement their own periodic plans. In addition to the three levels of government, we believe that all stakeholders, including the private sector, cooperatives, non-government organizations, and development partners will play a significant role in implementing the Plan. Therefore, I expect everyone to lend a hand in making the nation prosperous and the people happy through fast economic growth achieved along with social justice and based on the foundation of national unity and good governance.

Finally, I would like to thank the National Planning Commission, sectoral ministries, and all others involved in preparing this Plan with a long-term vision. I believe that everyone will play an active and responsible role in identifying and implementing appropriate programmes and projects towards achieving the lofty and equitable goals of the Plan.

March 2020 KP Sharma Oli

Government of Nepal

National Planning Commission

Singhadurbar, Kathmandu

Prof. Dr. Puspa Raj Kadel
Vice-Chairperson

Preface

The Constitution of Nepal has envisioned to develop Nepal as an independent, advanced and socialism-oriented economy by ensuring good governance, development, and prosperity through embracing the federal democratic republican system of governance. In the course of implementing the constitution, the federation, provinces, and local levels - all three tiers of government-- have now become fully operational and been actively progressing towards achieving socio-economic development in the country.

The past efforts on planned development have helped realize significant progress in the social sector while mixed results are evident in the economic, infrastructure, and other sectors. The percentage of people living under absolute poverty and maternal and child mortality rates have declined. Life expectancy and enrolment rates at schools have increased, the drinking water and sanitation sector has improved, and roads, communication, and air transport infrastructure have significantly expanded. The country has reached closer to the goals set forth by the Fourteenth Plan by embarking on the path of high economic growth. Improvement signals are also apparent in production and productivity. The government has adopted the policy of equitable distribution of development returns by involving socio-economically backward communities and areas into the process of overall development through social protection. It is, therefore, essential to make additional improvements in the citizens' living standards by maintaining good governance, achieving rapid economic growth, enhancing productive employment, and reducing income inequality.

While formulating the current Fifteenth Plan, attention has been paid on the fundamental rights, provisions including directive principles and policies of the state, the Sustainable Development Goals, global economic outlook, and commitments of the

government made on different occasions. A scenario wrapped up with a roadmap of the Long-Term Vision 2043 has been developed for the next 25 years to fulfil the vision of "Prosperous Nepal, Happy Nepali" which has been so dearly championed by the current government. The fifteenth plan has been formulated as the base plan to achieve that very vision and also to guide the long-term visions and periodic plans of the provinces and local levels.

The quantitative targets for the expected results have also been set in the current Plan. These targets are likely to be achieved from the formulation and implementation of required strategies and operational policies to realize the objectives and goals of economic growth outlined in the plan. The management and coordination of resources, monitoring, and evaluation have also been emphasized to ensure the completion of most of the national pride projects during the plan period. Transformative or 'game changer' projects have been identified and selected, and major sectoral programmes as well as other development programmes and projects to be implemented through public-private partnerships have been finalized and included into the plan to achieve its overall and sectoral goals as set forth in detail in the document. Similarly, ten national goals have been adopted as major result areas and impacts, outcomes and output level indicators, and annual quantitative targets have been set accordingly. Likewise, goals and targets, including that of provincial level, has been developed and included in pursuant to the long-term vision with the quantitative targets

This plan has been prepared following the opinions and recommendations received from the interactions and discussions conducted during the formulation of the plan with elected representatives and office-bearers of the federal, provincial, and local levels, members of the federal parliament and provincial assemblies, and representatives of the private sector, cooperative, and communities. Similarly, this plan has also incorporated at its best the opinions and suggestions that were collected from the interactions and discussions with about 4,500 stakeholders including representatives of the major political parties, academic and sectoral experts comprising various walks of national life, office bearers at various ministries and institutions of the Government of Nepal, office bearers of the provincial governments, and Mayors and Deputy-Mayors of the local levels, development partners, intellectuals, women, *Dalits*, *Adhibasi Janajati*, *Madhesi*, Muslims, representatives of people with disabilities, and Non-Resident Nepali, and also the directives delivered by the meeting of the

National Development Council, held in 2018. It is also to be noted that while implementing this plan, appropriate plans and programmes will be formulated and implemented to mitigate the adverse effects of the global COVID-19 pandemic and other epidemics and disasters on achieving the goals set by the plan and to recover the economy. Furthermore, goals, strategies, operational policies, and programmes and projects will be reviewed on need basis of the mid-term evaluation of the plan.

I would like to express my thanks to all the concerned stakeholders including various line ministries and bodies, office bearers of the federal, provincial, and local level governments, political parties, and representatives of various organizations and development partners for their enthusiastic support received during the plan formulation process. I would also like to extend my special thanks to the member secretary, joint secretary, programme director, planning officers, and other staff of the National Planning Commission (NPC) for their constant and consistent support during the process. Finally, I would like to express my sincere gratitude to Rt. Hon. Prime Minister and Ex-Officio Chairperson of NPC for his invaluable guardianship and guidance while formulating this plan along with the long-term vision.

I believe that this plan will help build a strong foundation to achieve the national vision of *"Prosperous Nepal, Happy Nepali"*. I humbly request and expect support from all stakeholders and the concerned citizens for its full-fledged and timely implementation.

2020 March

Prof. Dr. Pushpa Raj Kadel

National Planning Commission

Right Honourable Prime Minister Mr. KP Sharma Oli	Chairman
Honourable Prof. Dr. Puspa Raj Kadel	Vice-Chairman
Mr. Lok Darshan Regmi, Chief Secretary, Government of Nepal	Member (Ex-Officio)
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Honourable Dr. Dil Bahadur Gurung	Member
Honourable Er. Sushil Bhatta	Member
Honourable Mr. Min Bahadur Shahi	Member
Honourable Dr. Ramkumar Phuyal	Member
Mr. Shishir Kumar Dhungana, Secretary, Ministry of Finance	Member (Ex-Officio)
Mr. Laxman Aryal	Member Secretary

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Abbreviations and Acronyms

AR	Annual Review
CBS	Central Bureau of Statistics
CIAA	Commission for the Investigation of Abuse of Authority
FY	Fiscal Year
GDP	Gross Domestic Product
GFCF	Gross Fixed Capital Formation
HAI	Human Asset Index
HDI	Human Development Indicator
ICOR	Incremental Capital Output Ratio
M&E	Monitoring and Evaluation
MoALD	Ministry of Agriculture and Livestock Development
MoCIT	Ministry of Communication and Information Technology
MoCTCA	Ministry of Culture, Tourism and Civil Aviation
MoD	Ministry of Defense
MoEST	Ministry of Education, Science and Technology
MoEWRI	Ministry of Energy, Water Resources and Irrigation
MoF	Ministry of Finance
MoFA	Ministry of Foreign Affairs
MoFAGA	Ministry of Federal Affairs and General Administration
MoFE	Ministry of Forest and Environment
MoHA	Ministry of Home Affairs
MoHP	Ministry of Ministry of Health and Population
MoICS	Ministry of Industry Commerce and Supply
MoLESS	Ministry of Labor, Employment and Social Security
MoLJPA	Ministry of Law, Justice and Parliamentary Affairs
MoLMCPA	Ministry of Land Management, Cooperatives and Poverty Alleviation

MoPIT	Ministry of Physical Infrastructure and Transport
MoUD	Ministry of Urban Development
MoWCSC	Ministry of Women, Children and Senior Citizen
MoWS	Ministry of Water Supply
MoYS	Ministry of Youth and Sports
NDHS	Nepal Demographic Health Survey
NPC	National Planning Commission
NRs	Nepali Rupees
OCMCM	Office of Chief Minister and Council of Ministers
PC	Population Census
R&D	Research and Development
SDGs	Sustainable Development Goals

Chapter 1: Introduction

1. Background

Nepal has long established its image and identity as a nation that is known for economic dynamism. Kautilya's Arthashastra has mentioned that Nepal's *radi pakhi* were exported to the then state of Magadh, and mines also used to be explored and excavated. During the Lichchhavi period, Nepali goods used to be exported, and Nepali currency was recognized and was in circulation, in Tibet as well. The excellence attained by Nepali arts and engineering during the Malla period hints that the education system of that time was practical and focused on producing skilled manpower.

Despite the foundation for economic development was laid with the unification of several small princely states into Nepal, the country fell behind in economic and social development due to political instability that followed the Kot massacre of 1846. The 104 years of Rana regime was characterized by a medieval, feudal and centralized governance system, personal abuse of the state treasury, and minimal access of the people to basic needs including education and health, and lack of attention to the infrastructure development. As a result, Nepal gradually started falling behind in the economic activities that were being expanded since ancient times. Although the procedures and the systems required for the governance structure were initiated in the decade-long political transition period following the advent of democracy in 1951, Nepal could not be developed as expected due to the lack of governance system accountable to the citizens in almost three-decades-long party-less Panchayat system.

The open political environment and economic reform measures in the post-1990s had led to the expansion of economic activities. The development, however, was not as expected due to the decade-long conflict that followed. The current Constitution of Nepal drafted by the historical constituent assembly established by the People's Movement of 2006 has institutionalized a federal democratic republic governance system and thereby opened the avenue for achieving economic prosperity.

The Constitution of Nepal has set the national agenda as achieving good governance, development, and prosperity while being committed to socialism that would be based on

democratic values and norms. It has also provided a direction for ensuring prosperity, economic equality, and social justice by putting an end to all kinds of discrimination by eliminating the remnants of feudalism. The fundamental rights guaranteed by the constitution and the provisions mentioned in the directive principles, policies, and obligations of the state are also to be implemented. New governance arrangements and systems have created a basis for nation-building through peace and stability. Building on this political and policy stability, it is imperative to prepare the basis of development and prosperity by improving the living standards of Nepali citizens so that this dividend of change can be received by the very present generation and felt by the common people.

As per the international commitment, Nepal needs to achieve Sustainable Development Goals (SDGs) by 2030. SDGs are being internalized and localized in the development programs of the federal, provincial, and local levels as per the commitment of leaving no one behind in all dimensions of development. As Nepal has been lagging in socio-economic development compared to other nations of similar ranks in the past, it is imperative to make giant strides in the pace of socio-economic development. It is necessary to reach the level of a middle-income country by 2030 along with graduating to a developing country from the ranks of a Least Developed Country by 2022.

After the elections held for the three levels of governments, the federal, provincial, and local governments are all working towards the implementation of the constitution standing on the plank of political stability. On the basis of constitutional mandate and responsibilities, the three levels of government have the responsibility to make Nepal prosperous and advanced by promoting freedom, sovereignty, geographical integrity, and independence. It remains highly necessary to formulate a long-term vision to realize the goal of 'Prosperous Nepal, Happy Nepali" cherished by the current government. There is a need to move forward through the sustainable and prudent mobilization of resources and learning from the experiences of other countries that have achieved remarkable development during the twenty-five year period by adopting a strategy of systemic reforms and efficient work style.

While the three-year plans were being implemented during the period of transition, with the formation of a stable government, the Fifteenth plan has been formulated for five

years with a Long-Term Vision of taking Nepal to the level of advanced countries by 2043 AD. The plan has been prepared with the objective of implementing the development policy to cause the massive economic and social transformation to address the citizens' expectations of development and prosperity, to achieve rapid and high economic growth and to ensure equitable distribution and redistribution.

The country's topography, natural diversity, evolution and structure of the society, civilization and diverse culture, language, optimum utilization of natural resources and means, two emerging neighborhood economies, active human resources within the country, evolving good relations at the international arena and the continuing macroeconomic stability – all have stood as the pillars of economic prosperity. For good governance and development, it is necessary to implement the plan in its entirety through the political determination and willpower of the current government and the activeness and capability of the provincial and local governments. To exploit this opportunity for achieving good governance, development, and prosperity, the foundation for prosperity will be developed through the efficient mobilization of the governance structures.

Policies, strategies, and programs have to be implemented in such a way that this plan creates a basis for prosperity and happiness, and then the following two five-year plans will accelerate the process of achieving them and the next two five-year plans thereafter will ensure their sustainability balancing prosperity and happiness. This plan will also guide the Long-Term Vision and periodic plans of the provincial and local levels as well.

1.2 Review of Planned Development

Nine five-year and five three-year plans have been implemented in Nepal during the six decades of planned development. Despite several transformational changes occurred on the political front in this period, achievements in economic, social, and modern transportation and infrastructure development sectors have not been held as expected. Meanwhile, Nepali people have become relatively more aware than in the past. Society has turned more modern. The discrimination, inequality, and exclusion based on ethnicity, gender, and class have not been fully eliminated, but are surely on the decrease. Important achievements have been made in sectors including education, health, drinking water, and social security during this period. In the infrastructure sector, significant progress has been achieved in road transportation,

communication and information technology, and urban infrastructure. There is, however, a need for further efforts in remaining infrastructure areas including hydroelectricity and air transportation. There is a need for result-oriented implementation through short term, medium-term, and long term plans to address the growing expectation of the public and to develop as a prosperous and advanced nation.

Despite the significant reduction in absolute and multidimensional poverty, a large segment of the population remains under the poverty line. The trend of youth labor force going abroad for employment due to lack of employment opportunities at home has still not changed. The contribution of the industrial sector in the economy has reduced and the trade deficit has remained high. Remittance has contributed to increasing the size of the economy and causing sufficient foreign exchange reserves. Important achievements have been made in the area of socio-economic development including social security, inclusion, and environment protection. The goals set by the plan have not been achieved as expected in the areas including economic growth, production and productivity, industrialization, quality education and health, clean and pollution-free environment, and good governance.

1.3 Review of the Fourteenth Plan

The Fourteenth plan (FY 2016/17 – 2018/19) was formulated as the first plan after the promulgation of the constitution by the historical constituent assembly. This plan had envisioned building an independent, advanced, and socialism-oriented national economy by becoming self-dependent in agricultural produce, medicine, and the energy sector. It had targeted to reach the level of a middle-income country through becoming a public welfare state with social justice. Additionally, it was the first periodic plan to make an attempt to mainstream and internalize the goals of sustainable development. During the formulation of this plan, a loss of 700 billion rupees to the economy was estimated due to the destructive earthquake. An additional loss had to be suffered due to the long trade disruptions at the southern border points. Even the environment of investment had been adverse due to this. The Fourteenth plan was formulated to accelerate the post-earthquake reconstruction through increased public investment, implement and managing federalism, and addressing the loss suffered by the economy due to the trade disruptions at the southern border.

The Fourteenth plan was oriented towards moving the country forward on the way of prosperity with sustainable development by implementing the vision of making the national economy socialism oriented, self-dependent, free and advanced according to the direction of development set by the constitution. Additionally, the objectives were to complete the election of the federation, province, and local level and to build necessary laws and structures for the implementation and management of federalism as the primary task for the implementation of the constitution.

With the completion of the federation, province, and local level elections, the three-level governments are now functional. Due to this, political stability has been achieved with the ending of the political transitional period of a long time. The process of formulating rules and structures in accordance with the list of powers/jurisdiction of the three levels of the government has gained momentum. The Fourteenth plan was important also for ensuring economic equality, good governance, development, prosperity, and social justice sought by the country. Furthermore, fiscal federalism has been implemented and the environment for investment has been friendly after the formation of a stable government with a public mandate for stability. The plan has been successful in maintaining macroeconomic stability along with removing the adversities seen in the economy due to the trade disruption at the southern border points and the disastrous earthquake through fiscal policy and incentives. Achievements such as increasing the linkage between the plans and the budgetary system and putting into effect the Medium Term Expenditure Framework (MTEF) for strengthening and making outcome-oriented the financial system were also made based on this plan.

The Fourteenth plan had intended for socio-economic transformation by expediting poverty alleviation through productive employment-oriented high economic growth with equitable distribution. Accordingly, against the targeted average economic growth of 7.2 per cent, high economic growth of 6.9 per cent on average per year was achieved with 7.7 per cent in the FY 2016/17, 6.3 per cent in the FY 2017/18, and 6.8 per cent in the FY 2018/19. On a sectoral basis during this period, the annual average of total value added was 4.2 per cent for the agricultural sector and 8 per cent for the non-agricultural sector. The size of the economy in FY 2018/19 was 3 trillion 464 billion rupees.

The economy enjoyed a positive impact due to the favorable environment for investment created because of investment-friendly economic policies, continuous improvement in the electricity supply system, improvement in labor relations, and political stability during the plan period. The entry of one million and 197 thousand tourists into Nepal in the FY 2018/19 itself demonstrates the fact that the economy of the country is moving towards a positive direction. Besides, a ground for the departure point of the country's development and prosperity has been built with such positive scenarios caused by demographic dividend, investment-friendly environment, developed socio-economic infrastructure, rapid reconstruction after the earthquake, and an increase in energy production.

During the plan period, the total government expenditure was NRs. 3 trillion 34.92 billion rupees. Public spending in the first, second, and third year of the plan has remained 31.3, 35.9, and 31.6 per cent respectively in proportion to Gross Domestic Product (GDP). Inflation has remained at a minimum due to the rapid expansion of the economy than in the past and proper coordination between fiscal policy and monetary policy.

The goal of increasing the Human Development Index (HDI) to 0.57 and life expectancy to 72 years during the plan period has been partially met with HDI at 0.579 and life expectancy at 70 years currently. The goal to increase the ratio of the population with access to basic drinking water facility to 89 per cent, the net-enrollment rate at the secondary level to 45 per cent, and the literacy rate of the age group 15 to 24 to 92 per cent have been met with the rates standing at 89, 46 and 92 per cent respectively. Despite the notable improvement in achieving the target of social indicators, it remains necessary to improve its qualitative aspects. The major economic, social, and physical targets and progress of the Fourteenth plan are presented in table 1.1.

Table 1.1: Economic, social and physical targets and achievements of the Fourteenth plan

S. N.	Indicator	Base Year (2016/17)	Target until FY 2017/18	Progress until FY 2018/19
1	Annual average economic growth rate (at basic prices, percentage)	0.8	7.2	6.9

S. N.	Indicator	Base Year (2016/17)	Target until FY 2017/18	Progress until FY 2018/19
2	Annual average growth rate of the agriculture sector (percentage)	1.3	4.7	4.2
3	Annual average growth rate of the non-agriculture sector (percentage)	0.6	8.4	8.0
4	Annual average inflation (percentage)	9.5	7.5	4.6
5	GDP per capita (in thousands)	79.4	116.5	117.5
6	Population living below the poverty line (percentage)	21.6	17	18.7
7	Human Development Index (HDI)	0.54	0.57	0.579
8	Gender Empowerment Index	0.56	0.58	0.568
9	Life expectancy (at birth, year)	69	72	69.7
10	Population with access to drinking water facility (percentage)	83.6	90	89
11	Net enrollment rate at secondary level (percentage)	37.7	45	46
12	Literacy rate of 15-24 age group	88.6	92	92
13	Electricity generation (installed capacity, Megawatt)	85.1	2,301	1,250
14	Family with access to electricity (percentage)	74.0	87	88
15	Irrigation (in 100,000 hectare)	13.9	15.2	14.7
16	Population with access to internet service (per cent)	44.4	65	65.9

1.3.1 Macroeconomic Sector

Savings and investment

Gross Fixed Capital Formation (GFCF) has been gradually increasing in proportion to the GDP during the plan period. Gross Fixed Capital Formation (GFCF) which was at 28 per

cent of the GDP at the current price in the base year 2016/17 has reached 36.9 per cent in the FY 2018/19 due to significant investment by the public and the private sector. The government followed a fiscal policy of preventing the contraction of private-sector lending in order to strengthen the financial system. As a result, there has been significant improvement in lending. The share of GFCF of the public sector to the GDP has remained limited to 8 per cent as against the target of increasing to 13 per cent. The ratio of GFCF of the private sector to the GDP has reached 29 per cent in the FY 2018/19 from 21.6 per cent in the FY 2016/17. GFCF from the private sector has increased during this period due to the investment in construction, hotel, hydroelectricity, and civil aviation sectors. Capital formation of the public sector couldn't happen as expected in this period due to the low capital expenditure.

The target of gross domestic savings and gross national savings in proportion to GDP to 10.8 and 45 per cent respectively was achieved with 20.5 and 52.4 respectively in the FY 2018/19. Due to a high increase in the income of the citizens, expansion of banking and financial sectors, and adherence to appropriate tools related to savings mobilization and investment, the share of savings has increased significantly in this period.

Government Finance

Government expenditure remaining at 26.3 per cent as a ratio of the Gross Domestic Product in the FY 2015/16 has reached 31.6 per cent in the year 2018/19. In this period, the ratio has increased by 6.7 percentage points in current expenditure, and by 3.4 percentage points in capital expenditure. The growth rate of current expenditure as compared to capital expenditure has increased due to the fiscal transfers at the local level, and an increase in social security, salary and wages. Despite the overall increment in public expenditure, the ratio of actual expenditure to the allocated amount remains low. The expenditure has been 78.5, 84.8, and 84.4 per cent in the FY 2016/17, 2017/18 and 2018/19 respectively out of total budget estimates. Implementation of the projects without adequate preparation, lack of timely land acquisition, lack of timely awarding of contracts, procedural delays, scarcity of construction materials and poor project management, and lack of coordination among stakeholders are the major reasons behind low capital expenditure.

The annual growth rate of revenue had been 21.0 per cent on average during the plan period and has reached 24.8 per cent of the GDP in the FY 2018/19. The high growth in revenue during this period has been made possible by the implementation of several policies and institutional reforms and actions of systems strengthening. However, challenges remain regarding expanding the base of the taxation system and increasing the share of domestic production-based revenue.

While foreign aid of NRs. 72.77 billion was mobilized in the FY 2016/17, NRs. 131.6 billion and NRs. 150.2 billion has been mobilized in the FY 2017/18 in the FY 2018/19 respectively. However, foreign aid was not mobilized as expected in the plan period. Delayed implementation of the foreign-aided projects, lack of timely reimbursement, and a huge gap between aid commitment and realization are some of the reasons behind the low mobilization of foreign aid.

Total debt to be paid by the government of Nepal has reached NRs. 1047.1 billion which stands 30 per cent in proportion to the GDP in the FY 2018/19 with the external loan of NRs. 594.6 billion and an internal loan of 453 billion rupees. The public debt has not been mobilized as expected in the plan due to the allocated amount not being spent and the low financial progress of the projects implemented with foreign aid.

Monetary sector

While the target was to limit the annual average inflation rate at 7.5 per cent during the plan, the annual average had remained at 4.4 per cent. The annual average growth rate of the price of food items and non-food goods and services had remained respectively at 2.5 per cent and 5.3 per cent. Inflation has remained low during this period due to the improvements made in the management of imports and the effect of low inflation in India and also around the globe.

The broad money supply that had increased by 19.5 per cent in the FY 2016/17 has increased by 16.4 per cent on annual average during the plan period. The net foreign asset has reduced by 16.4 per cent in the FY 2018/19. Currency reserve which had increased by 20.1 per cent in the base year of the plan has only increased by 8.1 per cent in the final year.

Financial sector

During this period while the annual growth rate of the lending to the productive sector was targeted to be 20 per cent, the lending to the private sector has expanded by 19.4 per cent in the final year of the plan. Lending to the private sector has increased due to the expansion in the activities of the private sector including reconstruction. The total number of branches of banks and financial institutions (BFIs) has reached 8,686 with 3,585 branches of commercial banks, 1,267 branches of development banks, 205 branches of financial companies, and 3,329 branches of microfinance institutions. It shows that, each branch of the banks and financial institutions has to be serving 3,363 people, on an average. By the end of the FY 2018/19, the branches of commercial banks have reached to 735 local levels.

Capital Market

Stock market capitalization has reached 1567 billion rupees in the FY 2018/19. While the NEPSE index had remained at 1,718 points at the end of the FY 2015/16, it fell to 1,259 by the end of the FY 2018/19, and the number of listed companies has reached 218. NEPSE index has gone down due to reasons including an increase in capitalization because of sanctioning of rights shares and debentures, distribution of bonus shares, and increase in interest rates of commercial banks.

Foreign trade

Despite the plan's objective of reducing the trade deficit through export promotion, import management, tourism promotion, and development of energy, the deficit has increased continuously during the plan period. In the FY 2016/17, 2017/18 and 2018/19 imports increased by 28.0, 25.5, and 13.9 per cent respectively whereas exports increased by 4.2, 11.1, and 19.4 per cent respectively during the same period. The trade deficit has reached 38.1 per cent of the GDP in the final year of the plan, FY 2018/19. Foreign exchange reserve that supports the import has gradually decreased with the high trade deficit. While the foreign exchange reserve remaining in the FY 2015/16 could support the import of goods and services for 14 months, for 11 months in the FY 2016/17 and for nine months in the FY 2017/18, the reserve remains sufficient only for 7.8 months in the FY 2018/19. The export-import ratio has increased due to the absence of an increase in the production of exportable goods, lack of

quality and competitive capacity of the produced goods, and soaring import of petroleum products and transportation items.

Cooperatives

The number of cooperative institutions has reached 34,763 and their share capital stands at 77 billion in the FY 2018/19. Significant progress has been made in the total savings and loans by the cooperative institutions. In the FY 2018/19, cooperative institutions have total savings of 346 billion rupees and loan investment of 333 billion rupees. Progress in goals such as employment generation, women participation, cooperatives run by women, operation of small and medium cooperative enterprises, and cooperative farming scheme, however, has not been significant.

1.3.2 Thematic Sectors

A. Economic sector

Agriculture, food security and irrigation

While the targeted growth rate for the agriculture sector in the FY 2016/17, 2017/18 and 2018/19 was 4.5, 4.7, and 4.9 per cent respectively, the actual growth rate, however, was 5.2, 2.8 and 4.8 per cent respectively. The target was met in the FY 2016/17 due to the increase in the production of food grains such as rice, wheat, and corn. Production of these food grains increased due to the reasons including the timely onset of monsoon, increase in agricultural commercialization, an increase in the availability of chemical fertilizers, and expansion of the irrigation facility. While the country is becoming self-reliant on vegetables, expected growth has not been achieved in the production of fruits.

While the target was to produce 2 million 31 thousand Metric Tons (MT) of milk in the FY 2016/17, 2.2 million 96 thousand MT in 2017/18 and 2.5 million 94 thousand in 2018/19, 1.9 million 11 thousand MT (94 per cent), 1.9 million 91 thousand MT (87 per cent) and 2 million 93 thousand MT (80.7 per cent) milk has been produced respectively. Likewise, while the target for meat production in the above consecutive years was 344 thousand MT, 379 thousand MT, and 417 thousand MT respectively, 332 thousand MT (96 per cent), 347 thousand MT (91 per cent), and 346 thousand MT (82 per cent) respectively have been produced. While the targeted production of eggs was 1350 million, 1450 million, and 1570

million pieces respectively, it has been met by the production of 1350 million (100 per cent), 1470 million (101 per cent), and 1510 million (96 per cent) egg pieces respectively. The country has become self-reliant in eggs while it is moving towards self-reliance in milk and meat. The growing attraction of farmers in animal husbandry and agriculture-friendly government policies have been the major reasons behind this. The target was achieved because of the increase in agricultural products and improvement in food storage due to improvement in transportation in the remote areas.

Only 85 per cent of the targeted land in the FY 2016/17, 71 per cent of the targeted land in the FY 2017/18, and 92 per cent of the targeted land in the FY 2018/19 were provided with the irrigation facility. Geographical complexity, difficult topography of the land, lack of progress in water transfer, and multipurpose reservoir projects as anticipated and the damage to irrigation infrastructures due to natural disasters were the major reasons for the lack of progress as expected.

Rehabilitation of about 27 thousand freed bonded laborers (*Kamaiyas)* and about 7 thousand freed agricultural bonded laborers (*Haliyas)* has been completed. The task of distributing grants in purchasing land, constructing, and repairing houses to the freed Haliyas has not progressed as per the target.

Forest management

In the FY 2018/19, 44.74 per cent of the total land was found covered by forest area. Out of this, the area covered by dense forest remains at 40.36 per cent while the area covered by protected forest has increased a bit. During the plan period, 45 industries based on forest produce have been established and are under operation. A significant increase in forest-based enterprises and the production of timber and firewood has helped in the collection of the revenue. The challenge however remains for fulfilling the internal demand by appropriate utilization of the forest and contributing to the growth of employment and income generation.

Industry

The contribution of the manufacturing industry in the GDP has reached 5.6 per cent in FY 2018/19. The number of industries and industrial investment has increased significantly.

The investment has increased due to the improvement in electricity supply in recent years and increased confidence of investors.

Supply

The target of transporting 16.8 thousand MT food grains has been overachieved with the transportation of 18.4 thousand MT (109 per cent). While the target was to transport about 94 thousand quintals of salt, transportation of 84 thousand quintals (89 per cent) of salt has been made possible. While the target was to reach the storage of 25 thousand MT on average in the national food security store, it has reached 15 thousand MT (60 thousand).

Tourism

While the arrival of 701 thousand external tourists took place in the base year 2015/16, this number increased by 71 per cent in the FY 2018/19 to reach 1 million 197 thousand. Political stability, reconstruction, and restoration of tourism structures damaged by the earthquake, expansion of international air service, and an increase in the number of airports operable all year round and at night have played a major role behind this achievement.

B. Social sector

Education

Progress in net enrolment, retention and dropout rates, and gender parity has been as per the target. In FY 2018/19, the rate of net-enrollment at the basic level (grade 1 to 8) has reached 93 per cent. The rate has reached 46 per cent at the secondary level (grades 9 to 12). This has been made possible due to specifically targeted programs operated for the poor, especially the expansion and development of scholarships, lunch, free education, technology, education infrastructures, etc.

Health

The progress on the targets of reducing infant, maternal, and child mortality rates has remained mixed. While the target was lowering the infant mortality rate (per thousand live births) to 20, it was lowered to 21. The mortality rate of children less than five years (per thousand live births) has been reduced to 39 only while the target was to reduce it to 30.

Likewise, the maternal mortality rate (per thousand live births) has been limited to 239 while the target was to reduce it to 145.

Drinking water

The progress towards making basic drinking water and sanitation facility available to all has been encouraging. The facility of basic drinking water has reached 89 per cent of the population while the target was to reach 90 per cent of the population. Altogether 99 per cent of families have benefitted from the basic sanitation facilities.

Youth

The progress towards the achievement of the goal of all-round development in the country through the proper mobilization of the youth is satisfactory. As many as 1,415 youths have received the skills and leadership development training from the National Youth Council while the target was to provide the training to 1,500 youths. In FY 2018/19, about 17 thousand youths have become self-employed with the help of the Youth Self-employment Fund.

Sports

During the plan period, 11 cricket grounds have been built. Altogether 32 covered halls are under construction while the target was to construct 28 covered halls. Currently, there are 240 playgrounds under construction as the target was to construct at least one playground in each constituency. The progress towards getting the best players participating in the national and international level training by including them in the national team has been satisfactory. 15 thousand players have been trained each year.

C. Infrastructure sector

Energy

The target has been underachieved in the expansion of electricity generation capacity while the target has been overachieved in the expansion of transmission lines, leakage control, and access to electricity. By FY 2018/19, the total electricity generation (installed capacity) has reached 1,250 Megawatt. As a result of the improvement made in electricity transmission

lines and management and leakage control, the leakage rate has dropped to 15.3 per cent in the FY 2018/19 from 26 per cent in the FY 2015/16. Additionally, the per capita electricity consumption has reached 245 kilowatt-hours with an increase in the generation of hydroelectricity and the population having access to the national transmission line. The achievement in electricity generation has been at minimum as compared to the target due to reasons including delay in reconstruction after the earthquake, inconsistencies and disputes with the contractors, the issue of required land acquisition and compensation, lack of timely approval for felling trees and frequent transfers of staff.

Roads

The length of the existing strategic road network has reached 13,448 km by FY 2018/19. Out of that 6,979 km are blacktopped, 2,277 km are graveled and 4,192 km are earthen roads. Significant achievements have been made in road construction, upgrading, reconstruction and strengthening, periodic and regular maintenance, and construction of bridges during this period. Achievements have not been as expected on major programs such as the reconstruction of the road structures damaged from the earthquake, expansion of basic road network, development of major highways, development of major commercial and important roads linking the North to the South, development of major roads linking bilateral trade gateways, strengthening of roads in the valley and access roads to Kathmandu valley and tunnel construction.

Railways

Tracks of 42 km have been opened and detailed project reports for the 1,003 km Mechi – Mahakali electrical railway (with the North-South link line) have been prepared. The progress has not been as expected as per the target due to lack of adequate experience as well as technical and financial resources, legal and policy ambiguity for the development of railways, and no effective coordination.

Information and communication

Targets have been overachieved on important indicators of information and communication such as access to a telephone, mobile, Internet, radio, and television. The ratio (per 100 people) of the population to the distributed telephone line has reached 137 in the FY

2018/19. During the same period, access to Internet service has reached 65.9 per cent of the population. Access to mobile service has reached 90 per cent territory of the country. National transmission of Nepal Television and Radio Nepal has respectively reached 72 and 86 per cent of the population. The work of providing broadband Internet service to all municipalities, rural municipalities, ward offices, educational institutions, health institutions, etc. has been initiated.

Housing and urban development

The construction of 9 thousand 8 housing units and 18 government buildings have been completed during the plan period while the target was to construct 13 thousand housing units and 60 government buildings. Likewise, 31 integrated settlements are in the phase of development while the target was to develop seven model settlements with infrastructures. While this plan had targeted for carrying out programs including public housing, government building construction, integrated government building construction, one city one identity, and development of the smart city, food green city, corridor city, and smart village, the achievements have not been as expected.

Science and technology

By the end of the FY 2018/19, the number of students pursuing technical subjects in higher education has reached 23 per cent and 100 research fellowships have been made available. Likewise, 950 DNA database has been prepared in the period. As many as 7 thousand employments have been generated with the establishment of 10 study centers. It is necessary to conduct special programs in science education at the school level based on the capacity and performance of the school so that the student scientists are produced and the youth exodus is prevented.

Reconstruction

Construction of more than half of the government buildings, school building, and health institutions buildings supposed to be reconstructed after the earthquake has been completed and the remaining are under construction. However, only a limited progress has been made in the construction of archaeological heritage and the buildings of security forces. Regarding private housing construction, about 95 per cent of the earthquake-affected

households have already signed the grant agreement for house construction. The reconstruction work couldn't be completed as expected due to reasons including lack of sufficient experience regarding reconstruction, insufficiency of resources, etc.

1.3.3 Crosscutting Sectors

Gender equality and inclusion

The state has accepted gender-based violence as an obstacle to equality and empowerment and various policies, plans, and programs have been carried out for its elimination. The Code of Conduct for Sexual Harassment, 2074 (2017) has been implemented for the prevention of violence against women and girls. The allocation ratio of the gender-responsive budget in the national budget aimed to directly benefit the women has reached 37.4 and 38.6 in the FY 2017/18 and 2018/19 respectively. It is necessary to systematically address the issues related to the security and welfare of women, children, persons with disabilities, and senior citizens.

Labor and employment

Participation in the labor force of the total population aged 15 years or above has reached 38.5 per cent. The number of people going for foreign employment has come down by 4.7 per cent, 9.3 per cent, and 32.6 per cent in the FY 2016/17, 2017/18 and 2018/19 respectively. Remittance income is received in about 56 per cent of households. Remittance income has remained 633.4 billion rupees, 755.6 billion rupees, and 879.3 billion rupees in the FY 2016/17, 2017/18 and 2018/19 respectively. It is necessary to identify, produce, and promote competitive goods and services to generate employment within the country.

Social security

The population affiliated to the social security program has reached 17 per cent in FY 2018/19 and the government allocation for social security has reached 11.7 per cent of the total budget. Contribution-Based Social Security Act, 2074 (2017), and Social Security Act, 2075 (2018) have been enacted. Contribution-based social security program has been implemented for the social security of laborers. In order to address the social security of the unemployed people, the Prime Minister's Employment Program has been initiated. The

program guarantees a minimum of 100 days of employment or the provision of a subsistence allowance for the people who have been listed as unemployed at the local levels. The participation of employers from the private sector also has increased in the social security fund.

Disaster management

Details of the structural damage by the earthquake have been prepared by collecting and updating the data from the earthquake-affected 31 districts. The National Reconstruction Authority has provided mason training to more than 40 thousand people in the FY 2018/19. Disaster Risk Reduction and Management Act, 2017 and Post Disaster Recovery Framework (PDRF) have been formulated in order to take forward all the disaster management activities in an integrated manner through effective coordination and management of protection of the public, private and personal property, natural and cultural heritage and physical structure and livelihood of the general public from natural and non-natural disasters.

Local development

The efficacy of the service delivery has grown at the local level with the completion of the local level elections. The development activities including the construction of local infrastructure have been accelerated. Following the formulation of the guidelines, working procedures for making the service delivery and functions of the local governments more effective and easier, the local levels have started providing services to the people. It remains necessary to enhance the organizational structure, manpower selection and management, sufficient fund transfer, regular monitoring and evaluation, and coordination mechanism of the local level.

Peace and security

The National Security Policy, 2073 (2016) has been approved and implemented. The monitoring work of the urban transportation system and criminal incidents has been started through CCTV cameras in different cities. Work related to identity card distribution has started in 15 districts with the beginning of 65 thousand 461 identity card distribution in Paanchthar district and employees inside the Singha Durbar. Details of 2 million 879

thousand beneficiaries have been updated and registration work of personal events online is going on from 2,356 ward offices.

Good governance

This plan had intended to make the service delivery and development process effective by making the administration clean, result-oriented, accountable, and transparent. The Civil and Criminal Codes have been formulated and implemented for the overall improvement of the justice administration. Workforce management and capacity development related work have begun based on the workload of the judiciary. However, the achievement has not been as expected concerning the formulation of the law related to performance agreement with indicators, formulation of the code of conduct of the civil servants' trade union, management audit of the several central and district level offices providing public services. Adoption of information technology in the entire judiciary and making justice delivery more organized remain as major challenges.

Fiscal good governance

Various reform programs including budget and expenditure control system, Nepal Public Sector Accounting Standards, Public Procurement Act, Revenue management, and Integrated Revenue System have been implemented during the plan period. As a result, out of the arrears of 222.53 billion rupees in FY 2015/16, 52.91 billion has been settled and the arrears currently stand at 169.62 billion rupees. The arrears of the FY 2017/18 have reached 377.48 billion rupees. In the FY 2017/18, auditing of 5 billion 715 million and 100 thousand rupees of 747 local levels were carried out and arrears worth 35.9925 billion were accumulated. Effective implementation of the Financial Management Information System and Treasury Single Account (TSA) is necessary to reduce the confusion regarding the financial connection between the federal government and the local levels.

Ensuring certainty in the initiation and completion as well as the cost of development activities through improvement in project management, establishing proper coordination among new governance structures, widening the scope of financial means and resources are some of the goals that have not been achieved. Similarly, the economic reform process has not

been able to take significant strides, and the fiscal discipline and the budget implementation system are still weak.

Learning from the implementation of the previous plans, it is imperative that a system of prioritizing the programs and projects based on the return of resources and means has to be developed to improve project management. Emphasis has to be given on the implementation of infrastructure construction, governance reform, and fiscal federalism focusing on development and prosperity and gradual implementation of the constitution by prioritizing the plans and programs based on available resources and means. Development of the backward areas and communities, provincial balance, the building of self-reliance, rapid economic growth, and equitable distribution has to be taken forward. It is also necessary to pay attention to urban development, science and information technology, research and development, and human resource development, as well as in the development of agriculture, energy, minerals, and the tourism sector.

1.4 Review of Implementation of the Sustainable Development Goals

The United Nations General Assembly had declared the SDGs in September 2015 with the commitment of transforming the world between 2016 and 2030 and leaving no one behind in all dimensions of development. According to the declaration, 17 goals, 169 quantitative goals, and 232 universal indicators have been determined. Commitments such as health and education for all, and ending poverty and hunger through participatory, rights-oriented, and equitable development in all nations of the world are covered in the SDGs. Likewise, areas such as gender equality, clean water for all, access to energy for all, employment promotion, economic growth, industry, infrastructure development, and sustainable urbanization are also covered. In this way, mainly three dimensions of social, economic, and environmental sectors are included in the SDGs.

Nepal had started internalizing the SDGs since the launch of the Fourteenth plan by implementing it in accordance with the country's economic, social, and environmental contexts. The arrangement has been made for the budget coding to the programs and projects in accordance with the SDGs while formulating budget and programs. Since the FY 2017/18, the projects have been prioritized by building SDGs-commensurate indicators to give high priority to the projects that would assist in achieving SDGs even under the Medium-Term

Expenditure Framework (MTEF). The provincial and local planning guidelines have been developed to incorporate the SDGs into these plans for facilitating the attainment of the goals. Accordingly, programs related to capacity development have been conducted to internalize SDGs in provincial and local plans and programs.

The National Planning Commission has prepared different strategies and reports regarding the SDGs. The initial national report was published in 2015. Updating the report, "Nepal - Sustainable Development Goals: Status and Roadmap: 2016- 2030" was published in 2017. Similarly, a voluntary national review report was prepared and presented to the United Nations High-Level Political Forum in 2017. These documents have provided policy guidelines for the SDGs implementation as well as facilitated their internalization into the development planning system of the country.

The Needs Assessment, Costing, and Financing Strategy for Sustainable Development Goals, prepared by the National Planning Commission has estimated the financial resources required for implementing the SDGs in Nepal and has identified the potential areas for resources. According to the report, it is estimated that Nepal requires annual 2025 billion rupees on average to implement the SDGs. Out of that, the annual average amount NRs. 1111 billion from the government sector, NRs. 739 billion from the private sector, NRs. 87 billion rupees from the cooperative and non-governmental sector, and NRs. 88 billion from the households sector is estimated to be necessary for investment. There will be an annual average shortfall of NRs. 585 billion consisting of NRs. 218 billion and 367 billion from the government and private sector respectively. To meet the above shortfall, domestic measures such as progressive taxation and improvement in tax administration to widen the tax base, encouragement of private and other sectors for investment, and effective public-private partnership system as well as, the mobilization of foreign aid and investment have been considered necessary. Furthermore, the scope of financing will need to be enlarged by preparing the basis for mobilization of additional resources from the federal, provincial, and local levels during the stages of implementation of fiscal federalism.

The policy, legal, and institutional architecture has been created to make the implementation of SDGs effective and systematic. Draft of the new Statistics Act has been prepared to develop a credible and consolidated statistical system and a national strategy of

the statistical system has been prepared and implemented. Similarly, national and provincial monitoring and evaluation guidelines and SDGs indicators of the provincial level have been identified and implemented. A High-level steering committee chaired by the Prime Minister, an SDGs Implementation and Monitoring Committee coordinated by the Vice-Chair of the National Planning Commission (NPC) and a Thematic working committee coordinated by the Members of the NPC have been formed for the implementation and monitoring of the SDGs. These committees will guide the implementation, monitoring, and evaluation of the plans, programs, policies, and financing related to the SDGs. The parliament has an important role in formulating and updating the necessary laws for facilitation and regulation of the effective implementation and monitoring of the SDGs. A Sustainable Development and Good Governance Committee has already been active in the parliament for this purpose.

The government of Nepal has been developing and adhering to the defined framework and system of monitoring and evaluation to achieve the set target of policies, programs, and projects and to address any potential weaknesses that could be witnessed during the implementation. These instruments will monitor and evaluate the SDGs as well as solve the issues that may come across during the implementation. There must be a strategic partnership among the government, private sector, cooperative sector, community, and development partners as the achievement of the goals of sustainable development will not be possible with the single efforts of the government alone.

Chapter 2: Long-term Vision 2043

2.1 Background

The country has achieved political stability with the completion of the federal, provincial, and local level elections. National goals need now to be determined with the long-term vision of rapid economic development and prosperity based on political stability. This long-term vision foresees the graduation from the least developed country (LDC) to a developing country by 2022 by achieving income growth, formation of quality of human capital, and reducing economic vulnerabilities. It also envisages graduating to an upper-middle-income country by 2030 by achieving the SDGs. The vision is focused on building an equitable society based on social justice. The goals defined in this vision will be achieved by focusing investments on transformative programs through the mobilization of internal and external resources as well as through the development of the allied sectors of the economy.

2.2 Need for a Long-term Vision

The Constitution of Nepal follows a long struggle and sacrifice by the people of Nepal leading to a federal, democratic, and republican governance system, and has paved the road to sustainable peace, good governance, development, and prosperity. This. With political stability achieved in the country, people aspire for an improvement in living standards, including a modern, resourceful, and happy life. The government formed after the parliamentary elections has introduced policies and programs with this Long-Term Vision. This incorporates the path of development specified in the constitution and the commitments made by political parties during the election. A long-term vision backed by a strategic roadmap is needed to implement short- and medium-term development plans geared towards meeting the government's commitments and people's expectations in terms of prosperity and progress.

The Vision supported by long-term development strategies will help build a socialism-oriented and prosperous economy by ending any obstacles to development and putting an end to all kinds of discrimination, exclusion, and deprivation. The Vision is also needed to incorporate the development centric vision of the constitution into periodic plans, strengthen

the federal system, promote partnership among public, private, and cooperative sectors, and move ahead as a united and inspired nation.

The 25-year Vision has been formulated to make Nepal a developing country within the first three years; to attain the SDGs by ending absolute and multidimensional poverty by 2030 and graduate to a middle-income country and to reach the level of developed countries by 2043.

2.3 Roadmap for the Long-term Vision

The current development agenda consists of good governance, development, and prosperity. This will require balanced regional development; inclusion; and protection, promotion, and utilization of natural resources to eventually create dignified work and employment. The roadmap includes steps towards building a prosperous, self-reliant, and fast-growing economy based on the strengthening of socialism-oriented welfare state and mobilization of all available resources and means. The Constitution defines social, economic, cultural, and environmental rights including education, health, employment, housing, food security, social security as fundamental rights. The Vision will be focused on creating the foundation for a socialism-oriented economy to guarantee the rights to food security, equality, clean environment, dignified life, and freedom from exploitation and discrimination. Equally, the inclusion of women, *Dalits*, and other disadvantaged groups in state structures, as well as guarantee to public services such as education, health, food, housing, employment, and social justice, will also be emphasized under the Vision.

Nepal is a geographically diverse country embodying multiethnic, multilingual, multi-religious, and multi-cultural attributes. These attributes need to be considered to promote diversity in the design of the development. Our economy must be competitive for us to be able to benefit from globalization and the high growth in both of our big neighbors. Additionally, it requires the implementation of federal economic policies to increase production and productivity while expanding the economy also bringing the informal economy into the formal sector.

State policies on development will be based on the concept of the welfare state. Equal rights, equal opportunities, security, and respect for all will be guaranteed. Public, private, and

cooperative sectors will have important roles in building a socialism-oriented economy based on democratic values and beliefs. National capital will be formed by promoting public-private partnerships and public-private-cooperative partnerships to meet any investment shortfall.

The goals of prosperity and happiness are divided into three stages under this Vision. The first stage will be important for creating the foundation of prosperity and happiness. Economic, social, and physical infrastructures need to be created in this stage for high economic growth. Massive investment will be needed for physical infrastructure development, including transport, energy, irrigation, information technology, and communication, etc. The state will play a major role in increasing production and productivity by developing quality infrastructure. For this, most of the national pride projects and game changer projects will be completed within the first five years. Health and education will gradually be brought under the state's responsibility, and reforms will be initiated in the existing system to ensure both access and quality. The Fifteenth Plan will be the first plan to create a foundation for prosperity and happiness.

The second stage will be the stage for rapidly achieving the indicators of prosperity and happiness. In this stage, two five-year plans (after the Fifteenth plan) will be implemented. Based on the strong foundation created by the Fifteenth plan, rapid and high economic growth will be achieved during this period. During this process, fairness and justice will be maintained while distributing the benefits of development. By the end of this ten year period, Nepal will have graduated to a middle-income country oriented to achieving high-income status.

In the third stage, sustainability will be achieved maintaining balance among the indicators of prosperity and happiness. The remaining two five-year plans under the long-term vision will be implemented in this stage. Social justice along with double-digit economic growth on average will be achieved during this period. At the end of the period under this Vision, the economy will be self-reliant, independent, and prosperous. Additionally, the path to socialism will be characterized by optimum mobilization of available resources, reduced economic inequality, and equitable distribution of development benefits.

2.4 Long-term Vision

'Prosperous Nepal, Happy Nepali'

A prosperous, independent, and socialism-oriented economy with a happy, healthy, and educated citizens enjoying equality of opportunities, dignity, and high standards of living.

2.5 Long-term National Goals

1. Prosperity	**2. Happiness**
1.1 Accessible modern infrastructure and intensive connectivity	2.1 Well-being and decent life
1.2 Development and full utilization of human capital potentials	2.2 Safe, civilized and just society
1.3 High and sustainable production and productivity	2.3 Healthy and balanced environment
1.4 High and equitable national income	2.4 Good governance
	2.5 Comprehensive democracy
	2.6 National unity, security, and dignity

2.6 Long-term National Strategies

1. To achieve rapid, sustainable and employment-oriented economic growth,
2. To ensure affordable and quality health care and education,
3. To develop internal and international interconnectivity and sustainable cities/settlements,
4. To increase production and productivity,
5. To provide a comprehensive, sustainable and productive social security and protection,
6. To build a just society characterized by poverty alleviation and socio-economic equality,
7. To conserve and utilize natural resources and improve resilience, and

8. To strengthen public services, enhance balanced provincial development, and promote national unity.

2.7 Drivers of Transformation

To achieve national goals by implementing the strategies under the Long-Term Vision, the following drivers of socio-economic transformation have been identified. These drivers will also be considered as priority areas of the long-term vision and resources will be allocated accordingly. While formulating future periodic plans, these priorities will be reviewed and updated as needed.

1. The high-quality and integrated transport system, information technology and communication infrastructure, and massive networking,
2. Quality human capital and entrepreneurial work culture and full utilization of potential,
3. Growth in hydroelectricity production and promotion of green economy,
4. Increase in production, productivity, and competitiveness,
5. Development and expansion of quality tourism services,
6. Modern, sustainable and systematic urbanization, housing and settlement development,
7. Development and strengthening of the provincial and local economy and expansion of the formal sector,
8. Guarantee to social protection and social security and
9. Governance reform and good governance.

2.8 Enablers

The following areas have been identified as support sectors for the effective performance of the drivers of transformation towards achieving the goals of the long term vision:

1. Political commitment to the Constitution, democracy, and development,
2. Demographic dividends and civic awareness,

3. Geographic location as well as natural diversity and abundance of natural resources,

4. Socio-cultural diversity and unique identity,

5. Social capital and Nepali diaspora spread around the world,

6. Clean and renewable energy,

7. Goodwill of friendly nations and the international community, and

8. Federal governance and fiscal federalism.

2.9 Scenarios for Long-term Vision and Quantitative Targets

High economic growth is necessary for achieving the national goals under the Long-Term Vision. A preliminary target of 10.5 per cent average annual economic growth has been estimated for this period. The annual average growth rate for agriculture is estimated at 5.5 per cent. Growth rates for industry and service sectors have been estimated at 13 per cent and 10.9 per cent respectively.

Consistent with the targets of economic growth during the period, the share of agriculture sector in GDP is estimated to decline from 27 per cent to 9 per cent in the final year of the Vision period. On the other hand, the share of the industry sector will increase from 15.2 per cent to 30 per cent, and the share of the service sector will also increase from 57.8 per cent to 61 per cent. With this, a large proportion of the workforce will be transferred from agriculture to industry and services. Within the next 25 years, Nepal is, thus, likely to see huge structural and qualitative changes in the economy as a result of significant expansion of industry and service sectors.

In 2018/19, the base year of the Long-Term Vision, Nepal's per capita income was 1,047 US dollars. Nepal will graduate from an LDC to a developing country by 2022 and to a middle-income country by 2030 by achieving the SDGs. In 2043, Nepal will be established as a high-income country with a per capita national income of 12,100 US dollars.

In addition to the drivers of transformation and support sectors, the following elements have been considered as the main basis for achieving the aforementioned goals:

1. The need for high and sustainable economic growth to achieve the state's policy and fundamental rights
2. The situation of an economic prosperity oriented policy and political stability.
3. Favorable environment for increasing investments from public, private, cooperative and community sectors with macroeconomic stability. .
4. Optimum utilization of demographic dividends and natural resources.
5. Increase in production and productivity by enhancing knowledge and skills as well as using capital, technology, infrastructure and energy.
6. A national commitment to achieving SDGs by 2030.
7. Strengthening project bank, projects preparation, and monitoring and evaluation (M&E) for expediting the implementation of development programs.
8. The gradual transformation of the informal economy into a formal economy.
9. Needs for reforms including the introduction of a one-window system, to attract foreign investment in national priority areas.
10. Development of a knowledge economy and prosperity.

The major quantitative targets of the Long-Term Vision are presented in Table 2.1 below:

Table 2.1: Major quantitative targets of the Long-Term Vision

S. N.	National goals, targets and indicators	Unit	Status in FY 2018/19	Target for FY 2043/44
1.	Economic growth (average)	Per cent	6.8	10.5
2.	Contribution of agriculture sector in GDP	Per cent	27.0	9.0
3.	Contribution of the industry sector in GDP	Per cent	15.2	30.0
4.	Contribution of the service sector in GDP	Per cent	57.8	61.0
5.	Per capita national income	US dollar	1,047	12,100
6.	Population under the poverty line (absolute poverty)[1]	Per cent	18.7	0

S. N.	National goals, targets and indicators	Unit	Status in FY 2018/19	Target for FY 2043/44
7.	Population in multi-dimensional poverty[2]	Per cent	28.6	3
8.	Gini coefficient[3] based on property	Coefficient	.31	0.25
9.	The ratio of the richest 10% and the poorest 40 population (Palma ratio)[1]	Ratio	1.3	1.1
10.	Labour force participation rate force (above 15 years)	Per cent	38.5	72
11.	Share of the formal sector in employment	Per cent	36.5	70
12.	Electricity generation (installed capacity)	Megawatt	1,250	40,000
13.	Households with access to electricity	Per cent	88	100
14.	Per capita electricity consumption	Kilowatt-hours	245	3,500
15.	Families with access to motor transport within 30 minutes of travel[1]	Per cent	82	99
16.	National and provincial highways (up to two lanes)[*]	Kilometers	7,794	33,000
17.	National highways (more than two lanes, including fast tracks)	Kilometers	96	3,000
18.	Railroads	Kilometers	42	2,200
19.	Population with access to the internet	Per cent	65.9	100
20.	Life expectancy (at birth)	Years	69.7	80
21.	Maternal mortality (per 100,000 live births)	Headcount	239	20
22.	The mortality rate of children under five years (per 1000 live births)	Headcount	39	8
23.	Underweight children under five years[3]	Per cent	27	2
24.	Literacy rate (above 15 years)[4]	Per cent	58	99
25.	Net enrolment rate at the secondary level (9-12)	Per cent	46	95
26.	Gross enrolment rate at higher education	Per cent	12	40
27.	Population with access to improved drinking water	Per cent	21	95

S. N.	National goals, targets and indicators	Unit	Status in FY 2018/19	Target for FY 2043/44
28.	Population covered by basic social security	Per cent	17	100
29.	Gender development index[5]	Index	0.897	0.99
30.	Human Development Index[5]	Index	0.579	0.760

Source: 1. Nepal Living Standards Survey; 2. Multidimensional Poverty Report, 2018; 3. Nepal Demographic and Health Survey, 2016; 4. National Census, 2011; 5. Human Development Report, 2019.

**Black-topped roads only.*

Notes:

i) While estimating and setting the above-mentioned targets for the Long-Term Vision, the goal of attaining the status of a high-income country in the next 25 years and the development experiences of other countries have been considered.

ii) Zero per cent of poverty indicates the level of poverty below 1 per cent.

iii) The aforementioned targets will be reviewed while formulating future periodic plans.

2.10 Macroeconomic and Sectoral Vision

A. Macroeconomic sector

The major objective of macroeconomic policy will be to ensure equitable distribution by achieving high economic growth supported by increased production and productivity. Attaching high importance to the roles of private, cooperative, and community sectors in the economy, the policy will emphasize maximum mobilization and utilization of available resources. Savings mobilization and domestic investment will be prioritized for national capital formation. Investments will be focused on industrialization to increase the contribution of productive sectors in the structure of the economy. The business cost will be reduced by improving the investment environment, including reforms in all processes and systems ranging from the registration of industries to exit from the business. To manage imports and promote exports, financial incentives will be provided for foreign investment technology in

productive sectors based on value addition in forward and backward linkages. The formalization of the economy will be expedited through strengthening integrity, accountability, and competition in all activities of the economy. Increased use of information technology, improved financial access for businesses, and reforms in the tax system will support this process. Fruits of economic development achieved through a sustainable mobilization of available resources will be equitably distributed.

The national tax base will be protected through economic growth and equity-friendly tax policy, and the base and scope of taxation will be widened. Direct tax and service delivery will gradually form the base for tax revenue. Social security tax will be initiated. Corporate income tax rates will be reviewed to make them competitive with the tax system of neighboring countries. Vertical and horizontal equity will be ensured in the personal income tax. Customs rates will be reviewed to protect national industries without increasing the cost of the economy. Tax efficiency will be improved by widening the base of value-added tax according to the principle of tax neutrality. Authorities at federal, provincial, and local levels will be encouraged to adopt a growth-friendly tax system while determining tax rates.

Macroeconomic stability will be maintained while implementing fiscal federalism and utilizing the fiscal space. Revenue surplus will be increased to finance development. Investment in infrastructure will be increased for the expansion of economic activities and industrialization. Allocative as well as operational efficiency will be achieved in public expenditure, and investment will be focused on productive sectors and the expansion of economy. The investment will be increased in capital formation by adopting appropriate modalities under the public-private partnership framework. This will help to meet the high demand for public investment. Austerity measures will be taken to keep recurrent expenditure within limits. Foreign and internal debt will be mobilized in productive sectors. Foreign aid will be accepted as program, project, and budget support. Appropriate measures will be adopted in financial management to reduce foreign exchange risks. The latest accounting standards and book-keeping systems will be adopted to promote transparency in financial accounting and reporting in both the public sector and the private sector. This will minimize any financial risks.

Appropriate policy and institutional measures will be taken to make the pricing policy consumer-friendly. Prices of essential goods and services under the responsibility of the state will be determined based on costs. In other sectors, the competitive market will determine prices. Monetary policy will be consistent with fiscal policy and will ensure stability in the financial sector. The cost of financial intermediation will be reduced gradually. Concessional loans will be available in productive and employment-centric sectors. Citizens' savings and investment risks will be minimized by strengthening the regulation of the financial sector. Access to finance will be ensured and an electronic payment system will be implemented in its entirety. Timely reviews will be carried out in foreign exchange policy. Depending on feasibility and appropriateness, capital account convertibility will be introduced gradually so that sufficient foreign investment could be attracted. This will also enable Nepali to invest abroad.

The insurance business will be expanded to cover all citizens. Subsidies will be provided in insurance premiums in the areas of social security and investments made towards the increase of production and productivity. The capital market will be developed by undertaking motivational measures and strengthening the capacity of regulatory bodies. The cost of the digital economy will be reduced by developing infrastructure for its promotion.

B. Economic sector

1. Agriculture, forest and natural resources

Agriculture, forest, land, and other natural resources remain important sectors for economic development and prosperity in Nepal. The country will internalize lessons and good practices undertaken in the past and achieve prosperity and development within the next 25 years through sustainable development in this sector.

During this period, the agriculture sector will be made competitive, sustainable, self-reliant, and export-oriented through the development of scientific, commercial, market-driven, and consumer-oriented agricultural practices. Agricultural production and productivity will be increased through cooperative and collective farming. Modernization, mechanization, and industrialization of agriculture will be carried out to ensure food and nutrition security. These will be based on research and appropriate institutional arrangements. Specialization in

agricultural labor and production and diversification in market and consumption of agricultural commodities will be done through sustainable agricultural system including climate adaptation based on science and technology and biodiversity. The right to food and food sovereignty will be guaranteed, and farmers will have access to a contributory pension system. To attract the youth, agriculture will be transformed into a technology-friendly, mechanized, professional, highly rewarding, and dignified occupation. The agriculture sector will be made more productive through the provision of financial incentives and the supply of inputs. Additionally, farmers will have the right to farmland.

The population dependent on agriculture is estimated to be at 20 per cent in the coming 25 years. This will help in addressing disguised unemployment in the agriculture sector and also in increasing the productivity of the sector. Agriculture will be developed as an industry driven by modern technology modernization and commercialization. The organic matter content of the soil will have reached 5 per cent, and all arable land will have access to irrigation. The seed replacement rate of major crops will be more than 55 per cent. The productivity of land will have reached 9,500 US dollars per hectare with agricultural laborer's productivity reaching 13,000 US dollars per laborer. Severe food insecurity and food poverty will be reduced to zero. Production of comparatively profitable crops based on organic farming will have a major share in agricultural trade. The country will be self-reliant in agriculture and livestock, and agricultural exports will have increased significantly.

Sustainable forest management and ecological balance will lead to economic prosperity and also generate a sense of happiness among people. The forest area will be maintained at 45 per cent, but its contribution to the economy will significantly increase during the vision period. All protected areas will be developed as quality tourism destinations by protecting biodiversity. The existing conservation-focused forest management practices will change in favor of sustainable use of forest and equitable distribution of benefits generated through such use. To get maximum benefits from the forest, communities will be allowed to manage 75 per cent of the national forest. The agroforestry will be optimally utilized to improve the quality of agricultural land and increase its productivity achieved by managing watersheds and protecting the environmental system. A total of 130 million cubic feet of wood will be sustainably produced every year, and benefits generated from lumber

industries will be distributed equitably. A significant increase in forestry and herbal products will result in a 10 per cent share of these products in total exports with at least 1.5 million jobs created in these industries.

Maximum utilization and management of land will be done through the implementation of land use plans based on the classification of land at all local levels. The land-use policy will be reviewed to utilize the land for agriculture, food security, urban development, and disaster management. Credible, reliable, and effective geo-information will be made available through the use of modern maps and geographical information technology. Approximately 1.5 million landless and marginalized families will be settled by appropriately identifying and managing all types of geo-relations.

A policy of increasing irrigation in cultivable land will be adopted while utilizing the country's water resources in the coming 25 years. Reliable irrigation will be available for 2.2 million hectares of cultivable land during this period. Additionally, floods and landslides will be controlled and managed at major river banks. Updated information will be disseminated from internationally comparable stations for measuring ecological systems and climate change. Data related to water resources and energy will be collected, managed, and disseminated effectively. Significant improvements will have been made in achieving ecological balance through integrated watershed management, which will minimize the impact of climate change on the availability and use of water resources.

2. Industry, commerce, supplies and tourism

The industry sector is an important foundation for economic prosperity. The long-term vision for this sector is to focus on sustainable, employment-centric, and high-return industrial investments to achieve economic development. Components of development of the industry sector during this period will include the creation of industrial infrastructure, an increase in production and productivity, the creation of additional employment opportunities, promotion, and development of industries supported by local labor and skills. Additionally, this sector will help increase exports and manage imports. Foreign investment and technology will be attracted to this purpose.

Strong industrial environmental will be created through the development and promotion of industrial infrastructures such as cross-border economic zones, industrial zones, industrial corridors, special economic zones, industrial villages, and cottage industry villages. Dynamic industrial development will have taken place between the federal and provincial levels as well as between provinces concerning the development of the industry sector. Exports will have significantly increased with the competitiveness of industrial products enhanced by forwarding and backward linkages in a technology-friendly industrial sector. Findings from research and studies will have been utilized for industrial development. Innovation will be promoted by protecting intellectual property rights. Special emphasis will be given to research on mines and mineral industries. To materialize this vision, the government will play the role of a motivator, facilitator, and regulator whereas the private sector will have the leading role.

The trade sector will be a major driver of overall economic development. Multilateral trading systems, regional and bilateral trade agreements, globalization, interdependence, and connectivity have created additional opportunities in trade. Long-term policies and programs have been developed in this sector for export promotion, import management, and economic prosperity.

The Long-Term Vision for this sector consists of significant growth in production and productivity, the rapid development of trade infrastructure, identification of goods and services with comparative and competitive advantages, growth and diversification of trade, use of local skills, and capital as well as advanced technologies. Additional measures for trade facilitation will be adopted to reduce the cost of production and transit. Institutional capacity will be strengthened for the utilization of opportunities created by multilateral, regional, and bilateral trade agreements. Policy and institutional arrangements for water transport will be strengthened to bring down the costs of exports and imports. Trade diplomacy will be strengthened by enhancing Nepal's negotiation capacity. Trade-in services will be promoted and capacity related to e-commerce will be enhanced. Overall, the trade balance will be maintained through export promotion and import management by making arrangements for the easy availability of Nepali goods and services in the world market.

Every consumer has the right to quality goods and services. The Long-Term Vision for the supplies sector is to develop an effective, accessible, self-regulated, and responsible supply system and to protect the rights of consumers. During this period, the management of the entire supplies sector will be focused on promoting and protecting constitutional rights. For this, policies, laws, and rules related to supplies will be improved and effectively implemented. Also, infrastructure related to supplies will be developed and a competitive supply system promoted.

An affordable and accessible storage and distribution system for basic and essential goods will have been developed making the supplies sector transparent and competitive. Enough food and essential goods will be stocked up to use during outbreaks and crises. The policies and programs of this sector will be implemented to make the supplies system reliable, accessible, transparent, and competitive. This will be achieved through guaranteed food security, effective market monitoring, policy, and legal reform, institutional capacity building, and procedural improvements.

Nepal enjoys high comparative advantages in tourism due to its unique natural and cultural heritage and diversity. The long-term vision is to make Nepal an attractive, safe, friendly, and fun-filled tourist destination. Nepal will be established as one of the major attractive touristic destinations in the world. Additionally, private investment in tourism infrastructure will be promoted by identifying and diversifying new tourism destinations. Tourism services will be made very good, safe, and reliable by using the latest technology in tourism infrastructure. Tourism promotion efforts will use the opportunities created by unique tourism destinations, natural beauty, spiritualism, ancient knowledge/and philosophy, and, biodiversity. These efforts will have significantly increased tourist arrivals and employment opportunities leading to significant improvements in people's living standards.

Cultural heritages will be related to economic activities and their benefits will be provided to the people. Identity and uniqueness of all ethnicities and religious communities will be recognized, and regional and local cultures and traditions will be protected and preserved. Nepal will thus be known as a socially and culturally rich destination country in the world. The tourism sector will make a significant contribution to the economy, and will also have a major share in the overall employment in the country.

C. Social sector

Efforts at social development will be focused on ensuring the rights of citizens guaranteed by the Constitution without discriminating based on descent, religion, race, ethnicity, gender, economic status, language, region, ideology, or any other factor. The social sector will especially contribute to achieving the SDGs. Social justice, development, and prosperity will be achieved through social security and protection.

Emphasis will be given to building a society of healthy, resilient, productive, and happy citizens to achieve the long-term vision of "healthy citizens for a prosperous country". The fundamental rights of citizens regarding health will be guaranteed as mandated by the Constitution. A healthy lifestyle will be promoted ensuring equitable access to, and use of, quality health services. As part of this, health will be incorporated into other sector policies. During this period, the life expectancy of Nepali will have reached 80 years with opportunities for a healthy, strong, and active life.

A system for quality education will be developed for an individual's all-round development and socio-economic transformation through education. School dropouts for any reason will come to an end. The research will be carried out on the traditional knowledge and skills of local communities. They will then be integrated with modern knowledge and skills. Youths will be involved in scientific research in coordination with educational institutions, government ministries, and private industries. Public investment will be significantly increased to produce human resources based on projection.

Health, education, skills, and technology development centers will be established and operated based on population, geography, and community needs. Professional as well as technical education and skills-oriented training programs will make all youths and adults a productive force. They will be able to compete professionally at national and international levels. Research-based education will be emphasized to develop higher education institutions as centers for knowledge production. A roadmap will be prepared and implemented for the development of science and technology, including its application.

Nepal's identity will be established as a country promoting gender equality by increasing women's contribution to economic prosperity. This will involve the

implementation of different activities related to gender equity and women empowerment. An environment will be created for women to lead a dignified life where all kinds of discrimination, violence, abuse, exploitation, and exclusion against women will have ended. A gender-responsive governance system will also be institutionalized.

Child rights will be guaranteed as per Nepal's international obligations. A child-friendly society will be built by ending all kinds of physical and psychological violence, discrimination, abuse, exploitation, and neglect against children and adolescents.

All kinds of discrimination, poverty, and inequality prevalent in society will be ended to improve existing arrangements for economic equality, prosperity, social justice, and social security and protection. All citizens will be provided with opportunities for a decent and dignified life. For this, individuals and communities living under the condition of poverty, social exclusion, and gender discrimination will be provided access to measures for improving resilience, development opportunities, and participation.

D. Infrastructure sector

The infrastructure sector is a prerequisite for development. It plays an important role in expediting the entire socio-economic transformation of the country. Infrastructure will directly contribute to building an equitable, inclusive, and employment-oriented society as the sector is also a driver of long-term development. This sector will have a major role in creating a widely affordable and accessible and modern infrastructure, an indicator of economic prosperity. Additionally, it can play a key role in materializing deep interconnectivity and increasing production and productivity sustainably.

The first stage of this Long-Term Vision will prioritize the development of the infrastructure sector. During this stage, infrastructure projects under construction will be completed and transformative projects will be identified, selected, and implemented in time following pre-determined quality standards. Building on the achievements of the first stage, the second stage will achieve rapid progress in the expansion of quality services, including in other programs for economic and social development. In the third stage, sustainability will be achieved along with balanced development attained as a result of the infrastructure created in earlier stages.

Participation and investment of private and cooperative sectors are inevitable for the infrastructure sector. Public-private partnerships and public-private-cooperative partnerships will be highly prioritized as physical structures developed under such partnerships are based on the use of very good management techniques, including quality management. They help realize sustainability with balance. Safe, reliable, affordable, and quality infrastructure will be created by developing subsectors including energy, transportation (roads, water transport, railroads, air transport, and ropeways), communication, and urban development in a coordinated manner. They will be comparable to international standards. The professional capacity of construction entrepreneurs and consultants from the infrastructure sector will be developed to contribute to domestic capital formation.

The negative impact of infrastructure on climate and the environment will be gradually reduced by increasing the consumption of clean energy within the country. The generation of the estimated additional energy, energy mixing, and effective transmission and distribution systems will help achieve this. During this period, 35,000 megawatts of hydroelectricity and 5000 megawatts of alternative energy will be produced to increase per capita energy consumption from 245-kilowatt hour to 3,500-kilowatt hour. Its contribution to the economy will be significant.

The overall development of the transportation sector will build a strong and reliable foundation for socio-economic transformation in the country. The development and expansion of transport services and infrastructure will be taken forward in a planned manner to meet the long-term needs of the transport sector. Socio-economically sustainable transport infrastructure will be created following international standards. Roads of strategic importance including Kathmandu-Tarai Madhesh fast track, East-West highway, and North-South highways will be built and expanded from four lanes to eight lanes following the Asian Highway Standards and brought into operation. Transport infrastructure including trains, water, and air transports, cable car, and ropeways will be developed as part of an integrated transport system. Development of mass transit systems (metro rail, light rail transport, fast bus service trams, trolley bus service) in urban areas will be emphasized based on needs, available investments, and return on investment. Reliable train and water transport services will bring down transportation costs and also support regional and international connectivity. The latest

technologies will be used in construction and maintenance. Operations will be characterized by managerial efficiency and quality of services.

Air transport will be developed and expanded as a fast and reliable means of international and regional transport connectivity. Given Nepal's unique geo-location, air transport infrastructure will be developed to promote tourism and also increase direct access for Nepal's exports to the world market. In line with the Long-Term Vision for the air transport sector, the domestic air transport network will be constructed, expanded, and upgraded to make air transport more competitive and reliable. Additionally, air gateways for international flights to enter Nepal will be expanded, and at least one internal airport in each province will be upgraded into a regional airport. Emphasis will be given to increasing the share of Nepali airlines in the international market.

In the communications sector, institutional capacity will be strengthened, and all accessible technologies will be used maximally, including the promotion of integrated digital service. The concept of a Digital Nepal will be fully implemented. This will involve the implementation of multidimensional aspects of digital transformation, including the use of information technology for promoting good governance. Beautiful cities will be developed as a response to the increasing urbanization in Nepal. In this context, emphasis will be given to a planned, environment-friendly, disaster-resistant, safe, inclusive, infrastructure-focused, and economically dynamic way of city planning. Cities developed in this way will also attach high importance to protecting and preserving cultural and archeological heritage. Urbanization will be linked to increased employment generation and economic activities by connecting it to production and productivity.

The infrastructure sector will have radically changed during this period. The country will be at an advanced stage in the consumption of clean energy. All settlements will have access to motor transport. 75 per cent of all roads will be upgraded into paved all-weather roads. Additionally, express transport services will have been operational between the federal capital province capitals. Air, rail, and water transport systems will have been expanded and connected internationally. The distance between a human settlement and the market will have been reduced to a maximum of 30 minutes of travel on a motor vehicle. The whole population will have access to a means of modern communication. The communications sector will make

a significant contribution to good governance, development, and economic prosperity, with communication technologies being used extensively in all public and private transactions. Dense cities, new cities, and urban corridors will be developed systematically to increase economic activities, economic dynamism, and employment opportunities.

E. Democracy and good governance

During this period, an appropriate democratic environment will be created for all citizens to effectively exercise their constitutional rights. This will be based on the implementation of federal democratic governance system; provision of civil liberties, the exercise of fundamental rights, respect for human rights; adult suffrage; free, fair, inexpensive and fearless periodical elections; complete press freedom; independent, impartial and competent judiciary; and application of the concept of the rule of law. Fundamental democratic values and principles will be institutionalized. The democratic governance system will have been strengthened based on direct popular participation, inclusion, and social justice. This will happen together with the democratization of the conduct and behavior of existing state institutions.

Citizens' access to quality public services will be ensured by developing and expanding the electronic governance system backed by the latest technologies. This will make service delivery processes fast and easy. The governance system will be accountable, transparent, responsible, participatory, competitive, inclusive, ethical, and self-disciplined.

Citizens' freedom, right to a dignified life, and right to equality will be upheld. A peaceful, egalitarian, and inclusive society will be built through institutional development and strengthening of constitutional and legal structures related to human rights and social justice. Additionally, the fundamental rights guaranteed by the Constitution will have gradually been implemented, and human rights will be reflected in the arrangements adopted for social justice.

F. Crosscutting Sector

Crosscutting issues will affect long-term achievements under this Vision, directly or indirectly. Accordingly, policy and structural reforms will be introduced to reap benefits realized in one sector as a result of changes and benefits in another sector in cross-cutting

issues related to social, economic, political, and environmental aspects to be addressed by policies, plans, and programs of the state. All workers will be brought under the social security system by gradually formalizing the informal sector through the provision of dignified employment for all. Significant improvements will be made in production and productivity, as well as income and living standards by enhancing the capacity of workers and improving industrial relations.

An equitable and just society will be built by bringing most citizens under a contributory social security system, with the sustainable management of funds related to social security. Livelihoods opportunities and social protection will be provided to people with disabilities (PWDs) and to the helpless and destitute, who can't eke out a living for themselves let alone contribute to social security. Additionally, social protection will be provided towards the exercise of fundamental rights, including employment, food security, health, and education. Plans will be formulated to manage all kinds of disasters with institutional systems developed at federal, provincial, and local levels for this.

Youth entrepreneurship will be developed in a technically efficient and innovative manner. Investments will be made to create an appropriate environment for inventions and innovation. A self-regulated mechanism with legal and institutional powers will be in place for protecting intellectual property rights. Funds will be set up to encourage young entrepreneurs to take risks. Entrepreneurship development centers will be established in cooperation with the private sector. The number of patents, designs, geographical indications, industrial designs, utility models, trademarks, and copyrights registered from Nepal in the worldwide database of the World Intellectual Property Organization will have increased.

All local governments will promote greenery in at least 10 per cent of land under their jurisdiction. The quantity of air pollution (PPM 2.5) in all cities will be less than 30 micrograms per cubic meter within the next 25 years. Plants using the latest technology will be established in large cities and industrial areas for waste management. Disposable waste will be processed into organic fertilizers to be used in agriculture. Greenhouse gas emissions will be reduced. Additionally, real-time data will be available on the environment. During this period, clean energy will gradually replace mineral energy eventually limiting its consumption to 50 per cent.

Investment of up to 2.5 per cent of the GDP will be made in science, technology, and research for using evidence to achieve prosperity by developing good, creative and analytically skilled human resources for this, reforms will be introduced in the education system to promote research and development. Additionally, researches and development will be encouraged with protection provided for creativity and creations. The findings from the research will be utilized to improve the quality of goods and services offered to the people. The data management system will be strengthened for research and development.

7. Poverty, inequality and provincial balance

During this period, all types of poverty, discrimination, and exclusion will be ended, and the wide economic disparity in society will be reduced significantly. The existing absolute poverty rate of 18.7 per cent will be reduced to 4.9 per cent by 2030; this will be ended by 2043. Targeted programs will be implemented to bring down the rate of multidimensional poverty from the current 28.6 per cent to below 6 per cent by 2030 and to below 3 per cent by 2043. Likewise, the Gini coefficient derived from consumption expenditure and property ownership will be progressively reduced.

State mechanisms will be activated towards reducing inequality and ending poverty. They will implement legal and institutional provisions to enable the exercise of constitutionally guaranteed fundamental rights. Programs targeted at poor and low-income citizens will be implemented in cooperation, collaboration, and coordination with all levels of government. Support will also be mobilized through the private sector, non-governmental sector, cooperative sector, and the community sector. Poor people will have access to education, health, and employment opportunities, including skills development training, educational programs, and self-employment training. A high concentration of the means of production among a small segment of population will not be allowed. This will enhance the access of poor people to the means of production. Policy and institutional arrangements will be made by federal, provincial, and local governments to implement programs and projects targeted at reducing poverty and inequality. Strategies and programs for increasing production and productivity will be adopted and the coverage of social security expanded. Reservation and /positive discrimination will also be adopted.

During this period, inequality and imbalance among provinces in overall development, including socio-economic development, will be reduced. Strategies for equitable development in provinces will be adopted to create a sense of ownership and respect for the country among ordinary citizens. Residents of all provinces will share the fruits of development equitably and experience improvements in living standards. Policies of positive discrimination, reservation, and special/targeted programs will be implemented to promote equal access to, and representation of all citizens in, available resources and opportunities as mandated by the Constitution. Province 2, Karnali, and Sudur Pashchim look relatively weak based on indicators related to consumption, property ownership, human development, poverty, education, health, housing facilities, and nutrition, etc. Effective strategies will be adopted for bringing them at par with other provinces. Balanced development of physical, social, and economic infrastructure will be attempted in all provinces based on the development index.

Based on an updated review of all the aspects of inequality among provinces, fiscal transfer, revenue sharing and the use of natural resources will be linked to the latest data and evidence. Provinces and local governments will be encouraged to replicate good development practices adopted by other governments and. levels will be encouraged towards imitating the good practice of development adopted by one participate in healthy competition to launch development campaigns. Governments at the federal, provincial, and local levels will further promote coordination, cooperation, and collaboration to reduce provincial inequality and imbalance.

Chapter 3: The Fifteenth Plan
(Fiscal Year 2019/20 – 2023/24)

3.1 Background

The Constitution of Nepal has envisioned building an advanced, self-reliant, and socialism-oriented economy. In the same vein, the Fifteenth plan has set a vision for achieving a rapid and balanced economic development as well as prosperity, good governance, and happiness of the citizens. This will be the first plan to achieve the targeted objective through collaboration with private, cooperative, and community sectors and efficient intergovernmental fiscal management among the three tiers of governments in the federal structure. This plan will create the basis for attaining prosperity, happiness, and socialism-oriented economy fruit of which will hopefully be enjoyed by the current generation itself. The Fifteenth plan has been formulated with the aim of upgrading Nepal from a least developed country to a developing country by 2022 and achieving the SDGs by 2030 to lift Nepal to the level of a middle-income country through an increase in income level, development of a quality human capital and the reduction of economic risks.

During this plan period, the available resources will be optimally mobilized in order to achieve economic growth that promotes productive employment generation, fair distribution, and social protection and security. For this, the investment will be focused on making economic activities more expanded and dynamic. The private, cooperative, and community sectors will be mobilized by making them complementary to each other. The economy will be oriented towards structural change by making it production and employment-oriented and self-dependent through investment, productivity growth, and entrepreneurship promotion from these sectors. The plan will be implemented so as to achieve the economic, social, and environmental and good governance-related targets based on cooperation, coexistence, and coordination principle among the federal, provincial, and local levels according to the federal structure. The plan will be oriented towards building an equitable society based on social justice. The plan has emphasized increasing the size of the national economy by focusing investment in the areas that are considered drivers of transformation through the mobilization

of contributing sectors of the economy and internalizing the commitments made at the international and regional levels. This plan will focus on building the basis of economic prosperity and citizens' happiness through coordination between the works of the three levels of government and mobilization of internal and external resources as well as intergovernmental finance.

3.2 Challenges and Opportunities

The task of achieving equitable economic prosperity and qualitative improvement in citizens' lives is full of challenges. For this, it is necessary to ensure rapid economic growth by building modern infrastructures and quality human capital. A significant amount of resources are required to end the absolute and multidimensional poverty and to substantially reduce income inequality. Likewise, planned urbanization, integrated and safe settlement development, development of rural infrastructures, increase in consumption of clean energy, and development of information technology also remain equally important. Enhancing production and productivity through commercialization of agriculture and forest products, expansion of the industrial sector, and increasing the quality of the service sector are equally challenging. The task of utilizing demographic dividends by increasing opportunities for productive employment through the development of skilled human resources and healthy and educated citizens, and maintaining macroeconomic stability with the efficient implementation of fiscal federalism is arduous as well.

A huge amount of means and resources are required for the achievement of the SDGs and the gradual implementation of fundamental rights guaranteed by the constitution. The task of building a just society by providing social security and protection and creating the environment for a decent and dignified livelihood of common citizens is difficult. In addition, achieving climate adaptability and resilience through minimization of disaster risks also remain equally daunting. The task of estimating the cost of means and resources, their distribution, and the management of manpower and institutional arrangements required by the three levels of government in order to fulfill their responsibilities also remains challenging.

The country's move towards the direction of economic prosperity with social justice caused by institutional stability and functional governments at the federation, province, and local level and the competitive spirit seen in the province and local level governments in the

areas of sustainable development, prosperity, and good governance point to the plenty of available opportunities. Additionally, there is also a high potential for utilizing the available demographic dividend for the development of the country through the formation of human capital. Likewise, creation of a favorable environment for investment through the mobilization of supportive sectors of the economy and identification of the drivers of economic transformation, improvement in the public service delivery due to an increase in capital expenditure and its quality because of the fiscal transfers to the provincial and the local levels, potential for enhancing employment, income generation, and the national production along with poverty reduction through the development of the local economy as well as multidimensional use of natural, geographical, biological, environmental and socio-cultural diversities are some of the other available opportunities.

There is a huge potential for contribution to the domestic capital formation through the mobilization of cooperative and community sectors in the productive sectors and enhancement of the private sector's investment, professionalism, and competitiveness. During the plan period, an increase in the size of the economy through the investments made in driving sectors of the economy and game changer projects and the equitable distribution of the results can contribute towards the formation of an equitable society. There is a possibility of increasing public investment through the expansion of the financial scope of the internal resources. There is a possibility of mobilizing the necessary investment for capital formation through intergovernmental partnerships and public-private partnerships. Additionally, commitments made by bilateral and multilateral development partners provide assurance of the resources. The expansion of services due to the development of economic, social, and physical infrastructures will contribute towards growth in the production and productivity of the economy. It will help in achieving prosperity by maintaining macroeconomic stability through productive employment generation, export growth, and import management.

3.3 National Goal

The Fifteenth plan will provide a basis for achieving the Long-Term Vision of “Prosperous Nepal, Happy Nepali”. Accordingly, the national goal of this plan is to create a basis for upgrading Nepal to the status of a high-income country by transforming it into a

socialism-oriented welfare state with a prosperous economy, social justice, and improved living standards.

3.4 Major Quantitative Targets

Quantitative national goals and targets for prosperity are presented in table 3.1.

Table 3.1 National goals, targets and indicators of prosperity

S. N.	National goals, targets, and indicators	Unit	Status in FY 2018/19	Target for the FY 2023/24
1.	**High and equitable national income**			
1.1	**High income at the level of an industrial nation**			
1.1.1	Economic growth rate (at the basic price)	Percentage	6.8	10.3
1.1.2	Per capita Gross National Income	US dollar	1,047	1,595
1.2	**End of poverty**			
1.2.1	Population under the poverty line (absolute poverty)[1]	Percentage	18.7	9.5
1.3	**Share of the lower 40 per cent of the population in national income**			
1.3.1	Ratio of the upper 10 per cent and lower 40 per cent population in income	Ratio	1.3	1.25
1.3.2	Gini coefficient based on property[2]	Coefficient	0.31	0.29

Sources: 1. Estimation of the FY 2018/19 of the Central Bureau of Statistics; 2. Nepal Demographic and Health Survey – 2016.

Table 3.1 (Continued)

S. N.	National goals, targets, and indicators	Unit	Status in FY 2018/19	Target for the FY 2023/24
2	**Development and full utilization of human capital**			
2.1	**Nepali with healthy and long lives**			
2.1.1	Life expectancy (at birth)	Years	69.7	76
2.1.2	Maternal mortality rate (at per 100,000 live births)	Number	239	99
2.1.3	Child mortality rate under five years (at per 1,000 live births)[2]	Number	39	24
2.1.4	Adolescent reproduction (Under 19 years)	Percentage	13	6
2.2	**Citizens with quality, employment-oriented and practical education**			
2.2.1	Literacy rate (above 15 years)[3]	Percentage	58	95
2.2.2	Youth literacy rate (15-24 years)[3]	Percentage	92	99
2.2.3	Net enrollment rate at the basic level (1-8)	Percentage	93	99
2.2.4	Net enrollment rate at the secondary level (9-12)	Percentage	46	65
2.2.5	Gross enrollment rate at the higher education	Percentage	12	22
2.2.6	Population of working age groups with trainings in technical and professional areas	Percentage	31	50
2.3	**Productive and decent employment**			
2.3.1	Labor force participation rate (above 15 years)	Percentage	38.5	49
2.3.2	Share of formal sector in employment	Percentage	36.5	50
3	**Accessible modern infrastructure and intensive connectivity**			
3.1	**Accessible, safe and modern transportation**			
3.1.1	Road density	km/km^2	0.55	0.74
3.1.2	National and provincial highways (up to 2 lanes)*	km	7,794	20,200

S. N.	National goals, targets, and indicators	Unit	Status in FY 2018/19	Target for the FY 2023/24
3.1.3	National highways (above 2 lanes, including fast tracks)	km	96	1,174
3.1.4	Railways	km	42	348
3.2	**Access and connectivity to infrastructures**			
3.2.1	Families with access to transportation within the distance of 30 minutes	Percentage	82	95
3.2.2	Families with access to electricity	Percentage	88	100
3.2.3	Population with access to internet	Percentage	65.9	80

Source: 2. Nepal Demographic and Health Survey – 2016; 3. National Census, 2011

*Note: *Only blacktopped roads.*

Table 3.1 (Continued)

S.N.	National goals, targets, and indicators	Unit	Status in FY 2018/19	Target for the FY 2023/24
4	**High and sustainable production and productivity**			
4.1	**Sector-wise contribution to the economy**			
4.1.1	Primary sector (agriculture, forest and mines)	Percentage	27.6	23.0
4.1.2	Secondary sector (manufacturing, industries, electricity, gas and water and construction)	Percentage	14.6	18.1
4.1.3	Tertiary sector (service)	Percentage	57.8	58.9
4.2	**Production and consumption of clean energy**			
4.2.1	Electricity generation (installed capacity)	Megawatt	1,250	5,820
4.2.2	Per capita electricity consumption	Kilowatt hour	245	700
4.3	**Balance of trade**			
4.3.1	Export of goods and services (Ratio with GDP)	Percentage	9.0	15.7
4.3.2	Ratio with GDP)	Percentage	50.8	51
4.4	**National and sector-wise productivity**			
4.4.1	Labor productivity	In 1,000 rupees	184.6	276
4.4.2	Agriculture productivity (major crops)	MT per hectare	3.1	4
4.4.3	Irrigable land with all year-round access to irrigation	Percentage	33	50
4.4.4	Expenditure per tourist (per day)	US dollar	48	100

The quantitative national goals and targets of happiness are presented in table 3.2.

Table 3.2 National goals, targets, and indicators of happiness

S.N.	National goals, targets, and indicators	Unit	Status in FY 2018/19	Target for the FY 2023/24
5	**Well-being and decent life**			
5.1	**Healthiness and satisfaction of citizens**			
5.1.1	Human Development Index[1]	Index	0.579	0.624
5.1.2	Civic Satisfaction Experience index[1]	Index	4.7	5.1
5.1.3	Population under multidimensional poverty[2]	Percentage	28.6	11.5
5.1.4	Underweight children below five years[3]	Percentage	27	15
5.1.5	Families-households within 30 minutes' distance of access to health centers	Percentage	49	80
5.2	**Safe and comfortable housing**			
5.2.1	Population living in safe housing	Percentage	40	60
5.2.2	Population with access to basic drinking water facility	Percentage	89	99
5.2.3	Population with access to improved drinking water facility	Percentage	21	40
5.3	**Equitable access or ownership over physical and modern properties**			
5.3.1	Families living in self-owned housing[4]	Percentage	85.3	89
5.3.2	Population investing in securities/bonds	Percentage	4.4	20
6	**Safe, civilized and just society**			
6.1	**Society with no discrimination, violence and crime**			
6.1.1	Gender Development Index[1]	Index	0.897	0.963
6.1.2	Gender Inequality Index[1]	Index	0.476	0.39
6.1.3	Women suffering from physical, psychological or	Percentage	24.4	13

	sexual violence in their lifetime			
6.1.4	Ratio of investigation to registered incidents of crimes including gender violence	Ratio	88.9	100
6.2	**Socio-cultural diversity**			
6.2.1	Schools teaching in the mother tongue	Number	270	324
6.2.2	Sites listed in the World Heritage List	Number	10	12
6.3	**Social security and protection**			
6.3.1	Population covered by basic social security	Percentage	17	60
6.3.2	Social security expenditure in the national budget	Percentage	11.7	13.7

Sources: 1. Human Development Report – 2018; 2. Multidimensional Poverty Report, 2018; 3. Nepal Demographic and Health Survey - 2016; 4. National Census – 2011

Table 3.2 (Continued)

S.N.	National goals, targets, and indicators	Unit	Status in FY 2018/19	Target for the FY 2023/24
7	**Healthy and balanced environment**			
7.1	**Pollution free and clean environment**			
7.1.1	Ratio of renewable energy in total energy consumption	Percentage	7	12
7.1.2	Average level of air pollution (PPM 2.5)	Microgram per cubic meter^3	50	40
7.2	**Ecological balance and sustainable utilization of national resources**			
7.2.1	Forest density	Trees per hectare	430	450
7.2.2	Wood production	Cubic ft. (100,000)	194	300
7.3	**Climate change adaptability**			
7.3.1	Local levels that have prepared and implemented the adaptation plan	Number	217	460
8	**Good governance**			
8.1	**Rule of law**			
8.1.1	Rule of Law Index[5]	Index	0.54	0.58
8.1.2	Global Competitiveness Index[6]	Index	51.6	60
8.1.3	Ease of Doing Business Index[7]	Index	63.2	68
8.1.4	Travel and Tourism Competitiveness Index[8]	Index	3.3	3.8
8.2	**Public integrity, transparency and accountability**			
8.2.1	Corruption Perception Index[9]	Index	34	41

8.2.2	Settlement of complaints received through "Hello Sarkar"	Percentage	48.9	98
8.2.3	Ratio of unregistered (informal) establishments out of total establishments	Percentage	49.9	10
8.2.4	Ratio of economic establishments with bookkeeping out of total registered establishments	Percentage	52	70
9	**Comprehensive democracy**			
9.1.1	Participation of voters in elections	Percentage	68.67	72
9.1.2	Case decisions/verdicts	Percentage	56.5	60
9.1.3	Implementation of decisions/verdicts	Percentage	39	60

Source: 3. Nepal Demographic and Health Survey – 2016; 5. Rule of Law Index – 2018; 6. World Economic Forum (Global Competitiveness Report) – 2019; 7. World Bank (Doing Business Report) – 2020; 8. World Economic Forum (Travel and Competitiveness Report) – 2019; 9. Transparency International – 2019.

Table 3.2 (Continued)

S.N.	National goals, targets, and indicators	Unit	Status in FY 2018/19	Target for the FY 2023/24
10	**National unity, security, and dignity**			
10.1	**High sense of Nepaliness**			
10.1.1	Nepali citizens with the national identity card	Percentage	-	100
10.1.2	Destination countries providing visas on arrival to Nepali at the immigration	Number	35	60
10.2	**Human and other securities**			
10.2.1	Birth registration of children under five years[3]	Percentage	63	100
10.2.2	Families with basic food security[3]	Percentage	48.2	80
10.2.3	Suicide rate (per 100,000 population)	Number	10	5
10.3	**Disaster-resilient society and economy**			
10.3.1	Population affected by disaster incidents	Per 1,000	17.1	9.8
10.3.2	Population dying from disaster incidents	Per 100,000	1.6	1
10.4	**Self-reliance on essential goods and services**			
10.4.1	Share of essential goods (agricultural yields, livestock, and food items) in total imports	Percentage	14.7	5

Sources: 3. Nepal Demographic and Health Survey – 2016

3.5 National Objectives

1. To build the basis of prosperity by constructing universally accessible, quality, and modern infrastructure, increasing productive and decent employment, achieving high, sustainable, and inclusive economic growth and poverty alleviation.

2. To give citizens the feeling of well-being and decent livelihood by strengthening the federal governance system through quality health and education, a healthy and balanced environment, social justice, and accountable public service.

3. To protect national interest, self-respect, and independence of the country through socio-economic transformation and building an independent national economy.

3.6 National Strategies

1. To achieve rapid, sustainable and employment-oriented economic growth

Rapid, sustainable, and employment-oriented economic growth will be achieved through construction of basic and large infrastructure, production and utilization of clean energy, high-value and commercial agriculture, manufacturing industries, development of tourism, and expansion of the businesses. The country will be developed into an international/regional economic (touristic, commercial, educational, and financial) center by greater mobilization and strengthening of private, cooperative, and community sectors along with enhancing the effectiveness of the public sector, developing the provincial and local economy and improving project governance. Additionally, macro and sectoral strategies will be adopted for optimal utilization of capital, labor, and natural resources.

2. To ensure universal and quality health service and education

Equitable access of citizens to health services will be established by developing health infrastructures including basic health services up to the local level. Quality health service will be ensured by using medicine and treatment methods, physicians, and the latest technology in service delivery, and enhancing the availability and skills of human resources. The policy of cost minimization and risk management will be adopted in receiving health services. This health system will be improved by expanding health insurance. A healthy lifestyle will be promoted by making the citizens responsible for their health.

Universal access to quality education as well as technology-friendly, employment-oriented, and practical education system will be developed and expanded in addition to ensuring free and mandatory basic education and free secondary education. Technical education at the local level and specialized and higher education at the provincial level will be expanded and strengthened. Strengthening educational and teaching institutions, developing quality infrastructure, ensuring good governance, and enhancing competitiveness will be carried out.

The government will have a leading role and invest in the overall development of the education and health sectors. Similarly, the role of private, cooperative, and community sectors will be made supplementary. Nepal will be developed as a regional hub for quality health service and technical and specialized higher education.

3. To develop internal and cross-border interconnectivity and sustainable cities/settlements

The investment will be focused on sector that remains the major driver of economic growth. Connectivity based on the integrated transportation system, production cost reduction, and competitiveness will be promoted for the construction of national, provincial, and local road networks, tunnels, fast tracks, railways, waterways, and airports. It will facilitate domestic and international trade and the growth of quality tourism as well. Massive and large infrastructure projects under construction including the reconstruction will be completed. The capacity and efficiency of the construction business will be enhanced by increasing the investment in modern technologies and equipment for the development of this sector.

Infrastructures will be developed for the generation, distribution, consumption and efficiency of energy. To achieve this, internal and cross-border transmission lines will be built along with constructing massive reservoirs and exportable projects. The use of electrical equipment and vehicles will be promoted emphasizing renewable energy including solar, wind, and biogas. The use of modern electrical equipment will be promoted to increase energy efficiency and per capita electricity consumption.

Knowledge-based economy will be promoted by developing modern infrastructures related to information technology and enhancing the electronic transaction of services. Government services will be completely delivered through the electronic system within the next five years.

Modern, safe, and sustainable cities and integrated settlements will be developed to manage the increasing migration and urbanization. Dense cities with modern infrastructures, urban corridors, specialized and hill towns will be built and planned settlements with pollution-free urban environments will be developed. Necessary infrastructures for management and processing of water and waste at the provincial and local levels will be

developed by constructing large projects in the drinking water sector. Connectivity between the rural and urban areas will be enhanced along with developing integrated settlements and implementing citizens' housing schemes. New cities will be built so as to expand the local economic activities and create employment opportunities.

4. To increase production and productivity

Mechanization, modernization, commercialization, and industrialization of agriculture will be achieved by emphasizing on rapid and intense expansion of irrigation facilities, effective implementation of land use policy, land consolidation and land pulling, provision of advanced seeds, adoption of fertilizers and modern technologies, and emphasizing low weight/volume and high price, organic agricultural production, and processing. Agricultural research and technology development, concessional agriculture loan, agricultural insurance, agricultural extension services, a guarantee of the availability of fertilizers and seeds, promotion of agriculture at the province and local level, investment, and market management will be undertaken. Strategic interventions will be carried out to become self-reliant in fisheries and animal products as well as in major food crops. The minimum support price of agricultural products will be fixed in advance of the production of crops and it will be implemented effectively.

Production will be increased by establishing industrial areas, Special Economic Zones (SEZs), economic corridors, and industrial villages, ensuring the operation of existing industries at their full capacities, promoting small and medium enterprises, and providing incentives, concessions, and regulations based on production. Manufacturing industries including agriculture and forestry, construction, medicine, handicrafts, and readymade garments with high internal demands and comparative advantages will be developed, reestablished, and expanded and connectivity will be maintained in the regional and global value chain. Competitiveness and productivity will be enhanced through an easy and accessible supply of energy, transit and storage cost reduction, use of clean, sophisticated and modern technologies, studies and researches, entrepreneurship development, social security scheme, good labor relations, and environmental balance.

The rapid development of the tourism sector will be achieved by upgrading and constructing airports and other major touristic infrastructures, developing tourist destinations, organizing Visit Nepal year, and promoting quality tourism. Strategic interventions will be carried out for the modernization, development, and expansion of service sectors including transportation, business, and financial services. Efficacy of the financial service will be enhanced through financial access, inclusiveness, and literacy. In addition, productivity will be increased by reducing the time and cost of transportation and transit, improving the regulatory system, and reducing the transaction costs of doing business.

5. To provide complete, sustainable and productive social security and protection

All citizens will be provided with the opportunities, services and facilities, full security and respect, and social security and protection as ensured by the constitution and provisioned by the state. Equitable access, distribution, and use of production means, employment and opportunities will be guaranteed for inclusive economic growth, end of absolute poverty, and fair distribution of the income. Massive and integrated social security and protection programs based on contribution and the participation of employers, laborers, and citizens of organized and unorganized sectors will be implemented. Special protection programs will be implemented for the marginalized as well as communities and citizens that are at risk. Social security-related funds will be mobilized so as to increase the national income and maintain macroeconomic stability.

6. To build a just society with socio-economic equality and poverty alleviation

Programs regarding the building of safe, civilized, and equitable society will be implemented ending all types of violence, discrimination, exclusion, and distortion and enhancing gender equality. Emphasis will be given on equal access to and distribution of all types of opportunities including education, health, employment, and representation. The establishment of healthy and dynamic social life will be emphasized through the protection and promotion of socio-cultural diversities, social and community activities, and social capital mobilization. Independence, national unity, and collective spirit will be enhanced through interconnectivity and cooperation among the federation, province, and local levels. Moral and civil education and socio-cultural awakening will be conducted as a campaign. The justice

system will be developed so as to make it simple, less expensive, and able to deliver justice in time.

7. To protect and mobilize natural resources along with building their resilience

Land, forest, water resources, and minerals will be protected and mobilized so as to increase their contribution to agriculture, industries, and service sectors. In the forest sector, production of commercial and agricultural forest and non-timber forest products (NTFP) will be increased. The strategic intervention will be made to achieve self-reliance in timber products through replantation as well as scientific, systematic, and balanced use of forest products. Feasibility studies will be carried out for mine and mining sectors that will be developed and integrated into a value chain system. Integrated projects with cost efficacy will be implemented for the multilateral use of abundant water resources. Emphasis will be given on the protection of biodiversity and environmental balance while using natural resources. Strategies of climate change adaptability and disaster risk reduction will be undertaken. Disaster management will be mainstreamed into the development process through institutional and structural reforms at the federation, province, and local levels for preparedness, rescue and relief, and rehabilitation.

8. To promote national unity and provincial balance, strengthening of public service

Public services delivered from the federation, province, and local levels will be made even more agile, transparent, and accountable based on cooperation, coexistence, and coordination in the federal governance system. Services and facilities directly concerning the citizens will be delivered from the local level. Manufacturing, infrastructure construction, and delivery of quality service will be carried out at the province level in order to achieve balanced provincial development. Strategic development, production, ensuring service delivery and research and development will be the priorities of federal government. Electronic systems will be adopted and interconnectivity will be developed to modernize public service delivery. Reforms will be carried out in multidimensional aspects of good governance by strengthening national unity, security, and self-esteem in order to achieve development and prosperity. The federal governance system will be strengthened by enhancing access to financial services, inclusiveness, and literacy.

3.7. Internalization of the Sustainable Development Goals

The overall national goals, destination, indicators, and expected achievements including the sector-wise policies, strategies, and working policies of the Fifteenth plan have been formulated aligning them with the goals of sustainable development. Quantitative goals mentioned in section 3.4 and the strategies mentioned in section 3.6 have covered the three dimensions of the SDGs. Additionally, *Needs Assessment, Costing, and Financing Strategy for Sustainable Development Goals,* also used as a basis while determining the policies and goals including macroeconomic policies, economic growth rate targets, investment estimation, investment of public, private and cooperative sector, and sector-wise contribution in the GDP. Special emphasis will be given to the internalization and localization of the SDGs during the plan period.

Attainment of the goals 8, 9, 11, 12 of sustainable development will be facilitated by the implementation of this plan's goals and strategies related to economic growth, employment, resilient infrastructures, industrialization, cities and settlements, and the sustainability of production and consumption that are required for the sustainable development. Likewise, the implementation of goals and strategies formulated in the areas of inequality reduction, gender equality, good governance, and social security will help in achieving goals 5, 10, and 16 of the sustainable development. Goals and strategies determined in this plan regarding the basic aspects of human civilization such as poverty reduction, ending of hunger, provision of drinking water for all, and availability of modern energy have covered goals 1, 2, 6, and 7 of the sustainable development. Likewise, strategies related to health and education sectors have been formulated so as to help in achieving goals 3 and 4 of the sustainable development. This plan has also determined the strategies for natural resource management and resilience development. Implementation of these strategies will help in achieving the SDGs of 13 and 15. Furthermore, this plan has given importance to the partnership among internal and external stakeholders including the public, private, cooperative, and community sectors to achieve the goals of development as mentioned in the SDGs 17.

3.8 Sector-wise Role in the Development

3.8.1 Public Sector

The public sector will play the leading role in achieving the development goals with the national vision of "Prosperous Nepal, Happy Nepali". This sector will have an important role in building a socialism-oriented economy by achieving rapid, sustainable, and employment-oriented economic growth. This sector will motivate private, cooperative, and community and the non-governmental sector for investment and participation in the overall development efforts.

The public sector will formulate, implement, monitor, and regulate the necessary policies, plans, strategies, and standards to build the socialism-oriented economy. The institutional capacity of the regulatory bodies will be enhanced. The state will play an important role in building investment climate infrastructure development, and enhancement of production and productivity to maintain high, sustainable, and inclusive economic growth and stability. The policy of providing policy incentives to the macroeconomic sector by maintaining financial stability will be followed.

The public sector will play the leading role in building a civilized and equitable society and ensuring provincial balance and social justice. Emphasis will be given on economic empowerment while embarking on the equitable distribution and redistribution of economic achievements. The federal governance system will be strengthened by guaranteeing good governance, law and order, social security and protection, human rights protection, and productive employment. The public sector will also play a pivotal role in leading the citizens to experience well-being and decent life.

Federal Level

The Constitution of Nepal defines the relationship among the federation, province, and local levels based on the principle of cooperation, coexistence, and coordination. The federal government will cooperate, coordinate, and partner with provinces and local levels to implement the national vision, goals, objectives, and priorities. The relevant provisions and functional responsibilities specified in the articles and annexes of the constitution, laws related to the implementation of the constitution, policies, and priorities of the government

and commitments made at the international level also have been taken as an important reference while formulating the plan. The plans, policies, and programs of provinces and local levels will be formulated and implemented in alignment with and complementing the vision, goals, objectives, and strategies of this plan. Economic prosperity and national goals of citizens' happiness will be achieved by efficiently mobilizing the available resources with the cooperation and assistance of provinces and local levels.

The federal level will formulate central plans, policies, coordinate, regulate, set standards, and implement large projects and programs with massive impact. In addition, the federal level will emphasize strategic development, production, a guarantee of service, and research and development. The federal level will work in accordance with the concept of inclusive and balanced development to enhance the production and productivity of agriculture, industry, construction, and service sectors and to increase the income level of people. For this, it will carry out fiscal transfer along with equalization, conditional, matching, and special grants, and revenue sharing according to the Constitution of Nepal and prevailing laws. The federal level will also carry out the tasks of capacity development and facilitation to achieve the plan's overall and sector-wise vision, goals, and objectives. For this, it will prepare model plans, policies, laws, and procedures. Additionally, the NPC will transfer the required knowledge and skills to provinces and local levels in thematic areas related to development plans including formulation of long term visions, plans, annual budgets, and the medium-term expenditure frameworks monitoring and evaluation. The federal level will provide the necessary assistance to build a strong basis for the provincial and local economies.

Provincial Level

The provinces will carry out construction activities and implement policies and programs by coordinating, cooperating, and playing a supportive role in achieving national vision, goals, objectives, and strategies of development. They will formulate, implement, and monitor the plans, policies, and programs of the provincial level to move forward the development process corresponding to the concept of participatory development. In addition, living standards of the public will be improved by selecting and implementing programs/projects of provincial importance and priority by creating the appropriate environment for investment at the province level. Emphasis will be given on building an

environment of cooperation, coordination, and competition among the provinces in development and prosperity.

Provinces will play a major role in enhancing quality and efficacy in public service delivery, construction, employment, and good governance. Cooperation, coordination, and partnership will be applied with private, cooperative, nongovernmental, and community sectors for the socio-economic development of the province level. Province level resources and means will be mobilized sustainably and encouraged for maximum utilization. Capacity development activities will be conducted in plan formulation, implementation, and monitoring and evaluation from the province level. Furthermore, arrangements for fiscal transfer in provinces will be made following objective norms and criteria.

Local level

Local levels will build the basis of prosperity through the development and expansion of the local economy with coordination, assistance, and cooperation to achieve the vision, goals, and objectives regarding the development of the federal and provincial governments. For this, inter-governmental partnership will be maintained along with ensuring easy access to the service delivery institutions, enhancing resources, and promoting inclusive representation. Local levels will play a major role in the job of the delivery of the basic services to their citizens. This level formulates and implements policies, plans, and programs corresponding to the plans and policies of the federal and provincial levels. It will implement citizens' living standards improving projects and programs by creating an appropriate environment of investment and mobilizing resources and means as needed. Investment in rural development and local infrastructure construction works will be enhanced embracing an integrated vision at local levels. In addition, the policy of financial incentives will be adopted to jointly conduct the programs for conducting campaigns for social awareness, enhancing development, and good governance.

This level will have prime roles in guaranteeing public services or facilities including education, health, electricity, drinking water, and sanitation by establishing itself as the epicenter for an effective flow of service delivery and development management. For this, the local level will coordinate and cooperate with private, cooperative, nongovernmental, and

community sectors. The local level will have a supportive role in employment creation and the capacity development of human resources. Local good governance will be maintained by making the local level's service delivery inclusive, professional, competitive, service-oriented, and self-sufficient.

3.8.2 Private Sector

The private sector will play a vital role in the overall development process. The private sector will play its role as specified by the policies and legal system embraced by the Constitution of Nepal. The private sector will have roles in assisting and cooperating with the country's socio-economic development by enhancing the investment-friendly environment to achieve the goals and objectives according to the vision, policies, and plans of the government regarding development. The private sector carries out the development works by enhancing its competitiveness and equitable distribution of risk according to the concept of public-private partnership. Goals of the sustainable development will be achieved by arranging for the required incentives to enhance the investment of the private sector in agriculture, industry, construction, and service sectors.

The private sector will assist in the production of quality goods and services, easy and accessible supply management, construction of quality infrastructures, import management, export promotion, and productive and decent employment generation. This sector will enhance its reputation through institutional good governance, good industrial relations, and alleviation of child labor, participation in social security and protection and by bearing the corporate social responsibility. This sector will help in maintaining stability and good governance in the financial sector. It will assist in facing challenges and realizing opportunities in accordance with bilateral and multilateral commitments and agreements by increasing foreign and domestic investments.

3.8.3 Cooperative Sector

The cooperative sector will play complementary role in the overall development process by developing the culture of mutuality and self-reliance and following the cooperative values-beliefs and principles as specified by the policies and legal system embraced by the constitution of Nepal. This sector will play roles of assisting and cooperating in the socio-

economic development of the country to achieve the goals and objectives according to the vision, policies, and plans regarding development. This sector will assist in increasing employment and income and alleviating poverty by extensively mobilizing local resources, labor, skills, and capital maintaining good governance in the cooperative institutions. In addition, this sector will produce, process, and market the goods and services of human needs to assist in achieving socio-economic and cultural transformation and inclusive economic growth.

3.8.4 Nongovernmental Organization, Civil Society and Community Sector

Nongovernmental organizations, civil society, and community associations will play supportive roles in the overall development efforts. These sectors will assist in poverty alleviation, capacity enhancement, civic awareness, and also in inculcating a sense of duty and empowerment among the citizens by conducting programs in the areas corresponding to the development goals and priorities of the government and by mobilizing the social power. In addition, they will assist in the development of remote and backward areas, increase production, and flow of service. These sectors will play their roles by maintaining institutional good governance by upholding the values of transparency, accountability, and frugality.

3.9 Macroeconomic Framework

3.9.1 Economic Growth Rate

As the country moves towards the direction of policy stability, it is expected that, during the plan period, most of the under-construction national pride projects as well as programs and projects of massive scale will have been completed with significant improvements in development and project good governance. Additionally, with the significant increase in energy generation, game changer projects identified by the plan will have been effectively implemented with the increase in consumption and use of electrical energy in the overall sectors of the economy. Through these efforts, it is expected that the production and productivity of agriculture, industry, and the service sector will be enhanced resulting in rapid economic growth. In addition to a significant increase in investment, natural resources including water resources, land, forest resources, and minerals will be mobilized sustainably and the labor force will be used in a productive way to achieve the goal of high economic

growth. With the effective implementation of the federal governance system, provincial and local economies will be vibrant and the domestic capital formation will occur with the reinforcement and strengthening of the complimentary cooperation of private, cooperative, and community sectors.

The major areas of intervention for economic growth are agriculture and forest, mines and manufacturing industries, electrical energy, construction, tourism, transportation and information technology, education, and health. Targeted economic growth is estimated to be achieved due to the positive impact made in the other areas of the economy as well by the investments made in these areas. The annual average economic growth target has been set at 9.6 per cent for the plan period. The average growth in the agriculture, industry, and service sectors is estimated to be 5.4, 14.6, and 9.9 per cent, respectively. To achieve the stated economic growth, investments will be attracted and mobilized by maintaining macroeconomic stability.

The estimation of GDP along with sector-wise value addition in the 15th Plan is mentioned in table 3.3 and 3.4.

Table 3.3: Gross Domestic Product and sector-wise value addition target

(At the constant prices of FY 2018/19)

(In 10 million rupees)

S.N.	Sectors	Base year 2018/19	Fifteenth Plan					
			Average growth	2019/20	2020/21	2021/22	2022/23	2023/24
1	**Agriculture**	**82,601**	**5.4**	**86,487**	**90,856**	**96,009**	**101,571**	**107,436**
1.1	Agriculture and forestry	81,135	5.2	84,867	89,025	93,922	99,181	104,736
1.2	Fishing	1,466	12.9	1,620	1,831	2,087	2,389	2,700
2	**Non-agriculture**	**223,522**	**11.0**	**245,621**	**272,928**	**303,547**	**336,003**	**374,849**
2.1	**Industry**	**46,558**	**14.6**	**53,275**	**61,399**	**70,352**	**79,434**	**90,945**
2.1.1	Mining and quarrying	1,851	15.6	2,091	2,405	2,802	3,278	3,836
2.1.2	Manufacturing	17,119	12.7	19,088	21,569	24,373	27,298	31,120
2.1.3	Electricity, gas and water	3.816	30.0	5,495	7,419	9,570	12,058	14,591

S.N.	Sectors	Base year 2018/19	Fifteenth Plan					
			Average growth	2019/20	2020/21	2021/22	2022/23	2023/24
2.1.4	Construction	23,732	11.7	26,601	30,006	33,606	36,799	41,399
2.2	**Service**	**176,964**	**9.9**	**192,346**	**211,529**	**233,196**	**256,570**	**283,904**
2.2.1	Wholesale and retail trade	43,993	10.8	48,172	53,616	59,782	66,178	73,656
2.2.2	Hotels and restaurants	6,282	17.0	7,318	8,782	10,275	11,919	13,826
2.2.3	Transportation, storage and communication	22,135	10.8	24,127	26,661	29,860	33,145	37,122
2.2.4	Financial intermediation	19,347	9.4	20,991	22,986	25,169	27,434	30,315
2.2.5	Real estate, rent and business activities	35.308	7.4	37,673	40,499	43,334	46,800	50,591
2.2.6	Public administration and defense	8,298	8.6	9,061	9,740	10,617	11,520	12,556
2.2.7	Education	21,611	9.9	23,447	25,675	28,371	31,208	34,641
2.2.8	Health and social work	5,349	10.5	5,815	6,414	7,087	7,888	8,835
2.2.9	Other community, social and personal service activities	14,642	8.8	15,740	17,157	18,701	20,478	22,362
	Gross value added (Including financial intermediation indirectly measured)	**306,123**	**9.7**	**332,108**	**363,784**	**399,556**	**437,574**	**482,284**
	Financial intermediation indirectly measured	12,849	7.8	13,812	14,917	16,111	17,319	18,704
	GDP (At basic prices)	**293,274**	**9.6**	**318,296**	**348,866**	**383,445**	**420,255**	**463,580**
	Taxes less subsidies on product	53,157	13.0	60,068	67,877	76,701	86,672	97,939
	GDP (At producer's price)	**346,432**	**10.1**	**378,364**	**416,743**	**460,146**	**506,927**	**561,519**

Table 3.4: Economic growth rate and sector-wise value addition target

(At the constant prices of FY 2018/19)

(In per cent)

Sectors	Base year 2018/19	Fifteenth Plan					
		2019/20	2020/21	2021/22	2022/23	2023/24	Plan average
Agriculture	**4.8**	**4.7**	**5.1**	**5.7**	**5.8**	**5.8**	**5.4**
Industry	**12.2**	**15.1**	**15.6**	**14.8**	**13.2**	**14.6**	**14.6**
Manufacturing industry	5.8	11.5	13.0	13.0	12.0	14.0	12.7
Electricity, gas, and water	12.4	44.0	35.0	29.0	26.0	21.0	30.0
Construction	8.9	11.9	12.8	12.0	9.5	12.5	11.7
Service	**7.9**	**8.7**	**10.0**	**10.3**	**10.0**	**10.7**	**9.9**
Hotels and restaurants	8.3	16.5	20.0	17.0	16.0	16.0	17.0
Transportation, storage and communication	5.9	9.0	10.5	12.0	11.0	12.0	10.8
Education	5.2	8.5	9.5	10.5	10.0	11.0	9.9
Health and social work	6.7	8.7	10.3	10.5	11.3	12.0	10.5
Gross value added (Including financial intermediation service indirectly measured)	**6.8**	**8.7**	**9.7**	**10.0**	**9.6**	**10.3**	**9.7**
GDP (At basic prices)	**6.8**	**8.5**	**9.6**	**9.9**	**9.6**	**10.3**	**9.6**
GDP (At producer's prices)	**7.1**	**9.2**	**10.1**	**10.4**	**10.2**	**10.8**	**10.1**

Note: The growth rate of only the important sectors has been mentioned in the industry and service sectors.

Due to the high-value addition in industry and service sectors during the plan period, a significant structural transformation will occur in the economy. The contribution of the agricultural sector to the GDP is estimated to decline from 27.0 per cent to 22.3 per cent. The contribution of the service sector is estimated to increase to 58.9 per cent from 57.8 per cent. The contribution of the industrial sector is estimated to increase significantly to 18.8 per cent from 15.2 per cent. This is likely to lead a huge chunk of labor force dependent on the

agricultural sector to be transformed into the industrial and service sector. The estimation of sectoral contribution is presented in table 3.5.

Table 3.5: Sector-wise contribution to the gross domestic product

(In per cent)

Sectors	Base year 2018/19	Fifteenth Plan				
		2019/20	2020/21	2021/22	2022/23	2023/24
Agriculture	**27.0**	**26.0**	**25.0**	**24.0**	**23.2**	**22.3**
Industry	**15.2**	**16.0**	**16.9**	**17.6**	**18.2**	**18.8**
Manufacturing	5.6	5.7	5.9	6.1	6.2	6.5
Electricity, gas and water	1.2	1.7	2.0	2.4	2.8	3.0
Construction	7.8	8.0	8.2	8.4	8.4	8.6
Service	**57.8**	**57.9**	**58.1**	**58.4**	**58.6**	**58.9**
Hotels and restaurants	2.1	2.2	2.4	2.6	2.7	2.9
Transportation, storage and communication	7.2	7.3	7.3	7.5	7.6	7.7
Education	7.1	7.1	7.1	7.1	7.1	7.2
Health and social work	1.7	1.8	1.8	1.8	1.8	1.8
Total	**100**	**100**	**100**	**100**	**100**	**100**

Note: The contributions of some important sectors only have been mentioned in the industry and service sectors.

3.9.2 Productivity

For the economy to increase rapidly, it is imperative to mobilize the available human and natural resources and increase productivity along with increasing the investment. The productivity of Nepal has been minimal as compared to other developing countries including the neighboring countries because the productivity of the means of production has not increased as expected in the past. If the current trend of minimal productivity continues, it is difficult to achieve the prosperity of the country merely by mobilizing resources based on the result of available investment and resources.

Therefore, in this Plan, the growth of productivity at the national, sectoral, and individual business establishment-level will be emphasized. For the aggregate productivity growth of the national economy, building human capital through high-quality health, education and nutrition and utilizing it within the country, the interconnectivity of transportation and communication infrastructure and planned urbanization, cost-effectiveness in generation and transmission of electricity and cost-effectiveness in transmission, and efficient use of energy in manufacturing and service sectors and the timely completion of projects will be emphasized. The economy will be modernized by developing and adhering to advanced and modern technologies and researches that are useful for the country. This will help in increasing productivity in the medium and long run. Additionally, improvements in governance, project governance, and the working culture of public, private, and cooperative sectors will be carried out in order to realize easily attainable benefits.

Among the sectors, agricultural productivity will be enhanced by agriculture and forest-related research and development, latest knowledge, and skills development in farmers, mechanization, irrigation, land development, land pooling, and intensive production and development of high value agricultural and forest products. In industry sector, the productivity will be enhanced through easy availability of cost-effective energy, adoption of modern technologies and skills improvement, entrepreneurship development, development of skilled manpower and its utilization, cordial labor relationship, and promotion of the utilization of industrial capacity. In service sector, management reform, adoption of modern and information technology, and development of advanced technology and promotion of knowledge-based industries will be emphasized. Besides, foreign investment will be mobilized in the areas of national priority for enhancing the sectoral productivity. Strategic interventions will be made even at the business establishment unit level in order to achieve allocative efficiency of capital, enhance the capacity of human resources, ensure linkage of labor with production, and discourage the tendency of wasting resources and using the means of production unnecessarily.

3.9.3 Incremental Capital-Output Ratio (ICOR) and Investment

As the country moves towards the direction of stability and prosperity, maintenance of good governance, and creation of favorable environment for achieving expected outcomes by

completion of program/project in stipulated time and cost. Large-scale road and air transportation and hydroelectric and irrigation programs/projects that started in the past will be completed and become operational within this plan period. A significant rise in public spending will occur based on the jurisdiction of the federation, province, and local levels. The productivity of capital is expected to increase due to the cost reduction and production growth of the economy. For this, it is necessary to mechanize and modernize the economy along with adoption of advanced and modern technology information technology, and electronic governance in agriculture, industry and service sectors. As per the principle of federal governance system, it is imperative to construct and expand infrastructure related to transportation and communication, education, and health and public service. A large amount of investment in the programs/projects of latest, long-term, and strategic nature including railway, airport, reservoir-based hydroelectricity, technical education, and health-related infrastructure has become essential.

Although the productivity of the capital is expected to increase, the incremental capital-output ratio (ICOR) is expected to decline slightly to 4.9:1 during this plan period as compared to previous plan because it will take time for the completion and operation of large scale new projects. Based on the aforementioned incremental capital-output ratio, it is estimated that an investment of NRs. 9 trillion 229 billion 290 million will be required on the prices of FY 2018/19 for achieving the target of average 9.6 per cent economic growth rate during the plan period. Out of this, 3 trillion 598 billion 320 million from the public sector, 5 trillion 134 billion 90 million from the private sector, and 496 billion 870 million from the cooperative sector are estimated to be invested. These three sectors will respectively have 39.0, 55.6, and 5.4 percentage of contribution in total investment. According to the thematic distribution of estimated investment, government investment is projected to increase significantly in agriculture, manufacturing industry, electricity, construction, education, and health.

Details of the sector-wise ICOR and the investment are presented in Table 3.6 and 3.7.

Table 3.6: Incremental capital-output ratio and total investment

(At the constant prices of FY 2018/19)

(In 10 million rupees)

S.N.	Sectors	Estimated ICOR	Projected investment in the Fifteenth Plan					
			2019/20	2020/21	2021/22	2022/23	2023/24	Plan period
1	**Agriculture**		**12701**	**14249**	**16799**	**18113**	**19105**	**80968**
1.1	Agriculture and forestry	3.3	12316	13723	16158	17357	18329	77883
1.2	Fishing	2.5	385	527	641	756	777	3085
2	**Non-agriculture**		**122611**	**149923**	**170420**	**184282**	**214725**	**841961**
2.1	**Industry**		**49302**	**58410**	**65098**	**70631**	**81040**	**324481**
2.1.1	Mining and quarrying	6.1	1468	1914	2421	2906	3400	12107
2.1.2	Manufacturing	5.2	10237	12903	14581	15209	19873	72803
2.1.3	Electricity, gas and water	17.0	28545	32697	36574	42300	43048	183164
2.1.4	Construction	3.2	9052	10896	11522	10216	14720	56406
2.2	**Service**		**73309**	**91513**	**105322**	**113652**	**133685**	**517480**
2.2.1	Wholesale and retail trade	2.1	8777	11431	12948	13433	15704	62293
2.2.2	Hotels and restaurants	6.1	6322	8928	9107	10028	11633	46018
2.2.3	Transportation, storage and communications	11.5	22910	29134	36792	37773	45740	172349
2.2.4	Financial intermediation	3.1	5098	6182	6769	7022	8930	34001
2.2.5	Real estate, renting and business activities	5.1	12065	14410	14458	17680	19333	77946
2.2.6	Public administration and defense	4.5	3435	3058	3945	4061	4665	19165
2.2.7	Education	4.1	7531	9133	11053	11632	14075	53424
2.2.8	Health and social work	8.8	4096	5271	5926	7047	8330	30670
2.2.9	Other community, social and personal	2.8	3075	3967	4324	4974	**5275**	21614
	Total investment	**4.9**	**135312**	**164173**	**187219**	**202395**	**233830**	**922929**

Table 3.7: Investment from the public, private and cooperative sectors

(At the constant prices of FY 2018/19)

(In 10 million rupees)

S.N.	Sector for investment	Public		Private		Cooperative		Total	
		Amount	Per cent	Amount	Per cent	Amount	per cent	Amount	Per cent
1	**Agriculture**	**41864**	**51.7**	**28701**	**35.4**	**10402**	**12.8**	**80968**	**100.0**
1.1	Agriculture and forestry	41278	53.0	26480	34.0	10125	13.0	77883	100.0
1.2	Fishing	586	19.0	2221	72.0	278	9.0	3085	100.0
2	**Non-agriculture**	**317968**	**37.8**	**484707**	**57.6**	**39285**	**4.7**	**841961**	**100.0**
2.1	**Industry**	**138147**	**42.6**	**175476**	**54.1**	**10858**	**3.3**	**324481**	**100.0**
2.1.1	Mining and quarrying	3148	26.0	8717	72.0	242	2.0	12107	100.0
2.1.2	Manufacturing	8736	12.0	58242	80.0	5824	8.0	72803	100.0
2.1.3	Electricity, gas and water	102572	56.0	76929	42.0	3663	2.0	183164	100.0
2.1.4	Construction	23691	42.0	31588	56.0	1128	2.0	56406	100.0
2.2	**Service**	**179822**	**34.7**	**309231**	**59.8**	**28427**	**5.5**	**517480**	**100.0**
2.2.1	Wholesale and retail trade	3738	6.0	52326	84.0	6229	10.0	62293	100.0
2.2.2	Hotels and restaurants	3681	8.0	41416	90.0	920	2.0	46018	100.0
2.2.3	Transportation, storage and communications	98239	57.0	65493	38.0	8617	5.0	172349	100.0
2.2.4	Financial intermediation	3060	9.0	26521	78.0	4420	13.0	34001	100.0
2.2.5	Real estate, renting and business activities	3897	5.0	70152	90.0	3897	5.0	77946	100.0
2.2.6	Public	19165	100.0	0	0.0	0	0.0	19165	100.0

S.N.	Sector for investment	Public		Private		Cooperative		Total	
		Amount	Per cent	Amount	Per cent	Amount	per cent	Amount	Per cent
	administration and defense								
2.2.7	Education	29917	56.0	21904	41.0	1603	3.0	53424	100.0
2.2.8	Health and social work	13801	45.0	15642	51.0	1227	4.0	30670	100.0
2.2.9	Other community, social and personal activities	4323	20.0	15779	73.0	1513	7.0	21614	100.0
	Total investment	**359832**	**39.0**	**513409**	**55.6**	**49687**	**5.4**	**922929**	**100.0**

3.9.4 Resource Estimation and Allocation Criteria

The means and resources have been estimated and allocated in taking the main basis of the implementation of the constitution as well as achieving the goals and objectives of this plan. The resource is estimated accordingly as it brings a significant amount of synergy in the economy from the collaboration and the complementary roles between public, private, and cooperative sectors and the collaboration between federal, province and local levels it is for creating a basis for prosperity and happiness. The necessary resources have been allocated to the sectors determined by the plan as the drives of economic transformation. A high level of return of investment is expected through strategic inventions in the areas identified according to the national strategy. Resources have been estimated and allocated to complete the ongoing national-level programs/projects by the federal level, and the provincial and local level programs/projects by the province and local governments, respectively. In addition, resources have also been allocated to complete the post-earthquake reconstruction, construct and promote basic infrastructures, implement programs conducted as campaigns, and support the achievement of the SDGs.

Public investment has been focused on sectors such as agriculture and forest, industrial infrastructure construction, industrial production with promotion and facilitation, electricity generation, transmission and distribution, and infrastructure construction to achieve the goal of economic growth targeted by the plan. The private sector's investment is expected to be

targeted towards employment generation, industrialization, and modernization of the economy, energy generation, and investment in the urban areas, tourism, trade, and transportation and communication sectors. The private and cooperative sectors and community are expected to be mobilized in agriculture, productive sectors, small and medium enterprises, and in rural and social development. It is expected that human capital formation and its maximum utilization will lead to growth in productivity, create a basis for a high level of income, and generate a feeling of happiness. Similarly, public, private, cooperative, and community sector's resources have been estimated and allocated in a way that the environment is protected, civilized and just society is established, and governance, democracy and national unity are further strengthened.

3.9.5 Public Resource Management and Expenditure Estimates

Government investment and expenditure have important roles in basic public service delivery and directing towards the rapid economic growth as well as the achievement of SDGs. Furthermore, public expenditure is also essential to achieve the stipulated target of the plan by attracting investment from households, private, cooperative, and community sectors. Government spending of NRs. 9 trillion 958 billion 330 million has been estimated during the plan period. Out of this, NRs. 4 trillion 596 billion 820 million is estimated to be a current expenditure, NRs. 4 trillion 15 billion 520 million is estimated to be capital expenditure, NRs. 1 trillion 345 billion 990 million is expected to be the financial management and NRs. 1 trillion 701 billion 30 million is estimated to be the fiscal transfers (grants). In the final year of the plan, capital expenditure and total expenditure are projected to be 18.6 per cent and 43.3 per cent respectively in proportion to the GDP.

The revenue as the major source of the aforementioned government expenditure is estimated to be mobilized in the amount of NRs. 7 trillion 247 billion 620 million. Grants (foreign) of NRs. 321 billion 460 million is expected to be received during the plan period.

Despite the mobilization of revenues and internal resources as well as foreign grants, a funding gap of NRs. 2 trillion 389 billion 250 million is expected, out of which NRs. 1 trillion 393 billion 100 million is to be financed from foreign grants and the remaining NRs. 996 billion 150 million from domestic borrowings. The public finance estimate is outlined in table 3.8.

Table 3.8: Projection of public finance

(At the constant prices of FY 2075/76)

(Amount in 10 million rupees)

S. N.	Particulars	2018/19# (Estimation)	2019/20	2020/21	2021/22	2022/23	2023/24	plan period
	Public income	**110618**	**159322**	**177629**	**197318**	**218388**	**243176**	**995833**
1	**Revenues***	**85960**	**112766**	**127433**	**143340**	**160551**	**180672**	**724762**
2	**Foreign aid**	**15020**	**30530**	**32370**	**34230**	**36096**	**38230**	**171456**
	Foreign grant	**2290**	**6472**	**6451**	**6429**	**6408**	**6387**	**32146**
	Foreign loan	12730	24058	25919	27801	29688	31844	139310
3	**Domestic borrowing**	**9638**	**16026**	**17827**	**19748**	**21741**	**24273**	**99615**
	Public expenditure	**121019**	**159322**	**177629**	**197318**	**218388**	**243176**	**995833**
1	**Recurrent expenditure**	**68998**	**85472**	**85298**	**91572**	**96679**	**100661**	**459682**
2	**Capital expenditure**	**36779**	**58037**	**69949**	**80162**	**89061**	**104343**	**401552**
3	**Financial management**	**15242**	**15813**	**22382**	**25583**	**32647**	**38173**	**134599**
	Investment	9806	9488	10105	11323	12400	13627	56943
	Loan payment	5435	6325	12277	14260	20248	24545	77656
4	**Fiscal transfers**	**32118**	**31032**	**33026**	**34180**	**35324**	**36541**	**170103**

*Note: *Although the grant amount (fiscal equalization, conditional, matching, and special grants) transferred to province and local levels are included under recurrent expenditure in base year FY 2018/19, such transfers are included under fiscal transfers during the fifteenth plan period.*

#Only federal level expenditure is included in revenues and public expenditure (Recurrent and capital expenditure and financial management) of the FY 2018/19.

3.9.6 Intergovernmental Finance

Total amount of NRs. 2 trillion 370 billion 400 million is projected to be transferred through intergovernmental fiscal management during the plan period. Out of this, NRs. 669

billion 360 million for revenue allocation and NRs. 1 trillion 701 billion 30 million for grant has been projected to be transferred. Details of this are presented in Table 3.9.

Table 3.9: Projection of intergovernmental finance

(At the constant prices of FY 2018/19)

(Amount in NRs. 10 million)

S.N.	Particulars	Actual status of 2018/19			2019/20			2020/21			2021/22		
		Province	**Local-level**	**Total**	**Province**	**Local-level**	**Total**	**Province**	**Local-level**	**Total**	**Province**	**Local-level**	**Total**
1	**Revenue sharing from the Federal Divisible Fund**	**4857**	**4858**	**9715**	**5537**	**4883**	**10420**	**6254**	**5516**	**11770**	**7035**	**6204**	**13239**
2	**Grants**	**11047**	**21071**	**32118**	**11118**	**19914**	**31032**	**12027**	**20999**	**33026**	**12511**	**21669**	**34180**
	Fiscal equalization grant	5030	8528	**13558**	5249	8538	13787	5531	8996	14526	5827	9478	15305
	Conditional grant	5338	12071	17409	4920	10427	15347	4920	10427	15347	4920	10427	15347
	Matching grant	398	291	689	475	475	949	901	901	1802	1026	1026	2053
	Special grant	281	181	462	475	475	949	676	676	1352	738	738	1475
Total		**15904**	**25929**	**41834**	16655	**24797**	**41452**	**18281**	**26515**	**44796**	**19546**	**27873**	**47419**

S.N.	Particulars	2022/23			2023/24			The plan period		
		Province	Local-level	Total	Province	Local-level	Total	Province	Local-level	Total
1	**Revenue sharing from the Federal Divisible Fund**	**7880**	**6949**	**14829**	**8863**	**7816**	**16679**	**35568**	**31368**	**66936**
2	**Grants**	**12985**	**22339**	**35324**	**13491**	**23051**	**36541**	**62132**	**107972**	**170103**
	Fiscal equalization grant	6140	9987	16126	6469	10522	16991	29215	47521	76733
	Conditional grant	4920	10427	15347	4920	10427	15347	24599	52134	76736
	Complimentary grant	1120	1120	2241	1223	1223	2446	4745	4745	9490
	Special grant	805	805	1610	879	879	1758	3572	3572	7144
Total		**20865**	**29228**	**50152**	**22354**	**30867**	**53221**	**97700**	**139339**	**237040**

3.9.7 Expected Macroeconomic Impacts

During this period, major and macro indicators of the economy will have a positive impact due to the investments and efforts made by the federation, province, and local levels as well as the private, cooperative, and community sectors resulting in macroeconomic stability and creating a basis for economic prosperity. The following achievements are expected in savings and investment, public finance, monetary and external sectors.

Table 3.10: Savings and investment, public finance and monetary and external sectors

(As the ratio with GDP)

S.N.	Indicator/Target	Unit	Status of 2018/19	Target of the Fifteenth Plan (2023/24)
1	**Savings and investment**			
	Gross domestic savings	Percentage	20.5	22.0
	Gross national savings	Percentage	52.4	47.5
	Gross fixed capital formation	Percentage	36.9	41.6
2	**Public finance**			
	Total budget	Percentage	34.9	43.3
	Recurrent expenditure	Percentage	19.9	17.9
	Capital expenditure	Percentage	10.6	18.6
	Financial management	Percentage	4.4	6.8
	Revenues	Percentage	24.8	30.0
	Foreign debt	Percentage	3.7	5.7
	Domestic borrowing	Percentage	2.8	4.3
3	**Monetary and external sector**			
	Inflation*	Percentage	4.6	6.0
	Export of goods and services	Percentage	8.2	15.0
	Import of goods and services	Percentage	46.8	49.0

S.N.	Indicator/Target	Unit	Status of 2018/19	Target of the Fifteenth Plan (2023/24)
	Remittance	Percentage	25.4	22.1
	Foreign investment	Percentage	0.5	3.0

*Note: *Yearly average growth.*

The aforementioned achievements in macroeconomic indicators will lead to the structural transformation of the economy through the attainment of a rapid, sustainable, and employment-oriented economic growth. Additionally, public finance management at the federation, province, and local levels will lead to reinforcement of federal structures resulting in improvement of the living standards of common citizens as expected.

Chapter 4: Macroeconomic Sector

4.1 Savings

1. Background

Savings mobilization has an important role in generating the required investment for rapid economic growth and prosperity. Capital formation through the mobilization of internal resources especially savings mobilization is necessary to achieve the economic goal of developing a socialism-oriented, independent, and prosperous economy by building a self-reliant, independent, and prosperous national economy as envisioned by the Constitution. However, the saving capacity of the Nepali citizens, however, has not increased as expected because of their low-income. Despite the low level of gross domestic savings, the gross national savings mobilization has remained significant primarily due to the remittance income from foreign employment. In the past 10 years, as a share of the GDP, the gross domestic and national savings were on average 11.5 per cent and 42.6 per cent, respectively. On the one hand, citizens' income and saving capacity have to be increased by increasing the production, while on the other hand, it is necessary to significantly increase investment and income by mobilizing savings at maximum. This plan will focus on increasing income and saving capacity, organized and balanced consumption, structural transformation of saving, and creating a suitable environment for savings mobilization.

2. Major Problems

Spending of large share of the income on consumption due to low per capita income, low-income groups unable to save as expected due to high cost of living, high levels of consumption among the middle class due to the culture of conspicuous consumption and increasing social cost, lack of financial access among every class and region, lack of savings instruments, lack of financial literacy and a limited base of the capital market are the major problems related to savings.

3. Challenges and Opportunities

Making citizens realize the importance of savings and develop a saving habit, transformation of the import-oriented economy to production-oriented economy, ensuring maximum returns to savings and investment, keeping inflation within the desirable limits, adopting innovative instruments for savings mobilization, expanding them, transforming the remittance income into productive investments are major challenges related to savings.

Increment in expansion and access of banks and financial institutions and rapid expansion of financial instruments, high rate of interest for savings in recent years, significant inflow of remittance, increment in public expenditure in development/construction up to the local level due to implementation of fiscal federalism and availability of resources for domestic capital formation due to high gross national savings are the opportunities in this sector.

4. Vision, Goal, Objectives, Strategies and Working Policies

4.1 Vision

Building a self-reliant and prosperous economy through savings mobilization

4.2 Goal

To increase the investment through the structural reformation of savings mobilization

4.3 Objectives

To increase domestic and national savings by building a favorable environment for savings mobilization and enhancing saving capacity

4.4 Strategies and Working Policies

Strategies	Working Policies
1. To increase saving capacity by increasing employment and income-generating	1. A macroeconomic policy of equitable income growth and financial risk reduction will be followed. 2. The scope of savings will be extended by ensuring the availability of everyday consumer goods at a minimum

Strategies	Working Policies
opportunities.	price and the provision of basic and social services and facilities. 3. National Saving Policy will be formulated and implemented.
2. To encourage and attract the households, the private sector, cooperative and community organizations to save.	1. The unproductive expenditure of households and the public sector will be discouraged and instead directed towards productive expenditure. 2. A favorable environment will be created for ensuring maximum returns to the savings and investment. 3. Necessary improvements will be made in the revenue system and the financial sector to achieve economic growth through the mobilization of savings.
3. To mobilize personal, institutional, and foreign employment savings through the development of financial systems and regulation of the informal sector.	1. Existing savings and investment instruments will be utilized effectively and the innovative instruments will be adopted and expanded. 2. Savings will be attracted to capital formation by integrating and intensifying the capital market. 3. Special savings and investment schemes will be operated for the management of the gratuity savings fund and pension fund and the productive mobilization of remittance. 4. Financial services will be expanded and savings be increased by formalizing the informal sector. 5. Necessary instruments will be implemented to mobilize the savings of foreign employment.
4. To increase the intergovernmental coordination and collaboration between the private, the cooperative, and the	1. Access to finance will be extended to all citizens through the expansion of the financial system. 2. The reach and services of banks and the financial sector will be expanded. 3. The savings and investment of low-income and small savers will be increased through cooperatives and

Strategies	Working Policies
community sector for an increase in savings and their mobilization.	community organizations. 4. Financial awareness and literacy programs about the importance of savings (especially long term savings) will be conducted by the local level in cooperation with financial institutions, cooperative, and community sectors. 5. Structural reform will be carried out in the financial sector by expanding financial institutions to the local level and provincial coordination at the province capital.

5. Expected Results

Gross domestic savings as a ratio to the GDP will have increased from 20.5 per cent to 22 per cent and gross national savings will have reached 47.5 per cent.

4.2 Public Finance

4.2.1 Public Expenditure

1. Background

Effective mobilization of public expenditure is imperative to build a basis for the socialism-oriented economy through efficient and effective utilization of available resources and means. The situation calls for addressing the citizens' increasing necessities and expectations within the boundary of available resources and means. Furthermore, financial liabilities created by the law made to implement the fundamental rights guaranteed by the constitution will have to be managed. With the change in the structure of and in the roles and responsibilities for public expenditure, the federation, province, and local governments will have to carry out their expenditure in a balanced and equitable way as per their expenditure responsibilities. The capacity building of all three levels is necessary to make the overall public expenditure system transparent, accountable, and result-oriented. In the past 10 years, public expenditure as a ratio of the GDP has increased to 31.6 per cent from 19.8 per cent. Therefore, this plan is focused on efficiency, efficacy and sustainability, maximum and quality capital expenditure, and domestic capital formation and the implementation of fiscal federalism.

2. Major Problems

Capital expenditure not increasing as expected compared to recurrent expenditure, lack of efficiency in allocation and execution, failure to mobilize development aid as per the commitment, and lacking compliance in the fiscal discipline are the major problems in public finance management. There are additional problems such as demand for more budget than the capacity to spend, projects not completed in the stipulated time, cost, quantity and quality, excessive number of ongoing projects, and lack of good project governance.

3. Challenges and Opportunities

Managing the public expenditure focusing on the attainment of the long-term vision of Nepal, roadmap of SDGs and the goals of the Fifteenth plan, implementing fiscal federalism along with managing the rising demand for public expenditure, increasing allocation and spending efficiency and raising capital expenditure by keeping recurrent expenditure within the desired limit has been seen as the major challenges. Mobilizing development aid in the field of national necessity and priority, institutionalizing the public expenditure system at the provincial and local level, and maintaining a balance between the needs and the available resources of the provincial and local level are the additional challenges.

Policy, legal, procedural, and technological improvements made in the public expenditure system, the activeness of the elected governments at all three levels, development of provincial and local economy, the possibility of maximum mobilization of local resources, and commitment of development partners regarding the assistance are the major opportunities. Additionally, the long term vision of Nepal, roadmap of the SDGs, financial strategy, and Medium-term Expenditure Framework (MTEF) have created opportunities for making public expenditure more effective.

4. Vision, Goal, Objectives, Strategies and Working Policies

4.1 Vision

Building a prosperous economy through efficient and result-oriented management of public expenditure.

4.2 Goal

To achieve high economic growth through efficient, equitable, and result-oriented management of public expenditure.

4.3 Objectives

To maintain allocation and implementation efficiency and financial discipline for public expenditure.

4.4 Strategies and Working Policies

Strategies	Working Policies
1. To strengthen the public expenditure system of the federation, province, and local levels and make it result-oriented by maintaining efficiency, transparency, and accountability.	1. Laws related to public expenditure systems including Financial Procedures Act along with the Fiscal Responsibility Act will be formulated and amended and enforced. 2. An integrated system for public expenditure at the federation, province, and local levels will be developed. 3. Arrangements will be made to institutionalize Mid-Term Expenditure Framework (MTEF) comprising of Medium-Term Financial Framework, Medium-term Budget Framework, and Medium-Term Results Framework to maintain alignment between the periodic plans and annual plans and budget, to ensure prioritization of programs/projects and the resources for them and to align the public expenditure with results. 4. Arrangements will be made for encouraging capital expenditure to be made from the beginning of the fiscal year. 5. The internal control system of the three levels will be strengthened to reduce financial risk. 6. Capacity building programs will be carried out for staff related to budget and program/project formulation and

Strategies	Working Policies
	implementation.
2. To allocate the public expenditure in the areas of economic and social capital formation efficiently and effectively.	1. Standards for recurrent expenditure management will be developed. Furthermore, non-budgetary expenditures will be controlled. 2. Recurrent expenditure will be incorporated with capital expenditure to increase productivity. Necessary arrangements will be made for the repair and maintenance of the constructed capital structures. 3. Public resources will be allocated to the infrastructure sector that expands the revenue base and provides high returns to investment. 4. Necessary budget will be allocated for education, health, drinking water, and sanitation, and social security and protection to emphasize social development. 5. Project management guidelines will be formulated and implemented at the federation, province, and local levels to carry out the development programs/projects effectively. 6. The internal loan will be prioritized for utilization in the production and capital formation sectors. 7. A national project bank will be established for appropriate projects by carrying out a socio-economic cost-benefit analysis of the projects. The program/projects listed in that bank will carry the budget allocated as per the priority based on the expected outcome, provincial balance, and local needs. 8. Projects will be completed in the stipulated deadline by improving project good governance. 9. National grant policy will be formulated to provide the grants productively and transparently. 10. One-door policy will be adapted for grant distribution.

Strategies	Working Policies
3. To arrange intergovernmental finance in a fair, balanced, and complementary manner to address the federation, province, and local level's development needs.	1. Detailed norms, roadmap, and integrated framework will be prepared to make resource distribution and fiscal transfer among all three levels of the government transparent, fair, and balanced. 2. A balance between the provincial and local levels will be maintained by centralizing the investment in the field of economic and social infrastructure in an equitable manner to reduce the imbalance between development and available resource. 3. The framework of agreement related to co-investment and joint investment of the three-level government will be prepared and implemented.
4. To make the public expenditure system more transparent through the use of modern information technology.	1. The integrated financial management information system will be developed by adopting modern information technology to maintain uniformity among all three levels of the government in budget formulation, implementation, accounting, and reporting. 2. The public payment system will be made fully based on an electronic system. 3. The Line Ministry Budget Information System (LMBIS) will be improved further by incorporating into a Treasury Single Account system. 4. The information about public expenditure and revenues will be arranged for publicizing via electronic medium. A system for monitoring public expenditure will be established.

5. Expected Results

Budget allocation will have efficiency; effective utilization yielding expected outcome, the share of capital expenditure in public expenditure will have increased significantly, implementation of fiscal federalism will have been effective through the

strengthening of fiscal interconnectivity between the federation, province, and the local level, the budget system will have become transparent, scientific and based on information system and projects will have been completed in a prescribed quality, quantity, cost and time.

4.2.2 Revenue

1. Background

It is necessary to increase the mobilization of internal resources to implement the fundamental rights, directive principles of the state stated by the Constitution, and to fulfill the increasing need for public expenditure for development and prosperity of the nation, and to reduce the dependency on foreign aid. In the past 10 years, the average growth of revenues has been 19.2 per cent and has reached 24.8 per cent as a ratio of GDP in the fiscal year 2075/76. This plan is directed towards maximum mobilization of the revenues to assist in increasing the production via investment, business, and taxpayer-friendly tax administration by improving public finance structures corresponding to the federal system.

2. Major Problems

The high share of the informal sector in economic activity, the dependency of a huge share of revenue in imports, inability to increase the share of income tax in revenues, revenues not being collected as expected because of the inability to improve value-added tax system to make it able to save the national tax base, range of tax not being increased as expected and not being able to mobilize revenues as per the potential and capacity are the major problems of this sector.

3. Challenges and Opportunities

Reducing the gap in tax compliance has remained a major challenge. Additional challenges of this sector are bringing all economic activities within the range of taxation by improving the taxation system, decreasing the cost of tax collection and cost of tax compliance for the taxpayers and achieving full compliance, maintaining strong interrelationship among production (especially the service sector) and economic growth and revenue and increasing professionalism, transparency, and integrity among taxpayers and tax

administration. Furthermore, harmonizing the revenue structures in accordance with the federal structure, controlling the revenue leakage, making the transaction value the basis of customs check system, making a provision for compulsory issuance of the actual invoice, maintaining a balance between revenue collection and business facilitation are also the challenges of this sector.

Creation of a business-friendly environment due to policy stability and sustainability, high economic growth and expansion of the size of the economy, increment in the potential for revenue mobilization in accordance with the scope of the federation, province, and local level, are the major opportunities of this sector. Additionally, expansion in the scope of taxation along with the increment in participation in taxation, tax system being more progressive, policy provisions for the protection and promotion of domestic industries and businesses, institutional expansion of tax administration and increase in access of taxpayers and increase the use of information and technology in revenue administration are opportunities as well.

4. Vision, Goal, Objectives, Strategies, and Working Policies

4.1 Vision

Building a prosperous economy through the development of a strong and progressive revenue system.

4.2 Goal

To increase revenue to one-third of the GDP by increasing the taxes based on domestic production and income.

4.3 Objectives

To mobilize the revenue to the maximum through production, investment, business, and taxpayer-friendly and clean, neutral, transparent and progressive taxation system and voluntary participation in taxation.

4.4 Strategies and Working Policies

Strategies	Working Policies
1. To broaden the tax base by bringing all kinds of economic activities into the scope of taxation.	1. The revenue base will be protected by protecting the national and international tax base. The national framework of revenue will be prepared. 2. People and firms involved in all kinds of economic and business transactions will be provided with a Permanent Account Number (PAN) and brought within the scope of taxation. 3. The invoice issuing system will be improved by adopting an electronic invoicing system and the Value Added Tax (VAT) system will be made more effective. 4. Awareness of taxation will be increased by expanding taxpayer education to increase everyone's participation in the scope of the tax.
2. To make the revenue administration efficient, professional, and clean through expansion and modernization.	1. Internal revenue administration will be strengthened and expanded to increase the scope of taxation and the access of taxpayers. 2. The existing electronic revenue payment system will be strengthened and expanded to incorporate all types of revenues. 3. The Tax administration will be modernized using the latest procedures, practices, technology, and equipment being used in the world's taxation system. 4. The Excise duty administration will be modernized by adopting the use of excise duty tickets with barcodes and tracking systems.
3. To reform structural and systemic aspects of revenue	1. Additional manpower will be mobilized by improving and expanding the organizational structure for the specialization of the function of revenue administration.

Strategies	Working Policies
administration in accordance with the federal system.	2. A coordinating and supportive role will be played for enhancing the capacity of the provincial and local levels in revenue collection, efficiency, and identification and expansion of the tax base. 3. Taxpayer related information from various regulatory bodies will be integrated to develop a taxpayer information management system. 4. Necessary measures will be taken to uphold professionalism, honesty, transparency, cleanliness, and integrity in taxpayers and tax administration.
4. To make the taxation system more investment/business-friendly to assist in economic expansion.	1. The declaration, classification, and valuation of goods in customs will be made realistic. 2. Customs checking system will be made technology- and risk management-based. The concept of "Trusted Traders" will be adopted for the customs check. 3. Agreement on avoidance of double taxation and the prevention of fiscal evasion concerning taxes on income will be carried out with countries that have more financial trade and the possibility of investment in Nepal to increase the economic benefit and promote investment in Nepal. 4. The taxation system will be developed as a catalyst for the manufacturing industry.
5. To make the taxation system simpler and more equitable through timely improvement in the tax structure and rates.	1. Innovative concepts and practices related to taxes will be adopted to make the taxation system more progressive and public finance more sustainable. 2. The social security tax system will be strengthened. 3. Income tax and customs duty rates will be reviewed as per the international scenario and commitment. 4. Non-tax revenue areas will be expanded and the rates of taxation will be revised on time to make them cost-effective.

5. Expected Results

Revenue system will have become an investment-, business-, and taxpayer-friendly, tax collection cost and taxpayers' participation cost will have been reduced as all types of revenues to be paid via electronic medium and revenues will have reached 30 per cent and income tax will have reached 10 per cent of the GDP.

4.2.3 International Development Cooperation

1. Background

International development cooperation is necessary to fulfill the gap of resources in the investment sector, to maintain trade balance, and to achieve development through the transfer of the latest knowledge and technology. Although Nepal has been receiving foreign aid in the past six decades, its effective utilization is lacking. Additional development aid has to be arranged and mobilized to secure the fundamental rights of the citizens and to carry out development activities in accordance with the federal system. It is necessary to mobilize the foreign aid also for upgrading Nepal to a developing country by 2022 and a middle-income country by 2030 and to attain the SDGs by the time. In the past 10 years, the ratio of foreign aid to the GDP has remained at 3.7 per cent while its share on public expenditure has remained 11 per cent.

2. Major Problems

Lack of a strong project management and monitoring system, low absorptive capacity for development cooperation, and lack of incorporation of all types of foreign aid in the national priority and system are the major problems of this sector. Additionally, the inability to incorporate the aid into budgetary assistance framework rather than receive it on an individual project and program basis, and the inability to bring the bilateral aid into the national budget system also remain as challenges.

3. Challenges and Opportunities

Mobilizing development cooperation in coordination with the federation, province, and local levels to reduce fragmentation and duplication of the programs to be conducted in the provincial and local level, ensuring good practices such as ownership, alignment, mutual

accountability, harmonization, and transparency in aid management at all tiers, reducing the gap between commitment and utilization of aid and mobilizing aid through established system and structures are the major challenges of this sector.

Formation of the federation, province and local level governments and them being functional, the rise of people's aspirations and expectations because of political stability, the establishment of project bank, Nepal's participation and commitment in the ongoing international campaign for aid efficacy, development partners' willingness to flow the development cooperation to achieve the SDGs and realize the long term vision and rise in non-traditional development partners' assistance are the opportunities for effective mobilization of development cooperation.

4. Vision, Goal, Objectives, Strategies, and Working Policies

4.1 Vision

Building a prosperous economy through effective mobilization of international development cooperation.

4.2 Goal

To assist in achieving development goals through enhanced national capacity by increasing the international development cooperation mobilization in the necessary and national priority areas.

4.3 Objectives

To make the nation gradually self-reliant in the development finance by increasing production, productivity and employment through selective utilization of international development cooperation.

4.4 Strategies and Working Policies

Strategies	Working Policies
1. To mobilize the international development	1. Foreign aid will be focused on the area of the domestic capital formation as per the national, provincial, and local level's needs and priorities to achieve maximum economic

Strategies	Working Policies
cooperation based on national need, policy, and priority.	benefit. 2. Effectiveness in development cooperation mobilization will be ensured by achieving the optimum results. 3. Development partners will be encouraged to mobilize the assistance in the area where they have achieved comparative specialization and experience. Fragmentation of development aid will be discouraged.
2. To mobilize development cooperation according to the national policy and international commitments regarding the efficacy of development aid.	1. Policy provision will be made to avoid mobilization of one development partner's funds through another development partner or agency in general to discourage the fungibility of aid or the trend of transfer of aid amount. 2. Development cooperation-related latest concepts and instruments developed globally for enhanced effectiveness of aid such as blended finance, South/South cooperation, capacity building for internal resources mobilization, and taxation for development will be studied and utilized based on their appropriateness. 3. Transparency of development cooperation will be increased by accepting the development aid to incorporate it into the national budget system and improving the aid management information system. 4. Foreign aid will be mobilized within the international commitments and framework of the law.
3. To utilize the development cooperation as per the principle of equity and provincial balance by transforming the development	1. The policy, legal, and institutional arrangements will be made to mobilize development cooperation corresponding to the federal structure. 2. Development cooperation will be encouraged to be mobilized focusing on provincial balance and fulfillment of the local needs. 3. The aid will be encouraged to be mobilized for the

Strategies	Working Policies
cooperation system according to the federal structure.	development of region, class, and community that are backward from the economic and social perspective.

5. Expected Results

All types of development cooperation will have been incorporated into the national budgetary system; development aid will have been mobilized in the areas of national need, policy, and priority.

4.2.4 Public Debt

1. Background

Public debt has an important role in low finance mobilization, macroeconomic stability, utilization of foreign capital and technology, and in maintaining intergenerational parity. It is necessary to mobilize public debt in the areas of national need and priority to maintain macroeconomic stability by preventing the contraction of the credit flow in the private sector. Although the Nepal government has been borrowing domestically and internationally to maintain a balance between the increasing public expenditure and limited revenue and grants, public debt mobilization has not been as expected in recent years. By FY 2018/19, out of the total debt to be paid, internal debt has remained 13.1 per cent and foreign debt 17.1 per cent as a ratio of the GDP. This plan is focused on low finance mobilization necessary for high economic growth by mobilizing public debt in sustainable areas with high rates of return as per the federal structure.

2. Major Problems

Public debt not being mobilized as expected in the areas of national need and priority is the major issue related to public borrowing. Additionally, issues in internal debt mobilization are lack of public awareness regarding loan mobilization equipment and inability to mobilize the loan in productive areas whereas issues seen in foreign debt mobilization are inability to obtain the loan as per the commitment, gradual reduction of the share of

concessional loans, lack of loan mobilization and utilization capacity and increase in cost due to the high foreign exchange related risks.

3. Challenges and Opportunities

Making public debt sustainable and highly result-oriented by mobilizing it in the areas of production and infrastructure construction, managing the risk of public debt effectively, mobilizing the internal debt without discouraging the private sector investment, and reducing the foreign debt burden by increasing domestic capital mobilization capacity are the major challenges in this sector. Furthermore, maintaining macroeconomic stability, attracting investors towards the short-term and long-term instruments of internal debt mobilization, developing the capital market by increasing the utilization of long-term debentures and managing the public debt being mobilized by the federation, province and local level in a coordinated manner are also the additional challenges in this area.

Management of internal debt mobilization through different instruments at the federal, provincial and local levels in accordance with the federal structure, potential for additional mobilization due to a low public debt to GDP ratio, establishment and operation of a separate office for the management of public debt, increase in access of investors in financial system due to development and expansion of the capital market and increasing utilization of information technology and commitment of development partners for the implementation of SDGs are the major opportunities in this sector.

4. Vision, Goal, Objectives, Strategies, and Working Policies

4.1 Vision

Building a strong economy through effective mobilization of public debt.

4.2 Goal

To mobilize the public debt in national infrastructures and productive sectors while maintaining macroeconomic stability.

4.3 Objectives

To contribute to employment generation, domestic capital formation, and economic growth through effective management of public debt

4.4 Strategies and Working Policies

Strategies	Working Policies
1. To mobilize the public debt to the extent the country can afford in high yielding sectors.	1. The public debt will be mobilized and utilized in the production and infrastructure construction sectors while maintaining macroeconomic stability. 2. Suitable resources will be identified and managed to minimize the risk of public debt mobilization. 3. The public debt will be mobilized to contribute to internal resource mobilization, import management, and export promotion. 4. A policy of no government guarantee will be adopted by the government on the debt that would be mobilized in the area except for the large infrastructure construction and areas specified by the Nepal government.
2. To carry out policy, legal, and structural reforms regarding public debt management.	1. Medium- and long term strategies regarding public debt management will be formulated. 2. The legal base will be clarified by amending the acts/rules to mobilize the public debt corresponding to the federal structure. 3. The public debt management office will be modernized and made information technology-friendly and research-oriented. 4. The basis for public debt mobilization will be reviewed and revised on time. 5. Necessary provisions will be enacted to facilitate the development of the capital market.

Strategies	Working Policies
3. To diversify the public debt management instruments and resources corresponding to the federal system.	1. The secondary market will be made more active by promoting financial literacy, providing incentives, diversifying government debt instruments, and developing mechanisms for automated trading to increase the attraction of investors in government bonds. 2. The foreign debt will be mobilized on a need basis after studying the relevance of the latest concept, resources, and equipment. 3. Provision for the mobilization of public debt through suitable instruments will be made based on the provincial and local levels' economic potential and financial capacity and expected returns.

5. Expected Results

Annual public debt will have been confined within 4.3 per cent of GDP, mobilization of public debt in capital formation and productive areas of national priority will have contributed to high economic growth.

4.2.5 Intergovernmental Finance

1. Background

Fiscal federalism is necessary for enabling the federal, provincial, and local level governments to exercise their rights including the right to mobilize resources necessary to carry out their mandates. Article 57 of the Constitution has distributed the state power to the three levels of the government and the Schedule 5,6,7,8, and 9 of the Constitution have outlined the exclusive and concurrent powers of the three levels to carry out their functions and responsibilities. For the provincial and local level governments to fulfill their responsibilities, in addition to the taxation power, Article 60 of the Constitution has made a provision for revenue sharing from the Federal Reserve for provincial and local levels and from province reserve for the local levels and also a provision for fiscal equalization,

conditional, matching, and special grants. In addition to this, because all three tiers of governments can present a deficit budget, they are allowed to take internal loans for financial management. This plan is focused on managing intergovernmental finance to institutionalize fiscal federalism through transparent and equitable fiscal transfer, creating a basis for development and prosperity by developing the provincial and local economy in a balanced and equitable manner.

2. Major Problems

Lack of segregated data in a reliable and level-wise manner at the provincial and local levels, lack of financial management experience at the provincial and local level, inability to identify the expenditure needs of the provincial and local levels, lack of identification of actual revenue capacity of the provincial and local levels are the major problems identified in this sector. Furthermore, difficulty in estimating the effect of the three tiers of the government on the market available for internal debt mobilization and overall financial stability, lack of required laws and policies regarding the financial aspects of all three tiers, duplications in the functions of federal, provincial and local level governments, and lack of uniformity in understanding different models and of fiscal transfers and their utilization also remain as problems.

3. Challenges and Opportunities

Identifying and managing the required resources to fulfill the functions and responsibilities prescribed by the constitution to the federation, province and local levels, making the data of the provincial and local levels credible and reliable, ensuring that different types of fiscal transfers are utilized for their stated purposes only and developing the capacity of the provincial and local levels on expenditure and utilization of resources are the major challenges related to intergovernmental finance.

Formation of the basis for mobilizing additional resources to match with the expansion of socio-economic activities at all three tiers increased scope for revenue mobilization in keeping with the revenue-collecting authority of all three tiers of governments, the possibility of the development of local economy due to the local level being involved in small infrastructure construction, and the expansion seen in industries and business sectors and also

in the growth of agricultural production in addition to the delivery of services and ownership of all three tiers of the governments in overall economic development are the opportunities of this sector. Additionally, activeness noticed in the development operations of provincial and local levels after their transfer to them by the Center, reduction in the possibility of resources being scattered to different activities after the implementation of strict provisions regarding the use of the fiscal transfers, and creation of a favorable environment of competition in development among local levels and provinces through the maximum utilization of available resources are other opportunities of this sector.

4. Vision, Goal, Objectives, Strategies, and Working Policies

4.1 Vision

Building a prosperous and socialism-oriented economy through fiscal federalism

4.2 Goal

To have a balanced and fair development according to the federal system through the equitable and judicious mobilization of all kinds of resources available within the country

4.3 Objectives

1. To make resources available in a just, balanced, and complementary manner so as to address the expenditure needs of federation, province, and local levels.
2. To increase the fiscal space of the three tiers.

4.4 Strategies and Working Policies

Strategies	Working Policies
1. To manage resources to complete the exclusive and concurrent powers of the three tiers harmoniously.	1. Programs will be carried out in such a way that duplication is avoided and the programs complement each other. 2. A provision will be made for single administration of taxation in the areas of shared jurisdiction between the provincial and local levels. 3. The intergovernmental coordination will be made effective

Strategies	Working Policies
	by increasing the roles of the Interprovincial Council, Intergovernmental Fiscal Council, and the Provincial Coordination Council. 4. Revenue and expenditure rights will be gradually handed over to the provincial and local levels. 5. Development programs and projects will be handed over and operated according to classification and jurisdiction. 6. A participatory environment will be created so that the provincial and local levels have a sense of ownership in national development programs.
2. To make the intergovernmental fiscal transfer transparent, predictable, and fair.	1. Additional improvements will be made in revenue mobilization by studying revenue capacity and potential of the provincial and local levels. 2. A necessary statistical basis will be prepared to make the intergovernmental fiscal transfer objective and transparent. 3. The cost for service delivery and development construction activities will be ascertained and the required resources will be ensured. 4. A provision will be made for carrying out intergovernmental fiscal transfer based on the efficacy of performance and utilization of fiscal transfer by the provincial and local levels. 5. Precautionary measures will be adopted to prevent disputes in revenue mobilization and resource distribution between the governments. 6. Areas to be improved in revenue collection by the federation, province, and local levels will be identified through regular study and research.

Strategies	Working Policies
3. To develop the capacity regarding public finance management at the federation, province, and local levels.	1. Institutional capacity of the provincial and local levels will be developed for the public finance management carried out by the provincial and local levels. 2. National Natural Resources and Fiscal Commission's institutional capacity will be enhanced. 3. Federation, province, local level, and other stakeholders' capacity will be developed in various areas of fiscal federalism.
4. To maintain fiscal good governance at the federation, province, and local levels.	1. Internal debt mobilization will be made scientific and objective based on macroeconomic indicators, and the ability to take and utilize the loan. 2. The financial risk will be reduced by developing and adhering to the risk assessment method of the provincial and local level's fiscal good governance. 3. An electronic system will be implemented to make intergovernmental fiscal transfer equitable, predictable, and transparent.

5. Expected Results

Resources will have been managed to perform the exclusive and concurrent functions and responsibilities of the three tiers of the government, the intergovernmental fiscal transfer will have become transparent, predictable and just, provincial and local level's institutional capacity will have been developed, Federation, province and local level's fiscal discipline will have been maintained and the three tiers will have been bound by financial interconnectivity.

4.3 Public Enterprises

1. Background

Public enterprises have a distinct role in the production, distribution, and management of goods and services that are of essential, public, and monopolistic nature. Public enterprises

need to be established and operated as well for letting them play a leading and exemplary role in the areas where the private sector has shown its minimal presence or investment, and also for utilizing and protecting the national industries and resources, and strengthening the state's presence in the area of strategic importance. Established under the Special Act, Corporation Act, Communication Corporation Act, and Companies Act, there are 35 public enterprises and 14 subsidiary enterprises now in operation. This plan has focused on business efficiency growth and cost reduction, professional autonomy in operation and management, clarity in share ownership and risk distribution, competition in production and transparency and accountability in management and restructuring and establishment of public enterprises in keeping with the functions of the federal system.

2. Major Problems

Professionalism and competitive capacity of the enterprises remaining poor, operation and management not being uniform, some enterprises taking the roles of both the regulator and goods/service provider, regulation, coordination and supervision of the enterprises being done by different bodies, closed down enterprises not being properly protected and utilized, lack of provision of funds and high liabilities are the major problems in this sector.

3. Challenges and Opportunities

Providing satisfaction to common people in production, distribution, quality, and price of the goods and services that are essential, public and monopolistic, increasing the professional and competitive capacity of the enterprises, reducing the financial burden of the government by maintaining fiscal discipline, utilizing the assets of the closed enterprises for alternative use, putting an end to the disputed issues of disinvested enterprises and regulating to ensure that the enterprise is in operation after the disinvestment and managing the enterprises under operation according to the federal structure are the major challenges of this sector.

Policy clarity, stability, and sustainability, opportunity to restructure and establish the enterprises in a specialized manner according to the federal structure, existing relevance of the role of public enterprises in creating a competitive market due to private sectors not being

effective in some areas and the government moving forward with the concept of public-private partnership are the opportunities of this sector.

4. Vision, Goal, Objectives, Strategies and Working Policies

4.1. Vision

Building a self-reliant and socialism-oriented economy through strong and competitive public enterprises.

4.2 Goal

To maintain a competitive, quality and accessible availability of essential, public and monopolistic goods and services through efficient and effective management of public enterprises.

4.3 Objectives

To establish citizen's access in production, distribution, and consumption of quality goods and services by improving the establishment, operation, and management system of public enterprises.

4.4 Strategies and Working Policies

Strategies	Working Policies
1. To disinvest in seemingly irrelevant enterprises and to reconstruct and establish the public enterprises that are deemed important based on need and utility in the federal structure.	1. Enterprises currently under operation will be restructured keeping them under the federation, province, or local levels according to their objectives, scope of operation, and nature of work. 2. Strategic provisions will be made for the merger and acquisition of the enterprises based on necessity, objective, and scope of work. 3. Public enterprises deemed unnecessary to be operated by the state will be disinvested through appropriate policy, method, and procedures.

Strategies	Working Policies
	4. A necessary mechanism will be built to settle and disputes in privatized enterprises. 5. Assets under the ownership of the divested enterprises will be managed and utilized for alternatives purposes.
2. To make the operation, management, and regulation of public enterprises effective through legal and institutional reforms and modernization.	1. Necessary legal provisions including the formulation of an integrated act and amendments will be made regarding the regulation, operation, and management of enterprises. 2. Institutional and structural provisions regarding necessary regulation, operation, and management of public enterprises will be made. 3. A study on operation and management of the public enterprises in a public-private partnership will be carried out and the recommendations received will be implemented by making necessary legal and institutional provisions. 4. A staff capacity development program will be conducted to enhance the professionalism of public enterprises. 5. Programs for uplifting the managerial capacity of public enterprises will be conducted. 6. Public enterprises will be modernized with the use of the latest technology including information technology to increase the service, production, and productivity being offered by the public enterprises.

5. Expected Results

Required legal provision for the improvement of public enterprises will have been ready, a regulatory body of public enterprises will have been established, and public accessibility to the goods and services provided by the public enterprises will have increased along with improvement in their quality due to improvement in the management and operation of the enterprises.

4.4 Monetary and Financial Sector

1. Background

Maintaining price stability, external stability, and stability in the financial sector for sustainable economic development is the major goal of the monetary and financial sector. Monetary policy has been focused on contributing to economic growth through the maximum mobilization of available resources. The economy's capacity for domestic investment has been growing due to the strengthening of the banking sector as a result of the implementation of the policy to merge/acquire the banks and financial institutions and strengthen their capital base. Additionally, the campaign of establishing branches of commercial banks at all local levels has contributed significantly to the expansion of access to finance. The average growth of credit issued to the private sector and inflation in the 14th plan has remained 4.4 and 19.7 per cent respectively. This plan is focused on price control and interest rate stability, liquidity management, expansion of loan in prioritized areas, institutional and structural reform of the financial sector, financial inclusion, and maintaining overall financial stability and in external sectors.

2. Major Problems

Lack of credit expansion as expected in the areas of national priority such as agriculture, energy and tourism, lack of infrastructures including roads, transportation, electricity, communication, internet, security required to operate branches of the banks and financial institutions in remote areas, banks and financial institutions being operated in such areas unable to expand access to finance due to high operational cost, weak demand for financial services and products due to the lack of financial literacy and lack of expansion of the scope of electronic transactions as expected are the major problems in this sector.

3. Challenges and Opportunities

Keeping inflation caused by non-monetary factors and supply-side issues within the desired limit, maintaining a strong balance of payment status by managing the increased import, managing the investable means by extending access to finance, minimizing the informal financial transactions, maintaining interest rate stability and increasing good governance in the financial sector are the major challenges of this sector.

Economic development and prosperity-oriented economy following the implementation of federalism, increasing economic relations with the international and regional organizations, improvements brought in the professional environment, growth in internal demand, strengthened capital base and expansion of branches of banks and financial institutions and increasing efficacy of monetary and financial policy due to modernization of payment system are the major opportunities of this sector.

4. Vision, Goal, Objectives, Strategies, and Working Policies

4.1 Vision

Dynamic, reliable, and productive monetary and financial sectors.

4.2 Goal

To ensure the required financial resources by maintaining internal and external stability to achieve high, sustainable, and employment-oriented economic growth.

4.3 Objectives

1. To achieve inflation control, the balance of payment surplus and financial stability.
2. To increase the availability of financial products in prioritized areas by increasing access to finance.
3. To make the payment system secure, robust, and reliable.

4.4 Strategies and Working Policies

Strategies	Working Policies
1. To increase the efficacy of monetary and fiscal policy.	1. Laws and systems related to the financial sector and foreign exchange will be reviewed. 2. The open market operations and collective prudent regulation will be made more effective. 3. Effective coordination among regulators of the financial sector will be increased. 4. Savers and investors will be encouraged by creating a positive

Strategies	Working Policies
	environment in the financial sector to mobilize the investment in the productive sector and growth in savings. 5. Resources will be mobilized to the maximum by minimizing the financial mediation cost.
2. To mobilize adequate resources and means in the national priority areas.	1. Banks and financial institutions and infrastructure development banks will be encouraged to expand the loan in the national priority sectors. 2. Financial resources will be mobilized for capital formation by attracting investment in the construction of the physical structures. 3. The necessary arrangement will be made to make concessional loans and refinancing more effective.
3. To extend access to finance to remote and backward areas through the adoption of the latest technology and financial literacy.	1. Financial literacy will be increased in cooperation with the local level, bank, and financial institutions, and cooperative and community organizations. 2. Information technology will be utilized to the maximum to expand access to financial services and products. 3. Financial instruments appropriate at the local level will be developed and expanded. 4. Microfinance institutions will be encouraged to deliver financial services in the social banking concept to extend access to finance in remote and backward areas.
4. To develop a secure, modern, and electronic payment system.	1. Regulation of payment service providers will be made more effective by establishing a real-time gross settlement system. 2. Financial transactions will be shifted to an electronic system by promoting the use of modern instruments in the payment system. 3. Money laundering, financial crime, and the informal financial

Strategies	Working Policies
	transaction will be minimized by encouraging cashless transactions.

5. Expected Results

The yearly average inflation rate will have been limited to 6 per cent; the average growth rate of broad money supply will have remained 17 per cent, foreign currency reserves that can support import of goods and services for at least seven months will have been maintained, credit expansion of the private sector will have been 20 per cent on average, due to rise in financial accessibility population per bank branch will have reached 2 thousand and 6 hundred, electronic banking facility will have reached all wards of local level and all citizens will have had bank accounts.

4.5 Price Policy

1. Background

Generally, supply and demand determines the price of goods and services. Price level impacts all aspects of the economy such as investment, employment, production, and distribution. The price level is affected by various factors such as availability and change in the price of production means, the policy adopted by the government, state of inflation in foreign countries, state of competition in the market, changes occurring in aggregate demand due to humane and other reasons. This plan is focused on the direction of achieving maximum and sustainable economic growth through the growth of factors such as overall investment and employment, production, supply, and demand by keeping inflation rate within the desired limit.

2. Major Problems

Lack of supply of goods and services corresponding to the expansion in demand, inappropriate rise in prices of goods and services due to disruption of market competition by factors such as black marketing, syndicate and cratering, and lack of measurement of price levels in the informal sector are the major problems in this sector.

3. Challenges and Opportunities

Keeping the inflation rate within the desired limit has remained as the major challenge of this sector. Additionally, reducing the effect of Indian inflation and fluctuations in international prices, reducing the effect of fluctuations in agricultural production and supply due to unfavorable weather conditions, and creating an environment for price determination through market competition by eliminating factors like black marketing and syndicates are the major challenges in this sector.

Growth in aggregate demand due to increased production and productivity along with investment because of policy stability, existence of policy, structural and institutional provisions for eliminating monopoly, black-marketing and syndicate, and facilitation of supply regime due to the expansion of competitiveness and transportation sector are the opportunities in this sector.

4. Vision, Goal, Objectives, Strategies, and Working Policies

4.1 Vision

Macroeconomic stability through price stability

4.2 Goal

To maintain price stability through the strengthening of market competition and controlling high inflation

4.3 Objective

To avoid purchasing power of Nepali currency from falling by keeping inflation within the desired limit and to increase the competitiveness of exportable goods and services

4.4 Strategies and Working Policies

Strategies	Working Policies
1. To keep the inflation within the desired limit	1. The monetary policy will be formulated according to the state of liquidity and inflation. The public finance and monetary policy will be focused on maintaining price stability.

Strategies	Working Policies
through policy, legal, and structural provisions.	2. A structural change will be carried out to provide autonomy and maintain stability in pricing policy. 3. Price stability will be maintained through foreign exchange policy. 4. Provisions will be made for regular monitoring of price levels revising the price index. A national-level price index will be created by including rural and urban consumer prices.
2. To facilitate the supply system increasing production and productivity.	1. Easy availability of goods and services will be ensured by integrating the agriculture and service sector's production with the market. 2. Banks and financial institutions will be encouraged to ensure the availability of credit in the productive sectors. 3. Productivity will be increased by improving the production regulatory mechanism and the cost of doing business.
3. To improve consumers' purchasing power by arranging for an easy supply of essential goods and services.	1. The availability of daily consumer goods and basic and social services and facilities will be ensured at a minimum price. 2. The supply system will be made easy and accessible by increasing production, storage, and distribution capacity of basic need items. 3. The public distribution system will be strengthened. 4. A provision will be made for the flow of information by strengthening the price and market information system.
4. To end the monopoly, black-marketing, syndicate, and middlemen by strengthening	1. Unwanted activities related to supply will be discouraged and controlled through regular inspection and regulation of the market. 2. Arrangement regarding the establishment of market information centers at each local level will be made to make the information about the price of agricultural and other products and items

Strategies	Working Policies
market inspection and regulation system.	available. 3. The competitive pricing system will be maintained by establishing a direct relationship between the producers and consumers through the cooperative market and direct market by eliminating the influence of middlemen.

5. Expected Results

The market inspection system will have become effective, market information center will have been established, and the yearly average inflation rate will have been limited to six per cent.

4.6 Foreign Trade, the Balance of Payment and Foreign Exchange

1. Background

The balance of payment status and also that of the foreign exchange reserve of Nepal are mainly determined by payments for imports and the inflow of remittance. The government of Nepal has adopted the policy of encouraging the investment of foreign capital and technology in the area of import management and export promotion. The balance of payment status of Nepal was in surplus in most of the past years despite a continuous increase in trade deficit because of the remittance income. The trade deficit is on the rise as the size of imports has been increasing whereas the exports of goods and services remain constant. Goods and services trade deficit in FY 2018/19 had remained at 38.6 per cent of GDP. Remittance inflow had been 25.4 per cent of GDP. During the expansion of an economy, the import-export ratio is unlikely to improve as expected unless the domestic production is increased. The current account may have excessive pressure for the development of productive sectors. This plan will be focused on maintaining the required foreign exchange reserve to support the import of goods and services and making the balance of payment status positive by reducing the trade deficit.

2. Major Problems

The high trade deficit, low production of agricultural and industrial products, inability to increase the production of domestic goods, lack of country-wise and product-wise diversification for export promotion, inability to reduce import smuggling due to open border, lack of expected growth in the service sector, inability to develop industrial infrastructures are the major problems of this sector.

3. Challenges and Opportunities

Diversifying country-wise and goods-wise trade for export promotion, increasing production and productivity of exportable agricultural goods, managing import by encouraging production and use of alternative goods, earning foreign currency through the export of energy and service business including tourism, directing remittance income towards production, attracting investment for production growth in the areas of national priority, reducing the extremely high trade deficit, maintaining a surplus balance of payment and maintaining sufficient foreign exchange reserve are the major challenges of this sector.

Improvement in the investment environment, agreement with India for access to additional ports of India and agreement with China on transit and transportation, the potential to increase agricultural and industrial products and export them to developed countries including the neighboring ones, the potential to produce hydroelectricity to export to the neighboring countries, increasing the utilization of domestic goods by increasing the production of goods based on agricultural and forest products and minerals within the country, increasing potential of developing tourism as the basis of foreign currency, the potential of increased inflow of remittance by enhancing skills and efficiency of migrant workers, potential to attract foreign investment in the areas of energy, tourism, minerals, and industrial production are the major opportunities of this sector.

4. Vision, Goal, Objectives, Strategies, and Working Policies

4.1 Vision

A strengthened economy with balanced foreign trade, sufficient foreign exchange reserve, and external sector stability.

4.2 Goal

To promote export, balanced foreign trade and maintain a surplus balance of payment.

4.3 Objectives

1. To reduce the trade deficit by increasing production, managing import and diversifying trade on country-wise and a goods-wise basis for export promotion.
2. To maintain foreign exchange stability, external sector stability, and targeted foreign exchange reserve.

4.4 Strategies and Working Policies

Strategies	Working Policies
1. To develop and increase the production of sectors with comparative advantages such as agriculture, herbs, hydroelectricity, and tourism.	1. Agriculture-based and forest products-based industries will be encouraged. 2. Foreign exchange earnings will be increased by producing sufficient hydroelectricity and making arrangements for its export after meeting the internal demand. 3. Foreign exchange earnings from the tourism sector will be increased by expanding international connectivity and developing new trekking routes and additional touristic destinations. 4. Credit will be made accessible, easy, and economical in productive sectors including exportable goods and expanded. 5. Exportable goods will be identified and their production will be increased. 6. Production of goods and services that manage imports and promote exports will be increased.
2. To manage imports by controlling the unnecessary import	1. Production of agricultural and industrial goods such as pulses, oilseeds, fruits, shoes, cement, garment, and iron will be promoted.

Strategies	Working Policies
and increasing production of goods and services.	2. The import of petroleum products, gas, and coal will be reduced by increasing electricity production and providing concessions for using electronic equipment. 3. Legal provisions will be made to discourage the import of low quality and unnecessary goods and services. 4. Policies related to foreign trade will be updated.
3. To expand and diversify the country-wise and goods-wise export market.	1. The exports will be increased by developing industrial zones, special economic zones, export processing zones, and quarantine services. 2. The export of goods and services identified by the trade integration strategy and other processed agricultural goods and herbs will be promoted. 3. The exports will be expanded by building the capacity of exporters and simplifying the export business process. 4. Access to additional new international markets will be emphasized through economic diplomacy and market study. 5. Remittance income will be increased by increasing the skills and ability of workers.
4. To maintain the balance of payment position and external sector balance.	1. The legal, structural, and procedural reforms will be carried out and provisions for incentives will be made to increase the remittance inflow through the formal channel and mobilize remittance and foreign investment in priority areas. 2. The capital account will be gradually made convertible in a selective manner based on the feasibility study. 3. Investment abroad will be opened up gradually based on the potential for the country's benefit.
5. To reserve foreign exchange.	1. The foreign exchange policy will be reviewed periodically. 2. Export towards India will be promoted and an increment in the

Strategies	Working Policies
	arrival of Indian tourists will be emphasized to increase the Indian currency exchange reserve. 3. The foreign exchange will be encouraged to be used in productive sectors.

5. Expected Results

Export of goods and services will have reached 15 per cent and import will have reached 49 per cent of the GDP with growth in export and improvement in import management, the balance of payment will be in surplus and foreign exchange reserve will be sufficient to support the import of goods and services of at least seven months.

4.7 Insurance

1. Background

The insurance sector plays an important role in providing financial security by providing coverage to human life, business, property, and liability from natural and human-made risks. This sector's contribution to the economy has been increasing gradually due to the government policy of expanding the access to insurance in addition to the provision of government grants for livestock and crop insurance, concessional loan insurance and health insurance, and the increment of public awareness regarding insurance after the disastrous earthquake of 2015. Quality of service has increased in the insurance sector due to the use of technology, innovation, and international affiliation. Furthermore, different types of insurance policies have been developed while a fast-track claim settlement has been initiated. The population covered by life insurance has reached 19 per cent.

2. Major Problems

The narrow scope of insurance, low access to insurance in the rural areas and among the low income and the poor groups, insurance not being considered a risk mitigation measure among the general public, the agricultural sector not being covered by the insurance as expected, inability to convince general public towards the insurance and poor progress in easy and fast track claim settlement system are the major problems in the insurance sector.

3. Challenges and Opportunities

Expanding the coverage of insurance sector to make it accessible to remote and other areas as well as the poor families, ensuring the increased coverage of micro-insurance, agricultural insurance, and concessional loan insurance, restructuring the insurance regulatory body in keeping with the federal structure, enforcing the easy and fast track claim settlement system widely and rapidly, and erecting a structure for controlling insurance-related frauds and making insurance-related information accessible to the general public remain as the major challenges of this sector.

The state prioritizing the risk mitigation through health insurance, micro insurance, and concessional loan insurance, general public's growing awareness and trust regarding insurance, adoption of a policy for rapidly expanding the market by the life and non-life insurance companies, increased public attraction toward insurance due to the earthquake and different natural disasters and growth of employment in the insurance sector remain as the opportunities in the insurance sector.

4. Vision, Goal, Objectives, Strategies, and Working Policies

4.1 Vision

Building a resilient society and economy through mitigation of risks via a strengthened and expanded insurance service.

4.2 Goal

To mitigate financial risks by developing a global best practices-friendly insurance service and bringing risks arising from economic, natural, social and other phenomena under insurance coverage.

4.3 Objectives

To make the insurance service accessible to all segments of society including low-income groups by making insurance sector effective and sustainable.

4.4 Strategies and Working Policies

Strategies	Working Policies
1. To carry out policy, legal, and institutional reforms to make the insurance service effective and competitive and to secure the interest of the insured.	1. The existing insurance-related laws will be revised on time. 2. A risk-based supervision system corresponding to the existing international practices will be enforced for the risk mitigation of the insured. 3. The regulatory body's capacity will be enhanced to make the regulation of the insurance sector stronger, effective, and professional. 4. Regulators and insurance companies will be restructured and expanded according to the federal structure. 5. The institutional capacity of the reinsurer will be enhanced.
2. To provide insurance service based on international trends, practices, and standards regarding insurance.	1. The insurance service of international standards will be provided by making inspections and monitoring of the work of insurers and insurance mediators more effective. 2. Legal provisions related to a third-party facilitator in the form of a mediator will be developed and implemented. 3. Seasonal insurances including crop and livestock insurance will be strengthened and expanded. Studies will be carried out on retirement plan insurance, insurance of government buildings and assets, etc. and appropriate recommendations will be implemented. 4. The fast-track claim settlement system will be developed to simplify the insurance claim process. 5. A favorable environment will be prepared for investing the investable amount of the insurers in a safe area with high returns.
3. To develop the insurance business as	1. Life and non-life insurance companies will be encouraged to extend their branches to every local level including areas

Strategies	Working Policies
one of the important pillars of social protection and to develop an appropriate mechanism to make it accessible for all citizens and sectors including the low-income groups by expanding the insurance service.	that lack access to insurance. 2. Awareness of insurance will be promoted in remote and rural areas in cooperation with the local level and community organizations. 3. Health insurance will be expanded to all districts. 4. Micro-insurance with incentives targeting the remote, backward areas, and low-income groups will be implemented.

5. Expected Results

The capacity of insurance-related regulatory agencies will have been enhanced; access to insurance service will have been expanded to each local level including low-income citizens, remote and backward areas, the population covered by life insurance and health insurance will have reached 60 per cent and 10 per cent farmers will have gained access to agricultural insurance.

4.8 Capital Market

1. Background

The capital market has an important role in domestic capital formation, industrialization, and development and expansion of the economy by directing the small and scattered savings towards the productive sector. The development of a clean, competitive, and sustainable capital market is necessary to mobilize the internal and external capital to build a free and independent economy envisioned by the constitution. Nepal's stock market has been developing gradually and the commodity exchange market is at a nascent stage. Therefore, it is imperative to make the market further clean, competitive, and reliable through policy and structural changes and increase the investors' access to the stock market and commodity

exchange market. This plan is focused on developing the market to assist domestic capital formation.

2. Major Problems

Secondary stock market not being able to develop despite the nationwide expansion of the primary stock market, low participation of the manufacturing and real sector organizations in the stock market, necessary policy and legal provision not being in place to attract nonresidential Nepali and foreign institutional investors to the stock market, lack of professionalism and competitiveness in stock market professionals, the poor practice of institutional good governance, lack of financial literacy in investors, lack of diversity in stock market-related instruments, high cost of stock trading and unnatural and excessive fluctuations in stock price are the major problems of this sector.

3. Challenges and Opportunities

Expanding the secondary stock market across the nation, bringing in institutional investors, making the stock market transparent, competitive, clean and reliable, expanding the range of instruments of the capital market including bond and debentures, attracting the manufacturing and real sector to the capital market, developing alternative investment funds such as private equity, venture capital, and hedge fund, integrating the commodity exchange market with the local commodities and develop it so that it enhances the agriculture sector of Nepal are the major challenges of this sector.

The environment of political and policy stability and sustainability, necessary legal and policy provisions in place to encourage the entry of organized institutions of the real sector into the capital market, growing attraction of nonresidential Nepali towards the capital market, growing attraction of general public investors in the stock market, increased number of listed companies and stock market professionals, expansion of primary market across the nation and development of the automated trading system are the major opportunities of this sector.

4. Vision, Goal, Objectives, Strategies, and Working Policies

4.1 Vision

Domestic capital formation through a clean, competitive and broad stock market and commodity exchange market.

4.2 Goal

To attract investment through the development of a strong, dynamic and reliable stock market and commodity exchange market.

4.3 Objectives

To make the stock market and commodity exchange market accessible, clean and reliable.

4.4 Strategies and Working Policies

Strategies	Working Policies
1. To make the stock market and commodity exchange market clean, competitive, and reliable as well as expand their areas and scope.	1. For a healthy development of the market, provisions including price determination system prevalent in the international level for Initial Public Offering (IPO) and system audit for the secondary market will be adopted. 2. Institutional provisions will be made for the establishment of a credit rating agency. 3. Provisions with necessary incentives will be made to bring in the real sector companies to the stock market. 4. The commodity exchange market will be developed so that it can also promote Nepali local goods. 5. The secondary market of debentures will be made active and effective. 6. The stock market will be modernized by utilizing the latest technologies including information technology.

Strategies	Working Policies
2. To upgrade the operation and regulation of the stock market and commodity exchange market to an international standard through legal, institutional, and structural reform.	1. The existing legal provision regarding the stock market will be reviewed, the Trust Act will be formulated and the regulatory provision for the alternative investment funds will be strengthened. 2. Necessary legal infrastructure and other basic structures will be developed for the skilled and effective operation of the commodity exchange market. 3. Market regulation will be made more effective by enhancing the capacity of the Securities Board of Nepal (SEBON). 4. Institutional arrangements will be made for the study, research, and training related to the capital market.
3. To increase the attraction of small and domestic and foreign institutional investors to the stock market.	1. Literacy programs on the capital market and commodity exchange market will be carried out in collaboration between the capital market regulatory agency, listed companies, and stock traders. 2. Access to Initial Public Offerings (IPOs) will be extended to all local levels. 3. Necessary legal provisions will be made to allow the participation of nonresidential Nepali and international financial institutions in the stock market. 4. Necessary financial instruments will be developed for investment and risk mitigation in the stock market.

5. Expected Results

By the end of the plan period, the population investing in public stock will have reached 20 per cent from 4.4 per cent. Regulation and supervision capacity of SEBON will have been enhanced, cost of stock trading will have been reduced due to strengthening of the legal provision regarding the stock market and commodity exchange market, number of listed companies from the real sector will have increased in the stock market, literacy regarding the

capital market will have been widespread and strengthened, provisions of several financial instruments will have been made for investment and risk mitigation, independent price determination method will have been implemented and national and international institutional investors will have entered the stock market.

Chapter 5: Private and Cooperative Sectors

5.1 Private Sector

1. Background

The private sector plays a major role in expanding economic activities through investment, production, distribution, and employment generation. The Constitution of Nepal has adopted a policy of maximum mobilization of resources recognizing the private sector as one of the major drivers of rapid economic growth and an independent and prosperous economy. Accordingly, the private sector enjoys the right to participate in the overall development process through coordination, partnership, and collaboration with the public sector within the policy and legal framework. The State will play the role of a facilitator and regulator to make the private sector competitive, strong, productive, and responsible. During this planning period, 55.6 per cent of investment is expected to come from the sector. It is expected that private-sector investment will form a major part of the investment made in a wide range of areas, including, but not limited to, mining, manufacturing, construction, trade, hotels and restaurants, financial intermediation, real estate, and other business activities. For this, the plan is focused on enhancing the competitiveness of the private sector and increasing investment by creating an investment-friendly environment through facilitation services and incentives for the private sector.

2. Major Problems

Weak competitiveness due to the increased cost of production of domestic goods and services, prevailing procedural complexities, lack of provincially balanced development of industrial infrastructure, preference of the private sector for import of goods and services over-investment in productive sectors due to increased cost of production, ineffective operations of Special Economic Zones (SEZs) and industrial zones, and inadequate promotion of entrepreneurship are the major problems faced in the development of the private sector. Similarly, lack of skilled and semi-skilled human resources, the perpetuation of unethical practices such as monopoly, illegal trade and syndicates, shortages of quality goods and

services in the market, weak consumer protection and social accountability, poor progress in making the private sector strong, capable, and qualified, and a weak regulatory system are other problems facing this sector.

3. Challenges and Opportunities

Major challenges in this field are to: enhance production and competitiveness through diversification and specialization of private investment; mobilize the private sector for maximum utilization of available resources, and get the private sector attracted to, and focused on, the productive sectors. Other challenges are to: enhance the professional capacity of micro, small and medium entrepreneurs and their businesses, improve the quality of goods and services, reduce mediation cost, modernize the economy by utilizing innovative skills and technology, formalize the informal economy, promote integrity and competitiveness in the private sector, seize the opportunities created by bilateral and multilateral trade agreements, and manage imports and promote exports.

Major opportunities for this sector include policy stability achieved as part of the implementation of federalism, increase in aggregate demand, the start of the policy, legal, institutional and procedural reforms to create an investment-friendly environment, a key role of the private sector in economic prosperity, development of the private sector concerning competitiveness and efficiency in energy and construction sectors, the possibility of trade expansion in the markets of neighboring countries emerging with the development of infrastructure for domestic and international connectivity, and identification of feasible and priority areas for investment.

4. Vision, Goal, Objective, Strategies and Operating Policies

4.1 Vision

The private sector as the driver of economic prosperity.

4.2 Goal

To achieve rapid economic growth and create employment opportunities by enhancing the competitiveness and productivity of the private sector.

4.3 Objectives

1. To encourage and facilitate the private sector to produce goods and services by increasing investment and creating productive and dignified employment opportunities.
2. To manage imports and promote exports by increasing the professional and competitive capacity of the private sector.

4.4 Strategies and Working Policies

Strategies	Working Policies
1. To establish the private sector in a leading role in the industrial sector.	1. Basic infrastructure such as roads, transmission, and distribution lines required for mining and manufacturing industries and generation of electricity will be developed in partnership between the public and private sectors. 2. Infrastructure related to cross-border economic zones, Special Economic Zones, industrial zones, and industrial villages will be developed and brought into operation with participation from the private sector. 3. Arrangements for the development of skilled human resources required for the industry will be made, and financial incentives will be provided to the private sector for this. 4. The industrial sector will be made competitive by reducing the cost of energy, travel, and transportation services. 5. Emphasis will be given to exploration, processing, and production of minerals including precious stones, iron, uranium, copper, gold, gas, and petroleum products will with participation from the private sector. 6. Investment facilitation and support for infrastructure development will be provided to promote industries based on domestic raw materials including cement, sugar, footwear, medicines, juices, dairy, tea, pashmina, and

Strategies	Working Policies
	handicrafts. 7. Incentives will be provided for developing and expanding the manufacturing industry as needed 8. Production of goods and services needed to manage imports and promote exports will be incentivized and facilitated. 9. Policies will be adopted to make lands required for the industry available on lease. 10. Financial incentives will be provided for research and development of goods manufactured by the private sector and their marketing. 11. To increase industrial production, protection will be provided taking into account the cost of production
2. To motivate the private sector to promote commercialization, modernization, and industrialization of the agricultural sector.	1. The public sector will attract private investment through research and transfer of technology as well as through developing infrastructure, including irrigation and agricultural roads. 2. Concessional loans, insurance services, and financial incentives will be provided for the production of agricultural and forest products, mechanization of agriculture, the establishment of processing industries, development of storage facilities, and promotion of marketing activities.
3. To enhance the quality and competitiveness of the service sector in collaboration with the public sector, cooperatives, and the community sector.	1. The private sector will be incentivized and facilitated to supply quality and competitive services in trade and commerce, hotel and tourism, and transport. 2. Modernization of the service sector, including the utilization of information technology, will be promoted. The cost of information technology infrastructure will be reduced. 3. The private sector will be promoted as a complementary sector in providing education and health services, in

Strategies	Working Policies
	particular, high quality and specialized services.
4. To enhance the quality, competitiveness, and credibility of the private sector	1. Corporate culture, capacity development, and corporate good governance will be promoted. 2. The coverage of social security will be expanded by formalizing the informal economy. 3. The regulatory system will be strengthened to ensure the quality of goods and services and their smooth supply. 4. The private sector will be involved in the elimination of child labor, poverty alleviation, and social accountability
5. To use the resources, skills, technological know-how, and management experience of the private sector in the development of infrastructure.	1. The infrastructure and service sectors will be developed through a public-private partnership. 2. Foreign direct investment will be attracted to national priority sectors, including productive and infrastructure sectors that use locally available raw materials, skills, and resources. 3. Collaboration and coordination with bilateral and multilateral development partners will be emphasized to increase and expand capital and technology needed for the private sector. 4. Effective demand will be created in the market to encourage the completion of large infrastructure projects in time. 5. Legislative arrangements will be put in place to allow the government to purchase public infrastructure funded by the private sector
6. To introduce policy, legal, and procedural reforms to increase investment, production, and employment of the	1. Legal and procedural reforms will be introduced to promote good industrial relations. 2. Investment policy will be formulated incorporating criteria and priorities for sectoral investment. 3. Prevailing laws on investment, employment, foreign direct

Strategies	Working Policies
private sector.	investment, and development of infrastructure will be amended or new laws introduced as needed. 4. One-Stop Service Centre underpinned by inter-agency coordination will be developed and implemented to provide all business/investment registration services through a one-window system. 5. Competition, production, productivity, and provincial balance will be enhanced through measures including VAT refund in expenses incurred in R&D and pollution control and rebates on income tax. 6. A mechanism will be developed to monitor the private sector's investment, production, and employment.

5. Expected Results

During the planning period, the private sector will invest NPR 287.01 billion, NPR 1,754.76 billion, and NPR 3092.31 billion at a constant price of FY 2018/19 in the agriculture, manufacturing, and service sectors respectively. And, 350,000 additional jobs will be created annually in the private sector.

5.2 Cooperative Sector

1. Background

The State has adopted a policy of strengthening the national economy through the participation and development of cooperatives along with the public sector and the private sector. The cooperative sector can contribute to the national economy by enhancing production, productivity, and employment opportunities through bringing together dispersed labor, skill, technology, and capital. As of FY 2018/19, there are 34,763 different types of primary cooperative unions, district cooperative union, sectoral district cooperatives, and sectoral national cooperative union, a national cooperative bank, and the National Cooperatives Federation. Nepal is also an affiliate of the International Cooperative Alliance. There are about 6.6 million members currently in the primary cooperatives. The total share

capital of cooperatives is NPR 77 billion, and NPR 346 billion have been mobilized as saving. The cooperatives have mobilized loans amounting to NPR 333 billion. Cooperatives have 51 per cent of women members, and 40 per cent of board directors are women. Cooperatives have provided direct employment to 62 thousand employees and indirect employment to hundreds of thousands of people. This sector contributes significantly to enhancing access to finance, women empowerment, leadership development and capacity development, social integration, promotion of entrepreneurship, and poverty alleviation. It is, therefore, desirable to encourage the sound development of the cooperative movement by building on the achievements made in this sector.

2. Major Problems

Education and awareness about cooperatives haven't expanded as expected. Cooperative activities are focused more on savings and credit than on productive sectors and self-employment. The principles, values, and norms of cooperatives are poorly observed in some cooperatives. Many cooperatives are in trouble due to the lack of good governance. Challenges such as an excessive increase in the number of cooperatives, dual membership, and lack of financial good governance have caused financial risks in the sector.

3. Challenges and Opportunities

Major challenges of this sector are to: develop cooperatives as community-based and members-focused organizations by developing them in terms of quality (rather than quantity); promote cooperatives-friendly policies; expand the activities of cooperatives to the rural and ultra-poor communities; develop cooperatives as a foundation for the country's prosperity as envisioned by the Constitution; achieve good governance in cooperatives through strengthening their self-regulatory mechanisms, promote effective coordination between associations representative of the cooperative movement and authorities with promotional and regulatory mandates; focus on poverty alleviation by enhancing access of women and the marginalized groups to cooperatives; develop sound policy and institutional arrangements for the security of savings and credit mobilized by this sector; bring an end to the debt-trap in the sector; develop the sector as a medium for providing financial security to the poor;, mobilize cooperatives' capital in productive sectors; enhance the contribution of cooperatives in

productive sectors and employment generation; and increase the effectiveness of regulation of cooperatives .

Opportunities are involvement of all three levels of government (federation, province and local level) with powers to promote and regulate the sector; institutional structures of the cooperative movement functional from the local level to the federal level; strong representation at international cooperative movements secured through the expansion of relations; favorable environment for the mobilization of cooperatives in agricultural value chains; increasing of participation of women and poor communities in the cooperative movement as a means for empowerment and poverty alleviation; opportunities to utilize savings and credit mobilized through cooperatives for activities such as income generation, employment, emergency needs, and consumption based on the priority of members; and constitutional recognition of the role of cooperatives in the economy.

4. Vision, Goal, Objectives, Strategies and Operating Policies

4.1 Vision

High-quality and sustainable cooperatives for economic prosperity and social transformation.

4.2 Goal

To develop productive, sustainable, and fair economic relationships based on self-reliance and the principle of mutuality.

4.3 Objectives

1. To help targeted and poor communities participate in economic and social empowerment processes through cooperatives.
2. To uphold the norms and the principles of cooperatives, good governance, and develop a culture of self-reliance and the principle of mutuality.
3. To strengthen the institutional capacity of cooperatives to orient them towards multiple production environments, processing, and commercialization.

4.4 Strategies and Working Policies

Strategies	Working Policies
1. To encourage cooperatives to focus on productive sectors.	1. Roles of cooperatives in entrepreneurship development and promotion of local tourism will be enhanced gradually 2. The cooperative sector will be encouraged to widen access to finance and promote socio-economic inclusion. 3. Cooperative institutions will be motivated to contribute to achieving SDGs. 4. At least two cooperatives active in productive sectors will be developed as model cooperatives in each province.
2. To provide financial and technical support to commercial projects run by poor and vulnerable groups through cooperatives.	1. Seed funding and capital grants will be provided to cooperatives run by youths or workers and other similar cooperatives involved in self-creating opportunities for self-employment. 2. Financial and technical support will be provided to the projects involved in processing, storage, diversification, and marketing of goods produced by cooperatives. Additionally, credit and insurance activities will be facilitated through cooperatives. 3. To modernize and commercialize the agriculture sector, necessary support and incentives will be provided for large-scale production, processing, and marketing of agricultural produce by bringing together smallholder farmers into cooperatives
3. To strengthen policy and institutional arrangements for the promotion of the cooperative sector.	1. Projects for manufacturing, value chain development, and production of export goods will be implemented through specialized cooperative federations. 2. Goods and services produced by cooperatives will be branded for marketing. Consumer cooperatives will be

Strategies	Working Policies
	encouraged to be active. 3. Assets of erstwhile Sajha cooperatives will be protected, and inactive cooperatives will be revived. Sajha cooperatives with more than 51% ownership of the Government of Nepal or the National Cooperative Development Board will be restructured. 4. A deposit and credit guarantee fund and a credit information bureau will be established adopting the framework of a specialized cooperative federation. A debt recovery tribunal will be set up to make the recovery of loans mobilized in this sector more effective. 5. Cooperatives will be merged and their services expanded as needed to deliver effective services and also to achieve a balanced distribution of cooperatives. 6. The contribution of cooperatives in GDP will be measured based on comprehensive accounts.
4. To improve the capacity of cooperatives by expanding cooperative education, leadership development and management training	1. The subject of cooperative will be included in the school curriculum, and the university's academic program will include this subject 2. Minimum standards for cooperative education will be developed for various institutions and agencies providing training and education 3. Restructuring and strengthening of the Cooperative Training and Research Center will be undertaken. 4. Cooperatives at all levels will carry out training on financial literacy, cooperative education, and other capacity-building activities.
5. To develop an integrated	1. Compliance with anti-money laundering laws will be made

Strategies	Working Policies
monitoring system for effective regulation of the cooperative sector.	more effective in cooperatives. 2. Based on regulatory jurisdiction over cooperatives, single or joint monitoring system will be developed by the federal, provincial, and local governments. 3. Cooperative and Poverty Management Information System (CoPoMIS) will be implemented effectively to generate basic integrated data on cooperatives and enhance the effectiveness of regulation. 4. Transparency shall be promoted in cooperatives.
6. To incentivize agriculture and biogas plants establishment as well as the use of goods produced by cooperatives.	1. Installation and operation of biogas plants and organic farming with the involvement of cooperatives, farmers' groups, and commercial firms, will be incentivized. 2. Capacity-building measures will be implemented for cooperatives to set up and operate, biogas plants, or other similar initiatives and organic farming. 3. The use of products of cooperatives will be encouraged.

5. Expected Results

The School Curriculum will have included the subject of cooperatives with the teaching of this subject started. The academic course at the university level will have covered the subject of cooperatives. Single or joint monitoring of cooperatives by local level, provincial or federal governments will have made an additional contribution to good governance in cooperatives. The CoPoMIS will have been implemented in all cooperatives. A long-term strategic plan on cooperatives will be in place. The Cooperative Training and Research Center will have been re-structured. The assets of erstwhile Sajha cooperatives will have been protected, and some inactive Sajha cooperatives will have been revived. Women's membership in cooperatives will have reached 53 per cent. Women's representation in the cooperative's board of directors will have reached 43.5 per cent. Share capital mobilized through cooperatives will have amounted to 86 billion rupees, and deposit mobilization will

have increased to 384 billion rupees. The total credit mobilized by cooperatives will have increased to 393 billion rupees. An additional 17,000 direct jobs will be created annually in this sector.

5.3 Public-Private Partnership

1. Background

Public-private partnership (PPP) has become inevitable for mobilizing investment to achieve the goals of development and prosperity. It is, therefore, essential to promote this concept by creating a conducive environment for investment through a public-private partnership. Public investment will be focused on the provision of basic services, regarded as a prerequisite for economic development. In cases where the private sector alone cannot manage the investment on its own, additional resources will be generated through collaboration, cooperation, and partnership between the public and the private sector.

As resources are shared among the three tiers of government in federalism, it is necessary to implement projects under intergovernmental cooperation and in partnership with the private sector to be able to manage resources. All the three tiers of government will have to highly prioritize collaboration, cooperation, and partnership between the public and private sector. PPP investment will be prioritized for the construction and operation of physical and urban infrastructure, management of the service sector, development of agriculture and forestry, and industrialization. Additionally, projects in the field of hydropower, irrigation, road, air and water transportation, information superhighway, and technological infrastructure can also be developed and implemented under PPP arrangements. A clear PPP policy framework will be developed and effective institutional structures will be in place to encourage the domestic private sector to focus on the implementation. Foreign direct investment (FDI) will be attracted to big infrastructures and large-scale production in partnership with local investors. Knowledge, technology, managerial skills, and efficiency as well as the risk-bearing capacity of the private sector will be enhanced. In the course of building infrastructure, capacity will be enhanced by learning from success stories from national and international levels.

2. Major Problems

The lack of financial resources for development in the country and an absence of interest in PPP are major problems. Other major problems include inadequate legal and policy arrangements for PPP, lack of policy stability, non-implementation of one-window system, and procedural delays. Lack of coordination among line agencies, risks including in foreign exchange, and inadequate improvement in the investment environment, including in issues such as sharing of costs, benefits, and risks, between government and the private sector are other problems in this sector.

3. Challenges and Opportunities

Creating a conducive environment for investment to mobilize significant additional investment to achieve development goals and objectives adopted by the State; promoting a hassle-free and efficient environment for businesses, and mobilizing investment for economic development with a guarantee for its security are all challenging areas of work. Creating a conducive environment for mobilizing the private sector's resources, labor, skills, technology, and professional capacity; and increasing capital investment are also challenging.

Major opportunities available for the sector are full implementation of the Constitution, demand for additional financial investment under federalism, and intergovernmental coordination. An opportunity has emerged to increase the role of the private sector in the development process and drive socio-economic transformation through a partnership between the public and the private sector. The guarantee for investment security based on an investment-friendly environment to attract the private sector, and rapid growth of urbanization are other opportunities.

4. Vision, Goal, Objective, Strategies and Working Policies

4.1 Vision

Productive and employment-oriented economic growth through public-private partnerships.

4.2 Goal

To mobilize additional resources and managerial skills by increasing investment through public-private partnerships.

4.3 Objective

To increase PPP investment in the infrastructure and service sectors by encouraging public-private partnerships.

4.4 Strategies and Working Policies

Strategies	Working Policies
1. To put in place policies, laws and institutional structures for public-private partnership	1. An investment-friendly legal environment will be created through timely revisions of relevant laws, including those related to land acquisition, needed for project implementation. Additionally, effective mechanisms for coordination among relevant line agencies will be developed. 2. Projects to be implemented under the public-private partnership will be grouped into different categories, with standards (including risk-sharing standards) and instruments developed and implemented for them. 3. One-Stop Service Centre will be set up to facilitate support for projects to be implemented under PPP. 4. PPP projects will be implemented by all three levels of government. 5. Institutional capacity-building programs will be carried out in relevant sectors and levels for the effective implementation of public-private partnerships.
2. To create an investment-friendly environment and guarantee investment security to increase investment by promoting public-private partnerships at	1. Financial and non-financial incentives will be provided for projects to be implemented under the public-private partnership by defining procedures that would guarantee investment security and a reasonable rate of return for investors. 2. Conducive environment for public-private partnership and

Strategies	Working Policies
federation, province, and local levels.	private investment will be created. 3. Access to domestic and foreign loans will be facilitated for projects to be implemented under the public-private partnership. 4. Coordination among federal, provincial, and local governments will be ensured in project development, investment promotion, and project implementation under PPP arrangements. 5. Collaboration, coordination, and partnership will be promoted among the public, private, cooperative, and community sectors and the general public 6. In developing large infrastructure, special emphasis will be given to partnership with the private sector
3. To encourage the mobilization of domestic capital in PPP investment	1. Policy arrangements will be made for financial instruments as needed to build the financial, technical, and risk-taking capacity of domestic bank and financial institutions involved in PPP projects.
4. To prioritize the implementation of PPP projects included in the National Project Bank.	1. The projects to be implemented under PPP will be identified and included in sectoral plans 2. Details of projects to be implemented under PPP will be collected and analyzed for their implementation through the project bank based on priority.

5. Expected Results

Sectoral projects will have been implemented under a public-private partnership with an estimated investment of NRs. 750 billion during the planning period.

5.4 Foreign Investment

1. Background

To achieve economic prosperity, it is imperative to mobilize domestic and foreign investment in areas with comparative and competitive advantages through rapid industrialization. Since the mobilization of domestic investment and foreign aid alone cannot fulfill the gap between required investment and available resources, it is essential to mobilize foreign direct investment in large projects. It is essential to mobilize foreign investment in large infrastructure projects and technological sectors to realize SDGs and government's aspiration of *'Prosperous Nepal, Happy Nepali' by 2030.* Nepal could be a point of attraction for foreign investors if an investment-friendly environment could be created through timely revision of policies, laws and institutional structures related to investment, development of well-equipped infrastructure, procedural simplification, and guarantee for the security of the investment.

It is essential to undertake timely reforms in laws related to foreign investment and transfer of technology and introduce legislation on entrepreneurship based on intellectual property and knowledge. It is also important to provide services related to entry, approval, registration, operation, exit, and repatriation of investment and profit from a single window. Other equally important aspects of reform are to strengthen the process of foreign investment entry, prepare a profile of investment-ready projects, provide investment information, and ensure the security of investment by entering into bilateral agreements with prospective investor countries.

2. Major Problems

Major problems are an inadequate attraction for FDI despite high investment potential, lack of initiatives towards a timely revision of laws related to FDI, inadequate development of industrial infrastructure, difficulty in providing security, support services, and incentives, due to the scattered distribution of industries, lack of adequate skilled manpower, lack of research and development activities on industry and market, lack of inter-agency and policy coordination due to the high number of agencies related to investment, inadequate marketing

in the international financial market, and lack of bilateral investment protection agreement with prospective source countries for investment.

3. Challenges and Opportunities

Major challenges are to prepare a project bank including investment-ready projects by identifying sectors with comparative and competitive advantages, enhance the State's competitiveness at the international level as part of globalization, link trade with investment, address the limited availability of transport facilities, catch up with the rapid development and changes in information technology, promote leapfrogging in technology on time, protect and promote of intellectual property, develop well-equipped laboratory ensuring international standards and get accreditation for them, develop modern and well-equipped infrastructure, expand the market into the two large emerging economies, make skilled human resources available, ensure the availability of capital for investment, manage industrial relations, and attract investment to seize the opportunities created from multilateral trade agreements.

Opportunities to attract foreign direct investment include Nepal's membership in different international and regional organizations supported by the policy of economic liberalization and free-market; feasibility of small, medium, and large industries, economic prosperity becoming a common agenda in the aftermath of long political transition; the start of a host of policy, legal, structural and procedural reforms to create an investment-friendly environment, continued development of industrial infrastructure; strategic geographical location between two big fast-growing economies with large populations; a large proportion of youths and working-age population, and favorable climate.

4. Vision, Goal, Objectives, Strategies and Working Policies

4.1 Vision

Building a competitive and dynamic national economy through the mobilization of foreign investment.

4.2 Goal

To enhance products, productivity, and competitiveness by attracting and increasing foreign investment.

4.3 Objectives

1. To increase inward FDI and ensure its sustainability.
2. To bring capital, technology, technical skills, and managerial proficiency into the country together with FDI.
3. To utilize unused natural resources and develop infrastructure.

4.4 Strategies and Working Policies

Strategies	Working Policies
1. To create an investment-friendly environment by undertaking necessary legal, structural, and procedural reforms and process simplification to attract FDI.	1. Laws related to FDI will be amended and revised on time. 2. The online system started in the Office of Company Registrar and the Department of Industry will be fully automated to make the FDI process technology-friendly. 3. Special Economic Zones, industrial zones, cross-border economic zones, and industrial clusters will be developed, with the establishment of industries in these zones prioritized and promoted. 4. All necessary services, including Industrial infrastructure services (roads, electricity, water, banks, and insurance) will be made available in Special Economic Zones, Export Promotion Centers, and industrial estates. 5. Laws related to FDI will be implemented effectively. 6. Sovereign Credit Rating will be undertaken to demonstrate Nepal's status concerning FDI.
2. To attract investment in productive and employment-oriented sectors with comparative advantages.	1. Incentives and concessions will be offered to industries of national priority, manufacturing industries, and employment-oriented industries to attract FDI. 2. Production of goods and services with comparative and competitive advantages will be prioritized. 3. Investment from internationally recognized

Strategies	Working Policies
	manufacturers will be attracted to the production of goods and services currently being imported in large quantities.
3. To mobilize FDI in prioritized sectors with an emphasis on the utilization of local resources and skills as well as the promotion of provincial balance.	1. Transfer of technology, technical skills, and managerial efficiency will be promoted and encouraged. 2. FDI will be focused on large infrastructure and technology sectors. 3. Studies and research will be conducted on areas of competitive advantages to identify sectors for FDI.
4. To mobilize FDI through economic diplomacy.	1. Economic diplomacy will be strengthened and the competitiveness of Nepali diplomatic missions abroad enhanced to attract FDI. 2. FDI shall be attracted by conducting interactions and discussions with investors in source countries for FDI. 3. Investment security shall be guaranteed by entering into bilateral investment agreements and double taxation avoidance agreements with prospective countries of FDI origin. 4. Non-resident Nepali spread across the world and investment ambassadors will be mobilized to promote FDI.
5. To provide services and incentives related to entry, approval, operation, and exit of investment from One-Stop Service Centre under simple and easy procedures.	1. The secondary stock market will be gradually open for FDI. 2. An investment facilitation center will be established to facilitate investors. 3. One-Stop Service Centre r will be set up and operated to make administrative arrangements on foreign investment

Strategies	Working Policies
	simple and accessible. 4. A conducive environment will be created to repatriate FDI profits.

5. Expected Results

A total of NPR 260 billion will have been invested during the planning period. FDI will have increased significantly in productive sectors with comparative and competitive advantages based on amendment or revision of existing laws and the introduction of new investment-friendly legislation. Together with FDI, advanced technologies, technical skills, managerial efficiency and, and approaches to innovation will have been transferred in the industrial sectors. A One-Stop Service Centre will be functional and operational. Bilateral investment agreements will have been signed with several source countries for investment.

5.5 Remittance

1. Background

The Constitution of Nepal has adopted a policy to encourage the use of capital, skills, technology, and experiences acquired from foreign employment in the productive sectors of the country. Foreign employment policy and national employment policy are under implementation to utilize not just the financial but also the social capital including skills, technology, and experiences acquired from foreign labor migration in the country's socio-economic development. The remittance income can be used for capital formation, employment generation, and as a contribution to the national economy by increasing production and productivity. The impact of remittance on any economy depends upon its consumption pattern.

The trend of Nepali entering into the global labor market has increased as a result of global policy changes and Nepal's adoption of a free-market economy. As a result, during the past two decades, the inflow of remittance has increased significantly due to a rapid increase in labor migration rates. Remittance has had a positive impact on poverty alleviation and socio-economic development thereby increasing incomes of lower and lower-middle classes.

On the other hand, the import of agricultural produce and unproductive goods has increased due to the reduced growth of domestic production. The remittance flow has positively contributed to achieving external balance, but the government's efforts to use remittance income in the productive sectors haven't yielded results as expected.

The total remittance inflow in FY 2018/19 was Rs. 879 billion equivalent to 25.4 per cent of GDP. The average transaction cost of remittance stands at 5.23 per cent in South Asia.

2. Major Problem

Use of informal channels for remitting the significant amount of money, increasing trends of consumption, inability to transform remittance income into investment in the productive sectors, inability to expand accessible banking services for receiving remittance income, and increasing trade deficits due to increase in imports associated with remittance are the major problems in this sector.

3. Challenges and Opportunities

The major challenges in this sector are to save a significant proportion of remittance income by discouraging luxurious and unproductive consumption patterns, develop joint-investment and partnership investment models for domestic capital formation, use formal banking channels for remittance, reduce pressure on external balance caused by the increase in consumption associated with remittance income, increase the volume of remittance by enhancing the capacity, capability, and skills of aspiring migrant workers, and reduce the transaction cost of sending remittance.

Conducive environment to increase domestic production and productivity by using remittance income, the positive contribution of remittance incomes in forex reserve, the contribution of remittance income to poverty alleviation and human development, and improved living standards of remittance-receiving families are the opportunities of this sector.

4. Vision, Goal, Objectives, Strategies and Working Policies

4.1 Vision

Poverty alleviation and economic prosperity through sustainable and productive use of remittance income.

4.2 Goal

To contribute towards achieving rapid economic growth and increasing domestic employment opportunities by using remittance income in productive sectors.

4.3 Objectives

1. To increase investment in productive sectors through the optimum saving of remittance income.
2. To channel remittance income through the formal banking system.

4.4 Strategies and Working Policies

Strategies	Working Policies
1. To undertake promotional and awareness campaigns by making policy and institutional arrangements for domestic capital formation through the optimum saving of remittance income.	1. Areas for investment and partnership will be identified to transform remittance income into saving and investment. 2. The policy of remittance bonds will be effectively implemented to increase remittance investment in productive sectors. 3. Remittance will be utilized in productive sectors through a strategic partnership with remittance service providers, including banks, financial institutions, and Forex companies. 4. Financial literacy of family members involved in foreign employment will be increased and their access to finance will be enhanced.
2. To increase the availability of capital by channeling remittance through the formal banking system.	1. The flow of informal remittance will be reduced. 2. Banks and financial institutions will be encouraged to offer premium interest rates on saving of remittance income. 3. Entrepreneurship development programs will be implemented targeting remittance-receiving families. 4. Necessary steps will be taken to reduce the cost of sending remittance.

5. Expected Results

During the planning period, NPR 5,592 billion of remittance will have been received, with the share of remittance in GDP amounting to 22.1 per cent in the final year of the planning period. The productive sectors will have seen high growth in the investment of remittance income.

5.6 Entrepreneurship Development

1. Background

Entrepreneurship is considered as an important means of production. Entrepreneurship is necessary to increase willingness and enhance capacity especially for the preparation, establishment, and operation of new businesses. Development of an entrepreneurial culture motivates citizens to engage in business activities and, helps them to take risks and be involved in creative economic activities. Entrepreneurship development is an important dimension for bringing dynamism in the economy through increased production, productivity, and generating employment right from the local level. Entrepreneurship can be developed through research-based and innovative production of goods and services, use of locally available labor, resources, capital and technology, expansion of skills training, and access to finance. Small and medium enterprises are being started through the creation of an investment-friendly environment, establishment of different types of business-related funds, business incubation centers, and provision of seed capital for the operation of enterprises. There are also examples of such small enterprises developing into national and multi-national enterprises. The government has adopted a strategy for increasing production and creating employment through the promotion of self-employment and entrepreneurship. Accordingly, various funds and loan schemes have been set up to encourage the establishment and operation of the micro, cottage, and small industries and improve the access to finance.

2. Major Problems

Major problems in this sector are lack of entrepreneurial culture, inadequate identification of target groups, inability to link training with industries, non-implementation of challenge fund announced by the government, insufficient start-up funds for new enterprises, inadequate access to finance, non-institutionalization of business incubation centers, absence

of risk-assessment capacity, the weak link of entrepreneurs to production value chain; inadequate identification of profitable areas based on market demand, and inability to harness opportunities created by globalization and new technologies.

3. Challenges and Opportunities

Major challenges in this sector are: to develop an entrepreneurial culture among the youths through professional education, link entrepreneurs with new technologies and value chains, link skills-focused and professional training programs to entrepreneurship, integrate entrepreneurship development programs and improve their effectiveness, ensure access of micro, cottage, and small entrepreneurs to finance, and enhance the risk-bearing capacity of entrepreneurs. Poor response of banks and financial institutions in terms of project finance, inadequate arrangements for credit guarantee, and lack of effectiveness in commercial risk insurance are other challenges.

The opportunities for entrepreneurship development are the presence of permanent arrangements for business registration and employment services backed by policies, laws, and institutions at provincial local levels under federalism, expanding reach and scope of the financial sector; National priority for self-employment and domestic employment; increase in the share of working-age proportion in the country; increased attraction of entrepreneurship among youths; the presence of micro-finance institutions at the local level, with widened scope, the increasing trend among people to engage in self-employment and entrepreneurial activities; gradually improving the environment for businesses; gradual development and expansion of industrial infrastructure; expansion of the private sector; and increasing contribution of small and medium enterprises in the economy.

4. Vision, Goal, Objectives, Strategies and Working Policies

4.1 Vision

Entrepreneurial culture, enterprising people.

4.2 Goal

To develop entrepreneurship by enhancing skills, using technologies, and mobilizing resources.

4.3 Objectives

1. To develop entrepreneurial and self-employment skills.
2. To develop entrepreneurial human resources who would be able to use innovative and traditional technologies.
3. To contribute to poverty alleviation by creating more opportunities for employment, including self-employment, through the mobilization of available resources, domestic capital, and technologies.

4.4 Strategies and Working Policies

Strategies	Working Policies
1. To introduce reforms in policies, laws, procedures, and institutional arrangements, at all three levels of government to attract young entrepreneurs to domestic industries	1. Existing policies and laws will be revised to support entrepreneurship development and the use of innovative technologies and traditional knowledge. 2. Innovative financing funds and challenge funds will be set up with joint investment from different levels of government to promote industries based on innovative knowledge, skills, and capacities. These funds will be operated through banks and financial institutions. 3. Arrangements will be made as needed to provide investment security and credit guarantee to investors. 4. In relation to creativity and innovation, intellectual property rights will be protected. 5. Business development centers will be established to support potential entrepreneurs starting and developing their industries. 6. Coordination among targeted programs, including poverty alleviation fund, national youth council, Bhagwat Sarbajit Skill Development Programme, Prime Minister's Employment Programme will be achieved to strategically link them with entrepreneurship development.
2. To identify, develop	1. Returnee migrant workers will be encouraged to start

Strategies	Working Policies
and mobilize local resources and skills in partnership with the private sector, cooperatives, and non-government organizations	businesses by providing support in terms of technology, technical expertise, and finance. 2. Governments at provincial and local levels will provide phased and integrated support to target groups to encourage them to engage in micro-. 3. Institutional capacity of training institutes involved in developing professional and technical workforce will be strengthened to engage them in training youths on business risk assessment, project development, and identification of investment sources. 4. Practical and vocational education will be included in school curricula. Additionally, institutions involved in higher education will be encouraged to develop entrepreneurship among their students. 5. The private sector will be encouraged to develop entrepreneurship among children by identifying their abilities from the pre-primary level onwards. 6. Research, study, and use of new technologies such as ICT and Nanotechnology will be carried out in collaboration with higher education institutions and universities.
3. To promote youth entrepreneurship in such a way that traditional knowledge and skills are combined with new technologies and applied in industries and businesses.	1. Women and youth groups at the local level will be gradually developed as entrepreneurs' groups. 2. The targeted programs will be implemented to help women entrepreneurs develop skills and capacity and establish their enterprises. 3. Entrepreneurial talent will be identified for promoting innovation, the use of ICT, and business experiments. 4. The capacity of people with disabilities will be developed, and incentives will be provided for entrepreneurial activities undertaken by them.

Strategies	Working Policies
4. To ensure access to finance and create an investment-friendly environment for entrepreneurship development in the micro, cottage, and small industries.	1. Entrepreneurship development will be prioritized in federation, province, and local level policies and implemented accordingly. 2. The development of social entrepreneurship will be encouraged. 3. Micro, cottage and small industries will be promoted and developed based on locally available resources and skills, feasibility, and demand from the market. 4. Domestic production will be encouraged by modernizing and upgrading traditional knowledge and skills. 5. In collaboration with banks and financial institutions, access to finance for young new entrepreneurs will be ensured through start-up funds and concessional loans based on business proposals. Loans will also be provided against group collateral. 6. Banks, financial institutions, and micro-finance institutions will be required to provide loans to the micro, cottage, small, and medium enterprises in different sectors as part of the policy on directed lending. 7. The government will offer appropriate incentives, subsidies, and concessions for entrepreneurship development.

5. Expected Results

The share of trained technicians and professionals in the working-age population will have reached 50 per cent. An additional 60 thousand jobs, including in self-employment, will have been created annually through the establishment of 15 thousand micro, cottage, and small industries every year. The flow of BFI credit to the micro, cottage and small industries will have increased significantly. Business development centers, one each in Provinces, will have been established together with a Challenge Fund, an Innovation Fund, and a credit guarantee scheme.

Chapter 6: Economic Sector

6.1 Agriculture and Natural Resources

6.1.1 Agriculture

1. Background

The agriculture sector, which contributes 27 per cent to GDP and is associated with the livelihoods of 60.4 per cent of the population, is the mainstay of economic prosperity. As the sector contributes to high and inclusive economic growth, past efforts to improve and transform it in a scientific way need to be intensified to increase production and productivity.

The Constitution of Nepal guarantees the right to food as a fundamental right. Considering food and nutrition crises that may arise due to various reasons, policy, structural and institutional reforms are needed in agriculture for self-reliance in the production of major staples, fruits, vegetables, and fish and meat products. Significant investment in agriculture is needed to make the country food sovereign and independent economy. The rights enshrined in the Constitution of Nepal, the Agriculture Development Strategy (2015-2035) which represents a roadmap for the overall development of the agriculture sector, and SDGs have been taken as guiding documents. The agricultural development strategy (ADS) emphasizes on commercialization, mechanization, and diversification of agricultural and livestock products to make the sector competitive. Similarly, resources will be mobilized in this sector to achieve the goals of ending hunger, ensuring food security and nutrition, and promoting sustainable agriculture under the SDGs. In particular, issues related to income generation, poverty alleviation, and import management will be addressed by creating additional employment through the industrialization of the agriculture sector. Investments from federal, provincial, and local governments will be mobilized for the overall development of the agriculture sector.

2. Major Problems

Poor availability of resources and materials indispensable for increasing agricultural productivity and inadequate physical infrastructures such as irrigation, roads, agricultural markets, cold storages, warehouses, collection centres, and inadequate electricity are the

major problems. Improved breeds and seeds replacement rates, both essential to achieving expected results in agricultural production, are also at a very low level. Besides, the rapid fragmentation of land remains a major problem.

Lack of adequate dissemination of technologies developed from research, inefficient management of scientific manpower, lack of laboratories for research, and other infrastructure have further impeded the modernization, mechanization, commercialization, and industrialization of agriculture. Hence, land and labour productivity are very low. As a result, food imports have not decreased as expected. The return on investment in manufactured foods could not be increased proportionately through proper storage, processing, and value addition. The development of climate-resilient and environment-friendly agricultural systems through adaptation has also been a problem in this sector.

Uncontrollable and imbalanced use of pesticides, antibiotics, and chemicals in the commercial pocket areas has affected human and environmental health. Due to the lack of awareness and knowledge about food hygiene, sources of nutrients, and appropriate intake of nutrients, behavioural change in favour of healthy foods has been difficult. Additionally, food quality regulation is also weak.

3. Challenges and Opportunities

As the majority of farmers are engaged in small or medium-scale farming, it is challenging to commercialize the sector by enhancing their capabilities to respond to natural disasters by mitigating the adverse effects of climate change. Since the youth workforce needed for agriculture has been attracted to foreign employment and other sectors because of the lack of a favourable business environment, the productivity of this sector has declined. Other challenges are to increase the use of arable lands by discouraging unplanned urbanization, fragmentation of arable lands, and the trend of leaving lands barren; enhance farmers' access to agricultural extension services; increase production and productivity by bringing together limited resources, agricultural loan, insurance, and technology and knowledge; and enhance competitiveness by reducing the cost of production in the entire agriculture sector.

Nepal lies between two big countries engaged in promoting agriculture through the use of advanced technologies and state subsidies. As such, it is challenging to transform Nepal's subsistence farming into a competitive and commercialized sector and link it to industrial development. Other challenges include: decreasing the adverse effects of pesticide residues, antibiotics, harmful chemicals, hormones, etc. used in agricultural and animal production in human and environmental health; attracting youth workforce to farming by providing them with incentives and making this sector dignified through the provision of adequate labour, skills, and capital; making production, processing, and marketing of agricultural and livestock products cost-effective; attaining balance in agricultural trade; making the sector profitable and competitive by improving regulatory measures for quality and hygiene; and achieving inter-governmental coordination and collaboration based on improved effectiveness of investments and services of federal, provincial and local levels and geared towards self-reliance through increased agricultural production.

Opportunities in the agriculture sector include geographical location and biological diversity; increasing attraction among young returnee migrant workers equipped with capital, motivation, self-confidence, and knowledge of advanced technologies towards agriculture as an occupation; increasing interest among entrepreneurs and farmers in organic farming and agricultural forests; increased access to global markets; and increasing attraction of the sector among big, corporate and other private sector operators.

Increase in access to transport services in geographically remote hills and inaccessible areas during the last few years along with the expansion of agricultural loans, agricultural insurance, use of new technologies, and irrigation facilities have contributed to creating further opportunities in this sector. Increasing global interest and knowledge, skills, technologies, and resources available to cope up with climate change contributing thereby to make agriculture adaptive and resilient are other opportunities.

Increase in people's purchasing power; the rapid increase in demand for fruits and animal products driven by increased awareness and behavioural changes; and the increasing production of organic foods in response to the increased public interest in food hygiene are the opportunities in this sector. Demand for organic agricultural products among foreign tourists visiting Nepal has created an opportunity to develop a value chain in this sector.

4. Vision, Goal, Objectives, Strategies and Working Policies

4.1 Vision

A sustainable, competitive, and prosperous agricultural economy with food and nutrition security and food sovereignty.

4.2 Goal

To achieve inclusive and sustainable economic growth through the transformation of the agriculture sector into a competitive, climate-resilient, self-reliant, and export-oriented industry.

4.3 Objectives

1. To ensure food and nutrition security by increasing the production and productivity of the agriculture sector.
2. To increase employment opportunities and income by developing agriculture-based industries.
3. To achieve trade balance in the agriculture sector by building capacities for commercialization and competitiveness.

4.4 Strategies and Working Policies

Strategies	Working Policies
1. To increase agricultural production and productivity by introducing agricultural policies, laws, and plans in coordination and collaboration with federal, provincial, and local levels and other stakeholders.	1. The capacity of federal, provincial, and local levels for agricultural research and development will be enhanced. 2. A mechanism will be developed for coordination and facilitation to avoid duplication in priorities, policies, laws, and plans of the federal, provincial, and local levels. 3. Strategies, structures, and human resource management will be improved to design an appropriate model for agricultural and livestock extension services at all three levels of government.

Strategies	Working Policies
2. To integrate education, research, and extension services for increasing their effectiveness and ensure the availability of quality goods and services for increasing the productivity of the agriculture sector.	1. Adequate funding will be provided to agricultural research to develop it as a mainstay for solving problems and developing technologies. To make the research structure effective, timely reforms will be introduced in policies and laws, including the establishment of an agricultural policy research institute to study and undertake research on relevant issues. 2. A deemed university will be established under the leadership of Nepal Agricultural Research Council to make agricultural education, research, and extension services effective. 3. Incentives will be provided to establish fertilizer blending factories in major locations based on needs assessment. 4. To promote agriculture as a way of life, farming as an occupation will be made attractive and dignified by including agricultural education in the school curriculum. To make inputs and technical facilities available to farmers at the local level and also enhance the capacity of human resources, existing agricultural knowledge centres, veterinary hospitals, and livestock expert centres will be merged into an agriculture and livestock knowledge centre. All indispensable components of production including agricultural inputs, extension services, agricultural education, loans, insurance services, etc. will be provided from this centre. 5. Production of seeds will be oriented towards self-reliance by developing improved and hybrid varieties through strengthening research as well as building the capacity, private sector, and farmers as envisioned by the long-term

Strategies	Working Policies
	vision of the seed sector. The breed improvement programme will be made more effective to increase the availability of milk, eggs, and meat products. Unused lands of the government's agriculture farms and centres will be utilized the production of seeds, saplings, fingerlings, and also for breed improvement. 6. Agricultural mechanization will be improved and expanded in collaboration with the private sector and cooperatives based on the feasibility and need of agro-ecological zones. 7. The availability of quality agricultural inputs will be ensured by prioritizing domestic production in collaboration with the private sector and cooperatives. 8. The availability of land will be ensured for the commercialization of agriculture, and an integrated land management system will be encouraged for a contract, group, and cooperative farming. 9. Programmes targeted at post-production storage, processing, and value addition will be carried out to ensure the availability of food grains produced in the country and increase return on investment per unit. 10. Collection, analysis, and dissemination of data of the entire agriculture sector will be made more credible.
3. To carry out structural reforms, provide programme support, and facilitate the creation of an appropriate environment for private	1. The involvement of the private sector and cooperatives in marketing will be prioritized in potential sectors by establishing and operating integrated market information centres and market information systems. 2. Financial incentives will be given for the establishment and expansion of agro-processing and other agro-industries

Strategies	Working Policies
sector investment in the agriculture sector.	with the involvement of cooperatives and private sector by preparing the basis of front-ward and back-ward linkage of agricultural production. 3. Production of agricultural goods and the export of these goods will be incentivized. 4. Concessional loans will be mobilized to increase investment in agriculture. 5. Tariff protection will be provided to domestic products to increase their consumption. Similarly, minimum support prices will be fixed for specific crops and products. 6. Credit and insurance services required for production, processing, storage, and marketing of agricultural produce will be expanded.
4. To increase competitiveness by developing agricultural infrastructure, establishing market information systems, developing entrepreneurship in small and medium agricultural enterprises, and improving food hygiene and quality.	1. The value chain will be developed to increase agricultural production as well as youth-focused and dignified employment opportunities by using machines, equipment, and technologies as a priority. 2. By defining 'farmer', emphasis will be given to financial incentives, production-based incentives, and social protection programmes against identity cards. 3. Irrigation facilities, agricultural roads, and market infrastructure will be developed and expanded. 4. Depending on feasibility, agricultural product storage/cold storage facilities will be set up in each federal constituency in collaboration with the private sector/ cooperatives. 5. To support entrepreneurship in agro-industries, domestic production of raw materials required for such industries will be encouraged. Similarly, domestic production of required vaccines against diseases affecting livestock will

Strategies	Working Policies
	be prioritized. 6. *'One province, one model slaughterhouse'* concept will be implemented in collaboration with the private sector/cooperatives. 7. The involvement of cooperatives in the market system will be encouraged; the work and profits of intermediaries will be regulated and arrangements will be put in place for their registration at the local level. 8. Capacity will be enhanced by decentralizing food hygiene and quality improvement programmes. 9. Integrated and advanced ICTs will be optimally used in the expansion of agricultural technologies.
5. To make production and marketing profitable for productive farmers by enhancing their technical, professional, and institutional capacities on the basis of local feasibility and recognizing their rights.	1. Arrangements will be made at the local level to provide necessary inputs and services from one window system. For this, crops, livestock, and fishery pocket areas will be identified based on feasibility and considering each ward of the local level as a development unit. 2. At least two model integrated organic farms will be established in each province in collaboration with the private sector and cooperatives. 3. Integrated farming, collective and cooperative farming and eco-tourism focused farming and environment-friendly farming will be encouraged. 4. Additional investment will be mobilized from the federal, provincial, and local levels for agricultural storage and value chain products. 5. Appropriate value chains will be developed by respective local governments through mutual coordination and collaboration to link production areas with local,

Strategies	Working Policies
	provincial, and national markets. 6. Surplus labour force from agricultural sector will be mobilized in agro- and non-agro industries to create high-income jobs. 7. Agro-forests with opportunities for multiple uses and high-value products will be promoted based on the principle of good utilization of barren and marginal lands for the conservation and improvement of productivity, particularly in hilly slopes. 8. Pastures will be developed in the mountainous regions to support commercial livestock farming. 9. Institutional capacity of cooperatives will be enhanced so as to ensure farmers' involvement in cooperatives for accessing services, formulating plans, enhancing production capacity, and marketing products. 10. Horticulture and farming of other appropriate crops will be promoted alongside river basins and highways as per the principle of proper utilization in coordination with the local level.
6. To promote export through the marketing of high-value crops and other products having a comparative advantage.	1. Existing export products unique to Nepal will be identified and promoted. Appropriate incentives will be provided for the branding and marketing of such products. 2. Arrangements will be made for specialized production areas, crops and livestock production. 3. Production, processing, and marketing of industrial crops, fruits, and flowers will be promoted focusing on specific regions and locations for the establishment and expansion of agro-industries. 4. Accredited labs will be established at the provincial level

Strategies	Working Policies
	for the promotion of agricultural trade and regulation and management of pesticides.
7. To develop and expand agricultural technologies including climate adaptive and resilient organic farming by mitigating the adverse effects of climate change and disasters.	1. Potential products and production zones will be identified for organic farming. Such products will be marketed at national and international markets through certification and branding 2. The initiatives of local governments and communities will be incentivized in the conservation of seeds and breeds of endangered varieties and agricultural as well as livestock biodiversity. 3. Agricultural biodiversity will be preserved, promoted, and sustainably utilized by guaranteeing programmes and budget for climate adaptation and resilient technologies to enhance farmers' capacity to cope with climate change. 4. Organic farming areas will be declared for the promotion of organic farming, including the use of organic fertilizers produced from bio-gas and other sources. These programmes will be expanded in collaboration with cooperatives and the private sector.

5. Expected Results

By the end of the planning period, the contribution of the agriculture sector to GDP will be decreased to 22.3 per cent from the current 27 per cent. Agricultural productivity will have increased to 4 Metric Ton (MT) per hectare from 3.1 MT per hectare. The seed replacement rate for major crops will have reached 25 per cent by the end of the planning period. The productivity of major cereal crops per hectare will have reached including 4.5 MT for paddy; 4.0 MT for maize; 3.5 MT for wheat; 1.3 MT for millet and 1.2 MT for buckwheat; 20 MT for vegetables; 22 MT for potatoes; 1.3 MT for pulses; 1.3 MT for oilseeds; 12 MT for fruits; 6 MT per hectare for fish; 1,487 litres of milk per milking period 85 KGs of meat per

slaughtered animal, and 260 eggs per bird by the last fiscal year of the planning period i.e. by FY 2023/24 from the productivity of 3.7 MT for paddy; 2.8 MT for maize; 3 MT for wheat; 1.2 MT for millet; 1.1 MT for buckwheat; 14.1 MT for vegetables; 16.4 MT for potatoes; 1.2 MT for pulses; 1.1 MT for oilseeds; 9.8 MT for fruits; 4.9 MT for fish; 1,050 litres of milk yield per milking period; 75 KGs of meat per slaughtered animal, and 245 eggs per bird as of FY 2018/19. The productivity of land will have increased to USD 4,348 per hectare; the agricultural labour productivity will have reached USD 1,587 per person per hectare. During the planning period, the agriculture sector will see trade balance by achieving self-reliance in major agricultural crops and commodities.

6.1.2 Food Security and Nutrition

1. Background

Recognizing the importance of food and nutrition security, the Constitution of Nepal has guaranteed food sovereignty. The Right to Food and Food Sovereignty Act has been enacted for the implementation of this provision. Food security is a multi-dimensional issue, and this requires multi-sectoral efforts. The SDGs include *"Ending Hunger, Improving Food Security and Nutrition, and Promoting Sustainable Agriculture"* as one of the goals. Effective implementation of appropriate strategies and Working policies is essential to achieve food and nutrition security in line with the goals and objectives put forth by sectoral policies and plans, including Agriculture Development Strategy, Zero Hunger Challenge, and Multi-Sector Nutrition Plan-II (MSNP-II).

2. Major Problems

In a context of food and nutrition security being seen as a multi-sectoral issue, lack of effective coordination and collaboration among stakeholders caused by weak policies has been a problem in this sector.

Due to the low production and productivity of the agriculture sector, which plays a major role in ensuring food and nutrition security, and weak supply and distribution systems for foods, the availability of and access to food in remote and mountain areas and also in some locations in the Tarai is poor. Similarly, uncontrolled food price increases at different times have aggravated problems in securing access to food. Climate change and other natural

disasters have reduced productivity and made it difficult to achieve livelihoods as well as food and nutrition security goals.

Poor public awareness about health, sanitation, and food habits has exacerbated the problems in this sector. Production and consumption of nutritious native crops such as naked barley (*Uwa*), chino millet (*chino*), barley, foxtail millet, and buckwheat have also declined. Uncontrolled use of pesticides, antibiotics, hormones, and adulteration in agricultural products from some commercial pocket areas have also adversely impacted the supply and availability of safe, hygienic, and nutritious food items.

3. Challenges and Opportunities

It is challenging to make improvements in food availability, access to food, food consumption and stability; improve the situation wherein about 8.1% of the population is deprived of minimum daily calorie intake, and to identify communities and areas at risk in terms of food security and make them self-reliant in food by ensuring their access to food. Major challenges in this sector include: bring about change in food habits and behaviours related to healthy and nutritious foods; improve food quality by reducing uncontrolled use of pesticides and antibiotics; and mitigate food security risks posed by climate change. Due to the lack of data on the extent of food security, the identification of communities and regions at high risk in terms of food security is also challenging. Another challenge in this sector is to ensure equal access for these communities to targeted programmes and develop modern storage facilities in all provinces to maintain food reserves for emergencies. Ensuring access for small farmers and the most vulnerable communities to government services and facilities including improved seeds, fertilizers, and appropriate agricultural implements, government subsidies, insurance and financial incentives is also challenging.

Constitutional recognition of food sovereignty as a fundamental right with a separate Act for its implementation offers a great opportunity to ensure food and nutrition security for every citizen. The SDGs with ‘eradicating hunger’ as a goal; the ADS with emphasis on food and nutrition security; and the MSNP (II) are other opportunities.

Under the federal structure, the federal, provincial, and local levels have created additional opportunities to achieve the objectives of food security by formulating and

implementing plans informed by local context and specificities. Permanent mechanisms are in place at all three levels for the protection of the right to food, food security, and food sovereignty. The Constitutional mandate of the local level for agricultural extension services, agricultural production, basic health, and sanitation has increased opportunities to implement food security and nutrition programmes for addressing the concerns of smallholder farmers and vulnerable communities timely and effectively.

Positive changes about food and nutrition awareness among people; increased purchasing power, gradual improvement in agricultural infrastructure including markets; and increased access to food supported by transport and communication are other opportunities to ensure food and nutrition security.

4. Vision, Goal, Objectives, Strategies, and Working Policies

4.1 Vision

A society with food sovereignty, sustainable food and nutrition security.

4.2 Goal

To ensure food and nutrition security by increasing the availability of, and access to, hygienic and nutritious foods.

4.3 Objectives

1. To ensure basic food availability for the areas and communities that are at risk of food insecurity and malnutrition.
2. To increase access to food by increasing incomes through agricultural and non-agricultural enterprises.
3. To improve the distribution of quality food products by enhancing the hygiene of food items.

4.4 Strategies and Working Policies

Strategies	Working Policies
1. To make necessary	1. The Right to Food and Food Sovereignty Act will be

Strategies	Working Policies
arrangements at the federal, province and local levels for addressing the food crisis, including integrated evidence-based plans in food and nutrition insecure regions and groups.	implemented effectively to ensure the right to food and food sovereignty. 2. Resilience will be built in households affected by food insecurity to cope with the food crisis. Similarly, socially and economically disadvantaged groups will be provided access to food under the social security program. 3. Food availability for marginalized households facing the risk of food insecurity will be increased by engaging them in groups and cooperatives and encouraging in contract and collective farming.
2. To ensure food and nutrition security by conserving and promoting agro-biodiversity, developing and expanding climate change adaptation technology, maintaining stability and promotion of food availability and utilization.	1. Activities that adversely affect food and nutrition security such as fragmentation of arable lands and the trend of leaving lands barren will be discouraged. 2. Resilient technologies will be developed and expanded to mitigate the effects of climate change in coordination and collaboration with education, research, and communication agencies. Similarly, the development and utilization of bio-fortified crops and other products will be expanded. 3. Nutrition specific and nutrition-sensitive interventions will be strengthened through coordination and collaboration between food security and nutrition programmes.
3. To improve food habits for improving the nutritional status of communities by protecting and promoting, native food crops and livestock and disseminating	1. Plans on achieving self-reliance in food- will be formulated and implemented at each local level. 2. Programmes will be implemented for the production and utilization of potential agricultural products focusing on locally produced food, including native food. 3. Nutritional status of communities including food habits will be improved by promoting safe and balanced food

Strategies	Working Policies
information about them.	behaviour based on the study, research, and evidence.
4. To expand access to food for people involved in non-agricultural activities by increasing their incomes.	1. Access to food will be enhanced by creating employment opportunities. 2. Purchasing power will be increased through income generation supported by the expansion of non-agricultural enterprises and trade. 3. Price fluctuations in food items will be managed by making market monitoring systems effective.
5. To maintain buffer storage in all provinces and municipalities based on a coordination network of the three levels of government and manage the food distribution system to meet food requirements	1. A universally accessible distribution system will be strengthened and developed in partnership with the private sector, community and cooperative sector to effectively ensure access to food for households residing in food insecure areas. 2. Three-tier coordination networks will be put in place to manage the food distribution system, and foods will be stored commensurate with local food requirements.
6. To develop and institutionalize regulatory systems at the federal, province, and local levels to inform the situation of food and nutrition as well as ensure the quality and hygiene of food items.	1. The regulation will be made effective to ensure hygiene and quality of food items. 2. Laboratory services will be strengthened and expanded into the local level to make testing, certification, and regulation more effective. 3. Public awareness about hygiene and quality of foods will be increased in collaboration with consumer rights organizations. 4. Nepal Food Security Monitoring System will be institutionalized at provincial and local levels for regular monitoring of food and nutrition situation.

5. Expected Results

By the end of the planning period, the number of households with basic food security will have increased from the current 48 per cent to 80 per cent. During the planning period, food poverty will decrease to 10 per cent, and the current severe food insecurity (according to the food insecurity experience scale) will have declined from 7.8 per cent to 2 per cent of the population. Similarly, the global food security index will have increased from 46 to 66. The population deprived of the daily minimum calorie intake will have come down from 8.9 per cent to 4 per cent.

6.1.3 Irrigation

1. Background

It is necessary to have sustainable irrigation facilities with year-round services available to arable lands to increase agricultural productivity. Out of the total 2,641,000 hectares of arable land, 2,265,000 hectares are irrigable. By the end of FY 2018/19, infrastructure has been developed for irrigating 1.473 million hectares of land. Agricultural land served by irrigation is gradually increasing through the maintenance of traditional irrigation systems and irrigation systems based on new technologies. In the context of the development of irrigation infrastructure, it is necessary to mobilize investment from the federal government for large irrigation facilities with strategic importance; from the provinces for medium-scale irrigation facilities; and from the local level for small irrigation projects. There is a need to further strengthen the participation of user committees in post-construction maintenance, management, and operation of the irrigation system. It is necessary to increase investment to better manage this sector by developing additional irrigation infrastructure and strengthening the existing irrigation systems.

2. Major Problems

Major problems in this sector include: unavailability of year-round irrigation as most irrigation facilities are based on the natural river system (Run-off- River); poor operation and

maintenance of existing irrigation systems; fragmentation of irrigable or potentially irrigable lands and unmanaged urbanization; lack of coordinated utilization of surface irrigation and underground irrigation; drying up of natural sources and springs; increasing pressure on available water sources; low irrigation and water use efficiency; declining river bed levels due to over-exploitation of rivers-based construction materials; and inadequate investment in large and multi-purpose projects.

3. Challenges and Opportunities

The major challenges in this sector are to complete projects under construction in time and within budget to provide irrigation facilities to all arable lands in the country; determine investment priorities for the development of irrigation infrastructure at federal, provincial and local levels; identify and develop appropriate and quality technologies; ensure regular maintenance of existing irrigation systems; construct long-term projects to transfer water from large rivers and reservoir facilities for making irrigation available round the year; protect arable lands where irrigation facilities are already available or will be available in the immediate future; implement mitigation measures to manage risks posed by the adverse effects of climate change on water availability, and use irrigation resources for multiple purposes while also conserving available water resources.

The major opportunities of this sector are: availability of large reserves of surface and groundwater; potential for multipurpose use of water resources; availability of skilled human resources in the country for development and expansion of irrigation facilities; invention and expansion of new irrigation technologies; increased access and participation of farmers in irrigation development and management; and increasing demand for the expansion of irrigation systems among farmers.

4. Vision, Goal, Objectives, Strategies, and Working Policies

4.1 Vision

Contribution to agricultural production and productivity through sustainable and reliable irrigation facilities.

4.2 Goal

To provide sustainable and reliable irrigation facilities for arable lands.

4.3 Objectives

1. To expand irrigation services to more arable lands through the use of appropriate technologies.
2. To make reliable and year-round irrigation available for arable lands by developing large and multi-purpose projects supported by reservoirs, or the conveyance system.
3. To strengthen the operation and maintenance of existing irrigation systems and make them sustainable.

4.4 Strategies and Working Policies

Strategies	Working Policies
1. To develop and expand irrigation projects in line with the climate change adaptation master plan and the agriculture development strategy.	1. Technically, economically, and environmentally feasible small, medium, and large surface irrigation projects will be prioritized, constructed, and expanded. 2. Program on shallow and deep tube-wells based on underground water resource will be implemented with priority in collaboration with the provincial and local level. 3. System design and operations will be improved based on a study of the impact of climate change on irrigation.
2. To develop irrigation systems based on new technologies and to increase irrigation efficiency.	1. Underground and lift irrigation systems based on solar energy and other technologies will be developed in collaboration with the provinces to promote commercial agriculture in arable lands. 2. Irrigation facilities with appropriate technologies will be expanded in the mid-hills and hilly regions.
3. To develop irrigation systems in coordination	1. Based on coordination and collaboration among the three levels of government, studies on technically, socially,

Strategies	Working Policies
and collaboration among the federal, provincial, and local levels, and to prioritize big multi-purpose, inter-watershed, and reservoir-based projects for year-round irrigation.	economically, and environmentally feasible inter-watershed and reservoir based multi-purpose projects will be conducted, prioritized and implemented to provide year-round irrigation 2. To provide irrigation services to areas where water resources are scarce and year-round irrigation is not available, a combination of technologies such as the use of groundwater resources, rainwater harvesting, drip irrigation, and sprinkler irrigation will be utilized with priority. 3. Local water sources will also be utilized to maximize the supply of water into big irrigation systems. Additionally, springs, ponds, and lakes will be conserved and maintained also to utilize them for irrigation.
4. To emphasize the utilization and expansion of underground irrigation projects.	1. The private sector will be encouraged to be involved in the sustainable management of irrigation systems with the provision of user fees. 2. Emphasis will be given to integrated crop and water management in a coordinated manner for increasing agricultural productivity and production and implementing the ADS and other programmes focused on agriculture development.
5. To ensure user participation, including financial contribution, for the maintenance and sustainable management of irrigation systems.	1. Institutional development and human resource capacity will be improved based on the federal structure. 2. Irrigation systems will be managed with participation from cooperatives and communities. 3. Regular operation and maintenance, management arrangements, and utilization systems will be improved for the sustainability of irrigation facilities through users'

Strategies	Working Policies
	participation, including financial contribution.
6. To introduce policy reforms and improve existing institutional capacity as well as efficiency in human resource management.	1. Irrigation policy, strategies, priorities, work plans, and standards will be finalized in accordance with the principles of federalism, and the responsibilities of each of the three levels of government will be defined accordingly. 2. Agricultural lands will be protected by preventing the encroachment of irrigated areas under specific irrigation projects through amendments, as needed, in the existing laws.

5. Expected Results

National Master Plan for Irrigation Development will have been in place and an additional 300,000 hectares of lands will have been irrigated through the implementation of the surface water, groundwater, and inter-watershed projects based on surface irrigation, underground irrigation and new technologies under the Master Plan. Year-round irrigation will be available in about 50 per cent of areas where irrigation infrastructure has been developed. Out of the existing irrigation systems, facilities serving 98,500 hectares of land will have been rehabilitated and managed sustainably.

6.1.4 Land Management

1. Background

It is essential to manage limited available land and land resources in a sustainable way to ensure the constitutionally guaranteed right to property, food security and sovereignty, women's rights and rights of landless *Dalits*, and to achieve SDGs by 2030. Development of policies, laws, and infrastructure, as well as mobilization of resources, are inevitable to ensure the appropriate use of land-based on a land-use plan including land classification; make land management secure, transparent and credible through timely improvements in traditional land administration based on the use of modern technologies in land mapping and surveying;

maintain digital records and offer online services by integrating maps and land information of the entire country into the geographical information system (GIS).

In this regard, a national network of about 7,000 control points has been established across the country so far, and 706 topographic maps covering all parts of the country, administrative maps of all provinces, districts, and local levels have been prepared. About 75 per cent of the total populated area has been surveyed; digital records, land registration, and land ownership certificates have been distributed; and online services have been started in 75 Land Reforms and Land Revenue Offices following the implementation of map-based land administration. With the implementation of land use policy, classification of land, and preparation of land use map and database have been completed in 355 municipalities. Rehabilitation of about 27,000 freed *Kamaiyas* and about 7,000 free *Haliyas* has been completed. Surveying, mapping, and digitizing records of international borders have been completed 100 per cent for the Nepal-China border and 98 per cent for the Nepal-India border.

2. Major Problems

The major problems in this sector are weak execution of Land Use Act for effective implementation of land use policy; increasing fragmentation of arable lands thereby increasing use of such lands for non-agricultural purposes; lack of proper settlement arrangements for squatters, tenants, and *Guthi* farmers; inability to include about 70 per cent of the territory in the official records of land administration; inability to make service delivery simple, easy and transparent through full modernization of traditional plot survey and land administration; inability to provide accurate and reliable geographical information for planning and development through mapping and surveying based on modern technologies; and lack of skilled professionals as per need.

3. Challenges and Opportunities

Establishing equitable access to land for all people; preparation and implementation of land-use plans; updating land administration system for effective service delivery; implementation of Integrated Land Information System (ILIS) by digitizing all land-related

records; using modern technologies in mapping; and acquisition and retention of skilled human resources are the major problems in this sector.

Land management as a concurrent mandate of federal, provincial and local governments under the Constitution; initiatives were taken to digitize all land records for developing a central database; commitment from all political parties for scientific land management; development and use of information technologies in service delivery; progress in amending land-related laws according to the federal structure; completion of an administrative and topographical base map of the entire country; introduction of online services at Land Revenue Offices; availability of skilled human resources and modern technologies; and initiation of land use planning are opportunities in this sector.

4. Vision, Goal, Objectives, Strategies and Working Policies

4.1 Vision

Equitable, productive, and sustainable land management.

4.2 Goal

To develop land management as a foundation for the nation's prosperity in accordance with the concept of sustainable development.

4.3 Objectives

1. To increase production through proper use of land and ensure the equitable distribution of its benefits.
2. To make accurate and credible geographical information and maps available for planning and development.
3. To equip land management with modern technologies and make it simple and transparent.

4.4 Strategies and Working Policies

Strategies	Working Policies
1. To increase production by ensuring classification and utilization of land based on capacity, suitability, and needs according to the Land Use Policy.	1. The land will be classified according to the land use policy and map data will be prepared as needed. 2. A land use plan will be developed based on the land use map and data and implemented as needed. 3. Arrangements will be made to: control the fragmentation of arable land; encouraging to go against the trend of leaving lands barren; prohibit changes in land use; use lands less suitable for agriculture or lands without risks to develop residential and commercial areas. 4. Land Use Act will be implemented at federal, provincial, and local levels.
2. To ensure the right, and access, to land for marginalized communities including landless *Dalits*, farmers, squatters, tenants, and *Guthi* farmers.	1. A settlement and livelihood programme will be implemented for landless squatters and unorganized settlers by identifying, verifying, and documenting their informal relations with the land. 2. Rehabilitation programmes focusing on livelihoods of freed *Kamaiyas* and freed *Haliyas* will be implemented. The land will be divided between land owners and tenants, and records of these transactions will be updated in the land dossiers. 3. Women's right to, and control over, the land will be strengthened. 4. Arrangements will be made to provide land, only one time, to landless *Dalits* for housing purposes. 5. The concept of land bank will be implemented mobilizing, among others, cooperatives for large-scale commercial farming.

Strategies	Working Policies
	6. Land Policy and LUMP will be formulated and implemented.
3. To develop basic infrastructure for mapping based on modern technologies and to collect accurate and credible geo-information.	1. The network of basic control points for the maps will be strengthened based on modern surveying principles and technologies. 2. A database will be prepared by collecting and analyzing accurate and reliable geo-information using the latest technologies. 3. Various thematic maps will be prepared and updated according to the country's requirements.
4. To prepare and publish basic geographical information and sectoral information for different areas based on the concept of geographical information infrastructure.	1. A multi-purpose geographical information system will be prepared. 2. Technology will be developed to acquire basic geographical information and sectoral information about different areas from online geo-portals. 3. Skilled human resources development and study and research on land mapping, geographical information, land use, and land management will be conducted in collaboration with the universities
5. To complete cadastral mapping of all remaining parcels and include them in the land administration system and to prepare and preserve detailed records of the government, public, community, and *Guthi*	1. Registration records of all parcels will be updated by completing the cadastral mapping of parcels lost to the conflict or parcels remaining to be included in maps of the village blocks in the past. 2. A Survey Directorate will be set up in each province and accurate records of all government, public, community, and guthi lands will be prepared and maintained.

Strategies	Working Policies
lands.	
6. To establish a system for objective valuation of real estate based on scientific indicators and make arrangements for all stakeholders to use the same valuation.	1. Scientific criteria and standards will be prepared for an integrated valuation of real estate. 2. Law will be enacted to ensure that the integrated valuation system is used by all stakeholders. 3. Policy reforms and facilitation will be carried out to acquire land required for industrial development and public works.
7. 7. To store land records systematically using new technologies and make land administration services simple, accessible, credible, and transparent.	1. All records related to land administration including cadastral maps, field books, dossiers (Moth Shresta), registration records, and pending case files will be digitized, and a geo-information record management system will be implemented in all Land Revenue Offices. 2. A digital database will be created by updating the digital records of the cadastral maps to prepare an integrated system in coordination with the existing land information records management system in the Land Revenue Offices. 3. Modern technologies will be used in the land management sector. Necessary arrangements will be made to develop skilled human resources at the provincial and local levels. 4. All services related to land administration will be made available through a one-window system using online portals. These services will be accessible, simple, credible, and transparent. 5. Remote access model and geo- service centre will be established and operated to facilitate service delivery by expanding the access of citizens to land administration services.

5. Expected Results

During the plan period, maps and revenue records at all 131 survey offices and land revenue offices, and land reform offices will have been digitized and a central database will have been created. Simple and effective land administration services will have been provided through an online system. All 706 topographic base maps across the country will have been updated. A national network of about 500 first- and second-class base points of the map will have been strengthened. A Directorate of Survey and Maps will have been established in each province. The 27,500 freed *Kamaiyas* and 16,900 freed *Haliyas* identified so far will have been rehabilitated. Dual ownership of land will have ended, with approximately 300,000 tenants obtaining land ownership certificates. With the promulgation of the Land Use Act, all 753 local levels will have prepared land use maps and started implementing these plans. A total of 2,250 human resources skilled in land management will have been produced. High-quality geographical information infrastructure will have been developed and geographical information will have been available for policymaking, planning, and development in a simple, accessible, and effective manner.

6.1.5 Water Resource

1. Background

It is essential to promote multiple uses of water resources for the development and prosperity of the nation. The development of hydropower, irrigation, and drinking water infrastructure is possible only through proper management and development of water resources. The Constitution has emphasized multiple uses of water resources, prioritizing local investment based on people's participation. For the sustainability of development activities based on water resources, including hydropower, irrigation, drinking water, it is essential to undertake research, studies, and in-depth analyses of data on water resources, water flow, underground water resources, glaciers, and snow lakes. Human settlements, arable land, and existing physical infrastructure must be protected from water-induced disasters. It is also essential to minimize such disasters by developing and expanding new technologies based on scientific studies and, research. An integrated water resources policy is needed to

provide policy guidance for the protection of the quality of water resources and multiple uses of water Coordination and collaboration among federal, provincial, and local levels are needed for proper development and utilization of water resources.

2. Major Problems

Uncertainty over water availability due to adverse effects of climate change and other natural disasters and unmanaged land use and construction and expansion of road networks have led to an increase in landslides and soil erosion resulting in course change of rivers. Fluctuations in the river bed are causing floods and other problems, including a negative effect on the use of water resources. The risks of floods and inundation in Tarai, *Bhitri Madhes*, and hilly areas caused by encroachment on the natural flow of rivers, lack of integrated and coordinated management and utilization of water resources for hydropower, irrigation, drinking water, etc. due to failure to update integrated water resources policy and river basin master plan; inability to effectively implement studies, research activities and plans due to the weakness in data collection and management of results and the quality of different kinds of water resources are major problems prevailing in this sector.

3. Challenges and Opportunities

Major challenges include to carry out integrated watershed management together with proper, multi-dimensional, and coordinated use of available water resources; use of water resources appropriately considering the effects of climate change; manage risks of adverse effects of climate change through timely adoption of mitigation measures; minimize the loss from water-induced disasters; prevent river bed levels from rising as a result of the increased flow of sediment caused by increasing erosion of watershed areas; protect river banks through demarcation and mapping and identify risk areas for sustainable management; develop human resources and infrastructure needed for study and research; maintain coordination among federal, provincial and local levels for the management, development, and utilization of water resources; and manage and utilize international rivers for bilateral benefits, among others.

The opportunities include adequate availability of water resources; realization need and potential for multi-dimensional use of water resources, the possibility of agricultural and other uses of land obtained through river management, the possibility of use of embankments

built along rivers as roads; and the establishment of Water Resource Research and Development Centre to institutionalize research and development in this sector.

4. Vision, Goal, Objectives, Strategies, and Working Policies

4.1 Vision

Contribution towards building a prosperous Nepal through sustainable use of water resources.

4.2 Goal

To achieve economic prosperity through coordinated development as well as multidimensional and equitable use of water resources.

4.3 Objectives

1. To develop economic, social and environment sectors through multidimensional and equitable use of water resources
2. To mitigate economic and social losses through watershed management and mitigation of water-induced disasters

4.4 Strategies and Working Policies

Strategies	Working Policies
1. To introduce policy and institutional reforms for the multi-dimensional and equitable development of water resources	1. Existing policy and legal provisions will be updated and implemented for integrated, multi-purpose, and multi-dimensional use water resources. 2. Priority will be given to energy generation, irrigation, and other uses of water resources through the development of multi-purpose projects backed by reservoirs. 3. Criteria required for the development and utilization of water resources, norms, guidelines/ procedures will be updated/developed.

Strategies	Working Policies
2. To emphasize arrangements for mutual benefits in the management of international rivers.	1. Water resources will be used for various purposes by improving the effectiveness of different mechanisms on water resources between Nepal and India.
3. To improve the effectiveness of research and studies in this sector in collaboration with universities and other research institutions to develop infrastructure and capacity for research and development in water resources.	1. Research and studies will be prioritized to develop the capacity of institutions working in the field of water resources. Also, coordination and collaboration with universities and private sector institutions will be achieved to develop and expand. 2. Physical and numerical modelling related to large irrigation projects, including multi-purpose projects based on inter-watershed water conveyance or reservoirs, and water-induced disasters will be conducted.

Strategies	Working Policies
4. To make watershed management effective, use structural and non-structural technologies, and raise public awareness for sustainable and reliable management of floods and landslides.	1. A master plan for river control and management will be prepared and implemented. 2. Coordinated and sustainable solutions will be implemented to address the problem of floods in the Tarai. Natural embankments, among others, will be encouraged for this. 3. A hazard map will be prepared by identifying flood risks and landslides areas and collecting data on them. 4. Riverbanks and river courses will be demarcated, and land use plans of these areas will be prepared and used for the development of agriculture, industry, and tourism. 5. Integrated watersheds management will be given priority to utilize them for energy, irrigation, and agriculture. 6. In terms of non-structural technologies, bio-engineering, and capacity building for the management of water-induced disasters will be prioritized.

5. Expected Results

An integrated water resources policy will have been formulated and implemented; a new Water Resources Act will have been enacted; necessary standards, guidelines/procedures for development and use of water resources will have been in place; A river basins plan will have been prepared for integrated development and management of river basins; hazard map will have been prepared by identifying flood risk and landslide areas; An approximate of 1,100 hectares of land will have been obtained as a result of the construction of 410 km embankment and river control structures.

6.1.6 Forest, Biodiversity and Watershed

1. Background

The forest area, which occupies 44.74 per cent of the total land area of Nepal, is an important natural resource. The sector, which includes forest, flora, fauna, biodiversity, and

watershed management, is directly linked to eco-tourism, hydropower, agriculture, livestock farming, clean environment, and forest and herbal based industries. Timber, firewood, herbs, green enterprises, and nature-based tourism form the foundation for prosperity, while clean environment, greenery, biodiversity, natural beauty, rich watersheds as well as the participation of women, indigenous and local communities in resource management and fair and equitable distribution of access and benefits are key indicators of happy Nepali. There is a high potential for domestic value addition in the use of botanical resources and herbs available in Nepal based on their comparative advantages identified through studies, research, and documentation of information.

Nepal is a rich country in terms of biodiversity. In Nepal, 118 types of ecosystems, 75 types of flora, 35 types of forests, 11,971 species of plants, and 11,861 species of animals have been identified. There are 20 protected areas, 10 wetlands of international importance, 11 botanical gardens, more than 22,600 community forests, and more than 10,000 other community-based forests. Biodiversity is also being conserved in millions of private/ family forests and agricultural forests in private farms of rural women farmers or families outside the forest. Watershed management in general is being supported by activities such as wetland protection, riverbank protection, rehabilitation of degraded land; water source conservation. It has been found that more than 60 per cent of foreign tourists visiting Nepal visit conservation areas and community forests.

2. Major Problems

Inability to manage and use the forest in a way that significantly contributes to the forest economy; Inability to reflect the direct and indirect contribution of this sector to the overall economy in the national accounting system; inability to maintain a balance between infrastructure development and ecosystems; and failure to manage and control forest encroachment, poaching, illegal trade, and the conflicts between humans and wild animals are the major problems in this sector.

3. Challenges and Opportunities

Major challenges in this sector are to make the best use of available forests, flora, and fauna; create an environment for effective coordination and collaboration between federal,

provincial and local governments, forest groups and the private sector in forest management, biodiversity conservation, and watershed management; manage the tension between biodiversity conservation, including forests, wildlife, watershed management and physical and economic development of the country; enact and effectively implement laws necessary to ensure access and share benefits from genetic resources; and distribute equitably the benefits from this sector's products and services among people who are different in terms of class, gender, and social status.

As forests, biodiversity, and watersheds are directly linked to the livelihoods of people, they have the potential to make significant contributions to the country's prosperity by increasing incomes and employment through sustainable management of these resources, including better landscaping. With the federal, provincial, and local levels functioning under the federal structure, resources for forest management and biodiversity conservation will be easily available, and this will also increase ownership. More than 30,000 forest user groups including women, *Dalits*, indigenous communities, and other local groups are managing forests. There is an opportunity to access international funds based on carbon absorption through forest conservation and development, forest-based industries, eco-tourism, environment management, and climate change adaptation. There is an opportunity to introduce the country to the world through wildlife and botanical resources by expanding tourism into protected areas with biodiversity and natural beauty, community-managed forests, leasehold forests, and agricultural forests. A study has shown that the current timber production can be increased from the current 19.4 million cubic feet per year to more than 100 million cubic feet per year if only one-third of the 6 million-hectares of the national forest of the country were brought under sustainable forest management. It is possible to commercialize the production of valuable herbs by completing processing and value addition within the country under the campaign "Make in Nepal, Use, and Export *Nepal ma Banau, Prayog ra Niryat Garau"* (*Nepal ma Banau, Prayog ra Niryat Garau*).

4. Vision, Goal, Objective, Strategies and Working Policies

4.1 Vision

Contribution to prosperity and happiness through sustainable forest management and entrepreneurship.

4.2 Goal

To contribute to the economy through value addition and equitable distribution of incomes generated through forest products and services, forest-based industries, and eco-tourism while promoting environmental balance and sustainable development based on sustainable and participatory management of forests, biodiversity, and watersheds.

4.3 Objectives

1. To increase the production and productivity of forest, biodiversity and watershed resources and also improve environmental services
2. To conserve, rehabilitate, and sustainably use forests, biodiversity, and watershed.
3. To distribute the benefits from forest, biodiversity, and watershed resources in an equitable manner.
4. To promote studies and researches in the field of forest, biodiversity, and watersheds and utilize the findings in the development of forest-based enterprises.

4.4 Strategies and Working Policies

Strategies	Working Policies
1. To expand and diversify goods and services through participatory management and development of nature-based tourism to utilize the full potential of the forest sector.	1. National (including community forests or community-managed forests), private and public forest management plans will be improved and implemented effectively to increase the production of timber and non-timber forest products (including those useful in *Ayurveda* medical system) at sustainable capacity based on the condition of natural and planted forests. 2. Emphasis will be given on the development of forest nurseries, agroforestry, and forestry enterprises through community forest management. 3. A significant increase in the number of class tourists will be achieved by making all protected areas, community forests, and community-managed forests as nature-based tourism

Strategies	Working Policies
	destinations. 4. Parsa and Shulklaphanta National Parks will continue to be recognized as a natural zoo. 5. By determining pocket areas for herbs and non-timber forest products with commercial potential, farming technologies will be developed and expanded with the business plans, including the establishment of an herbal processing centre. 6. Development of unused private / family forests and public/community or government lands from the Himalayas to the Tarai region will be facilitated. 7. International funds will be claimed by completing the REDD+ Preparation Programme for forest-based carbon trading. 8. Forest user groups comprising women, *Dalits*, indigenous groups and local communities will be brought together to form cooperatives and increase capital under public-private-community to use forest products in results-oriented eco-tourism, and other industries including wood furniture. 9. Essential oils produced from Nepal's plant resources and the formula used in this process will be utilized, marketed, commercialized, and exported. 10. Soft species of timber will be upgraded; timber technologies will be developed and timber production diversified; the quality of non-timber forest products will be standardized, and forest certification will be issued. 11. Arrangements will be made for business plans, subsidized loans, insurance, and green property collateral for afforestation and agriculture in private or family forests. 12. Nepal Forest Corporation and Forest Development Fund will

Strategies	Working Policies
	be established for compensatory tree planting, forest conservation, expansion of agroforestry, development of forest industry, and easy supply of forest products. 13. Imports of timber products will be substituted by increasing domestic production and supply. 14. Necessary arrangements will be made for rearing, breeding, commercializing and exporting wildlife with participation from government, community forest groups, and the private sector. At least one medium to large scale timber industry and one industry of the same size based on non-timber products or herbs will be established in each province. For this, public-private-community partnerships will be promoted as needed.
2. To protect and manage forests, flora, fauna, and biodiversity landscape in an integrated manner.	1. Conservation work will be implemented by formulating a strategic plan for landscaping and protecting pasture areas along with an integrated management plan for protected areas with the participation of women, *Dalits*, indigenous groups, and local communities. 2. A sustainable forest management plan will be formulated to address issues concerning sustainability in forest conservation, grazing areas, wetlands and biodiversity in all forest management systems, including forests managed by the government, community forests, partnership forests, or leasehold forests. The plan will also cover the conservation of local and endangered species. 3. Lakes and ponds will be protected/developed and linked to tourism promotion. 4. Forest nurseries will be established at all local levels by identifying suitable species.

Strategies	Working Policies
	5. In afforestation, priority will be given to plant species that conserve water. 6. The existing *Chure* Area Conservation Programme will be restructured for the conservation and promotion of *Chure* in coordination with the federal, provincial, and local levels. This will be made more effective through prioritizing participatory management. 7. Existing wetlands will be identified, protected, and documented, and a participatory management plan will be formulated and implemented for the wetland areas included in the Ramsar list. 8. Existing protected areas will be maintained for the conservation and management of wildlife and their habitats and rare plants. At the same time, *in-situ* and *ex-situ* conservation of biological resources will be continued by identifying and expanding sensitive biodiversity areas based on feasibility and needs.
3. To adopt an integrated system while using forests for physical infrastructure development and have integrated thinking in its conservation and development	1. Corridors will be defined for infrastructure passing through forests. 2. While developing physical infrastructure in protected areas and other important bio-zones, coordination and collaboration will be ensured for the development of conservation-friendly infrastructure. 3. Human-wildlife conflict will be minimized through awareness programmes, proper compensation, and the development of physical infrastructure as needed. 4. Bio-engineering will be an integral part of development works for the sustainability of physical infrastructure and development projects.

Strategies	Working Policies
4. To undertake integrated management of watersheds based on the river system.	1. An integrated watershed management policy and plan will be prepared and implemented in coordination with various levels of river systems, including Koshi, Gandaki, Karnali, and Mahakali river basins. 2. Technology will be transferred by developing low-cost technologies and agroforestry systems for the rehabilitation of landslides and degraded lands around settlements in earthquake-affected areas. 3. Estimates of river-based forest products, including those from buffer zones, such as boulders, ballast, and sand will be undertaken, and the excavation, collection, processing, transportation, and sale of these products from designated places will be made effective. 4. Special programmes will be implemented for the recharge water in public and private lands to conserve and promote watersheds.
5. To institutionalize gender equality and social inclusion in forest, biodiversity, and watershed management and to distribute the benefits from this sector equitably.	1. Gender and social inclusion strategies in forest management systems including community forests will be improved and implemented in time. 2. Biodiversity resources at all local levels and associated traditional knowledge, skills, practices, socio-cultural practices, arts, intellectual property of indigenous and local communities will be registered and documented. 3. The concept of 'one ward, one resource person for local forest and watershed management' will be implemented.

Strategies	Working Policies
6. To conduct research, studies, public awareness campaigns, and capacity building programmes in coordination and collaboration with research institutions, universities, and non-government organizations.	1. Arrangements will be made to provide internships to students in forest management, mobilization of forest user groups, and forest-based industries in collaboration with universities, their faculties, and technical schools related to the forest sector. 2. Monitoring and evaluation systems will be made effective by institutionalizing the information system of the forest sector. Continuity will be given to the National Forest Resources Survey (National and Private Forest). 3. The investment will be increased in research, studies and monitoring and evaluation of the forest sector Research, study, and monitoring related to the forest area, and mutual coordination, and collaboration will be established with universities and other organizations. 4. Research and development will be carried out in useful herbs including Nepal's native plants. 5. A national strategy will be formulated for capacity building and skill development of local forest facilitators to increase the productivity of the forest sector and conserve biodiversity.
7. To enact and implement necessary laws in coordination with the federal, provincial, and local levels for sustainable management of the forest sector.	1. Necessary policies, laws, and procedures will be put in place to simplify and regulate the collection, distribution, processing, sale, and marketing of forest products produced from private forests at the federal, provincial, and local levels. Forest-based industries will be promoted in community forests, community-managed forests, and government-managed forests. 2. Existing strategies will be improved and implemented to discourage forest encroachment, and arson, and illegal export from individuals and organized groups. Additionally, forest losses will be checked and sensitive habitats protected by

Strategies	Working Policies
	controlling the effect of invasive species 3. Legal framework and institutional structure will be developed and implemented for access to genetic resources and the sharing of benefits. 4. Structure, working style, and ethics of stakeholder agencies in the forest sector will be changed to make them transparent, result-oriented, and accountable. 5. An appropriate legal framework will be developed for monitoring and coordination among the three levels of government.

5. Expected Results

By the end of this plan period, the protected number of disappearing, endangered, and vulnerable plants/species will have been 506. The forest area will have been maintained at 44.74 per cent as a result of intensified activities of forest conservation with participation from women, Dalit, indigenous communities, and local communities. The number of community forests will have reached 24,000 with the formation of an additional 2,000 community forest user groups. The share of national forests under community-based management, including community forests, partnership forests, and leasehold forests, will have reached 45 per cent. Forest health will have improved as a result of the prevention and control of bush fires, forest encroachment, as well as illegal collection, and transportation of forest products. 30,000 hectares of land will have been covered by private forest/family forests in Tarai. The agricultural forests will have been increased to 100,000 hectares, including both national and community forests as well as private/family forests. Approximately 20,000 hectares of public spaces will have been covered by forest. An integrated basin management policy and plan will have been prepared and implemented for big river systems. The existing protected areas will have been maintained, and they will be integrated into the management of the larger landscape. The protected area will have been maintained at 23.4 per cent, and a botanical laboratory will have been established in all seven provinces. Ten wild animal farms will have been established and operated. Fourteen large or

medium-sized timber or non-timber industries will have been established. Currently, approximately 19.4 million cubic feet of timber are being produced every year. The country will have achieved self-reliance in timber products by the final year of the Plan by producing at least 30 million cubic feet of timber annually.

6.2 Industry, Commerce, Supplies, and Tourism

6.2.1 Industry

1. Background

The industry sector is the main pillar of economic development. Rapid industrialization supports economic growth in the country. The Constitution of Nepal stipulates provisions to protect and promote industries giving priority to domestic investment based on Nepali labour, skills, and raw materials for the development of the economy. Foreign investment in the form of capital and technology has been encouraged in areas of import management and export promotion to serve national interest and mobilize such investment in the development of industrial infrastructure. The private sector has a leadership role in the development of the entire industry sector, with the government playing the role of an effective catalyst, regulator, and facilitator. The industrial policy has defined its goal in terms of significant contribution to the national economy through industrial development based on sustainable macro fundamentals and driven by collaboration among public, private, and cooperative sectors. While the Intellectual Property Act and the Industrial Enterprises Act are being finalized to expedite industrialization by creating an investment-friendly environment, the Foreign Investment Act has already been promulgated.

Using the opportunity of the federal structure in terms of expansion of economic activities and the creation of effective demand, infrastructure including cross-border economic zone, industrial zone, industrial corridors, special economic zone, and industrial villages are being developed. For industrialization, an investment-friendly environment needs to be created for attracting foreign investment in large industries and import management sectors while protecting local labour, skills, and raw materials needed for small industries. Moreover, coordination among and between provinces and the federal level need to be achieved to bring dynamism in industrial development. Similarly, there is a need to increase production, productivity, and employment by reducing the cost of production based on the use of new

technologies in industries. It has been imperative to increase the contribution of the industry sector in GDP by achieving good relations among workers, employers, and the government. Domestic and foreign investment will have to be increased while offering protection to domestic industries. Industries will have to be developed for export promotion based on backward and forward linkages. Industrial development should be seen as complementary to the development of agriculture, tourism, infrastructure, and hydroelectricity, which are the drivers of economic growth.

In fiscal year 2075/76 (2018/2019), the contribution of the secondary sector in GDP was 14.6 per cent and that of the manufacturing sector was 5.6 per cent. Among 11 industrial estates established in the country, 10 are in operation. This sector contributes 8.1 per cent to total national employment.

2. Major Problems

Lack of entrepreneurial thinking; lack of mobilization and availability of capital in productive sectors and industry; inability to link the issues of industry and investment with the one-window system; lack of cost competition and quality in industrial products and lack of production and diversification of exportable goods are the major problems in this sector. The failure of the private sector to lead on connecting the capital, skills, raw materials and technologies in the promotion of micro, cottage, and small industries; inability to use new technologies and equipment in industrialization; absence of public-private-cooperative partnership in the development of industrial value chain in the industry sector; and open border and attraction of businesspersons in import trade for short-term profits due to very liberal policies are additional problems in this sector. Lack of research and development in industry and marketing, lack of adequately skilled technical human resource; and failure to bring together and coordinate industry and other interdependent sectors such as agriculture, forest, mines and minerals; low utilization of domestic raw materials; failure to provide incentives for encouraging industrialists and investors; poor industrial infrastructure; and lack of research and diversification in production and marketing are other problems in this sector.

3. Challenges and Opportunities

Major challenges in this sector include attract domestic and foreign investment in industries with comparative and competitive advantages by creating an investment-friendly environment: analyse challenges and opportunities created by economic liberalization, globalization, and multilateral trade agreements and define priorities and needs of trade and investment; and extract and utilize petroleum and precious minerals. Additional challenges are to develop industrial infrastructure; maintain the quality of goods and services at international standards; increase export through labelling and branding of Nepali goods; manage closed or sick industries; protect and promote intellectual property; and reduce tariff in raw materials, semi-processed goods, and spare parts (even if tax benefits would incentivize manufacturing industries).

The emergence of economic prosperity as a common agenda; identification of areas of comparative advantages; commitment to flexible labour policy and one-window system; open economy and affiliation with the international and regional organizations; introduction of policy, legal, structural and procedural reforms for creating investment-friendly environment; and expansion of information and communication technologies are opportunities in this sector. Availability of market for industrial goods and services as a result of rapid economic growth and expansion in two big immediate neighbours; gradual improvement in industrial relations; potential for mobilizing non-resident Nepali in industrial development; increasing availability of energy; industrial production and extraction of minerals; high potential for the development of forest, education, health, and tourism sectors by linking them with industry; increasing attraction of youth towards industry and business; and the increasing possibility of involving Non-residents Nepali in the industrial development are additional opportunities.

4. Vision, Goal, Objectives, Strategies and Working Policies

4.1 Vision

Sustainable, employment-oriented, and high-return industrial development for economic prosperity.

4.2 Goal

To increase the contribution of the industrial sector in the national economy through the development and expansion of the industrial sector.

4.3 Objectives

1. To increase the contribution of the industrial sector in GDP by increasing industrial production.
2. To promote export and manage imports by enhancing the production and competitiveness of industries.
3. To create additional opportunities for employment by increasing domestic and foreign investment in the industrial sector by creating an investment-friendly environment.

4.4 Strategies and Working Policies

Strategies	Working Policies
1. To introduce policy, legal and institutional reforms for the development of the industrial sector	1. Institutional and policy reforms will be introduced for the transformation of the industrial sector in line with the fourth-generation industrial concept (Industry 4.0). 2. Policies and laws governing industry and investment will be improved as needed; and an accreditation law will be prepared and promulgated. 3. Transactions of the informal sector will be formalized and captured in GDP. 4. The capacity of entrepreneurs and businesses will be increased for improving productivity and enhance quality based on managerial tools and techniques such as Total Quality Management, continuous improvement, and quality circle. 5. Systematic reforms will be introduced to simplify processes for establishing as well as operating industries and businesses. 6. Legal and institutional arrangements will be strengthened for the protection and promotion of industrial intellectual property. 7. Nepal's diplomatic missions abroad will be mobilized

Strategies	Working Policies
	intensively to bring foreign investment in the industrial sector. 8. Micro, cottage and small industries will be protected and promoted for employment creation and poverty alleviation in cooperation and collaboration with provincial and local levels 9. Micro-Entrepreneurship Development Programme will be implemented through the local level for poverty alleviation. 10. Intergovernmental coordination will be ensured for the establishment of industries and marketing of industrial products. 11. Industrial estates, special economic zones, and industrial villages will be developed and operated by maintaining balance among provinces based on local resources, feasibility, and comparative advantages. 12. Time and cost will be reduced in the industrial sector by delivering services through the electronic medium.
2. To promote the use of technologies, introduce a one-window system, and develop industrial infrastructure for creating an investment-friendly environment.	1. Support and assistance will be provided towards the development of infrastructure and promotion of industries based on domestic raw materials including cement, sugar, footwear, medicine, juice, dairy, tea, cashmere, handicrafts. 2. Coordination and collaboration will be established with the private sector to develop and expand physical infrastructure in industrial estates, as needed. 3. Infrastructure will be developed and brought into operation within cross-border economic zones, special economic zones, industrial estates, and industrial villages with substantial involvement of the private sector. 4. Knowledge, skills, capital, and technology of NRNs will be utilized in national industrial development.

Strategies	Working Policies
	5. Industrial estates and industrial villages will be established for women entrepreneurs to develop women entrepreneurship. 6. The one-stop service centre will be made more effective through inter-agency coordination to provide integrated services related to business registration investment. 7. Dependence on foreign aid will be reduced gradually by signing a bilateral investment agreement with potential source countries for FDI in Nepal. 8. Foreign investment will be mobilized for promoting regional connectivity and developing manufacturing and employment-oriented sectors.
3. To develop and expand the industrial sector based on its inter-relationship with other productive sectors.	1. The industry sector will be connected with agriculture, tourism, education, health, and other sectors. 2. Necessary programmes will be launched for implementing the concepts of mountain economy and industrial product sharing. 3. Dress materials for government employees and students will be produced domestically, and special arrangements will be made to encourage all Nepali to use domestic products. 4. Industrial estates will be established in all provinces in line with the policy of establishing at least one modern industrial estate in every province. 5. The productivity of industrial and business sectors will be increased in all seven provinces, and self-reliance will be achieved in the production of almost all essential consumer goods and services within the next five years. 6. The establishment of environment-friendly and agriculture-based industries will be emphasized.
4. To develop mines	1. Relevant laws will be amended and improved to extract,

Strategies	Working Policies
and mineral-based industries based on cost-effectiveness and comparative advantages.	process, and use petroleum products and minerals. 2. Researches will be carried out on forest products, precious stones, and other minerals in collaboration with the private sector. 3. Establishment, development, and promotion of Facilitation and promotion will be made in establishment, development, and expansion of mines-based and construction industries will be facilitated. Arrangements will be made to extract, process, and utilize stone, gravel, husk, sand, and other construction materials by identifying specific locations based on availability and cost-effectiveness. 4. Processing industries for forest products and minerals will be encouraged to operate in local level industrial villages.
5. To focus on import management by mobilizing public-private- cooperative partnership (PPCP) in industries based on domestic raw materials and having a competitive capacity and comparative advantages.	1. FDI, technical human resources, and modern technologies will be utilized for the exploration, processing, and production of uranium, iron, copper, gold, natural gas, and petroleum products. 2. The production of high-value, low-volume goods will be increased, with emphasis given to their export. 3. Industries producing IT products will be encouraged. 4. Processing centres will be established for herbs available in the country's mountain area as well as for precious and semi-precious stones available in various parts of the country. 5. Collection and processing centres for Himalayan nettle, banana, cane, and bamboo will be established and provided technology supported for promoting entrepreneurship in products based on natural fibre. 6. Priority will be given to soft loans for micro, cottage, small and medium enterprises. Access to credit for other industries will

Strategies	Working Policies
	also be prioritized. 7. Emphasis will be given to sustainable utilization of local resources and raw materials in agriculture-based, forest-based, and minerals-based industries. 8. Goods and services having comparative and competitive advantages will be identified, promoted, and developed. 9. Sick industries with potential for import management and the production of essential goods and services will be revived and operated.
6. To adopt measures for capacity building, financial access, and promotion for the development and expansion of industries.	1. The use of new technologies will be encouraged in industries to enhance industrial capacity. 2. Arrangements will be made for making soft loans available for business operations in coordination with banks and financial institutions 3. Domestic industries will be protected within the framework of bilateral, regional, and multilateral trade agreements. 4. The competitive capacity of industries will be increased by maintaining the quality standards of Nepali products. 5. Access to concessional loans will be ensured for commercial farmers and women entrepreneurs. 6. Financial incentives and other assistance will be provided towards the establishment and operation of industries involved in contract production. 7. Construction industries will be established and operated for the easy availability of construction materials needed for new construction.

6. Expected Results

The contribution of the manufacturing industry in GDP will have reached 6.5 per cent. Industrial infrastructure will have been developed with the establishment of 351 industrial villages, 15 industrial estates, and 5 special economic zones. Industries within the facilities will have been in operation.

6.2.2 Commerce

1. Background

Trade and commerce play a vital role in rapid economic growth and development in today's interdependent world economy integrated by networks of transport and communication. If Nepal could produce for internal consumption, and also export goods with comparative and competitive advantages using means of production available in the global market, including skills, capital, and technology, a strong national economy can be built by reducing the ever-increasing trade deficit. For this, the development of infrastructure and the creation of a good environment for trade and investment are important internally. Externally, the implementation of bilateral, regional, and multilateral trade agreements is important. The Constitution envisions a policy to attract foreign capital and technological investment in export promotion and import management to serve the national interest. Also, the Constitution guarantees that there is no disruption in internal trade.

The state has adopted sectoral policies such as the trade policy and the Nepal Trade Integration Strategy for the development and expansion of this sector as well as for export promotion. Nepal's affiliation with regional and international organizations such as World Trade Organization (WTO), South Asian Free Trade Agreement, Bay of Bengal Initiative for Multi-Sectorial Technical and Economic Cooperation (BIMSTEC) and agreements with major trading partners have expanded market access, but this has not led to the materialization of expected results in export promotion due to structural challenges in the internal economy and also the inability to utilize and benefit from the concessions offered by these agreements. Hence, in order to reduce trade deficit, there is an immediate need for export promotion and import management by identifying, developing, and increasing production. Additionally, the

country needs to attain self-reliance in basic needs goods, including agriculture, fuel, and medicine.

The share of wholesale and retail trade in GDP is 14.4 per cent in fiscal year 2018/2019. Export is increasing at a low rate while the import is increasing at a high rate. The export-import ratio in trade in goods is 1:14.4, and the trade deficit stands at 38.1 per cent of GDP. A large part of import consists of high-value final goods whereas export consists mainly of low-value agricultural goods.

2. Major Problems

Major problems include a low level of internal production, which cannot meet the increasing demand for consumption goods and luxurious items associated with people's increased purchasing power; inability to produce alternative energy to substitute the increasing import of mineral energy; increase in agricultural import as a result of low production and productivity of the agriculture sector due to lack of mechanization, industrialization, and commercialization; failure to create backward and forward linkages in the production value chain; inability to develop and add value to exportable goods and services having comparative and competitive advantages; inability to adequately utilize the opportunities available in the international market for the development of trade; and the increasing of attraction of import trade among businesses compared to industrial investment. Furthermore, a high share of raw materials, primary goods, and semi-processed goods in export; high cost of trade and transit; and failure to take significant advantage from bilateral and multilateral trade agreements are other problems in this sector. Similarly, the inability to control the import of goods adversely affecting human, livestock, and plant health; deviation in foreign trade due to the open border; failure to undertake country-wise and product-wise trade diversification; and weak legal provisions and regulatory capacity for import management are other problems.

3. Challenges and Opportunities

Major challenges include make structural changes in the trade sector by increasing productivity and competitive capacity; reduce the high trade deficit by promoting export; utilize opportunities created by multilateral, regional and bilateral trade agreements while

mitigating their adverse effects; and increase the production of competitive goods and services by utilizing cheap labour and raw materials. Additional challengers are to increase production and export of goods and services identified by Nepal Trade Integration Strategy (NTIS), 2016, increase the quality of goods through certification, labelling, branding and undertake country-wise and product-wise trade diversification to expand international trade and increase its competitiveness; and take significant advantage of market access through trade diplomacy.

Access to market enhanced by globalization and the world trade system: and trade and transit agreements with two big neighbours offering zero-tariff market access are major opportunities. Availability of industrial labour and raw materials; reduction of the trade deficit as a strategic priority of all sectors; affiliation with regional and international organizations such as WTO, South Asian Free Trade Agreement (SAFTA) and BIMSTEC); and the possibility of a transit economy are additional opportunities.

Policy arrangements to look at domestic and foreign investment and trade in an integrated manner; increasing investment in infrastructure related to international and regional inter-connectivity; and increasing quality and competitiveness in the production of goods and services are also being seen as great opportunities.

4. Vision, Goal, Objectives, Strategies and Working Policies

4.1 Vision

Export promotion, import management, and trade balance for economic prosperity.

4.2 Goal

To increase the contribution of the trade r in the economy.

4.3 Objectives

1. To increase the production of food grains and other basic consumer goods as well the production of export goods and services having comparative advantages.
2. To reduce the cost of trade both in domestic and international trade.
3. To enhance the integration of Nepali goods and services in international value chains.

4.4 Strategies and Working Policies

Strategies	Working Policies
1. To manage import and promote export by identifying, developing, diversifying, and increasing the production and productivity of food grains and other consumer goods and services having comparative advantages and competitiveness.	1. Prevailing trade sector laws will be improved and implemented according to the federal structure. 2. Laws related to antidumping, countervailing duties, and safeguards will be prepared and implemented. 3. Country-wise and product-wise diversification and procedural simplification will be carried out for increasing export trade. 4. Export infrastructure will be developed for the production and export of goods with potential for high-value addition such as garment, carpet, cashmere, leather shoe, sandal, coffee, felt, handmade paper, cardamom, ginger, tea, herbs, and other high-value, low-volume products. 5. Incentives will be provided to export-based industries for using modern technologies. Concessions and incentives will be offered to producers and exporters based on the value-added. 6. The import of goods affecting animal and plant health (sanitary and phytosanitary) will be effectively controlled.
2. To reduce the cost of domestic and international trade through the development and utilization of trade technologies and other infrastructure, use and	1. Trade will be promoted and developed through e-commerce by making it easy and cost-effective in line with the changes observed in the global market. 2. Necessary policy, institutional and procedural arrangements will be put in place to diversify transit transport using waterways. 3. The participation of the private sector will be promoted

Strategies	Working Policies
expansion of information technologies, good governance and effective regulation, trade facilitation, and institutional strengthening.	in the development of trade infrastructure. 4. Trade infrastructure, including unified customs checkpoints, good quality quarantine services, integrated service centres, and dry ports will be developed and operated for the promotion of export trade. 5. Trans-shipment modality will be adopted for the transportation of goods from Kolkata and Bishakhapattanam ports for trade with third countries. Furthermore, port and transit facilities will be utilized by implementing the transit agreement with China. 6. Necessary infrastructure will be put in place for the development, storage, and marketing of local products. 7. Incentives will be provided for the adoption of new technologies and improvement in production processes in industries producing export goods based on domestic raw materials. 8. Information technologies and e-commerce will be utilized in the promotion and marketing of local products. 9. The collaboration will be achieved with provincial and local levels to establish market management and promotion centres in provincial capitals and main cities. 10. Emphasis will be given to infrastructure development by attracting foreign capital and technology to export promotion and import management in such a way that national interest is served. 11. Geographical and social inequalities in the trade sector will be reduced gradually. 12. Arrangements for e-services will be put in place for

Strategies	Working Policies
	making domestic and foreign trade easy, less expensive, and effective. 13. International exhibition centres will be developed in each province to promote the potential goods and services of respective provinces.
3. To protect and promote trade-related intellectual property rights in the international market	1. The intellectual property of local goods and goods based on traditional knowledge and skills will be protected. 2. Support will be provided as needed to registration, protection, and promotion of intellectual property of goods that can be potentially exported to other countries.
4. To strengthen economic diplomacy and build trade capacity through trade-related bilateral, regional and multilateral mechanisms to integrate Nepali products into international value chains and expand the market for Nepali products	1. The competitiveness and value chain of goods and services having comparative advantages and competitive capacity as identified by NTIS 2016 will be developed, and export will be promoted in the international market. 2. Emphasis will be given to the protection of Nepal's interest through the WTO and regional trade agreements. Skilled human resources will be developed to expand service trade under mode-4 within the WTO framework. 3. Negotiations will be conducted to take maximum advantage of service waiver under the WTO General Agreement on Trade in Services (GATS) (which allows developed countries for preferential treatment for services from LDCs) by identifying sectors, sub-sectors, and modes. 4. Internal and external activities of the trade sector will be regulated to promote self-discipline and competition. 5. Economic diplomacy and Nepali missions abroad as well as the mechanism of NRNs will be used to promote

Strategies	Working Policies
	export. 6. The existing Trade and Export Promotion Centre (TEPC) will be upgraded to a powerful "Foreign Trade Management Centre" to increase export, promote country-wise trade diversification, and manage import in coordination with various agencies.

5. Expected Results

At the end of the plan, the export-import ratio of goods will have been 1:10. The import of food grains, vegetables, and essential consumption goods will have come down to 5 per cent from the current 14.4 per cent. The economy will have been geared toward achieving self-reliance. The cost of trade and transit will have been reduced as a result of the development and expansion of trade infrastructure and the operation of water transport.

6.2.3 Supplies

1. Background

The state has an obligation to ensure an easy and uninterrupted supply of essential goods and services needed for people daily, and this service should be available across the country, including remote and rural areas. To ensure consumer rights, the Constitution of Nepal stipulates that every consumer will have the right to obtain quality goods and services, and any person who has suffered injury from any substandard goods or services will have the right to obtain compensation in accordance with the law. Furthermore, the state has adopted policies to protect the interests of consumers by maintaining fairness and discipline in the trade as well as by making the national economy competitive, while ending activities such as creating a black market, monopoly, artificial scarcity, and restricting competition. For this purpose, legal provisions including the Consumer Protection Act have been introduced. It is necessary to improve and effectively implement existing laws and restructure existing institutions with a mandate for managing supplies while protecting and promoting the rights and interests of consumers by improving the supply system.

A Price Stabilization Fund has been established to maintain stability in the price of petroleum products. A system has been introduced to make price adjustments in petroleum products based on the purchase price. Preparations are ongoing for more storage centres, and work on the extension petroleum pipeline is in progress to increase storage capacity for petroleum products and also to make import easier. The current storage capacity for petroleum products is around 71,000 kilolitre. To ensure access to food grains for the people from remote areas, transportation of food grains and monitoring activities have been prioritized. For emergency supply of food grains, 33,000 metric tons of food grains are stored in the National Food Store and SAARC Food Bank on a rotational basis.

2. Major Problems

Poor supply of essential goods and services with good quality standards; adulteration in food grains; artificial shortages of food grains due to fraud, and distortion like cartels and syndicates; undue price hikes; and lack of effective market monitoring are the main problems in this sector. Dilapidated warehouses constructed for the storage of essential food items; lack of adequate storage capacity for petroleum products; poor implementation of existing laws governing the supply system and consumer interest; and weak physical and institutional capacity of local level with responsibilities for storage and supply of essential medicines under the federal structure are other problems in this sector. Another problem is the absence, of a smart and reliable entity for collecting, managing, and storing surplus food items produced in specific locations and transporting them to other locations facing a food shortage.

3. Challenges and Opportunities

The major challenges include protect consumer interest by carrying out regular and effective market monitoring to ensure business integrity and discipline; promote competition by ending artificial scarcity, leakage, unnatural price hikes, cartelisation, and syndicate; and guarantee a smooth supply of food items, essential medicines, medical equipment, petroleum products, and food security. Other challenges of supply management are to enhance access to essential food grains in remote and inaccessible geographical areas and restructure corporations including Nepal Food Corporation, Salt Trading Corporation Limited, and Nepal Oil Corporation Limited to enhance their effectiveness.

High demand and the increasing importance of local products due to increased food and nutrition awareness; adoption of policies promoting self-reliance agricultural products; monitoring of food supply by all three levels of government; increase in storage capacity and smooth implementation of activities on petroleum pipeline expansion; increase in electricity generation and regular supply of power; interest in quality of goods and services as a result of increased consumer awareness; private sector's leading role in the supply system; expansion of transport network across the country; and increasing access to information are opportunities in this sector.

4. Vision, Goal, Objectives, Strategies and Working Policies

4.1 Vision

The effective, accessible, self-regulated, and responsible supply system and protection of consumer rights.

4.2 Goal

To enhance people's access to the supply system and protect consumer interest by ensuring an easily accessible and regular supply of quality goods and services.

4.3 Objectives

1. To ensure an easily accessible supply of goods and services across the country, including consumer goods, essential goods and services, essential medicines and equipment, and petroleum products.
2. To make the market system fair, competitive, and responsible towards consumers.

4.4 Strategies and Working Policies

Strategies	Working Policies
1. To implement policies, Acts, and laws related to the supply system, competition promotion, and consumer interest effectively.	1. Effective supply management will be maintained by improving supply policies. 2. Business ethics and discipline will be maintained by ending the black market, monopoly, artificial scarcity, and anti-competitive practices. 3. Institutional capacity of relevant agencies will be

Strategies	Working Policies
	increased for the effective implementation of legal provisions on the promotion of competition and protection of consumer interests.
2. To strengthen institutional and structural aspects of corporations involved in supply management.	1. Legal and institutional reforms will be introduced as needed to strengthen and diversify supply and distribution systems for petroleum products. 2. Legal, institutional and procedural reforms will be introduced as needed for intensive and regular market monitoring. 3. A supplies company will be established by restructuring supply agencies to ensure a smooth supply of food grains and essential goods. 4. A permanent mechanism will be set up for making food grains available at a fair price for the poor. 5. A supply management information system will be developed in coordination among the three levels of government for the management of statistics on supplies.
3. To develop and effectively implement a supply monitoring system.	1. In view of the legal basis for food sovereignty, arrangements will be made for the supply of seeds and fertilizers adhering to agreed standards, quality, and weight. 2. Regulatory agencies will be established at federal, provincial, and local levels and mandated with the protection of consumer interests. 3. The fundamental right to food will be implemented effectively. 4. The cost price of goods and services will be determined

Strategies	Working Policies
	based on standards for their sanitary, phytosanitary, and environmental impacts.
4. To end artificial scarcity by maintaining transparency in the availability, quality, price, and supply of all goods and services, including essential goods services.	1. The supply system will be made easy and accessible by enhancing the capacity for production, storage, and distribution of basic needs related goods. 2. The public distribution system will be made easily accessible, transparent, and effective. 3. The supply of quality goods and services will be made easily accessible by making the public sector, private sector, and cooperatives competitive. 4. Service delivery systems in private and public transport, education and health sectors will be made regular and easily accessible thereby making it clean, healthy and competitive by eliminating syndicates and cartels.

5. Expected Results

A total of 71.6 thousand quintal iodine salt and 25 thousand metric tons of food grains will have been transported annually to various parts of the remote and highly remote districts. The National Food Store and the SAARC Food Security Bank will have a stock of 25 thousand and 8 thousand metric tons of food grains respectively. The storage capacity for petroleum products will have increased to have a stock necessary to meet the demand for 90 days. The petroleum pipeline will have been expanded to Chitwan. Consumer goods and services of daily use will have been easily accessible with ordinary consumers accessing quality goods and services at reasonable prices.

6.2.4 Tourism

1. Background

The tourism sector has a high potential for the development of the Nepali economy. This sector enjoys comparative advantages because of its unique natural and cultural heritage

and diversity. In particular, natural beauty in the mountains, important religious destinations, and unique cultural and archaeological heritages are high-potential treasures for tourism in Nepal. The Constitution of Nepal incorporates policies for developing tourism as a key driver of the national economy by developing these places and heritages as tourist destinations. They will also be protected and diversified. Since tourism is making a significant contribution towards achieving the goal of economic prosperity by enhancing employment opportunities, reducing poverty, and improving people's living standards, this sector can be seen as a key driver of the economy.

Tourist arrivals and the length of stay are likely to increase in view of the fact that Nepal can benefit from the world market, in particular from the large populations in neighbouring countries. In fiscal year 2018/2019, tourist arrival was 1.197 million; the contribution of tourism in GDP was 2.7 per cent; 200,000 people got direct employment; average tourist spending USD 48 per day per person; and the average length of stay was 12.7 days.

2. Major Problems

Major problems include poor development and diversification of tourism products and activities; inability to promote tourism at the international level as expected; underdeveloped tourism infrastructure; failure to adequately involve the private sector in the protection and preservation of religious and cultural heritages as well as in tourism development: inability to link entrepreneurship development with tourism development; failure to ensure equitable distribution of benefits received from tourism; and inability to make tourism activities technology-friendly.

3. Challenges and Opportunities

Major challenges include establish Nepal as a very attractive tourist destination in the world tourism market; improve air safety, security and reliability and expand air services; enhance the quality of tourism services and facilities; identify and diversify new destinations; attract private investment in the development of tourism infrastructure; define the vision of developing Nepal as a tourism-based economy; have adequately skilled human resources in this sector; and mitigate the effects of climate change in this sector. Other challenges include to diversify and package tourism products with a view to increasing spending and the length

of stay; increase the arrival of quality tourists; make tourism services smart, tourist-friendly, secure and reliable; and keep tourists busy by making tourist products attractive and entertaining through the use of modern technologies and tools.

Encouraging environment for tourism created by all three levels of government under the federal structure: progress in the reconstruction of cultural heritage damaged by the earthquake; development of new tourist destinations; progress in the construction of tourism infrastructure including international airports; proximity to rapidly developing neighbours; natural beauty; great feeling of peace; amiability; spirituality; birthplace of ancient knowledge and philosophy; bio-diversity; and the possibility of Nepal being a tourism hub as a result of unique tourism destinations and products, create opportunities for developing tourism as a river of prosperity.

4. Vision, Goal, Objectives, Strategies and Working Policies

4.1 Vision

Nepal as an attractive, safe, and captivating tourist destination.

4.2 Goal

To put Nepal in the forefront of the global tourism market.

4.3 Objectives

1. To develop Nepal as an attractive tourism destination by making it safe, quality-focused, and tourism-friendly.
2. To increase the contribution of tourism in the economy by diversifying tourism destinations and products.
3. To make sure that the benefits of tourism are distributed equitably at the ordinary people's level.

4.4 Strategies and Working Policies

Strategies	Working Policies
1. To undertake extensive publicity and promotion of Nepali tourism in	1. Information, communication, education (ICE) materials for recognition of Nepal will be developed, produced, and disseminated in international tourism markets for

Strategies	Working Policies
neighbouring countries and major tourism markets.	shaping the perception and image of Nepal among international tourists. 2. Tourists coming to Nepal repeatedly will be honoured as 'brand ambassadors' of Nepal. 3. Promotional programmes such as "Visit Nepal 2020" will be carried out along with tourism publicity within the country and abroad by using technologies, including ICTs 4. Domestic and international tourism will be promoted by identifying, developing, and promoting new tourist destinations with provincial balance. 5. A master plan will be prepared and implemented for the overall development of tourism in collaboration with all three levels of government, the private sector, and communities. 6. Tourism activities will be carried out with tourism being promoted as a high-yielding sector. The private sector will be encouraged to be involved in the development of human-created tourism products/infrastructure, including hill stations targeted to tourists seeking entertainment, utilizing leisure time, and seeking to escape from the heat. 7. To distribute the benefits of tourism equitably, tourism products and destinations focused on convention, conference, symposium, and exhibition will be diversified and beautified. 8. Modern tourism products such as cinema tourism, adventure tourism, amusement tourism, research tourism, trade tourism, eco-tourism, agriculture tourism

Strategies	Working Policies
	mountaineering, trekking will be developed in collaboration with the private sector. 9. Sensitive tourism destinations and cultural heritages vulnerable to climate risks will be identified and protected. 10. Standards and criteria will be developed to regulate and control pollution and waste caused by tourism. 11. The quality of tourist services/facilities will be enhanced by diversifying, classifying, and effectively regulating them. 12. Adventure tourism trails will be identified and developed. 13. Policy arrangements will be put in place for making tourism an environment- friendly, energy-saving and climate-resilient industry
2. To promote integrated tourism development by bringing together other sectors with tourism potential, including education, health, and sports.	1. Timely reforms will be introduced in tourism policies and laws. 2. An integrated tourism development model will be developed including education, health, and sports sectors. 3. Tourism satellite account will be prepared for an accurate accounting of tourism's contribution to the national economy. 4. Tourism products and the tourism industry itself will be made sustainable by mitigating vulnerabilities induced by climate change. 5. Disasters will be managed by strengthening weather forecasting technologies.

Strategies	Working Policies
	6. Integrated health infrastructure will be developed in major tourism destinations. 7. Inter-governmental, inter-ministerial, and inter-agency collaboration will be encouraged for tourism development.
3. To develop and promote modern tourism infrastructure in line e with the concept of the public-private-cooperative partnership while encouraging domestic and foreign investment.	1. Initiatives will be undertaken to promote PPP and FDI in tourism. 2. A partnership model will be developed for investment from provincial and local levels as well as from the private sector and communities in the development of tourism infrastructure. 3. Local and national infrastructure will be linked with the Buddha circuit, Shiva circuit, Ramayana circuit, the pre-historic Mithila culture, and other similar development projects in line with the concept of regional tourism network. 4. Tourist-friendly infrastructure will be developed along main highways and other roads leading to tourism destinations. 5. Tourism heritages and tourism destinations will be made accessible and tourist-friendly. 6. Modern amusement transport infrastructure will be developed for tourism development. 7. Nepal being home to the ancient civilization, heritages associated to peace and spirituality, knowledge and philosophy, and religion will be identified and developed. 8. Tourism activities will be promoted in and around

Strategies	Working Policies
	protected areas of the country.
4. To develop tourism as a driver of the economy. The provincial and local levels will coordinate with the private sector for identification, development, and diversification of tourism destinations.	1. Studies research and statistics will be commissioned and managed for strategically increasing tourism benefits. 2. All programmes related to the tourism economy within a mountain economy model will be taken forward effectively. 3. Enterprises related to tourism will be encouraged to use renewable energy. 4. Enterprises related to tourism will be encouraged to use dimensions of a green economy. 5. Skilled human resources related to tourism will be developed. For this, a deemed tourism university will be established; the subject of tourism will be included in educational curricula, and training will be conducted against certain standards in collaboration with the private sector.
5. To distribute benefits of this sector to local level by connecting tourism outputs to value chain.	1. Use of local resources and products will be encouraged in the development of tourism products. 2. Collaboration with provincial, local, and community levels will be secured for sustainable and effective management of the tourism sector. Furthermore, waste and pollution will be controlled in this sector. 3. Community-based rural and home-stay tourism will be expanded and the benefits of this sector will be taken down to the community level. The development of tourism destinations and homestay arrangements reflecting local specialties will be carried out in

Strategies	Working Policies
	collaboration with the local level. 4. Himalayan trekking routes will be developed from Taplejung to Darchula, and infrastructure, including cable cars, will be developed in mountain areas.

5. Expected Results

In the final year of this plan, the arrival of foreign tourists will have reached 3.5 million. The average length of stay of foreign tourists will have increased to 15 days, with average daily spending of USD 100 per person. An additional 382,000 direct jobs will have been created during the Plan period, and the contribution of tourism in GDP will have amounted to 10 per cent.

Chapter 7: Social Sector

7.1 Population and Migration

1. Background

The Constitution of Nepal has placed the functional responsibility of demographic management within the fold of federal, state, and local levels. The long–term Population Perspective Plan (2010-2031), Action Plan of the International Conference on Population and Development, SDGs, and National Population Policy, 2014 are being implemented in order to increase the opportunity for a quality lifestyle of every citizen by contributing to the creation of an equitable social, economic and cultural structure. The 'unbundling report' approved by the Cabinet that has detailed the functions of the exclusive and concurrent powers of the three levels of the government has enlisted family planning and population management as a shared responsibility of the federal level and the provincial level whereas the functions of vital registration or the act of registering personal events (birth, death, marriage, divorce, and migration) have been included in the list of concurrent responsibilities of the federal, provincial, and local levels. As a result of the national policy, programmes and planned development, the annual population growth rate has remained 1.35 per cent (National Census, 2011), the total fertility rate of women of reproductive age stands at 2.3 per woman (Nepal Demographic and Health Survey, 2016), the productive population which is a demographic dividend stands at 57 per cent of the total population and productive human resource living abroad is 7.3 per cent of the total population. In this context, population and migration is a cross-cutting issue, and therefore, it is imperative that it is managed as the priority in all public policies. Human resource is considered the driver of development as well as user, producer, and consumer. On the one hand, the reproduction rate is going down, average life expectancy is increasing and young human resource continues to leave the country, and on the other hand, the population of senior citizens is increasing. Due to the high external and internal migration, the inequality in demographic distribution is widening. Therefore, it is deemed essential to manage population and migration as an inter-related issue for preventing

the direct impact of unequal demographic distribution on economic production and distribution.

2. Major Problems

Lack of internalization of demographic management policies and programmes by the government, private sector, non-governmental sector, and civil society as well as lack of coordination between them, inability to take forward the representative research works for the formulation of evidence-based national policy, and the imbalance between population and development due to poverty, illiteracy, geographical remoteness, unplanned settlement, migration and emigration, and social malpractices are the major problems of this sector. Additionally, lack of stable organizational structure, lack of establishment of demographic management information system with extensive and disaggregated statistics, negative effect on the production of the agricultural and non-agricultural sector due to internal and external migration of productive human resource, negative effect on the demographic distribution of the migration of people caused by the unbalanced distribution of development, climate change and natural disasters, inability to organize and manage rapid urbanization, and inability to carry out programmes while simultaneously addressing the issues of population management, migration, emigration, and development are some of the major problems of this sector.

3. Challenges and Opportunities

Maintaining harmony and balance between demographic indicators and indicators of economic and physical development while formulating national policies and programmes, creating a favourable environment for utilizing productive human resource domestically through employment, proper management of people migrating abroad and that of foreigners settling here, managing rapidly increasing number of senior citizens, developing an integrated settlement with basic facilities of health, education, employment, and water supply, managing internal migration through balanced and proportionate development and building and expanding demography-related information bank at the local level are the major challenges of this sector.

Existence of long-term Population Perspective Plan, potential to achieve economic and social development by utilizing demographic dividend provided by the high ratio of 15 to 59 year-old population in total population, majority of the citizens embracing the concept of a

small family with higher living standards, state prioritizing a balanced approach to the management of population, migration and development, creation of a favourable environment for the investment of remittance income and skill gained from foreign employment in the areas of national priority, infrastructure development, construction of small towns in mountain and hill region, creation of employment opportunities, universal agreement on the need for the management of migration through integrated settlement development programmes, increasing concern of international communities in population and migration management and the opportunity to conduct population and migration-related programmes in federal, provincial, and local levels are some of the opportunities available for this sector.

4. Vision, Goal, Objectives, Strategies, and Working Policies

4.1 Vision

Productive demographic resource.

4.2 Goal

To manage population and migration appropriately.

4.3 Objectives

1. To increase the average life expectancy of all citizens by making them healthy, strong, and active.
2. To manage migration and urbanization and to utilize the demographic dividend.
3. To institutionalize demographic studies and research.

4.4 Strategies and Working Policies

Strategies	Working Policies
1. To develop services like safe sex and reproductive health of adolescent and youth, family planning, safe motherhood, and safe	1. Services including safe sex and reproductive health will be developed as a right and access to them will be increased by enhancing quality. 2. Safe abortion, sex education, and reproductive health services will be extended for mitigating birth incidents involving adolescent mothers and early age pregnancy.

Strategies	Working Policies
abortion as rights-based programmes.	3. Special programmes will be launched for promoting safe and responsible character and behaviour among adolescents and developing their life-skills. 4. The development of the required, appropriate, and accessible educational environment for the adolescent and youth will be emphasized for minimizing child marriage. 5. The capacity of adolescents and youth will be increased through employment-oriented and life-skills focused education.
2. To create knowledge and skills-based employment opportunities for utilizing the demographic dividend.	1. The demographic management will be carried out in a coordinated manner by harmonizing the development programmes and the population. 2. An institutional mechanism will be developed in order to carry out the demographic management functions at the provincial and local levels as per the local needs. 3. A partnership and collaboration with development partners, government entities, non-government organizations, private sector, and cooperative and community institutions will be encouraged for demographic management. 4. The demographic dividend will be utilized by making a detailed action plan for human resource development. 5. The skills, knowledge, capacity, culture, and resources gained by human resources returning from foreign employment and organized youth will be encouraged to be invested in the productive sector through entrepreneurship, self-employment, and vocational activities.
3. To reform the current legal and institutional provisions by following	1. The participation of poor, marginalized, Dalit, women, children, adolescents, disadvantaged, and people with disabilities and senior citizens will be ensured in population

Strategies	Working Policies
the policy of mainstreaming in population and development through the means of rights-based gender equality and inclusion.	and sustainable development-related programmes aligning it with the tenets of gender equality and social inclusion. 2. The concept of a well-organized family will be encouraged while respecting the family norms and values traditionally followed by Nepali society. 3. A favourable environment will be created for using experience, knowledge, capacity, and the skills of senior citizens in the development of society and nation. 4. In the context of a gradually increasing population of the senior citizens in Nepal, their social security and social protection needs will be addressed by formulating programmes that are accessible and friendly to them. 5. Geriatric wards will be developed and extended in central and provincial hospitals. Furthermore, day-care and promotion programme will be operated in other hospitals and health institutions as well for the easy access of senior citizens through collaboration and coordination with social organizations. 6. A special programme will be operated and institutionalized for the protection of marginalized and near-extinct ethnic groups (*Raute, Kusunda, Chepang, Rajbanshi, Chamar, Mushar, Badi, Raji,* etc.). 7. All the apparatuses and programmes of the state will be made friendly to people with disabilities.
4. Internal migration and urbanization will be made more systematized through the development of	1. The human resource will be mapped out based on the needs of the local levels and special programmes will be carried out to prevent disruption in the economic, social, and cultural development of the native residents and indigenous communities due to internal migration.

Strategies	Working Policies
integrated settlements in rural and remote areas.	2. The places with potential for urban development will be identified in all seven provinces and those places will be connected by transportation and information network, and the people living in rural communities will be encouraged to get connected to the network. 3. Employment opportunities as well as other opportunities will be created in the rural, remote, and backward regions by emphasizing proportional development of education, health, and physical infrastructure. 4. An integrated development package on population and migration will be formulated and implemented. 5. The demographic impact evaluation will be carried out before the implementation of any development project. 6. The immigration trends will be regulated based on the immigration of foreign citizens and their number, and their features.
5. To enhance the quality of the management of demographic and migration-related statistics and make it technology-friendly and to organize the demographic information through studies, researches, surveys, projection, and analysis.	1. The registration system of personal events such as birth, marriage, migration, and death will be encouraged and made legally mandatory. 2. A system of examining the cause of death will be developed and deaths and births occurring in health institutions will be integrated with the electronic personal event registration system. 3. The data and statistics maintained at the local level will be integrated into the national main network and a system for updating the demographic information regularly and communicating the information will be developed. 4. While formulating development projects, the pre-feasibility study system will be made transparent and scientific.

Strategies	Working Policies
	5. The internal and external migration-related record and statistics system will be made more systematic. 6. The demographic management will be institutionalized as an integral part of the overall development process through coordination and collaboration between population and migration, development, and environment. 7. Provision will be made for a regulatory entity at the central level for maintaining regularity, uniformity, and standard of studies and researches conducted in various sectors of population and development and utilizing their conclusions in national policy-making and planning.

5. Expected Results

Human Development Index will have been increased to 0.624 from 0.579 and the Citizen Satisfaction Index will have reached 5.1 from 4.7. Total fertility rate will have been maintained at the replacement level of 2.1. The birth registration of children under five years will have reached a hundred per cent from the current rate of 63 per cent. Up-to-date demographic statistics will have been available through a demographic management information system.

7.2 Education

1. Background

Education is the key to development. Furthermore, it also the key to a cultured and respectable life and decent employment and entrepreneurship development. Education is also regarded as an important medium for the sustainable peace and prosperity of the country through an educated society. The Constitution of Nepal has guaranteed the right to education as a fundamental right. The constitution has guaranteed the right to access to basic level of education, compulsory and free education up to basic level and free education up to secondary level. It has also guaranteed the right to free higher education for the disabled and economically weaker citizens, right to get an education in mother language bye very Nepali

community, and the right to open and operate schools and educational institutes for that purpose, pursuant to the law. Furthermore, it has pursued a policy of making education scientific, technical, vocational, empirical, and employment-oriented as well as service-oriented by regulating and managing the private sector's investment and increasing investment of state.

By the end of FY 2074/75 (2017/2018), the literacy rate for people above 15 years of age had reached 58 per cent and youth literacy rate among 15 to 24 years age-group had reached 92 per cent. The gross enrolment ratio in pre-primary education was 84.1 per cent and the ratio of children enrolled in class 1 along with experience of pre-primary education was 66.3 per cent. The net enrolment rate of grades 1 to 5 has reached 97.2 per cent, the net enrolment rate of grades 1 to 8 has reached 92.3 per cent and the net enrolment rate of secondary level (class 9-12) has reached 46 per cent. School dropout rate remains 3.8 per cent in class 1 to 5, 4.4 per cent in class 6 to 8, and 3.7 per cent in class 9 to 10. Similarly, the Gender Equality Index in primary level and secondary level (11-12) are 1.0 and 1.02 respectively. The apparent enrolment rate in higher education stands at 12 per cent. This ratio seems to have reached around 15 per cent after including students going abroad to study and currently studying in foreign institutions. Around 5 hundred thousand youths enter the labour market annually but around only one hundred fifty thousand of them have obtained technical and vocational training. The age group of 10-24 years occupies the highest share of the demographic composition. Therefore, this fact needs to be considered during the management of education in the years to come. This plan aims to develop the overall education sector by enhancing the leadership role of the state and the complementary role of the private sector.

2. Major Problems

Failure to ensure full access to quality education for all, inability to ensure access of specially targeted groups of children to the educational opportunities failure to maintain the continuity of enrolled students and achieve high learning outcomes as anticipated, inability to manage area-wise and subject-wise teachers in all schools, and failure to develop technical education as the mainstream of education major problems in the education sector.

Similarly, lack of enough resources for the implementation of the citizens' right to technical and vocational education and skills development as well as the right to education,

the state of not being able to focus on the production of human resource to support the knowledge-based economy by making the university education research-based, low pass rate at any designated level in the prescribed academic session, lack of availability of human resource as per market demand, the produced human resource not getting employment as per their qualifications, absence of reading culture and public library system for lifelong education, failure to guarantee good governance in all levels of the education sector, lack of proper management of educational institutions of public and private investment and the high rates of brain drain are also the major problems of this sector.

3. Challenges and Opportunities

Enhancing attraction towards public education through universal access, development of proper infrastructure, equitable access and assurance of quality, reconciling and redistributing teacher-student ratio, enhancing educational good governance and accountability, creating an attractive learning environment with the availability of physical infrastructure in all types of schools, making teaching and learning process practical, child friendly and technology-based, preparing entrepreneurial, critical thinking and innovative citizens, enrolling all non-school going eligible children to schools, achieving expected learning outcomes by reducing class dropout rate to zero, ensuring availability and management of resources required for equitable access to physical infrastructure and technical human resource for development of technical education and vocational training, making the students graduating from all universities internationally competitive, realizing the new vision of promoting knowledge- and technology-based economy by expanding high-level technical education opportunities, enhancing good governance and accountability in education sector, creating opportunities for qualified youth to work within the country, timely restructuring of educational administration, mapping of educational institutions based on demographic structure, internal and external migration trends, and utilizing the various opportunities brought about by the development of information and communication technology are the major challenges of this sector.

As regards the opportunities, the fact that education has been established by the constitution as citizens' fundamental right and the local governments have been mandated with the responsibility of managing education from basic to secondary level, there is a high prospect of reforming the sector by improving quality and enhancing participation and access.

Likewise, increase in literacy rate, progress in net enrolment rate at the school level and also improvement in gender equality index, increasingly inclusive participation in education, increasing concern and public expectation regarding public schools, government policy to increase employment by making technical education easily accessible in every local level and promoting technical higher education, potential to increase investment in education through mutual partnership between all the three levels of governments as per their concurrent jurisdiction, possibility of improving educational service delivery by making the management of education more effective through capacity enhancement of all the three levels of government, prospects available to contribute to the development of the nation through the creation of domestic employment opportunities by expanding technical education, growing realization of the need for attracting youth resource who left the country in search of employment opportunities back to the country, and the possibility of creating a favourable environment for making Nepal a hub for higher education in various subjects through the development of research-based education are other opportunities present in the sector.

4. Vision, Goal, Objectives, Strategies, and Working Policies

4.1 Vision

Development of human resources for socio-economic transformation.

4.2 Goal

To develop creative, skilled, competitive, productive, and innovative human resources through quality education.

4.3 Objectives

1. To make basic education compulsory and free to all children along with the provision of early childhood education and free access to secondary level education and to make education high-quality, practical for real life, and technology-friendly.
2. To ensure expansion and quality of inclusive and equitable access in technical education and vocational skills development.

3. To develop a knowledge-based society and economy by making higher education scientific, innovative, research-based, technology-friendly, and employment-oriented through quality and access enhancement.
4. To ensure the opportunity of life-long education for all citizens.
5. To maintain good governance in educational administrative entities and educational institutions of all levels as per the federal structure.

4.4 Strategies and Working Policies

Strategies	Working Policies
1. To develop early childhood development and education programme as an integral part of school education and make it compulsory for all children.	1. Based on the concept of one early childhood development centre per school, such centres will be redistributed through local levels and a cost partnership will be applied between the three levels of government with the federal government continuing the currently disbursing grants and the provincial and local governments also making investments. 2. The minimum educational qualification and training period of teachers of early childhood development will be reviewed and provision will be made for service delivery by qualified teachers. 3. Seating arrangements and sanitation of the early childhood development classes will be effected as per the set standards, and an attractive, entertaining, and children-friendly classroom environment will be created along with playing materials, learning materials, entertainment materials, and audio-visual materials.
2. To make all levels of government competent and accountable for ensuring equitable access	1. The campaign of enrolling all the out-of-school children will be continued in partnership with all levels of government, political parties, local intellectuals, social workers, government and non-government entities and the

Strategies	Working Policies
to school education as per the standards of compulsory and free education.	local level governments will carry out a programme of declaring their area "No Out-of-School Children Zone" by enrolling every child. 2. To ensure compulsory and free education for all, a provision will be made for open and alternative education to address the learning needs of the students from vulnerable, minority, endangered, and marginalized communities. Similarly, the provision will be made for residential and special education based on the provision of learning materials and the needs of the children living with disabilities to identify and evaluate them and provide them with educational opportunities. 3. The incentives such as lunch for the children of basic level and scholarship and health check-up and treatment at a local health facility for children living with disabilities and children from poor families will be provided to solve the problem of class dropout and to retain students in the school. 4. The educational institutions damaged by all kinds of disasters will be reconstructed and provided with sufficient physical infrastructure along with making them resilient to different kinds of disasters and disability-friendly. 5. Residential facilities will be made available at the schools in the remote and mountainous region, schools for children with special needs, and model schools. Similarly, schools with residential facilities will be operated based on local needs targeting children from poor, marginalized, and endangered communities.

Strategies	Working Policies
	6. To fill the vacancy of different subject teachers in every rural municipality and urban municipality, teachers will be managed through alternative approaches such as lump sum grant or recurring grants in coordination with the federal, provincial, and local levels, until all the schools have the minimum, required number of teachers. 7. The investment of the federal, provincial, and local levels will be emphasized for the development of physical infrastructure with technology in educational institutions. 8. The schools will be merged, transferred, and newly established by mapping schools based on demographic structure and geographical conditions.
3. To develop a quality standard and accreditation system in school education to maintain equal quality in school.	1. A proper laboratory, library, and learning corner will be managed in the school to encourage learning for reading and reading for the learning process. 2. To make the teaching-learning activities more effective, provisions will be made for a multiclass teaching system in schools with few students. Similarly, provisions will be made for proper curriculum, reference materials, resource materials, practical/experimentation materials, and proper classroom management for achieving this purpose. 3. A system will be established for the review of the minimum educational qualifications of the teachers and periodical qualification assessment. Similarly, teachers' professional development programmes will be conducted for the continuous professional development of the teachers.
4. To ensure quality in all levels of education	1. The provincial and local levels will also conduct student achievement tests periodically and a revised school

Strategies	Working Policies
through a curriculum based on the development of human resources, infrastructure, and technology, and life skills.	improvement plan will be implemented based on the result of the standardized test. 2. The curriculum and books of school education will be revised on a timely basis and an integrated curriculum will be implemented for grades 1 to 3 of the basic level. The capacity of the local levels will be enhanced to allow them to develop their local curriculum and textbooks using their mother tongue or local language or Nepali language as required as per the standards prescribed by the federal level. 3. The interrelated knowledge and skills of preliminary classes will be integrated to make the curriculum of the school level (grade 1 -12) competency-based. Similarly, civic education will be included in the school level curriculum. 4. Digital learning materials will be developed to assist the teaching and learning process, especially for English, Mathematics, Science, and technical subjects. 5. To make science education practical and interesting, the construction of science labs in secondary schools and the construction of the science room in primary schools will be emphasized. Similarly, public secondary schools that have the appropriate infrastructure, human resource, number of students, density as per the set standards, and the potential for high levels of educational achievements will be developed as model schools by running science programmes up to grade 12. 6. To attract excellent talents to the teaching profession, legal provisions allowing direct entry for the students securing

Strategies	Working Policies
	the highest marks in the university will be made. 7. Higher educational institutions will be established to produce specialized human resources in technical subjects including medicine and engineering.
5. To make provisions for the effective regulation of private schools and to transform them into service-oriented entities from profitmaking entities.	1. The local level will regulate the curriculum, physical environment, teacher and staff, and financial management of all schools including schools with private investment. 2. Necessary policy and legal provisions will be made for the effectiveness of schools with private investment and such educational institutions will be made service-oriented.
6. To expand technical and vocational education and training programmes extensively to ensure opportunity and access to technical education and vocational skills development for youths at the local levels.	1. A distribution grid will be prepared based on skills mapping and standards and an industrial apprenticeship programme will be conducted in coordination with the public, cooperative and private sector to extend access and opportunity in technical and vocational education and skills development and to ensure employment through on the job training. 2. A master plan for technical education and vocational skills development will be approved and an integrated technical and vocational education and skills development laws will be formulated and an integrated fund will be constituted. 3. A technical school and vocational skills development training centre with a skilled teacher and required infrastructure will be established at every local level gradually. 4. The necessary resource will be managed for secondary schools that conduct both general and technical classes through structural development and regulatory provisions.

Strategies	Working Policies
	5. A student financial support system will be implemented to provide an equitable opportunity of technical and vocational education and skills development for citizens who fall under the multidimensional poverty line, who are with multiple disadvantages, economically and socially backward, and living with disabilities and deprived of the opportunity of formal education. 6. Provisions will be made for mobile programmes on skills development and training to ensure prescribed quality in technical and vocational education and skills development. 7. A system will be developed for providing career counselling (profession or business) services from every local level to fulfil the changing needs of skills. 8. A technical stream education will be conducted in every community school.
7. To determine the qualification of education, training, skills, and learning based on mobility and permeability of general education, technical education and vocational skills development through national qualifications system by opening up all processes and ways of learning.	1. A mechanism and programme of determining the qualification of education, training, skills, and learning will be developed based on mobility and permeability of general education and technical and vocational education and skills development. 2. Provisions will be made for providing a Skills Passport mentioning skills and competency gained by the human resource who obtained technical and vocational education and skills development training. 3. The curriculum, learning material, and trainers will be prepared based on National Occupational Competency Standard and legal provisions will be made for requiring the skills development training providing institutions to

Strategies	Working Policies
	obtain Quality Assurance and Accreditation based on the National Occupational Competency Standard.
8. To make higher education-providing educational institutions competitive and result-oriented in order to produce the high-level technical human resource.	1. Various programmes will be carried out in partnership with the universities and campuses to produce the highly skilled human resources required by the public educational institutions providing technical education and vocational training. 2. A national secondary school of science will be established in each state with the investment of the federal government and students will be admitted to such schools through a national competition to make sure that talented students are selected in the science subject and their interest in science will continue. 3. In consideration of the need for people in remote areas who lack access to higher education and require alternative access, open and distance education systems including Open University will be extended and strengthened.
9. To restructure the faculties of universities and the educational training-providing institutions for the production of skilled human resources in the teaching profession.	1. The University Grant Commission will be restructured as Higher Education Commission in accordance with the higher education policy and be made active for reformation and development of higher education. 2. Technical subject areas such as agriculture and forestry, ecology, science and technology, medical science, Ayurveda, tourism, engineering, hydroelectricity, renewable energy, industry, and trade will be affiliated with higher education based on national priority and practical and employment-oriented higher education will be emphasized to create an environment for keeping the

Strategies	Working Policies
	foreign-bound human resource within the country. 3. The curriculum and programme of higher education will be aligned with national needs and encouraged to be made research-oriented and innovative and quality accreditation will be ensured for quality improvement through the provision of credit transfer. 4. A pre-qualification examination system will be implemented for human resources entering higher education. Furthermore, human resources engaged in the teaching profession in foreign universities will be attracted to Nepali universities.
10. To develop a results-based financing system in order to produce human resources capable of supporting a knowledge-based economy and to promote employment.	1. Graduate and post-graduate level students will be mobilized as volunteers up to the local levels for practical experience of the workplace. 2. A provision will be made for providing concessional loans against degree certificates to students pursuing higher education. 3. The concept of skills development bank will be implemented to provide industrial apprenticeship concessional loans for financial facilitation to the schools, training-providing institutions, and students in order to expand the industrial apprenticeship programme for technical and vocational education and skills development.
11. To develop higher education-providing universities and educational institutions as technology-based	1. There will be an independent quality determination and accreditation authority for determination and accreditation of the quality of higher education and the quality accreditation of higher education providers will be carried out by developing an automatic system based on certain

Strategies	Working Policies
learning centres for knowledge transfer and development and make the Quality Assurance and Accreditation System strong, powerful, and compulsory.	standards. 2. The grants and additional incentives provided to higher education providers will be aligned with the quality standards. 3. A central data centre will be built to support studies and researches with opportunities brought by information and communication technology in all sorts of educational programmes and an e-library will be established and operated.
12. To ensure lifelong learning by connecting learned knowledge and skills with income-generating programmes through informal education and alternative learning.	1. A National Qualifications System will be developed and procedures, processes, and mechanisms will be strengthened for documenting, assessing and verifying skills existing in the informal sector in order to open up all sorts of approaches and paths to learning to ensure learning through formal, informal, and additional channels. 2. A public library system will be developed for the development of reading culture and lifelong education, and provisions will be made for expanding the library with basic facilities and electronic-library services at the local levels.
13. To preserve and promote traditional and local knowledge, skills, and technology and to utilize modern technology propounded by scientific exploration and research in the overall	3. Scientific exploration and research will be integrated into higher education while promoting and preserving traditional and local technologies. Furthermore, innovative technologies will be included in the school and university curriculum as appropriate in order to utilize innovative technologies for the overall development process of the country. 4. The foreign students will also be attracted through the

Strategies	Working Policies
development process of the country.	establishment and development of specialization-based higher education institutions incorporating the original art and culture of Nepal.
14. To make all levels and entities associated with education, science, and technology responsible for prescribed performance and achievement by creating a structural and legal basis for maintaining good governance, transparency, and accountability.	1. Separate principals will be arranged gradually for public secondary schools and a managerial and leadership capacity development programme will be conducted for all the principals. 2. The educational information management system will be made more systematic, effective, and technology-based and will be utilized in the formulation, implementation and monitoring of plans at the federal, provincial, and local levels by arranging delivery of information through the online system from school and higher educational institution. 3. The time spent by the teacher in the classroom will be linked to regular teaching-learning activities and their performance will be linked to the grants provided to make the teachers dedicated to their profession and incentivizing programme will be carried out at the local levels to improve the quality of education. 4. The Acts and Rules relating to the education and science and technology will be formulated and amended as per necessity corresponding to the federal governance system and provisions will be made for annual performance assessment of operation and performance level of schools to ensure accountability by making service delivery of schools more effective. 5. An Umbrella Act will be formulated for the operation and regulation of primary, secondary, and higher education-

Strategies	Working Policies
	related educational institutions.

5. Expected Results

By the end of the plan, the literacy rate for people above 15 years of age will have been increased to 95 per cent from 58 per cent, youth literacy rate will have increased to 99 per cent from 92 per cent, net enrolment rate will have increased to 99 per cent from 93 per cent in the primary level and to 65 per cent from 46 per cent in the secondary level (9-12). The gross enrolment rate of higher education will have reached 22 per cent and the ratio of the working-age population who have received training in the technical and vocational sectors will have increased to 50 per cent from 31 per cent. The number of schools teaching in mother language will have been increased by 20 per cent. The ratio of female teachers at the primary level will be at least 50 per cent. Among the students receiving secondary education, 30 per cent will have studied the technical stream and 15 per cent will have studied the science subject. Student achievement tests will have been conducted in grades 5,8,10 and 12.

7.3 Health and Nutrition

1. Background

The Constitution of Nepal has the provision of the right to get free basic health services from the state as a fundamental right of the citizens of Nepal. Considering the importance of healthy and productive citizens in the nation's development, the state has an obligation to ensure equitable access to quality and easily accessible health services by increasing investment in this sector. In this context, as per the concept of a welfare state, it is necessary to gradually transform the health sector from being a profit-oriented to service-oriented. As per the list of exclusive and concurrent powers enumerated by the Constitution, the functions of formulating health policy and standards, ensuring quality and monitoring, traditional treatment services and infectious disease control have been assigned to the federal government whereas the responsibility of health services have been assigned to the federal, provincial and local levels. For its effective implementation, inter-ministry coordination and collaboration is a must.

As a result of various programmes implemented in the health service, the infant mortality rate per thousand live births has decreased to 32, the neonatal mortality rate has decreased to 21, the child mortality rate (under five years) has decreased to 39 and the maternal mortality rate has decreased to 239 (per one hundred thousand live births) and total fertility rate is 2.3 per woman. Similarly, the rate of stunting in children below five years has decreased to 36 per cent. In this context, the national agenda is to achieve Sustainable Development Goals in keeping with the international commitments Nepal has made time to time, existing policy of the government as well as the major problems, challenges, and opportunities of the health and nutrition sector. In order to make citizens healthy, there is a need to increase investment in modern medicine as well as the medicines pertaining to Ayurvedic, naturopathic and homeopathic treatment, and good governance and research in the health sector. According to this Plan, the state has to play the lead role whereas the private and cooperative sectors have to play complementary roles in bringing health services to the doorsteps of the people.

2. Major Problems

Failure to maintain access to and uniformity of quality health services as per people's expectations, failure to develop adequately the health service itself and the human resources that are service-oriented and accountable to public health, lack of returns as per the investments made in the health service, lack of required modern equipment and specialist doctors at the government health institutions, the existence of infectious and non-infectious diseases, malnutrition, accidental and disaster-related health problems, increased burden of non-infectious diseases and mental health problems due to change in food habits and lifestyle with the increasing pace of globalization, etc. are the major problems.

Other problems of this sector include lack of harmonization between the production of health service-related human resource and their utilization, climate change, increasing food insecurity, emergence of human health problems due to natural disaster, increasing anti-microbial resistance to antibiotics due to lack of their proper use, the low pace of decreasing maternal mortality rate, malnutrition in more than one-third children of below five years and women of reproductive age group, private sector’s dominant presence even in community health services, and lack of proper coordination and effective regulation, among others.

3. Challenges and Opportunities

Establishing equitable access of citizens to all sectors of health, providing free and quality basic health services available and accessible to everyone at the local levels, providing health services prioritizing the most deprived and vulnerable citizens, reducing the high personal expenditure in health care, determining the volume of financial sources and ensuring their availability, managing the health institutions as per the federal structure, implementing health insurance effectively, making health sector responsible towards human health by gradually transforming profit-oriented health sector into a service-oriented one, balanced management of skilled, competent and healthy human resources that carry a social responsibility of providing health services, achieving self-reliance in drugs production, resolving health problems relating to climate change and the people's life styles created due to increasing urbanization, effective management and regulation of drugs and drugs-related materials, increasing the use of data in monitoring, assessment, review, policy formulation, and decision process by properly addressing the demand of health information of all levels by making health information system more systematic, integrated and technology-friendly, developing a record system for keeping records of deaths and conducting regular research thereof, maintaining good governance in overall health and nutrition sector by ensuring and regulating the quality of health service are the major challenges of this sector.

Sharing of the powers relating to health services among federal, provincial and local levels of the state as conferred by the constitution, implementation of health insurance programme through policy and act, provincial and local level governments carrying out programmes by increasing investment in health using their own resources, increasing availability of new information technology, drugs, and equipment, continuously increasing awareness and concern of citizens with development of infrastructure, expansion of health network down to the community level as well as the existing policy and programme's focus on making health service systematic and of high quality and all levels of government prioritizing the use of statistics in policy formulation and decision process are the major opportunities existing in this sector.

4. Vision, Goal, Objectives, Strategies, and Working Policies

4.1 Vision

Healthy, productive, responsible, and happy citizens.

4.2 Goal

To ensure access to quality health services at the people's level by developing and expanding a strong health system at all levels.

4.3 Objectives

1. To achieve balanced development and expansion of all sorts of health services at the federal, provincial, and local levels.
2. To transform the profit-oriented health sector gradually into a service-oriented sector by increasing government responsibilities and effective regulation for easily accessible and quality health service.
3. To promote a healthy lifestyle by making health service providers and service seekers more responsible for increasing the citizens' access to health service through multi-sectoral coordination and partnership.

4.4 Strategies and Working Policies

Strategies	Working Policies
1. To ensure access of citizens in basic to specialized and quality health services including preventive, promotional, curative, restorative, and palliative care.	1. A package and protocol will be prepared and implemented for easy access of citizens in free basic health services. 2. Procedures will be formulated and implemented for the development and expansion of modern technology including telemedicine for delivering quality health services in an easily accessible way by expanding access of citizens of rural areas in health services and mobile health services programmes in collaboration with the private and the non-governmental sectors. 3. Rehabilitation centres will be established at all levels in

Strategies	Working Policies
	collaboration with the private and the non-governmental organizations by formulating procedures for partnership in the health services and the community-based rehabilitation and palliative services will be developed and expanded. 4. Timely vaccination services will be provided based on the burden of disease and cost-effectiveness. The National Immunization Fund will be strengthened to make the immunization services sustainable. 5. Promotional programmes will be carried out for maintaining good and cordial relationship among doctors/ health professionals and patients through code of conduct and by ensuring harmonious behaviour. 6. The required budget will be ensured for reforming the quality of health services provided by health institutions at all levels by effectively implementing Nepal Health Infrastructure Development Standards and Minimum Service Standards (MSS).
2. To systematically develop and expand Ayurveda, natural medicine, and other medicines.	1. The required structure will be made for identification, collection, conservation, and promotion of medicinal herbs, minerals, and animal products available at local levels. 2. National Ayurveda, Yoga, Meditation, *Pranayam*, psychological counselling, *Panchakarma*, and Natural Medicine Service Centre will be established for the promotion of health tourism by listing and systemizing prevailing natural medicine, alternative, and other medicinal methods and services.
3. To address the health necessity of citizens of all age groups as per the	1. The overall development of mother and child, children and adolescents, and family management services will be reformed further and expanded as per the concept of the

Strategies	Working Policies
Life Course Approach and to make additional improvements and expansion of overall development of mother and child, children and adolescents, and family management services.	life cycle. 2. The health services will be made senior citizen-, gender- and disability-friendly as per the Life Course Approach to address the health needs of citizens of all age groups. 3. Provisions will be made for regular health check-ups for the rapid detection of health risks of various age groups. 4. Provisions will be made for a free check-up for the diseases increasingly prevalent among women such as breast cancer and cervical cancer. 5. Special programmes including evidence-based midwife education and services will be formulated and carried out for reducing the maternal mortality rate.
4. To develop and expand hospitals and health institutions at federal, provincial, and local levels and also to generate multi-skilled and competent human resources capable of bearing the social responsibility based on demographic distribution and geographical situation and needs.	1. At least one basic health service centre in every ward of the local level, at least one primary hospital capable of providing basic emergency operation and primary trauma care in every local level, a secondary level hospital, provincial hospital, and a highly specialized hospital under each province and at least a highly specialized hospital and academy of health science in every province under the authority of federal level will be established and operated. 2. The concept of "one doctor/health professional-one health institution" will be implemented gradually in all governmental health institutions as the doctor/health professional working in the government health institutions will work only in at one health institution and the extended health services will be implemented with additional facilities in governmental hospitals for effective implementation of this concept and expansion of access to the services.

Strategies	Working Policies
	3. A master plan will be prepared and implemented for determining number, type, place, and required health human resource of the health institution by developing modern techniques and certain standards. 4. Scholarships will be provided for various segments of health service based on priority in keeping with the needs of the country and available financial resources.
5. To develop a sustainable health financing system by increasing national investment in health.	1. An Integrated National Health Financing Strategy will be formulated and implemented including therein the subject of enhancing equitable access of all to the health services, reducing personal expenditure in the health services, and mobilizing financial resources in health based on cost efficiency. 2. Quality basic health services will be provided free of cost at all local levels and other health services including free and specialized health services will be provided through equitable health insurance.
6. To manage and regulate the collaboration and partnership among governmental, private, and non-governmental sectors while ensuring the leadership role of government in health services.	1. "One school-one health worker policy" will be implemented in coordination with the education sector. 2. Human resources, structure, and scope of health-related regulatory entities will be reformed and the umbrella structure of related professional councils will be developed and expanded. 3. An Integrated Umbrella Act will be formulated for making health science institutions more systematic and the required structure will be developed and expanded. 4. Collaboration and coordination will be carried out with health institutions of private, community, and non-governmental sectors for the achievement of certain

Strategies	Working Policies
	objectives through setting clear standards and procedures. 5. Medical good governance will be maintained including the governmental, private, community, and cooperative sectors and the price of health services will be regulated using certain criteria. 6. Regulation and continuous monitoring will be carried out for the proper management of wastage and medical waste produced by hospitals and other health institutions and laboratories by making the provincial and local levels responsible for the task.
7. To regulate and manage new technology-based health materials as well as production, import, storage, distribution, and use of drugs and drug-related materials.	1. Considering the drugs provided free of cost by the Government of Nepal, the country will be made self-reliant in drug production. 2. The production, storage, and distribution of drugs and technology-based health materials will be made effective by emphasizing the commercial farming of medicinal herbs and the development and promotion of the drugs industry. 3. The regulatory entity will be enhanced and expanded for making more effective the implementation of generic prescription, determination of price and quality of drugs, mitigation of antibiotic response, control of misuse of antibiotics, and research of drugs.
8. To adopt integrated measures including community health system for controlling infectious and non-infectious diseases and for public health disaster	1. An integrated entity will be established at the national level for the study, research, surveillance, prevention, control, care, eradication, and regulation of infectious and non-infectious diseases and the programmes will be carried out accordingly. 2. A long-term strategy will be prepared and implemented through multi-sectoral coordination for implementing

Strategies	Working Policies
management preparedness and response.	prevention, control, and treatment system of non-infectious and chronic diseases. 3. An action plan will be made and carried out for the prevention and treatment programmes for hereditary diseases like sickle cell anaemia and thalassemia based on demographic research on the burden and distribution of the diseases. 4. Access to mental health services will be expanded at all levels. 5. The eye-, nose-, ear-, and throat-related health services will be gradually developed and expanded to the federal, provincial, and local levels. 6. Procedures will be formulated and implemented for a prompt response to disasters and pandemics at the federal, provincial, and local levels, integrated development of ambulance services, and the mobilization of well-equipped trained doctors and health professionals.
9. To increase the use of data in monitoring, assessment, review, policy formulation, and decision process by making health information systems more systematic, integrated, and technology-friendly with properly addressing the demand of health	1. The quality of health data management will be enhanced and made technology-friendly and the use of data will be promoted in policy formulation and decision making of all levels by conducting the study, research, survey, projection, and analysis. 2. Provisions will be made for electronic reporting at the health institutions level by making the data management technology-friendly, and the electronic health record system will be gradually expanded to all health institutions. 3. The health data produced at the local levels will be integrated into the national main network as required and a system will be developed to update and disseminate the

Strategies	Working Policies
information of all levels.	information regularly. 4. Studies, researches, and surveys will be carried out based on national necessity and priority and the findings will be used in the formulation of policies and programmes.
10. To make timely revisions in the scope of the Nepal Health Research Council and develop and expand it to the provincial level.	1. The structure of Nepal Health Research Council will be expanded to the provincial level coordinating with universities and the academic sector in health research for the formulation of evidence-based health policy and plans.
11. To make provisions for mitigating the risk to public health by the migration process.	1. By developing migration health management information systems, policy and institutional provisions will be made for health check-ups and easy access to health services at the pre-departure, destination, and post-departure points of the migrants.
12. To implement the Multi-Sector Nutrition Plan (MSNP) through coordination and partnership.	1. The nutrition-related mechanism formed at the provincial and local levels will be strengthened along with nutrition improvement plan as envisaged by Multi-Sector Nutrition Plan II, and provisions will be made for carrying out nutrition-specific and nutrition-sensitive programmes through all local levels. 2. Healthy behaviours will be promoted for mitigating malnutrition by increasing the access to and utilization of quality and healthy food items.
13. To include health in all policies through multi-sector coordination.	1. The multi-sector coordination will be strengthened in areas including drinking water, sanitation, air and sound pollution, food security, education, and road in order to address the public health issues and implement the concept

Strategies	Working Policies
	of "Health in all policies" through coordination with the relevant stakeholders. 2. The contamination and use of tobacco-based goods, alcohol, chemical substances, poison, and non-food items that have adverse health effects will be controlled and regulated. Production, transmission, and dissemination of the health-related message and materials will be made scientific, systematic, and effective for discouraging and controlling false and misleading messages and advertisements promoting processed and readymade food items considered harmful to the public health. 3. Every citizen will be informed about healthy foods as per the concept of the healthy kitchen for making "My health, my responsibility" campaign effective, and coordination and collaboration will be carried out with the stakeholders for construction and establishment of cycle lanes, one home one kitchen-garden, public park, gym hall, yoga practice and *panchakarma* centre for promoting a healthy environment and active lifestyle. 4. Standards and mechanisms will be created at the federal, provincial, and local levels for assessing public health impact by considering the occupational health and safety of the industries, businesses, and projects before approving them.

5. Expected Results

The average lifespan of Nepali with a healthy, well-maintained, and active lifestyle will have reached 72 years. The maternal mortality rate per 100,000 live births will have decreased to 99 deaths, the neonatal mortality rate will have decreased to 14 per 1000 live births, and child mortality rate below the age of five years will have decreased to 24. The ratio

of underweight children will have decreased from 27 to 15 per cent while the percentage of stunted children will have decreased from 36 to 20. Citizens will have received primary health care without any charges. The percentage of population covered by health insurance will have reached 60, the proportion of health expenses in personal expenses will have decreased to 40, the government investment in the health sector will have reached 8 per cent, and the percentage of the population with the access to health institutions within 30 minutes' walk from their household will have increased to 80 per cent. The percentage of pregnant women having their ante-natal check-ups according to the protocol will have reached 81, the percentage of children born in the presence of skilled healthcare workers will have reached 79, and the percentage of children with total vaccination will have reached 95. Malaria, Lymphatic Filariasis (LF), and Visceral Leishmaniosis (VL) will have been eradicated.

7.4 Drinking Water and Sanitation

1. Background

Drinking-water and sanitation services have a multidimensional impact on human life. Therefore, the Constitution of Nepal has ensured these services as a fundamental right. Moreover, specific goals have been set in the sector of drinking water and sanitation as per the Sustainable Development Goals set internationally. Currently, 89% population has access to the basic level drinking water facilities, and 21% population has access to the higher level or mid-standard drinking water services. In terms of sanitation, in recent years, 99% of households have been enjoying the basic level sanitation facilities. Access of people to these facilities has reduced the infant mortality rate and increased life expectancy. It has also increased productive hours by improving the health status of people and positively contributed to improving the social behaviour of people as well as the school attendance of children.

2. Major Problems

The availability of drinking water has been reduced as there has been a depletion of water sources due to various natural and anthropogenic causes. Drinking water services have not been made safe, reliable, and sustainable yet as per the expectations. With every expanding urbanization and ever-increasing human activities along with development

activities and due to lack of the proper management of the wastes so generated, settlements, rivers, streams, and other water bodies and the environment as a whole are getting polluted day by day.

3. Challenges and Opportunities

Ensuring clean and safe drinking water supply to all the citizens as it is guaranteed by the Constitution of Nepal, protecting and conserving the diminishing level of surface and underground drinking water sources, making drinking water and sanitation-related infrastructures climate change-adaptive as well as friendly to disaster management, aptly managing the pressure caused by the ill-organized urban settlement on the supply of drinking water, enhancing capabilities of all three tiers of government for the systematic development of drinking water and sanitation sector as per the changed institutional structure, and collecting and processing wastewater generated from human wastes along with industrial and agricultural wastes in the cities, towns, and settlements and its proper management by using appropriate technological innovation and fiscal management are the major challenges of this sector.

As regards the opportunities available, the changed context suggesting identifying, planning and implementing the projects in the community level demanding higher degrees of responsibility; the increased demand for quality drinking water and sanitation services as per the continued improvement in the quality of life, the increasing public awareness about conserving water resources such as rivers, streams, ponds, lakes and other water bodies and environmental cleanliness, increasing attraction of the private sector in delivering drinking water and sanitation services, participation and cooperation of communities, non-governmental organizations and development partners in the sector and a possibility of exporting drinking water even to foreign countries are the opportunities of the sector.

4. Vision, Goal, Objectives, Strategies and Working Policies

4.1 Vision

Clean, safe, easily accessible, and sustainable drinking-water and sanitation services.

4.2 Goal

To enhance quality services by ensuring basic drinking-water and sanitation services to all.

4.3 Objectives

1. To improve the status of public health by providing sufficient, safe, equitable, and easily-accessible drinking-water and sanitation services.
2. To keep the environment clean by expanding the reach of the basic level of sanitation facilities to the entire population and managing human wastes and sewage properly.
3. To ensure climate change-resilient and disaster management-friendly drinking-water and sanitation services
4. To bolster the capabilities of the federal, provincial, and local levels by increasing their roles in sustainable drinking-water and sanitation service delivery.

4.4 Strategies and Working Policies

Strategies	Working Policies
1. To expand the basic drinking-water and sanitation services to the communities deprived of such facilities.	1. The communities deprived of basic drinking-water and sanitation services will be identified and mapped out. 2. The programme of expanding basic drinking-water and sanitation services to the communities deprived of such services will be put in high priority and implemented. 3. Drinking-water projects will be formulated as per the concept of *'one home, one drinking water tap'*.
2. To complete the projects in time, and carry out the works of repair and maintenance, rehabilitation, and timely improvement of the services of the	1. For sustainable gain, the projects will be developed and implemented in the participation of the beneficiary community. Such programmes will be carried out in the active participation of local levels and communities. 2. Reliable services will be ensured from the projects that were damaged by the earthquake or from the old projects facing various operational issues through appropriate repair

Strategies	Working Policies
projects facing operational issues.	and maintenance. 3. Necessary coordination, collaboration, and facilitation will be ensured among all three tiers of government to complete the under-construction projects and Tarai-Madhes centric arsenic-free drinking water projects for their timely completion. 4. The work of improving physical infrastructures of projects and enhancing the capabilities of users' committees will be carried out effectively to make the service delivery relevant as per the need of the time.
3. To operate drinking water projects as per the demand based on the principles of co-investment, cost-sharing, and cost recovery for the expansion of improved drinking-water services.	1. Drinking water improvement projects and wastewater management projects will be operated based on the principle of cost recovery as per the demand and local purchasing power for the enhancement of quality services while maintaining the easy accessibility of water and sanitation services. 2. Alternative sources will be identified and mobilized for managing necessary financial sources required for the development of high-quality water, sanitation, and hygiene (WASH) services. 3. Service expansion and improvement projects will be carried out with capital cost contribution by the beneficiary communities. 4. The quality of the products, distribution, and regulations and monitoring of the drinking-water service providers in urban areas will be ensured and feasibility studies will be carried out for the expansion of drinking-water business within and across the country along with the possibility of exporting drinking-water abroad.

Strategies	Working Policies
4. To reduce the production of wastewater and gain benefits through the management of wastewater.	1. Regulatory standards and norms regarding the management of the household, industrial, and agricultural sewage will be formulated and gradually implemented. 2. The drainage/sewage system will be expanded in the densely populated urban areas. The practice of openly dumping untreated sewage will be discouraged in all dense settlements. In the less densely populated areas, onsite sanitation services will be promoted. 3. Sewage treatment systems will be developed for the proper management of the liquid human waste collected from the latrines not connected to the sewage system of the small and emerging towns. 4. All the routine maintenance and running costs of the local drainage/sewage system will be recovered from the local levels and the group of beneficiaries of the projects based on their sharing the costs. For the high-cost maintenances and the development of treatment systems, arrangements for partial loan or subsidy from the federal and the provincial governments will be facilitated. 5. Toilets will be constructed in each ward in collaboration with the local levels.
5. To maintain a fresh and clean environment around water sources or bodies such as rivers, streams, lakes, and ponds by managing human wastewater including sewage	1. Priority will be given to set up the decentralized water treatment systems as required by maintaining the required ecological flow in rivers and streams. 2. While managing capital expenses for establishing sewage collection systems and setting up treatment centres, provisions will be made for joint investment between federal and provincial levels and beneficiary groups or grant investment based on the need and importance of the

Strategies	Working Policies
through proper sewage treatment systems.	undertaking. 3. Provisions of viability gap funding (VGF) will be made for projects based on the need and availability of financial resources to attract private investment in wastewater management.
6. To ensure the sustainability of drinking water and sanitation projects through climate change adaptation and disaster risk reduction.	1. Climate change impact mitigation and disaster risk reduction components will also be included in the design and construction of drinking water and sanitation facilities. 2. Drinking water and sanitation services will be improved using the Climate Adaptation Fund and establishing access to other international funds keeping national interest in mind.
7. To encourage and promote the identification and conservation of freshwater sources and watersheds, recharging and restoration of groundwater, and multi-use, integrated use and reuse of water resources.	1. Watersheds will be identified for supplying drinking water to large urban areas and such watersheds will be specifically conserved and developed. 2. Measures and technologies for groundwater recharging and restoration will be developed. 3. The geographical and natural landscape will be conserved with carrying out programmes for the preservation of traditional ponds, stone spouts, and springs. 4. Integrated and multi-use and reuse of water resources will be encouraged and promoted.
8. To reform, readjust, and strengthen, the drinking water and sanitation service-providing agencies as per the need	1. Capacity enhancement programmes will be conducted to improve the capacity of provincial and local bodies in selecting, formulating, and implementing projects. 2. Service quality will be improved through capacity enhancement programmes targeted for the consumers and

Strategies	Working Policies
of the time.	service providers. 3. Timely formulation of and amendments in the policies, regulations, standards, and directives related to drinking water and sanitation services will be made.

5. Expected Results

By the end of this plan, basic water supply and sanitation services will have reached 99% of the entire population increasing from the existing 89%, and improved (high and medium level) drinking water services will have been made available to about 40% of the population. The total sanitation programme will have continued in the areas declared open defecation free. At least 20% of wastewater produced from the household, industrial, and other human activities will have been treated and left for the natural discharge.

7.5 Youths

1. Background

The Constitution has made a provision to create an atmosphere conducive to the full enjoyment of the political, economic, social and cultural rights, while enhancing the participation of youths in national development, to make their all-round personality development while providing special opportunity in areas including education, health, and employment for the empowerment and development of the youths. The United Nations Security Council Resolution 2250, Sustainable Development Goals, and Youth Vision-2025 have emphasized the development and participation of youths. For the same, an integrated framework needs to be set up and implemented. There is also a need for ensuring youth's contribution to the country's economic prosperity by capitalizing on the demographic dividend as evidenced by the existence of 40.35% of the youth population (between 16-40 years) in Nepal.

2. Major Problems

Lack of effective implementation of the youth-targeted policies, projects and programmes, lack of coordination between the supply of human resources and the demand of

the market, lack of a concrete plan for the development of youths, lack of youth-related statistics, limited opportunities of holistic development, entrepreneurship, and employment for the youth, the exodus of a large number of young people to foreign countries, discrimination, the prevalence of traditional malpractices and superstitious beliefs and practices in the society are the major problems in youth development in Nepal.

3. Challenges and Opportunities

Enhancing capability of youths, stopping youth brain drain, providing easily accessible youth-focused life skills, technical and vocational education, increasing employment opportunities in the country, developing the culture of respecting the dignity of labour and volunteerism by inculcating positivity among youths, ensuring youths' access to financial resources, transforming the country socially, culturally and economically through youth empowerment, utilizing the current demographic dividend and expanding the Scouts to school level are the major challenges in youth development.

Constitutional provision for the development of youths, the existence of various structural provisions for the holistic development of youths, increased political will for the development of youths, representation of youths in all three tiers of governments, opportunities for globalization and development of information technology, creating employment opportunities and self-employment opportunities as a high priority of the government, and the existence of demographic dividend are the major opportunities for youth development.

4. Vision, Goal, Objectives, Strategies and Working Policies

4.1 Vision

Holistic development of youths as the major foundation of nation-building

4.2 Goal

To develop and mobilize healthy, positive, enterprising, and creative youth force that is aware of rights and committed to responsibilities.

4.3 Objectives

1. To develop competencies and capacities in youths.
2. To make youths entrepreneurial, employed, or self-employed.
3. To encourage meaningful participation of youths in the process of governance, and social, cultural, and economic transformation.
4. To make youths independent, self-reliant, and virtuous.

4.4 Strategies and Working Policies

Strategies	Working Policies
1. To expand the opportunities for technical and vocational education and skills development.	1. Collaborations will be made between the federal, provincial, and local levels for youth entrepreneurship by increasing opportunities for technical and vocational training. 2. While developing and formulating the curriculum necessary for technical and vocational training for skill enhancement, there will be coordination and collaboration among the training providing agencies, and the provincial and the local levels.
2. To encourage youths to set up their own enterprises or businesses.	1. Consultation services and legal and technical assistance will be expanded for the development of youth entrepreneurship as per the demand in the market. 2. Mechanisms will be developed at each local level to provide necessary assistance to make the youth entrepreneurial, employed, or self-employed. 3. Youths will be inspired and encouraged to utilize the experience, knowledge, skills, technology, and capital, earned during their study or employment in foreign countries, in the productive sectors in the country. 4. Youth participation will be encouraged in the preservation, betterment, promotion, and commercialization of traditional trade, professions, or businesses.
3. To promote	1. Youth-friendly entrepreneurship-related consultation and

Strategies	Working Policies
enterprises, businesses, and industries run by youths.	advocacy services will be provided along with technical assistance. 2. Interagency coordination and collaboration will be made effective for the promotion of youth entrepreneurship and employment. 3. Provisions will be made for insurance and loan guarantee of the enterprises and businesses run by youths.
4. To expand youth's access to financial resources.	1. Youths will be provided concessional loan facilities through banks and financial institutions for running enterprises and businesses. 2. Youth targeted enterprises and businesses will be promoted through a public-private partnership. 3. Innovative projects run by youth will be invested through the competition to develop youth creativity and entrepreneurship.
5. To ensure inclusive and meaningful participation of youths in the formulation and implementation of policies in all three levels.	1. A youth innovation centre will be established in each province. 2. A model youth parliament will be brought into practice and youth clubs will be formed and mobilized at each local level. 3. Inclusive participation of youths will be promoted in the process of governance and formulation and implementation of policies. 4. The policies and regulations to be formulated by all three tiers of governments, private and non-governmental sectors will be made youth-friendly.
6. To develop the culture of volunteerism in youth.	1. Volunteering will be mobilized as a campaign to make the youths responsible for the economic and social development of the nation. 2. Youths will be mobilized to fight against social malpractices, superstitions, discrimination, and inequalities.

Strategies	Working Policies
7. To expand and develop the structures of the Scouts.	1. Developing righteous behaviours, self-reliance, and motives of selfless service in youths via Scouts, Nepal Scout will be mobilized in the sectors like service of humanity and disaster management. 2. The fundamental values and principles of Scouts will be expanded in the collaboration between provincial and local levels.

5. Expected Results

With the increased accessibility of youths in the financial resources and skill enhancement training, youth participation in the country's business and enterprises will have increased. Status of youth employment and self-employment will have improved significantly and the number of youths willing to go abroad for high-risk jobs will have dropped substantially. Increased and meaningful participation of youths in the process of governance will have contributed to the promotion of good governance. Youth volunteers will have been mobilized widely in physical infrastructure, health, education, agriculture, environment, and social development along with disaster management activities.

7.6 Gender Equality and Women Empowerment

1. Background

The Constitution of Nepal, with the commitment to end gender discrimination, has guaranteed the equal right to property, right to safe motherhood and reproductive health rights, right to ensure proportional representation at all concerned levels as well as the right to enjoy fundamental human rights for all women. Currently, the literacy rate of women and men are 57.7% and 75.6% respectively; women with access to the right to the property are 26% and the maternal mortality rate is 239 for every 100 thousand women; the participation of women and men in the labour force is at 26.3 and 53.8% respectively, and the rate of unemployment 13.1 and 10.3 respectively. Nepal has ratified the Convention on the Elimination of all Forms of Discrimination against Women (CEDAW), 1979, and has been

implementing policies and programmes accordingly. Similarly, the Sustainable Development Goals include gender equality and girl's empowerment. Therefore, there is a need to carry out programmes that maintain social equality as per the spirit of the Constitution by engaging women's capacities, labour, skills, and creation in the development process.

2. Major Problems

Prevalence of behavioural discrimination against women, the persistence of societal structure, beliefs, values, and traditional practices that promote illiteracy, harmful practices, gender-based discrimination and violence against women, the persistence of domestic, sexual, and gender-based violence against women and girls, lack of disaggregated data to advocate for gender equality, failure to protect, rehabilitate, and empower the women at risk, women facing social and familial exclusion as well as the survivors of violence, and make them self-reliant, and lack of coordination between the government and development partners in their programmes are the major problems of this sector.

3. Challenges and Opportunities

Maintaining substantive equality in economic and social life, institutionalizing a gender-responsive governance system by mainstreaming a gender perspective in all levels and agencies of the state, harmonizing the gender-related policies, plans, and programmes between the federal, provincial, and local levels, bringing changes in familial and social values, norms, and gender roles, calculating women's contribution to national income by assigning a value to domestic chores and care-related works performed by women, ending all forms of discrimination, violence, and exploitation against women, establishing women's access to property rights, and uplifting the living standards of all women including the rural women are the major challenges of this sector.

The constitutional guarantee of rights to equality, formulation of gender-friendly constitution and acts and laws, encouraging the political participation of women in the three tiers of state, expansion of the Constitutional powers along with the jurisdiction of National Women Commission, the institutionalization of a gender-responsive budget system at the central level, the achievement of gender parity in school education, and gradual positive changes in the values, norms, and behaviour of the society are the opportunities of this sector.

4. Vision, Goal, Objectives, Strategies and Working Policies

4.1 Vision

Build Nepal as a gender-equal nation.

4.2 Goal

To achieve substantial gender equality by ensuring equal and meaningful participation of women.

4.3 Objectives

1. To foster an environment for leading a respectable life for women by institutionalizing a gender-responsive governance regime.
2. To end all forms of discrimination, violence, and exploitation against women.
3. To ensure women's equal access to resources, means, opportunities, and benefits by establishing equal initiative and leadership role of women for economic prosperity and sustainable development.

4.4 Strategies and Working Policies

Strategies	Working Policies
1. All tiers and sectors of the nation to formulate sectoral policies, acts, and programmes related to gender equality.	1. The policies will be formulated new and existing laws and programmes will be reviewed and implemented to ensure gender equality. 2. The policy of gender equality will be adopted to ensure equal opportunities, accesses, benefits, and facilities in all sectors at the federal, provincial, and local levels.
2. To adopt a gender-responsive governance system in the governments of all levels as well as all sectors and agencies of	1. Provisions will be made to achieve women's representation of 50% at all levels, structure, and development process of the state. 2. Women's participation will be increased at the policymaking level of all levels and sectors of the state and women's substantial participation will be ensured in

Strategies	Working Policies
the state.	programme implementation, monitoring/evaluation, and benefit-sharing. 3. The use of technology that saves women's labour and time will be encouraged. 4. Active participation of men will be ensured for the achievement of substantive gender equality. 5. Policy provisions will be made for spending a certain portion of the corporate social responsibility funds for women empowerment. 6. Policy provisions will be made for making public agencies gender-sensitive.
3. To institutionalize a system of the gender-responsive budget at all levels of government.	1. The gender-responsive budget allocation share will be increased by institutionalizing a gender-responsive budget from federal to the local level. 2. Provisions will be made for considering the gender empowerment index as one of the criteria while making fiscal transfers to the provincial and local levels. 3. A gender focal person will be assigned at all levels of the state and the allocation of the women-targeted budget will be made mandatory. 4. A code of conduct will be made for the gender focal person and all concerned stakeholders. 5. The gender audit system will be implemented in all levels of the state.
4. To develop a data system to measure gender equality and empowerment.	1. Gender equality and empowerment measurement indicators will be developed to make the monitoring and evaluation system effective. 2. Provisions will be made for collecting gender-

Strategies	Working Policies
	disaggregated data compulsorily during all kinds of surveys and data collection happening in Nepal. 3. A report on women issues will be developed annually based on the reports generated from the province and the local level.
5. To achieve economic empowerment and social transformation by giving special priority to economically poor and socially excluded women.	1. Livelihood enhancement programmes will be carried out for the economic empowerment of economically poor and disadvantaged women through entrepreneurship. 2. Women's contribution to the national income will be accounted for by setting economic values for household chores and family care-related works performed by women. 3. Special programmes will be carried out to further ensure safe motherhood and reproductive health rights. 4. Programmes aimed at reducing the gender gap in technical education will be carried out. 5. The President's Women Empowerment Programme will be extended nationwide for the economic and social transformation of the poor and rural women. 6. The women development programmes will be improved and their good practices and achievements will be institutionalized at the local level. Furthermore, women cooperatives will be mobilized in the sectors of productive businesses and self-employment. 7. Awareness-raising and capacity development programmes will be carried out to eliminate social discrimination against sexual and gender minorities. 8. Socio-economic development programmes will be carried

Strategies	Working Policies
	out for income generation, capacity development, and empowerment of women and adolescent girls from poor and excluded groups such as *Dalits*, indigenous groups, single women, and women living with disabilities, *Badi, Kamalari, Kamaiya, and Chepang*. 9. Provisions will be made for concessional loans and access to finance facilities for women to help them become self-employed and develop entrepreneurship by running businesses or being engaged in income-generating activities.
6. To increase access to justice through preventive, protective measures for ending all forms of violence, exploitation, and discrimination against women.	1. The policy of zero tolerance against all forms of violence against women will be made effective. 2. A social campaign will be run to increase awareness in all levels declaring the 'year against gender-based violence' to end the superstitions and evil practices like gender violence, the allegation of witchcraft, and *chhaupadi.* 3. Long-term and short-term rehabilitation centres with integrated services will be operated from the provincial level to local levels for women surviving or impacted by violence. 4. To end gender-based violence, necessary mechanisms will be set up as well as monitoring on these issues will be increased and the victims and those affected by violence will be provided justice. 5. To prevent and control all forms of violence, exploitation, and discrimination against women, the legal redress and remedy processes will be made simple, fast, and easily accessible. 6. An emergency rehabilitation fund will be set up at the

Strategies	Working Policies
	provincial and local levels for the relief, rescue, free legal aid, psychosocial counselling, and skills development programmes for survivors of violence. 7. Various dimensions of gender-based violence will be studied and researched and indicators will be determined for declaring gender-violence free zones.

5. Expected Results

By the end of the plan, the Gender Development Index will have increased from 0.897 to 0.963. The ratio of women who have experienced physical, psychological, and physical violence in their lifetime will have decreased from 24.4 to 13%. Federal, provincial and local levels will have formulated and implemented gender-friendly policies and acts. All forms of discrimination and exploitation will have been significantly decreased, women's contribution to the national income will have been accounted for, a gender-responsive budget will have been institutionalized at all levels, and a data system to measure gender equality and empowerment will have been developed.

7.7 Children and Adolescents

1. Background

The constitution has made the rights of the children a fundamental right and guaranteed their holistic development by covering topics like child safety and protection, child development, and participation. As per the commitments made by Nepal in the United Nations' Convention on Rights of the Child, 1989, and other international treaties and optional protocols on child rights, the Government of Nepal has been formulating laws and policies about child rights and enacting them. The Sustainable Development Goals include the quantitative goals like quality education and health of children, access to safe, inclusive, green and public places, and empowering women by ending all kinds of discrimination, exploitation, abuse, and violence. Therefore, there is a need to address this subject accordingly.

2. Major Problems

Lack of universal access of children in education and health, lack of development and protection of children due to the lack of entertainment, child participation, and child-friendly environment, the persistence of child labour, existence of street children even at present, lack of protection and proper management of helpless and orphan children, the persistence of child marriage, violence, exploitation, sexual abuse, rape, murder, and illegal trafficking, low levels of adolescent girls' education, failure to address legal hassles and the matter of juvenile delinquency effectively and reintegrate and rehabilitate the delinquents with their families and the society and failure to rehabilitate orphans through foster care are the major problems of this sector.

3. Challenges and Opportunities

Carrying out the task of protection and promotion of child rights effectively considering the development of science and technology, urbanization, changed global norms and values, and the changing situation, protecting all the vulnerable and at-risk children by developing a children-friendly environment and through the participation of the children, eliminating incidents like child marriage, child labour, murder, kidnapping, violence against children, and sexual abuse and rape, securing the future of the children who have been deprived of their rights for any reasons as well as the helpless, orphans, at-risk children and the street children through proper protection and management are the major challenges of this sector.

Guarantee of rights of the child as a fundamental right by the constitution, formulation, and implementation of children related acts, policies, plans, programmes and institutional mechanism from local to the federal level as per the federal structure, inclusion of children and adolescents-related issues in the Sustainable Development Goals, enactment of the Act Relating to Children 2075 (2018), state prioritizing the education and health of children, protection of children falling under the jurisdiction of all three levels of government, increase in the coordination, cooperation, facilitation, and collaboration between the government, non-government organizations, and the civil society, increasing awareness and collaboration between organizations regarding the rights of the children are the opportunities of this sector.

4. Vision, Goal, Objectives, Strategies and Working Policies

4.1 Vision

A child-friendly society where the rights of the children are ensured.

4.2 Goal

To develop children and adolescents as qualified and capable citizens of the country by protecting and promoting their rights and freeing them from all kinds of violence, abuse, and exploitation.

4.3 Objectives

1. To protect and promote the rights of children and adolescents.
2. To create children- and adolescent-friendly environment.
3. To end all kinds of violence, discrimination, abuse, exploitation, and negligence including physical and mental against children and adolescents.

4.4 Strategies and Working Policies

Strategies	Working Policies
1. To decrease child mortality rate by making improvements in child health.	1. The nutrition-related programmes will be expanded to improve the nutritional status of children and adolescents. 2. The child mortality rate will be decreased by increasing the access to the quality health service in the children. 3. Adolescents will be provided with health and reproductive health education and services. 4. The topics of child rights, children related laws and sexual and reproductive health will be included in the school level curriculum. 5. The school-level teachers will be provided basic level training on the subjects of child rights, sexual and

Strategies	Working Policies
	reproductive health.
2. To increase access to early childhood development for the mental and physical development of the children.	1. Universal access to early childhood development will be established gradually. 2. An annual calendar will be made and sports, entertainment, and extra-curricular activities will be conducted in each school as per the age and grades of the children for their physical and mental development.
3. To make the lives of children and adolescents secure by ending all forms of violence against them.	1. A zero-tolerance policy will be followed against crimes like violence, sexual abuse, child labour, rape, and trafficking committed against children and adolescents. 2. Legal improvements will be carried out to control crimes against children and adolescents. 3. A campaign against the physical and mental punishment of children will be run and the schools will be declared as child-friendly and peace zones. 4. The Child Search & Rescue Helpline No. 104 and Child Helpline 1098 will be expanded up to the local level for the emergency rescue and protection of the children and these services will be advertised from the school to the general public. 5. For the effectiveness of the Child Search & Rescue Helpline No. 104 and Child Helpline 1098, Act and Procedures related to their operation will be formulated and implemented. 6. The Emergency Child Rescue Fund will be established and managed at the provincial and local levels. 7. To protect children from all kinds of harmful effects of internet abuse by making the online security more

Strategies	Working Policies
	effective, programmes will be conducted in partnership between the state mechanism and the stakeholders. 8. The subject of children related legal provision about child marriage, child labour, and violence against children, child sexual abuse, child trafficking, and illegal smuggling as well as the subject of moral science will be included in the school curriculum. 9. The corporal punishment of the children and adolescents in the school, tortures, abuse, and gender-based violence will be discouraged completely, and such activities will be controlled by making them punishable offenses.
4. To carry out the protection and promotion of the helpless, orphan, physically disabled, and abandoned children by the state.	1. The process of birth registration and citizenship will be simplified for the orphans and children requiring special protection. 2. Temporary protection services will be managed for the protection and management of the orphan, helpless, abandoned, the children and adolescents with a disability as well as children and adolescents requiring special protection. 3. Campaigns will be conducted from the provincial and local levels as well for the rescue and rehabilitation, prevention, and control of the street children. 4. Appropriate standards will be formulated regarding the food, health, and security of the children living in child homes, juvenile reform homes, juvenile detention centres, and temporary shelter services, and regular monitoring of the compliance of the standards will be carried out. 5. The treatment services for children with disabilities,

Strategies	Working Policies
	especially children with intellectual disabilities will be emphasized and such services will be made easy and effective.
5. To create an environment allowing children to participate in social life through various channels.	1. The formation and operation of organizations like child clubs, child groups, and adolescent groups will be expanded and the participation of the children and adolescents will be increased. 2. The participation of children will be promoted without obstructing their physical, mental, and educational development. 3. The participation of children at the policymaking level will be ensured.
6. To make necessary provisions by the state for ending child labour.	1. Necessary legal provisions will be made for ending all forms of child labour. 2. The child labourers will be rescued and rehabilitated by carrying out monitoring visits of the labourers everywhere. 3. Legal, policy, and programmatic provisions will be made for ending all forms of child labour from the provincial and local levels as well.
7. To create a child-friendly environment by constructing child accessible infrastructures.	1. To fulfil the infrastructure requirements and child rights indicators required for child-friendly local governance, the activities of necessary resource management, declaring child-friendly wards at the local level will be continued. 2. The physical infrastructures (building, toilets, roads, furniture, chairs, and tables) and other structures of public places and schools will be made child friendly.

Strategies	Working Policies
	3. The topics of child rights, child-friendly governance, and child sensitivity enhancement will be included in the training curriculum of the subject teacher as well as of all government agencies and orientation and capacity development training will be provided.
8. To promote other alternative cares by discouraging and de-institutionalizing the institutional residential protection of the existing children's homes and using them as the last resort only.	1. An alternative care system will be established for the children requiring special protection. 2. If childless couples, single women, and men want to adopt children, a system of local child rights committees making recommendations for adoption and long-term protection will be prioritized, and the documentary verification and authentication process by the courts will also be made easy and effective.

5 Expected Results

The policies, acts, plans, programmes and standards related to the protection and promotion of child rights will have been implemented at the three levels of the government, the children requiring special protection will have been protected, children will have gained access to education, nutrition, and health-related services and facilities, all forms of physical and mental abuse, violence, and harassment against children will have decreased significantly, the responsibilities of the government agencies, institutions, parents and guardians towards the children will have increased, and Child Search & Rescue Helpline No. 104 and Child Helpline 1098 will have run effectively.

7.8 Senior Citizens

1. Background

The constitution has guaranteed special protection and social security from the state for the senior citizens by making their rights a fundamental right. The Sustainable

Development Goals include issues such as social security for the senior citizens and increasing universal access to safe, inclusive, green, and public places for senior citizens. The government has been running old age homes (care centres), and day-care centres for the protection, care, and security of senior citizens, providing a special discount in transportation, medical treatment, and social security allowances. There is a need to maintain social justice by making their lives easy, safe, and respected.

2. Major problems

Lack of enough facilities and social security to the senior citizens, failure of the nation to use their knowledge, skill, and experience and failure to transfer them to the new generation, lack of appropriate protection to the physically and mentally disabled, helpless, single, abandoned and suffering senior citizens, gradual decline in the fulfilment of the responsibilities by the children of looking after their parents, lack of appropriate arrangement of the diagnosis and treatment of various disease caused by the old age, and decline in the reverence and respect towards senior citizens are the major problems of this sector.

3. **Challenges and Opportunities**

Addressing and managing senior citizens' concerns on equal footing, managing the facilities for senior citizens properly as their number is increasing, utilizing the skills and experiences of senior citizens in the development of society and infrastructure, ending the violence and harassment toward senior citizens, protecting their economic and social rights, and building and running suitable and sufficient day-care centres, clubs, health centres with treatment facilities are the challenges of this sector.

The constitutional guarantee of special protection and social security rights of the senior citizens, senior citizens' management falling under the jurisdiction of the local level, creation of a favourable environment for utilizing knowledge, skills, and experiences of the senior citizens, the government's commitments made at the national and international forums to safeguard and promote the rights of the senior citizens are the opportunities of this sector.

4. Vision, Goal and Objectives, Strategies and Working Policies

4.1 Vision

Assurance of protection and dignified life for the senior citizens.

4.2 Goal

To utilize the knowledge, skills, and experience of the senior citizens for the nation's prosperity by making their lives respected, safe, and well-organized.

4.3 Objectives

1. To protect and promote the rights of senior citizens through familial, economic, and legal protection.
2. To provide necessary services and facilities to the senior citizens.
3. To utilize the knowledge, skills, and experiences of the senior citizens for the socio-economic transformation and development.

4.4 Strategies and Working Policies

Strategies	Working Policies
1. To create a caring, loving, and appropriate environment for the senior citizens through familial and social channels.	1. A system requiring compulsory care of the parents by their children will be developed. 2. A senior citizen protection policy will be formulated and implemented for the protection of the economic and social rights of the senior citizens. 3. Necessary mechanisms will be set up and implemented to control different kinds of potential violence and abuses towards senior citizens. 4. A senior citizen ward will be established in the government hospitals having more than one hundred beds for the treatment and care of the senior citizens and provisions will be made for allocating at least 10 per

	cent of the beds in private hospitals along with discount rates for treatment for the senior citizens.
2. To make legal and institutional provisions for special protection and safety of helpless senior citizens, with a disability, single, and at risk.	1. Senior citizens' club, day-care centres will be established and operated at the local levels whereas health centres will be established and operated at the provincial and federal levels. 2. Provisions will be made for the care, nursing, and medical treatment of the single and widowed, physically and mentally incapable, abandoned, helpless, and family or custodian less senior citizens. 3. Provisions will be made for medical treatment of the senior citizens suffering from geriatric diseases, Alzheimer's, and dementia, etc.
3. To ensure senior citizen's participation in policymaking and access to resources to utilize their knowledge, skills, and experience.	1. The senior citizens' participation in the policymaking process and access to resources will be increased and their feeling of ownership will be enhanced. 2. Inter-generation skills transfer, discussion, and interaction programmes will be conducted to utilize senior citizens' knowledge, skills, and experience. 3. The senior citizens will be felicitated and honoured based on their contribution to the society and nation.
4. To increase the social security services for the safety and comfort of the senior citizens.	1. Provisions will be made for providing special concessions and discounts in various services and facilities for the respect, dignity, and comfort of the senior citizens. 2. The physically and mentally weak and helpless senior citizens will be provided the services and facilities in coordination and collaboration between stakeholder agencies.

5. Expected Results

The knowledge, skills, and experience of the senior citizens will have been utilized for social development and infrastructure development, the helpless, disabled and abandoned senior citizens will have been protected, violence and harassments towards senior citizens will have declined and senior citizens club, day-care centres, and health centres will have been established and operated.

7.9 People with Disabilities

1. Background

The Constitution has resolved to build an egalitarian society founded on the proportional, inclusive, and participatory principles to ensure economic equality, prosperity, and social justice and, accordingly, the state has made special provisions for people with disabilities. The law protects and promotes the civil, political, social, and cultural rights of people with disabilities. The Sustainable Development Goals include the issues of disability-friendly schools as well as the security, inclusion, and universal access to open public spaces. To secure the rights of the people with disabilities, Nepal has been implementing various international commitments including The Convention on the Rights of Persons with Disabilities 2006 and Incheon Strategy (2013 – 2022) for people with disabilities in Asia and the Pacific. As per the global norms, community-based rehabilitation programmes are being implemented. For the dignity and promotion of the rights of the people with disabilities, the nation needs to emphasize inclusion, equity, and participation.

2. Major Problems

Children with disabilities remaining out of schools due to the lack of proper disability-friendly education, lack of employment, social participation, and income-generating opportunities for people with disability and existence of various barriers, discrimination and unequal treatment, lack of disability-friendly physical structures, inaccessibility of information, communication and technology for people with disabilities, lack of regular health and consultation services, assistive devices and rehabilitation services for people with all forms of disabilities, and failure to identify and adequately address the invisible disability are the major problems of this sector.

3. Challenges and Opportunities

Constructing structures as prescribed by the Act Relating to the Rights of Persons with Disabilities, 2074 up to the local levels, making necessary policy provisions and arranging resources and means for them, making provisions for infrastructure for people with all forms of disabilities, services, facilities, and devices as per their needs, making facilities easily accessible in rural areas and making all physical structures disability-friendly, making provisions for helpers for people with total disabilities, severe disabilities and intellectual disabilities and their rehabilitation, and providing education, health, training, and employment opportunities as per the need of the people with all forms of disabilities are the major challenges of this sector.

Constitutional provisions for services, facilities, and social security for the people with disabilities, formulation, and implementation of various disability-related special laws and policies including the Act Relating to the Rights of Persons with Disabilities, Inclusive Education Policy, and guidelines for accessibility in communication services by the state, various provisions for people with disabilities in the Sustainable Development Goals, etc. and increase in collaboration and partnership between the government and the stakeholder agencies to address disability-related issues with Nepal being a party to the Convention on the Rights of Persons with Disabilities 2006 are the opportunities in this sector.

4. Vision, Goal, Objective, Strategies and Working Policies

4.1 Vision

Dignified and self-dependent life for people with disabilities.

4.2 Goal

To create a conducive environment for dignified living as well as economic and social empowerment of the people with disabilities by establishing their access to facilities, means, and resources.

4.3 Objectives

1. To empower people with disabilities economically and socially.

2. To establish rehabilitation services, health services, and assistive devices for people living with all forms of disabilities.
3. To ensure people with disabilities' access to infrastructures, transportation, facilities, information, and communication technologies.

4.4. Strategies and Working Policies

Strategies	Working Policies
1. To review the policies and legal provisions to protect the rights and entitlements of the people with disabilities.	1. Disability-friendly policies and programmes will be formulated with the participation of people with disabilities and implemented to facilitate the lifestyle of the people with all forms of disabilities. 2. The scope of social security programmes needed for people with disabilities will be expanded and implemented effectively. 3. The employment opportunities for people with disabilities will be expanded in the public and the private sector. 4. An Early Screening System will be developed to identify disabilities.
2. To generate an opportunity for people with disabilities to easily access, receive, and benefit from public services by making physical structures disability-friendly.	1. To make the daily life of people with disabilities easier, provisions will be made for producing assistive devices from all the provinces gradually and the movement of people with disabilities will be made easy and organized. 2. A conducive environment will be created for people with all forms of disabilities to carry out their daily activities with ease by making all the facilities disability-friendly. 3. Public physical structures, infrastructure, and vehicles will be made disability-friendly. 4. Children with disabilities will be given priority during school admissions and the curriculum will be made disability-friendly to contribute to quality education so that all children with various forms of disabilities can access it.

Strategies	Working Policies
	5. Income-generating programmes for people with disabilities will be formulated to help them become self-reliant. 6. An integrated system to provide public goods to people with disabilities will be developed.
3. To create a rehabilitation centre with all the facilities needed for people with disabilities.	1. Provisions will be made for rehabilitation services and necessary medical treatments for people with special kinds of disabilities under a public-private partnership. 2. Provisions will be made to support totally disabled, severely disabled, and autistic, down syndrome affected, mentally challenged, and visually impaired people. 3. For people with total disability, a disability centre will be established and run in all seven provinces.
4. To ensure people with disabilities' access to information communication technologies by ensuring the availability of the services and devices.	1. Provisions will be made for making services and devices available gradually with ensuring access of people with disabilities to mass communication, information, and technology.
5. To end all forms of superstitious acts, discrimination, and violence against people with disabilities.	1. Programmes to control and mitigate all forms of superstitious acts, discrimination and all forms of violence against people with disabilities will be conducted.

5. Expected Results

The facilities needed for people with disabilities will have become easily accessible, the public physical structures will have been made disability-friendly, school enrolment rates of children with disabilities will have increased, and people with disabilities, especially with

total disability, severe disability, autism, Down syndrome, and mental disability received rehabilitation facilities with education, and health service provisions.

7.10 Sports

1. Background

Sports has an important role in achieving physical fitness as well as the balanced development of social, mental, and emotional aspects of an individual. Sports have become a major medium to strengthen national unity and promotion of the nation's fame in the international arena. To create employment opportunities to citizens through a combination of global norms and technologies and to achieve Sustainable Development Goals of education, health, gender equality, and economic growth through sports tourism, it is imperative to achieve institutional development of sports and build infrastructure right from the local level and make the "Sports for all" campaign meaningful.

2. Major Problems

Lack of sufficient infrastructure and sports materials for the sports' development, the dismal state of existing infrastructure lacking up-to-date, quality and necessary facilities, failure of Nepal to organize national and international competitions regularly, failure to establish sports as a means of livelihood through a provision of regular and quality coaching for the coaches and the players and by keeping their self-esteem high, failure to maintain capacity development and institutional good governance of the National Sports Council and sports-related associations, failure to attract private and international investment in the sports infrastructure development and organizing competitions, failure to organize enough mountainous, touristic and adventurous sports activities are the major problems of this sector.

3. Challenges and Opportunities

Building physical infrastructures of national and international standards and well-equipped with facilities at the federal, provincial and local level, developing clean athlete through timely national and international studies, research, coaching, and competitions, using new techniques and science and technology in the sports training and competition, increasing investment in the development of sports, attracting non-governmental and private sectors'

investment, developing sports as a business and profession by establishing it as an integral part of life, increasing managerial and institutional capacity of the sports-related agencies, and managing and regulating them based on national and international standards are the major challenges felt in sports development.

Sports being considered as a medium of strengthening national unity and increasing respect and recognition for this in the international arena, federal, province and local levels being made responsible for the development of the sport, increasing interests and awareness of common people regarding the importance of physical exercise, yoga and sports activities, ample possibilities for the development of high altitude and adventurous sports, private sectors' gradually increasing participation in the sports activities, and ample possibilities for the development of sports tourism are the opportunities for sports development.

4. Vision, Goal, Objectives, Strategies and Working Policies

4.1 Vision

Promotion of a clean, professional, and technology-friendly sports.

4.2 Goal

To establish a respectful identity of the nation in the international arena by preparing healthy, capable, and disciplined citizens through the development and expansion of sports.

4.3 Objectives

1. To develop, expand, and upgrade sports infrastructure.
2. To make the sports sector competitive and professional.
3. To mainstream sports in all sectors.

4.4 Strategies and Working Policies

Strategies	Working Policies
1. To build, preserve, and upgrade sports	1. A province-level stadium and well-equipped playground will be built in each province.

Strategies	Working Policies
infrastructures in coordination and collaboration between all levels.	2. Well-equipped sports infrastructure will be built and upgraded at the provincial and local levels. 3. A High-Altitude Sports Training Centre will be established and operated.
2. To encourage the private sector to develop and manage sports infrastructure and organize sports activities.	1. The sports infrastructure will be developed and managed under public-private partnerships. 2. The private sector will be made motivated to invest in organizing competitions and providing coaching.
3. To promote capacity building of the agencies/ institutions related to sports development and promote good governance in the organizations.	1. The institutional strengthening and good governance of the organizations related to sports will be enhanced. 2. A separate educational institution will be established for the study and development of sports. 3. Academies will be established and operated for major sports. 4. Awareness programmes will be run to discourage illegal activities like anti-doping, match-fixing, and ball tempering.
4. To identify talented athletes, build their capacities, and encourage them.	1. The talented athletes will be identified and groomed by organizing sports competitions from the local levels. 2. Provisions will be made for incentivizing and rewarding national level talented athletes and coaches regularly and for organizing national and foreign coaching/training. 3. The social security of the athletes will be guaranteed by establishing an endowment/perpetual fund in the sports sector. 4. The sports with the potential for winning medals at the international level will be encouraged.

Strategies	Working Policies
5. To establish the importance of sports at every level and sector of society and create opportunities for citizens of every age group to participate in sports.	1. The sports development, training, and practice will be made an integral part of each school to develop the internal capacity of the students. 2. The development and expansion of special and para-sports will be emphasized. 3. A Sports City will be developed by identifying potential places. 4. Regular physical exercises and yoga-related activities will be promoted. 5. Special programmes will be run for developing sports that cater to the interest of the general public and promote their health.
6. To prioritize sports activities for economic and social development.	1. Sports clinics will be established and upgraded. 2. The adventurous, touristic, and recreational and professional sports will be promoted. 3. The friendly and professional matches of various games will be organized in Nepal. 4. An agreement will be made with countries that have achieved excellence in certain sports and experience, knowledge, and skills exchange programmes of the athletes will be carried out in collaboration with concerned stakeholders.

5. Expected Results

An international standard national sports complex at the federal level, one well-equipped stadium in all provinces, and sports villages in all local levels will have been constructed and made operational. Participation opportunities will have been created for everyone by organizing sports for all (Children, youth, senior citizens, people with special talents, and para-athletes). The talented athletes will have been identified and trained through

technological means and the number of international medals won by the country will have increased due to the increase in skills of the players. High altitude sports training centres will have been established and operated in 5 places of more than 2,500 m. altitudes and the tourism promotion will have been benefitted due to the organization of adventurous sports competitions. The participation of the private sector will have been promoted in building, upgrading, and managing sports infrastructure and in conducting sports competitions. The sports development, training, and practice will have increased in schools.

7.11 Social Security and Protection

1. Background

Social security and protection are essential for poverty reduction, dignified life, and a secure future. There are potential economic, social, natural, and environmental risks to Nepal and it is currently facing such risks. As per the principles of a socialism-oriented welfare state, it is the responsibility of the state to provide social security to make the life of weak, deprived and various vulnerable communities easier and to make the life of all citizens safe, protected, and of high quality. As the Constitution of Nepal has guaranteed the right to social security, food security and food sovereignty, and also housing, health, education, and employment as fundamental rights, the state has adopted the policy of social security and protection to ensure the quality of life of all citizens. Similarly, to fulfil international commitments and achieve the Sustainable Development Goals, it is imperative to provide social security and protection to the citizens. Therefore, it is necessary to make the social security and protection programmes run by different agencies in different sectors more effective by bringing them into an integrated framework.

The Social Security Act 2075 has been enacted for the social protection of individuals and families at risk of economic and social deprivation and the Contribution-Based Social Security Act, 2074 is being implemented for the social security of the workers. Social security and protection-targeted programmes are being implemented in the sectors and sub-sectors of food, nutrition, health, education, agriculture, labour, and employment. In FY 2018/19, 11.7 per cent of the total budget has been allocated for social security and protection.

2. Major Problems

Failure to make the social security scheme universal, lack of information and data required to formulate social security plans, assess investment and estimate resource pressures, fragmentation, duplication and inconsistency in social security and protection programmes provided by various government agencies and levels due to the lack of an integrated framework, low participation of private-sector employers in social security programmes, failure to include informal sector workers in the scope of social security, lack of easy access to social security programmes for citizens and ineffective social security distribution system and the lack of coordination among government, cooperative, private and community sectors in implementation are some of the major problems of this sector.

3. Challenges and Opportunities

Increasing everyone's enrolment to the contribution-based social security system, making social security and protection schemes financially sustainable, linking social security with policies and programmes in other areas of socio-economic development, identifying genuinely deprived and at-risk groups and communities and ensuring their real access to social security and protection programmes addressing the matter of additional social security obligations of the state and impact therefrom on treasury as the share of the population of senior citizens rises, making the organized private sector and informal sector undertake a greater responsibility in social security and protection, and establishing an automated and sustainable system of social security plans and programmes by striking a balance between big political ambitions, unlimited state obligations, and small financial capacity are the major challenges.

Enforcement of separate legal provisions related to social security of workers and that of all citizens, fixation of the social security obligations of the private sector employers toward workers as well as their corresponding commitment to meet the obligations, establishment of various funds including social security fund, significant increase in social security expenditure, and diversification of insurance sector and market expansion schemes enacted for bearing the risks are the major opportunities.

4. Vision, Goal, Objectives, Strategies and Working Policies

4.1. Vision

An all-encompassing sustainable social security system as the foundation for an egalitarian society and welfare state.

4.2. Goal

To make social security and protection sustainable, universal, and accessible, for the implementation of civil rights and to strengthen the trust of citizens towards the state.

4.3 Objectives

1. To enrol all citizens in the compulsory and universal social security system.
2. To provide social protection to the economically and socially deprived and at-risk communities.
3. To mitigate the economic, social, environmental, and other risks of the citizens through social security and protection.

4.4 Strategies and Working Policies

Strategies	Working Policies
1. To expand the programmes of social assistance and protection and increase the access of socio-economically deprived and at-risk regions, genders, classes, and communities to those	1. Provisions will be made for social protection by identifying the people who are bereft of any dependable source of livelihood, whose income is less than specified by the government, who are the disabled and helpless not being able to work, who are single women, and children, and who cannot take care of themselves as well as the citizens from the endangered ethnicities. 2. Multi-Sector Nutrition Plan (MSNP), Safe Motherhood Program, Child Grant Program, and other social security schemes will be made accessible and expanded nationwide. 3. Social security will be strengthened and made sustainable by expanding the scope of social security tax and strengthening the contribution-based social security system. Mandatory health

Strategies	Working Policies
programmes.	insurance programme for all will be designed and implemented. 4. The social security programme will be made disaster-sensitive so that it can face the potential risks created by disasters. 5. A targeted programme will be implemented to bring the informal sector workers into the fold of the social security program. 6. Workers who have gone for foreign employment will be gradually included in the contribution-based social security system. 7. An integrated social security package will be implemented to execute civil rights such as the right to food security, right to housing, right to health, right to education, and right to employment. 8. Appropriate plans, blueprints, and packages will be put into effect by researching global concepts and practices related to social security. 9. Social security provisions will be made easy-to-enforce and transparent.
2. To make the contribution-based social security scheme universal by expanding it in the formal sector as well as in the informal sector.	1. For effective implementation of the integrated social security plan and contribution-based social security program, policy, legal and inter-agency coordination reforms will be carried out. 2. The Social Security Fund will be restructured to operate both the comprehensive social security scheme as well as the social security scheme based on contributions in an integrated manner. 3. Various social security programmes will be implemented by linking the schemes such as social security, social assistance, labour market intervention, public works, social supervision, and service work, etc. with the integrated social security system.

Strategies	Working Policies
	4. Institutions and entities will be encouraged to contribute a certain portion of the Institutional Social Responsibility Fund to the work related to social security and protection. 5. The feasibility study will be conducted regarding the transfer and attachment of the amount of social security contribution of Nepali workers working abroad in the respective countries to the social security fund of Nepal.
3. To develop an intergovernmental information system to make effective coordination and collaboration among the federal, provincial, and local levels in areas of social security, cooperation, and protection.	1. Social security integrated information system will be developed. The reporting system of social security scheme distribution will be developed. 2. To develop the framework for the implementation of security programmes in line with the federal system, the study of international practices will be carried out and intergovernmental coordination and cooperation will be made effective. 3. With the coordination and cooperation among the three tiers of government, Nepali workers going to India will be covered by social security insurance for their safety.

5. Expected Results

60 per cent of the total population will have been covered by basic social security. All workers in the formal sector will have been involved in contribution-based social security. In the national budget, social security expenditure will have increased to 13.7 per cent. Social protection will have been provided by the state to the economically and socially deprived and at-risk class, region, gender, and community.

Chapter 8: Infrastructure Sector

8.1 Energy

8.1.1 Hydropower

1. Background

Hydropower is an important tool for economic growth and economic transformation. Although the journey of electricity development in Nepal started in 1911, electricity generation is meager compared to the potential capacity due to lack of effective investment policy coordination including the provision of financial incentives, and poor construction capacity. By FY 2018/19, the total hydropower grid capacity has reached 1,128 MW. 78 per cent of the total population can access the electricity grid. The total length of transmission line with the capacity of 66 kV or more has expanded to 3,990 circuit kilometers. Electric infrastructure has been developed in a total of 635 local levels. Similarly, electricity consumption per capita is 245 kW per hour. Leakage, which is currently at 15.3 per cent, needs to be gradually reduced. The hydropower sector is attracting domestic and foreign direct investment. Investment is being made under intergovernmental, public, and private partnerships. Public investment has been prioritized for the energy mixing strategy and for generating enough power to meet the demand for development and electricity services.

2. Major Problems

Dependence of several hydropower projects on natural river systems; lack of capacity to meet the demand for electricity in the dry season; lack of strengthening of the power distribution system; lack of reliable and quality power supply; ineffective environmental impact assessment; delays in project implementation due to problems in land acquisition; lack of inter-agency coordination, delay in acquisition of private land required for construction of transmission line and delay in construction work in forest areas and management related problems; delays in completing activities before the construction of the projects; rising project costs and lack of construction-friendly infrastructure for hydropower projects are the major problems in this sector.

3. Challenges and Opportunities

The major challenges of hydropower development are to meet the increasing demand for electricity due to urbanization and expansion in economic activities; construct large reservoir based (storage) hydropower projects; complete projects on time and within specified cost limits; arrange for coordination among stakeholder agencies and effective regulation; expand and strengthen the transmission and distribution system; attract adequate private and foreign direct investment for hydropower generation; develop modality for cross-border transmission lines, and introduce appropriate reforms in the institutional structures.

Major opportunities of this sector include suitable topographical conditions and availability of water resources for hydropower generation; recognition of the hydropower sector as a driver economic transformation through industrialization and economic dynamism and modernization of the agriculture sector; the openness of the sector for domestic and foreign direct investment; increase in private sector investment for hydropower generation; increase in investment from the locals in hydropower projects thereby creating citizens' ownership; increase in domestic capacity for the development of hydropower projects; and unbundling of generation, transmission and distribution systems as well as clarity on the scope of work and responsibilities of the three levels of government.

4. Vision, Goal, Objectives, Strategies and Working Policies

4.1 Vision

Contribution to the prosperity of the nation through sustainable and reliable development of hydropower.

4.2 Goal

To ensure energy security through intensifying hydropower generation.

4.3 Objectives

1. To ensure the availability of clean energy by increasing hydropower generation.

2. To increase electricity consumption together with energy efficiency by expanding access to electricity services for all households and productive sectors in a quality, reliable, and accessible manner.
3. To contribute to the balance of payment by increasing regional energy export and gradually substituting the import of petroleum products.

4.4 Strategies and Working Policies

Strategies	Working Policies
1. To increase the production of electricity by attracting domestic and foreign direct investment in hydropower.	1. Power generation, transmission, and distribution projects currently under construction will be completed on time. 2. Policy and appropriate models for risk assessment, scoping and distribution will be developed and implemented to attract private and foreign direct investment for hydropower generation. 3. Hydropower projects will be developed with direct investment from resident and non-resident Nepali. 4. The provision for hedging funds will be implemented to reduce foreign exchange risk in power trade agreements.
2. To make the power supply system effective and reliable by strengthening and expanding domestic and cross-border power transmission.	1. The construction of the domestic power transmission lines will be expedited while also maintaining provincial balance. 2. Construction works will be completed with priority by studying and surveying cross-country transmission lines. 3. Measures will be adopted to ensure a regular supply of electricity during disasters and epidemics.

Strategies	Working Policies
3. To make the distribution system effective and reliable to increase energy efficiency and increase power consumption by expanding access to electricity.	1. The concept of smart meter and smart grid will be gradually implemented to prevent power leakage and make electricity service effective. 2. Community electrification will be expanded with rural electrification and community participation. 3. A power distribution master plan incorporating energy development and an increase in energy consumption will be prepared and implemented. 4. In densely populated urban areas, construction of underground distribution lines will be started. 5. Electric vehicles will be promoted and appropriate tariffs will be fixed by conducting a study on tariff rates. 6. Charging stations will be gradually set up as needed with the participation from the private sector to promote electric vehicles. 7. The concept of smokeless kitchens will be implemented to substitute fossil fuels with hydropower. Besides, appropriate electricity tariffs will be fixed for cooking purposes. 8. Under the concept of "Every Home, Energy Home", energy-efficiency programs and programs to connect rooftop solar energy plants to the grid based on net metering and net payment will be promoted as a campaign. 9. The standards for electric stoves will be developed and implemented to reach every household. The energy efficiency standards for all electronic devices will be prepared and implemented. 10. The utilization of energy that gets wasted during times of low electricity consumption will be encouraged.

Strategies	Working Policies
4. To ensure energy security through energy mix including hydropower generation as well as through regional energy trade.	1. Studies, research, and development of multi-purpose reservoir-based projects will be carried out while also ensuring provincial balance. 2. Provisions will be made to conclude power purchase agreements based on the "take or pay" principle maintaining the ratio of the reservoir based and pump storage hydropower projects at 30-35 per cent, semi-reservoir based projects at 25-30 per cent, and other alternative sources of electricity at 5-10 per cent for production mix of electricity projects. 3. The regional electricity market will be developed by concluding bilateral and multilateral electricity trade agreements with India and other countries in the region.
5. To strengthen the institutional structure of the hydropower sector.	1. The institutional restructuring will be carried out including for production, transmission, distribution, electricity trade, and regulation. 2. Clear policy and legal provisions will be introduced regarding environmental and social requirements including the Right of Way for the transmission line, land acquisition, and benefit-sharing. 3. The existing regional office of Nepal Electricity Authority will be converted into a distribution company and handed over to the provincial government gradually.

5. Expected Results

The installed capacity of hydropower will have reached 5,000 MW; all local levels and 100 per cent of the population will have access to electricity, and electricity consumption per capita will have reached 700 kilowatts per hour. The proportion of renewable energy in energy consumption will have increased from 7 to 12 per cent. The total length of

transmission line with the capacity of 66 kV and above will have reached to 8,000 circuit KMs; 33 kV transmission line will have reached 7,300 circuit KMs; and 11 kV transmission lines will have reached to 43,352 KMs. Electricity leakage will have come down to 12.3 per cent.

8.1.2 Alternative Energy

1. Background

The concept of sustainable energy to achieve the SDGs and to promote green economy through adaptation and mitigation of impacts of the greenhouse gases on the environment are the present needs. The rapid development of the alternative/renewable energy sector is needed to ensure energy mix and energy security as well as to increase access to energy. The Constitution of Nepal has foreseen a policy of a reliable supply of affordable accessible energy to meet the basic needs through the development of alternative energy. It is necessary to promote and develop alternative energy and mainstream this sector into the development process to enhance access to energy services for rural and urban populations in collaboration with the provincial and local governments and to reduce dependence on imported energy.

So far, alternative energy has an installed capacity of 67.8 MW. Alternative energy has been a source of electricity for 10 per cent of the total population of the country, and it has created about 30,000 jobs. A national energy efficiency strategy has been prepared and is being implemented. Similarly, projects like micro and small hydropower, biogas, improved stoves, and improved water mills have been developed as carbon projects.

2. Major Problems

Lack of clear goals for the contribution of alternative energy, a major contributor in national energy security, to the energy mix; lack of necessary provisions for subsidized loans, risk management, and insurance required for the promotion and expansion of alternative energy that has relatively higher initial costs; lack of willingness in the private sector to invest in rural areas as expected; lack of capacity for promotion and use of alternative energy technology at the local level; lack of effective central information system for alternative energy; and use of alternative energy limited to meeting the demands of the household level are the major problems.

3. Challenges and Opportunities

The major challenges are to substitute traditional energy sources, which are being used for cooking purposes in about 74 per cent of households, with clean, cost-effective, and modern energy; increase access to modern technology for small enterprises by reducing the dependency on traditional energy technology; adopt the policy of a mixed energy system for energy security to increase in energy efficiency; develop large projects and connect them to the national transmission line; coordinate and collaborate among all levels of government for the production, utilization, and management of alternative energy; emphasize on research and development required for the promotion and development of the latest technology and its applications related to alternative energy and energy efficiency; encourage domestic and foreign direct investment in the alternative energy sector, and expand access to energy for the targeted groups and sectors that have no access to energy.

The major opportunities include government's prioritization to improve access to electricity and clean energy across all sectors; opportunity to learn from the best practices of the neighboring countries; increasing commitment and participation of the provincial and local levels as well as development partners in this field; emphasis on the expansion and use of technology in the SDGs; potential for employment opportunities by increasing the participation and investment of financial institutions and the private sector in the promotion of alternative energy technology; the importance of alternative energy in terms of reducing the import of petroleum products, coal, and other fossil fuels; and the development of alternative energy systems as clean development mechanisms and other carbon projects.

4. Vision, Goal, Objectives, Strategies and Working Polices

4.1 Vision

Sustainable development of modern energy through promotion, expansion, and efficiency of alternative/renewable energy.

4.2 Goal

To ensure access to clean energy for all and to contribute to energy security by increasing energy efficiency in the production and utilization of alternative/renewable energy.

4.3 Objectives

1. To increase access to environment-friendly, sustainable, reliable, accessible, affordable, and quality modern energy even in areas beyond the reach of the national transmission system.
2. To increase productivity by reducing energy intensity through the efficient use of energy.

4.4 Strategies and Working Policies

Strategies	Working Policies
1. To promote the development and multi-purpose use of energy as an important part of the energy supply system by expanding alternative/ renewable energy.	1. Alternative energy sources such as micro and small hydropower, solar energy, bio-energy, and wind energy will be promoted, developed, and expanded. Special programs will be implemented to increase the utilization of generated electricity. 2. The solar system as well as solar/air mixed mini-grid systems will be promoted in collaboration with the local level to endure basic energy supply for hospitals, schools, touristic places, and trekking routes where the national electricity system is not accessible or is not regular. 3. Provisions will be made to connect the electricity generated from micro and small hydropower, solar energy, and wind, bio, and other alternative energy plants to the national transmission line in areas where the national transmission line has reached. Priority will be

Strategies	Working Policies
	given to the solar rooftop program. 4. Cost-effective bio-energy technologies such as biogas and improved stoves, gasifiers (thermal and electrical technology), bio-briquettes, and electric stoves, and other equipment will be promoted and expanded. 5. Solar and wind energy systems that can be integrated into the national grid will be developed through the collection and verification of field data on solar and wind energy sources. 6. Alternative Energy Promotion Center will be developed as a center of excellence to make activities related to alternative energy effective.
2. To increase access to alternative energy in areas where modern, reliable, and adequate energy services are not available while prioritizing gender equality and social inclusion in collaboration with stakeholders at provincial and local level.	1. The local level will be facilitated to increase the capacity and mobilize resources for the production and development of alternative energy. 2. Necessary technologies and systems will be promoted and expanded in coordination with the local level and the private sector to produce energy from proper management of biological resources.
3. To emphasize the use of latest, sustainable, and energy-efficient technologies.	1. The system of measuring the quality of equipment related to energy production and utilization will be strengthened. 2. National standards for energy efficiency and tools and equipment to measure energy efficiency will be developed.
4. To increase the involvement of the	1. An investment environment will be created for the alternative energy sector. Similarly, the fixed loan will be

Strategies	Working Policies
banking and financial sector in the alternative energy sector and to establish an international carbon market as well as a mechanism for the domestic carbon market for developing alternative energy technologies as appropriate carbon projects and programs.	disbursed to this sector from banks and the financial sector at subsidized rates. 2. Provisions will be made to establish provincial and local energy funds through effective mobilization of the Central Renewable Energy Fund. 3. Necessary measures will be implemented to mobilize resources from the Green Climate Fund and other national and international environment and climate change funds for the promotion of alternative energy, and programs and projects related to such funds will be implemented.
5. To reduce the use of LP gas and to produce organic manure from bio-slurry by setting up high capacity biogas plants in collaboration with farmers, business groups, farms, and cooperatives involved in agriculture and livestock farming.	1. In collaboration with agriculture and livestock farms/cooperatives and industries, programs will be implemented for the promotion of high capacity biogas plants using organic products/waste generated from these industries.

5. Expected Results

With the generation of 13 MW from micro and small hydropower, 125.4 MW from the solar power system, and 10 MW from wind energy, an additional 7 per cent of the population will have had access to electricity. Two hundred thousand household biogas plants and 5 hundred thousand improved stoves and gasifiers (thermal electric technology) will have been installed. Bio-briquette pellets will be produced at the rate of at least 20,000 MT per year. Alternative energy technology will have made energy available to 2,000 small and

medium enterprises. Revenue from the carbon trade will have been mobilized by developing two additional carbon projects. A total of 500 high capacity biogas plants will have been installed, and 40,000 MT of L.P. Gas imports will have been substituted.

8.2 Transport Infrastructure

The transport sector has an important role to play in accelerating the socio-economic development of the country, facilitating trade, business, and services in addition to enhancing unhindered access for the general public. It is only through the development of a well-managed network and system of transport that the country can promote socio-economic integration and provincial balance. Managing a sectoral balance is a challenge in itself for national development. This requires the development of sub-sectors within the transport sector by prioritizing them. The transport sector has an important role in achieving the long-term vision.

As a driver of economic growth and development, the transport sector has been making a significant contribution to physical and social infrastructure such as hydropower, industry, communication, tourism, agriculture, health, education, and urban and rural development. There is a need to ensure investment in the development of this sector which enjoys a multidimensional interrelationship with economic growth. As such, for the effective development of the overall transport system, investment, prioritization of investment, safe transport services, minimum transportation cost, and development of sustainable infrastructure and systematic maintenance are necessary. This calls for the implementation of programs with proper identification, selection, implementation, and monitoring and evaluation. The study and development of an integrated transport system are essential for easy, safe, and quality transport services guided by a short-term and long-term vision for the expansion of road networks, air transport, cross-border railway, waterways, and other means of transport. In the context of the high priority given to the transport sector in the past periodic plans, the current plan must put special emphasis on the construction, operation, and management of roads, railways, and waterways connecting to national highways and international trade routes of strategic importance that play an important role in the socio-economic development of Nepal. Besides, it is also necessary to develop this sector in the

days ahead by encouraging the use of environment-friendly technology and alternative fuels in the development and management of transport infrastructure.

8.2.1 Road

1. Background

The national transport network covers 76 districts as a result of past efforts. By FY 2018/19, the total length of strategic roads is 13,448 KM. Of this, 6,979 KM is blacktopped; 2,277 KM is graveled, and 4,192 KM is earth road. The total length of 80 existing national highways is 14,943 KM of which 6,000 KM is blacktopped, 1,150 KM is graveled, and 5,763 KM is the earth road and an additional 2,000 KM of road tracks need to be constructed. According to a survey conducted in 2018, 43 per cent of the strategic roads are in good condition, 42 per cent of roads are in average condition and the remaining 15 per cent of the roads are in a poor state. Constitutionally, each level will be responsible for the development and expansion of the road network under its jurisdiction. The federal government will work out the concept of overall sectoral development by defining the roles and mandates of the province and local levels for the road transport network. The work to connect East-West Highway (Asian Highway), which is the backbone of the country passing through all seven provinces, with the proposed dry ports in the western regions of the country and other North-South corridors, inter-province highways, and highways connecting to the federal capital will be prioritized. The contribution of the transport sector to the overall development of the nation by maintaining a balance between national highways, provincial highways, and local roads in line with the policy of gradual devolution of powers under the federal structure will prove to be important. It is necessary to construct highways following pre-determined standards, using available resources, and taking into account geographical conditions, traffic volume, additional maintenance responsibilities, and tested techniques.

2. Major Problems

Inability to achieve integrated development of transport infrastructure as expected; identification and selection of projects without defined standards; implementation of projects without proper preparations; inability to increase the professional capacity of the private sector; lack of availability of skilled workers and other workers equipped with sectoral skill;

and lack of availability of quality construction materials and river-based construction materials under the jurisdiction of local governments are the major problems. Additionally, lack of budget allocation and operational efficiency; lack of enhancement of institutional, managerial, and technical capacity as expected; lack of public ownership of roads as expected; inability to adopt measures to maintain good governance in project management; substantial weakness in contract management; inability to meet the increasing needs for resources for operation and maintenance with the increase in the length of road; lack of inter-agency coordination for land acquisition; increased encroachment of the national highways; road boundary disputes in road expansion and obstruction from locale people demanding compensation; and inadequate linkages between monitoring and evaluation and results are other problems.

3. Challenges and Opportunities

The major challenges are to: maintain a balance between technology, cost and quality of construction of road infrastructure in view of limited availability of investment; address challenging geological and geographical conditions; focus only on projects identified by priority plans and strategic master plans against pressure for the implementation of small projects; implement the concept of project bank; attract investment through public-private partnership; achieve complementarities in road construction undertaken by all three levels of government; enhance institutional capacity; build balanced, safe, sustainable, environment-friendly, and quality road infrastructure; attract attention and investment of all parties towards operation and maintenance and protection of roads; construct roads also considering the need for adaptation to natural disasters and climate change; ensure necessary inter-agency coordination in planning, implementation and operation of physical infrastructure; complete all preparatory phases before project implementation; and enhance the professional capacity of the private sector and attract private sector investment.

Constitutionally agreed on mandates of all three levels of government about road construction; high priority for the development and strengthening of the road network in the government's long-term vision; professional management of national highway network; interest of the private sector and bilateral and multilateral development partners in investing in road infrastructure; and favorable environment for the construction of road and the protection

of road property collaboration among all three levels of government are the major opportunities.

4. Vision, Goal, Objectives, Strategies and Working Policies

4.1 Vision

Development of dense, balanced, accessible, safe, quality, and sustainable road infrastructure.

4.2 Goal

To achieve economic prosperity through socio-economic development and trade facilitation by expanding the national road network.

4.3 Objectives

1. To develop and expand a balanced road network so as the total transport cost is minimum.
2. To ensure a smooth traffic movement through appropriate measures for protection maintenance and road safety.

4.4 Strategies and Working Policies

Strategies	Working Policies
1. To develop a road network based on a master plan with emphasis on provincial balance, which also includes modern infrastructure such as high-speed roads, underground roads, and viaducts.	1. A long-term master plan will be developed by categorizing roads based on different standards such as load-bearing capacity, traffic volume, and contribution to the economy. 2. Categorization and standards for national highways, provincial highways, urban roads, and local and rural roads will be carried out. 3. Investment opportunities will be increased for national highways through the involvement of the project bank. 4. Project implementation will be started after preparing a comprehensive plan of action, including preparatory

Strategies	Working Policies
	activities such as land acquisition, right of way, drawing, and approval for the utilization of forest area. 5. The East-West Highway will be upgraded to Asian Highway standards and inter-provincial highways will be expanded based on traffic volume. 6. North-South Highways of Karnali and Sudurpashchim provinces still struggling with proper road networks will be developed and expanded based on traffic volume ensuring domestic as well as international connectivity. 7. Provisions will be made to expand and strengthen the road access to administrative centers of local governments. 8. While developing and expanding the road network, factors such as the contribution towards provincial balance, economic hubs, or touristic destinations will be taken into account. 9. Modern road infrastructure including fly-overs and underpasses in city areas, tunnel roads in major highways, and viaducts will be developed as part of the expansion and development of roads of strategic importance to reduce travel time. 10. The development of necessary infrastructure for modern ICT-based intelligent transport systems will be started with a detailed plan for roads with high traffic volume.

Strategies	Working Policies
2. To use modern technologies optimally by giving high priority to the development of institutional capacity.	1. Other infrastructure sectors will be coordinated for the construction of national highways. 2. Human resources related to the road sub-sector will be imparted high-quality training to develop their practical skills. 3. The in-house staff of the road sector will be optimally involved in projects implemented under foreign aid to help transfer knowledge, skills, and technologies. 4. Necessary amendments in the law and policy improvements will be carried out with the high priority. 5. The institutional capacity of the private sector involved in infrastructure development will be strengthened.
3. To make arrangements for alternative sources of investment and reduce dependence on traditional public-sector resources.	1. High-cost infrastructure such as national highways and inter-provincial roads will be developed by ensuring quality through modern forms of contract, including public-private partnership, EPC, and design-built. 2. Resources will be managed for the protection and promotion of road infrastructure by also involving road users. 3. Dependence on traditional public sector resources will be reduced by tapping into alternative sources of investment for finance.
4. To emphasize the utilization of modern technologies and mechanization for design, construction, operation and maintenance of roads,	1. Road maintenance will be regularly monitored based standards of road maintenance and responsibilities agreed for each level of government. 2. Institutional reforms will be introduced to make institutions accountable to users by undertaking a review of existing institutional arrangements. 3. A fully-automated electronic system will be developed by

Strategies	Working Policies
and road safety.	optimally using information technologies to improve institutional effectiveness by facilitating access to all information related to the development, expansion, maintenance, and operations of road infrastructure. 4. Appropriate methods including bio-engineering will be effectively adopted for preventing surface soil erosion. 5. Provisions will be made for road safety checks at various stages of the design and construction of roads to reduce road accidents and improve the safety of the national strategic road network. 6. Resources for road maintenance will be managed through the Roads Board.
5. To reduce possible impacts or adverse effects of natural disasters and climate adversities.	1. Alternative measures will be adopted to minimize road closures due to landslides and accidents. 2. Special precautions will be taken during the design and construction of roads and bridges to minimize the impact and damage from natural calamities and climate adversities.

5. Expected Results

During the plan period, the number of households with access to transport within a distance of 30 minutes will have increased from 82 to 95 per cent. Out of a total of 14,913 KM of national highways, an additional 7,500 KM of roads will have been upgraded or improved through periodical maintenance based on traffic volume, and 13,474 KM of the road will have been blacktopped. A total of 1,078 KM of national highways including East-West Highway, Kathmandu- Tarai Madhesh Expressway will have been upgraded to four or more lanes. Mid-Hill (Pushpalal) Highway, Postal Highway, and North-South Highway (Koshi, Kaligandaki, and Karnali Corridor) will have been constructed and upgraded to two-lane highways. A total of 400 concrete bridges on national and provincial highways and 1,200 concrete bridges on local roads will have been constructed. Standards for national highways,

provincial highways, and local road network will have been prepared and implemented. Regular, occasional, and periodic maintenance of national highways and bridges will be undertaken in time. Humla district headquarters will have been connected to the national road network. Roads connecting to Manang, Mustang, Mugu, Dolpa and Humla District headquarters will be blacktopped.

8.2.2 Air Transport

1. Background

Air transport is considered a fast and reliable means of international and regional transport connectivity. Due to Nepal's unique geopolitical location, air services play an important role in maintaining direct access to the global market. Geographical diversity has made domestic air services indispensable. Modern technology infrastructure, efficient management of the national flag carrier Nepal Airlines Corporation (NAC), and effective regulation of the sector are necessary to ensure safe, reliable, and accessible civil aviation services.

Currently, 28 international airlines operate international flights, 20 airlines conduct domestic flights, and Bilateral Air Service Agreements have been concluded with 39 different countries. The number of airports operating throughout the year has reached 32. Managerial reforms at Tribhuvan International Airport have been carried out, and the airport now operates for 22 hours a day.

2. Major Problems

Inadequate modern technology and infrastructure required for civil aviation; inadequate skilled human resources in the regulatory sector; lack of technical and managerial capacity; insufficient expansion of international air service as expected; lack of professional competency in NAC; inadequate airport infrastructure or technologies deal with the air traffic volume; and insufficient numbers of airplanes for domestic and international flights to meet the needs are the major problems.

3. Challenges and Opportunities

Major challenges are to: expand convenient entry points for international flights entering Nepal; develop, expand and manage airports through public-private partnerships; operate domestic and international airports ensuring their financial self-reliance, and operate NAC in a fully commercial manner to significantly improve its market share in the international market.

Major opportunities are the removal of Nepal from the Significant Safety Concerns list of the International Civil Aviation Organization; enhanced capacity of the Tribhuvan International Airport and completion of all preparations for operating it 24 hours a day; construction of Gautam Buddha International Airport at its final stage; the start of the construction of Pokhara International Airport; the start of the preparations for the construction of Nijgadh International Airport; and the attraction of airlines companies to these sectors.

4. Vision, Goal, Objective, Strategies and Working Policies

4.1. Vision

Assurance of safe, reliable, and accessible civil aviation service.

4.2 Goal

To enhance access to civil aviation services through managing civil aviation services and safety operations according to international standards.

4.3 Objective

To make the civil aviation sector universally accessible and safe by expanding national and international destination networks.

4.4 Strategies and Working Policies

Strategies	Working Policies
1. To encourage collaboration and partnership between	1. The participation of the private sector in construction, management, and operation of airports will be increased. 2. A strategic partner will be brought in to make the

Strategies	Working Policies
the public and private sector for the construction, development, and management of aviation infrastructure.	management of NAC efficient, strong, and competitive. 3. The construction of Gautam Buddha International Airport and Pokhara International Airport will be completed on time. They will then be operational. 4. Considering the increasing domestic and international air traffic volume at Tribhuvan International Airport, infrastructure will be developed and expanded, with capacity enhanced. 5. Construction of Nijgadh International Airport will be expedited. 6. Activities related to additional regional airports will be carried out based on studies on them. 7. Appropriate aviation activities will be encouraged in airports without regular flights. 8. The fleet size of NAC will be increased based on the projection of demand for external and domestic tourism, and effective private sector airlines will be encouraged to continue their services. 9. Civil aviation will be further strengthened by upgrading domestic airports. 10. Air transport in rural areas will be made regular and accessible to the public by effectively mobilizing the Remote Area Civil Aviation Development Fund. 11. In collaboration with the local levels, one helipad will be developed in each ward of the local levels.
2. To make civil aviation services safer, of higher quality, and	1. Modern aviation support equipment will be installed in airports to make the aviation service safe. Similarly, flight safety monitoring and inspection system will be developed

Strategies	Working Policies
more reliable through the adoption of international standards on safety protocols and the optimum utilization of innovative technologies.	to comply with international standards. 2. A permanent and independent mechanism will be established to make the investigation of air accidents systematic, effective, and more scientific. 3. Airports of social and touristic importance will be upgraded to ensure year-round operation. 4. The existing passenger insurance limit for domestic flights will be reviewed.
3. To carry out institutional strengthening of regulatory agencies for the regulation of flights and aviation services.	1. Professionalism and efficiency of NAC will be enhanced through institutional strengthening. 2. In view of international norms and national requirements, a Civil Aviation Act will be prepared to create two separate agencies for service provision and regulation by restructuring the Civil Aviation Authority of Nepal.
4. To make aviation services accessible by making the service providers competent, competitive, and effective.	1. Flights will be operated through all airports located at provincial capitals for inter-connectivity. 2. Aviation services will be made reliable and accessible by enhancing the regulatory capacity of the Civil Aviation Authority of Nepal. 3. Additional seat capacity will be encouraged for domestic flights where returns are safer. Airline companies will be encouraged to fly outside Kathmandu.
5. To increase the access of Nepali airline companies to the international market by concluding air agreements, expanding	1. A national air service agreement strategy will be formulated, and air service agreements will be concluded with new destination countries. 2. Access to the international market will be increased in countries covered by air service agreements but not served by Nepali airline companies through initiatives from

Strategies	Working Policies
air routes, and conducting market promotion.	diplomatic posts and business entities.

5. Expected Results

Construction of Gautam Buddha International Airport and Pokhara International Airport will have completed and operations started; construction of Nijgadh International Airport will have started; and Tribhuvan International Airport will have been upgraded, with its capacity enhanced. The number of countries signing Bilateral Aviation Service Agreements with Nepal will have increased from 39 to 46; air safety will have been improved; the number of all-weather airports will have reached 42; the number of domestic airlines companies will have increased from 18 to 25, and the number of foreign airlines companies with services in Nepal will have increased 33, and the number of flight seats will have reached 10 million annually (based on the seating capacity of B757).

8.2.3 Rail Transport

1. Background

The development of rail transport has been emphasized with the objective of managing the contribution made by the transport sector towards the overall economic and social development of the country under the concept of integrated transport management. Rail transport is comparatively more cost-effective than road transport for long-distance freight and passenger services. Hence it is imperative to develop rail transport with a long-term vision. Because of the expanding trade with neighboring countries, Nepal's rail services can facilitate trade transport with neighboring countries. As a result, Nepal's economy can make a great leap forward in the long run. Development and expansion of railways in the country also contribute to the development of tourism, industry, and export trade. Considering the importance of railway services, it is necessary to study the feasibility of various options and prioritize railway connectivity at trade centers along the national border. Since the development of rail transport entails huge investment, it is necessary to identify investment sources and attract them to Nepal.

2. Major Problems

Lack of policy, legal and operational standards for the construction and operation of rail transport; difficulties in acquiring and compensating for the lands identified through feasibility studies; lack of skilled human resources related to rail transport; and absence of a plan of action for attracting and encouraging much-needed investments are the major problems.

3. Challenges and Opportunities

Major challenges are to balance available resources with costs for railway construction; make investment effective in view of the proposed East-West Railway running parallel to the East-West Highway and Postal Highway; attract alternative sources of investment for rail transport services; arrange for the competent human resources for the effective operation of railway services, and effectively manage the railway services.

Major opportunities include priority accorded to development and expansion of railway services; the possibility of attracting foreign direct investment to metro and monorail; conducive environment for the operation of electric rail services powered by increased generation of hydropower; and growing interests of neighboring countries in the operation of cross-border railway services.

4. Vision, Goal, Objectives, Strategies, and Working Policies

4.1 Vision

Development of a reliable, safe, accessible, and environment-friendly rail transport.

4.2 Goal

To achieve a balance between social, economic, and geographical development by building a safe, reliable, and environment-friendly national railway network.

4.3 Objectives

1. To contribute to socio-economic integration by expanding international trade relations through the development of rail transport.

2. To operate reliable and safe rail services to contribute to geographical balance and development.

4.4 Strategies and Working Policies

Strategies	Working Policies
1. To identify national needs and develop and expand railways based on feasibility studies.	1. A national strategic network of railways will be developed based on a master plan. 2. Railways included in the project bank following feasibility studies will be constructed and expanded.
2. To enhance the institutional capacity of the Railway Department.	1. Legal and policy arrangements will be put in place for the management of railways. 2. The capacity of human resources engaged in the construction, operation, and other managerial aspects of railways will be enhanced.
3. To develop reliable alternative sources of investment for the development of infrastructure and operation of rail transport.	1. Private investment will be attracted to the construction of metro and monorail in feasible urban areas including Kathmandu Valley by preparing detailed project reports. 2. While attracting foreign direct investment for the construction and operation of railways, the latest approaches to contract management will be adopted.

5. Expected Results

Project preparations including land acquisition required for the East-West Railway will be have been completed. A total of 306 KM of railways connecting the Kakarvitta-Inaruwa section, Jayanagar-Janakpur-Bardibas-Nijgadh-Birgunj section, and Jogbani-Bathnaha-Biratnagar section will have been completed and brought into operation. Cross-border railways including Jalpaiguri-Kakadvitta, Nautanwa-Bhairahawa, and Nepalgunj Road-Nepalgunj Railway will have been constructed and brought into operation. Detailed project reports and modalities of investment will have been prepared for railways connecting

Birgunj-Kathmandu, Rasuwagadhi-Kathmandu, Kathmandu-Pokhara-Lumbini, and construction of these sections will have started. A detailed project report for the construction of the metro rail in Kathmandu Valley will have been prepared, with the construction of 24 KM of the metro railway started.

8.2.4 Water Transport

1. Background

In the context of huge potential for the utilization of water resources of the country, identification of water transport has added a new dimension to the overall development of the transport sector. This calls for developing water transport as a complementary sector to other transport services. In Nepal, water transport has evolved as a viable alternative to domestic and international transport. There are opportunities that the operation of water transport can be a means to facilitate access to seaports for trade with third countries. Operation of Nepal-registered merchant ships in the sea will make the import and export of goods to and from Nepal safer, easier, more reliable, and more systematic and help reduce the freight costs. Operation of safe, convenient, reliable, and well-managed water transport can increase the competitiveness of the country, reduce the cost of business; increase employment opportunities; contribute to domestic tourism, and make a significant contribution to the GDP.

2. Major Problems

Lack of experience and skilled human resources in water transport; the excessive flow of water during the rainy season and low water levels during winter; lack of required infrastructure; and complexities related to domestic and international coordination are the major problems.

3. Challenges and Opportunities

Major challenges are to develop policies for the safe, easy, reliable, and systematic operation of water transport and formulate laws required for the operation of water transport in accordance with the international covenants, conventions, agreements, and standards; raise investment for the construction of required infrastructure; respond to rivers' slopes; develop

appropriate institutional structures; produce and manage required technologies and human resources.

Possibility for the operation of Nepalese ships on high seas recognized by the International Conventions; initiatives of neighboring countries to promote their domestic waterways; willingness to establish a water transport network at the regional level; feasibility of developing water transport on Koshi, Gandaki, and Karnali rivers; feasibility of alternative means of transport for Nepal's access to the sea; the willingness of Nepali investors to operate water transport services; and a high potential for aqua tourism are the major opportunities.

4 Vision, Goal, Objective, Strategies, and Working Policies

4.1 Vision

Development of water transport as a reliable option for accessible and affordable transport.

4.2 Goal

To promote tourism and facilitate trade through the development of inland and sea water transport.

4.3 Objective

To contribute positively to different dimensions of the national economy, including industry, trade, and tourism sectors through the use of domestic, regional, and international waterways.

4.4 Strategies and Working Policies

Strategies	Working Policies
1. To develop and expand domestic water transport which also connects Nepal to sea.	1. Water transport will be developed and expanded based on feasibility studies. 2. Bilateral and multilateral agreements will be concluded for the construction of the required infrastructure facilitating access to the sea.

Strategies	Working Policies
	3. Inland water transport infrastructure will be prepared and to be affiliated to aqua tourism.
2. To attract investment from the private and other sectors for the development of water transport.	1. The private sector will be prioritized for the operation, development, and expansion of services of water transport. 2. Resources required for the development of water transport will be raised through a public-private partnership.
3. To develop and enhance institutional, managerial, and technical capacity for the development and operation of water transport.	1. Nepal will be a party to international covenants, conventions, and agreements on water transportation. 2. New laws and policies will be introduced, and existing laws will be revised in accordance with international laws and practices for the development and operation of water transport. 3. Human resources related to water transport will be developed and capacitated.

5. Expected Results

Legal, policy, and institutional arrangements will be in place for the operation of water transport. A feasibility study on nation-wide water transport will have been completed and waterways will have been identified. The infrastructure required for water transport will have been developed for Koshi, Kaligandanki, Narayani and Karnali rivers, and safe, convenient, reliable, and well-managed water transport will have come into operation. The number and quality standards of domestic and foreign tourists will have increased. Consumers will have benefitted from the reduced cost of goods and services, and exports will have increased. Internal capacity will have been enhanced for the operation of a safe, convenient, reliable, and well-managed water transport.

8.2.5 Transport Management

1. Background

The Constitution of Nepal envisions increased investment in the transport sector to ensure smooth, accessible, and equal access of citizens to transport services. Environment-friendly technologies will be prioritized in the promotion of public transport, and private transport will be made safe, orderly, inclusive, and disability-friendly through regulatory measures. Although the necessary infrastructure has been developed to some extent, the transport service is yet to be sustainable and reliable. The right of citizens to free movement has yet to be realized fully by making public transport which enjoys major investment from the private sector, systematic and orderly. Therefore, it is necessary to manage this sector properly.

2. Major Problems

Lack of a well-managed, accessible, safe, and reliable public transport system; increase in pollution due to the use of broken and old vehicles; increase in accidents due to lack of professionally trained drivers and standards to regulate their labor hours; frequent road damages due to movement of overloaded vehicles; poor compliance with the traffic rules; lack of institutional capacity and technology-friendly management system; and lack of a regular and systematic testing system for vehicles are the major problems.

3. Challenges and Opportunities

Major challenges are to regulate the increase in the number of vehicles; reduce road accidents through long-term transport management and Strategy on road safety; scientifically manage the growing number of private vehicles in the urban areas; provide accessible and safe public transport services by making regulatory and monitoring activities, including prevention of air and noise pollution; and ensure road safety.

Major opportunities are: increase in the use of technology in transport management; Implementation of a system for practical and automatic fares; operation of electric, eco-friendly, and large vehicles; and continuous attraction of private investment to public transport services.

4. Vision, Goal, Objective, Strategies, and Working Policies

4.1. Vision

Development of a competitive, accessible, safe, and environment-friendly transport system.

4.2 Goal

To develop modern, accessible, reliable, environment-friendly, and infrastructure-friendly transport services.

4.3 Objective

To make people's movement and transportation trouble-free by making the transport service competitive, accessible, reliable, safe, inclusive, disciplined, and to facilitate movement and transportation.

4.4 Strategies and Working Policies

Strategies	Working Policies
1. To promote good governance in the transport sector through institutional strengthening and procedural simplification.	1. A data center will be established and developed for a one-window system for information on drivers' licenses and vehicle registration. 2. Vehicles tracking will be carried out through a global positioning system (GPS). 3. Training for capacity development and behavioral change will be conducted for the human resources involved in the transport sector. 4. The collection of revenue and fees in the transport sector, including road charges, will be based on the electronic system.

Strategies	Working Policies
2. To emphasize the use of sustainable and environment-friendly vehicles.	1. Automated technology will be used for measuring vehicle pollution by establishing a vehicle testing office at the province level. 2. A bus rapid transit system will be prioritized by emphasizing on mass transport. 3. The priority will be given for the use of the electric vehicles. 4. Access to and use of public transport will be enhanced for senior citizens, women, children, people living with disabilities, ultra-poor, and other target groups.
3. To make the role of private and cooperative sectors effective and systematic while encouraging public transport.	1. The private sector will be effectively regulated, and investment in public transport will be encouraged from the local level and cooperative sector. 2. The private sector, too, will be encouraged to set up vehicle fitness centers for the check-up of vehicles. 3. The automatic fare system will be made more effective based on practical and scientific criteria.
4. To gradually reduce road accidents using technologies in transport management.	1. Route permits for vehicles will be issued only after assessing road conditions, and the public transport system in major cities including the federal capital will be re-routed. 2. An information management system on road accidents will be implemented in a result-oriented manner. 3. Traffic congestion in major cities will be managed by installing traffic lights. 4. 'Vehicles Free Zones' will be announced focusing on

Strategies	Working Policies
	densely populated cities and settlements.

5. Expected Results

Passengers will have enjoyed convenient, smooth, and reliable services enabled by the use of technologies in the management of the transport sector; Vehicle Fitness Test Centers will have been established in all seven provinces and brought into operation; an online system will have been used for the delivery of transport services, and GPS will have been implemented.

8.3 Communication and Information Technology Infrastructure

1. Background

The Constitution of Nepal guarantees complete freedom of the press, freedom of speech and expression, and the right to communication and information as fundamental rights. It is, therefore, essential to make progress in terms of meeting the responsibility and obligation for making the communication and information technology sector, which also serves as a driver and catalyst of economic development, dignified, professional, capable, and strong. The SDGs have outlined goals to substantially increase access to the Internet affordable to all. Currently, 72 per cent of the total population in Nepal has access to television, 86 per cent of the population has access to radio and 65.9 per cent of the population has access to the Internet services, and digital literacy stands at 40 per cent. It is important to provide services to Nepali people consistent with global development and achievements in the use of information technology and communication. This should apply to all aspects of economic development. It is therefore essential to ensure good governance and develop information technology as an indispensable component of the economy by developing knowledge, skills, and capacity related to communication and information technology.

2. Major Problems

Fledgling mass media in being completely dignified, responsible, accountable, and credible; lack of universal access to the means of telecommunication; inadequate institutional arrangements for the development of information technology and cyber security; inadequate

use of information technology in public service delivery; inadequate diversification of the postal services; inability to use the orbital slot allocated to Nepal on time; inadequate development of the infrastructure for security printing; inability to create employment opportunities as expected; inability to develop the film sector as an industry; and poorly managed advertisement sector are the major problems in this sector.

3. Challenges and Opportunities

The challenges are to make the news broadcasted/disseminated through mass media credible; control and regulate misleading news; control the increasing abuse of social network in the context of increasing use of social media; timely use the latest technologies in the information and communication sector; cope with the increasing number of cybercrimes; promote industries based on information technology by making them competitive; diversify the traditional postal service; increase investment in research and development; end the external dependence for securities printing; deliver services to scattered settlements; develop the film sector as an industry by making it competitive; and facilitate telecom infrastructure sharing.

Major opportunities are constitutional guarantee to complete press freedom and right to communication and information; the increasing importance of the concept of digital Nepal; expanding use of ICT in the overall development of the education sector; increasing investment from the private sector in ICT; attraction among youths to work in the sector; creation of additional employment opportunities; recognition of ICT as a driver of economic development; a significant increase in the number of mobile users; a gradual increase in citizens' access to telecommunication services based on data and to public services; reduction in the cost of service delivery as a result of the use of information technology; a gradual increase in digital literacy; development of new technologies; and increasing use of information technology in the mass communication sector.

4. Vision, Goal, Objectives, Strategies, and Working Policies

4.1 Vision

A nation equipped with information technology.

4.2 Goal

To bring qualitative changes in people's living standards by enhancing universal access to mass communication, telecommunication, and ICT and maximizing their use.

4.3 Objectives

1. To ensure for all citizens good access to ICT and increase its use.
2. To make ICT services accessible and reliable, and to improve their quality.
3. To increase employment opportunities by developing industries based on ICT.

4.4 Strategies and Working Policies

Strategies	Working Policies
1. To ensure access to and use of information among all citizens.	1. Policy and institutional arrangements will be made to make information accessible to all citizens. 2. National Information Commission will be made more effective and capable. 3. The policy of partnership with mass media will be made effective.
2. To expand the access of all citizens to mass media by ensuring complete press freedom.	1. Timely reforms will be introduced in policy, legal, and, institutional arrangements necessary for the overall development of the communication sector. 2. Mass media will be made autonomous, competitive, dignified, responsible, and professional 3. Radio Nepal and Nepal Television will be integrated and transformed into public broadcasting service with nationwide coverage. 4. Efficacy of the National News Agency will be increased and access to public mass media will be gradually expanded from the local level to provincial, national, and international levels by developing their capacities.

Strategies	Working Policies
	5. A modern communication village equipped with technologies will be established at the province level. 6. The Press Council will be transformed into a media council, and the monitoring system will be made effective.
3. To expand access to telecommunication and broadband services all over the country.	1. Broadband service will be expanded up to the local level. 2. Reliable and quality telecommunication service (seamless connectivity) will be ensured. 3. Rural Telecommunication Fund will be mobilized basically for the development of the telecommunication sector and implementation of programs or projects on digital Nepal. 4. The concept of telecom infrastructure sharing and its appropriate use will be implemented.
4. To improve the social, economic, and governance system through digitization.	1. The Digital Nepal framework will be implemented. 2. Mass media will be transformed into a digital system. 3. Public and private service delivery will gradually be provided through online systems. 4. ICT infrastructure including digital Nepal, information highway, and data centers, internet exchange centers, telephone-based on modern technologies, online services, and electronic payment (e-payment gateway) will be given priority. 5. The frequency distribution system will be organized and made transparent by formulating a National Frequency Allocation Plan and Strategy. 6. Government electronic systems will be integrated and interconnected. 7. A cyber security monitoring center will be established for the implementation of activities related to cyber security

Strategies	Working Policies
	and privacy. 8. Digital literacy and awareness generation programs will be conducted as a campaign to reduce the digital divide. 9. Nepal's own satellite will be installed using the orbital slot available for Nepal. 10. ICT will be used in education and modern technology. 11. Local language, culture, and uniqueness will be protected and promoted through the use of ICT.
5. To make the postal service autonomous, competitive, and professional through institutional restructuring.	1. Necessary policy, legal and institutional reforms will be introduced to make postal service competitive and professional. 2. The postal service will be diversified, specialized, and modernized by establishing a Postal Service Authority.
6. To develop and promote the film sector as an industry by developing infrastructure.	1. Policies, acts, and laws on films will be reviewed and improved. 2. Nepal's nationality, culture, and tourism will be promoted by supporting the development of the infrastructure of the movie sector. 3. The box office will be implemented fully across the country.
7. To make arrangements for security printing.	1. Necessary policy, legal, and institutional arrangements will be made for security printing. 2. Security printing will be started in Nepal by developing human resources and physical infrastructure.
8. To make the advertisement market systematic.	1. A regulatory body will be established to manage and regulate the advertisement market. 2. A proportionate distribution system will be introduced for

Strategies	Working Policies
	advertisements of the public sector.

5. Expected Results

By the end of the plan, the total population with access to the internet will have increased from 65.9 per cent to 80. Digital Nepal Framework will have been implemented; all citizens will have had access to radio, television, and mobile broadband; an integrated public service broadcasting organization will have been established and brought into operation; modern and technologically sound communication villages will have been established in all seven provinces; all public service delivery will have been provided online; self-reliance will have been achieved in security printing; the movie sector will have been established as an industry; Postal Service Authority will have been established, and an additional 300,000 employment opportunities will have been created.

8.4 Local Infrastructure

1. Background

Due to the central orientation of the planning system and the consequent need to approach the Centre even for small development projects, the needs of local people do get reflected in local development. As a result, despite some efforts at developing local infrastructure, public participation in and ownership of the planning process haven't been institutionalized. As a result, development results have not met people’s expectations. The country has adopted the federal governance system. The practice of developing local infrastructure with participation from stakeholders has already started. Local governments, which are very close to the people, are implementing development activities based on the principle of subsidiarity and guided by people’s expectations.

2. Major Problems

Major problems are difficult topographical conditions; subsistence-based agricultural practices; scattered settlements; domestic migration; the exodus of youths; lack of proper management of resources; difficulties in project prioritization at the local level; lack of clarity

in monitoring and evaluation of local projects; lack of socio-economic infrastructure; lack of public accountability; and corruption.

3. Challenges and Opportunities

Major challenges are to: develop integrated settlements; maintain quality and enhance the sustainability of local physical infrastructure; appropriately utilize allocated resources; utilize the budget allocated for local infrastructure development partnership program in an effective and result-oriented manner, and manage and improve the capacity of human resources.

Major opportunities are financial and administrative autonomy of the local level; enthusiastic and capable representatives and inclusive participation; increase in resources; the presence of service providers at the level of ordinary people; democratic governance system; liberal economy; collaboration with the private sector; open social environment, and inter-governmental collaboration in areas of common interest.

4. Vision, Goal, Objectives, Strategies, and Working Policies

4.1 Vision

Development of reliable, affordable, and accessible local infrastructure.

4.2. Goal

To develop local infrastructure to support the rural economy and social development for socio-economic transformation.

4.3 Objectives

1. To make rural life simple, easy, and productive by making the development of rural infrastructure balanced, sustainable, and environment-friendly and linking local products with the local market.
2. To develop the infrastructure needed for affordable and effective local service delivery.

3. To make public service delivery accessible by gradually developing dense and urbanizing settlements.

4.4 Strategies and Working Policies

Strategies	Working Policies
1. To develop necessary laws, operating procedures, and standards for service delivery and management of development activities and to put in place policy and institutions up to the Wards level supported by minimum infrastructure.	1. Arrangements will be made to develop necessary laws, operating procedures, and standards for service delivery and management of development activities within the first year. 2. Minimum infrastructure such as education, health, roads, electricity, drinking water, irrigation, settlement development, waste management, and sanitation, industrial village, telephone, internet, bank, and community organizations will be developed with priority up to the Ward level. 3. A master plan reflecting the identified needs for local infrastructure will be prepared and implemented. 4. Concrete and suspension bridges will be built at appropriate locations by replacing the pulley crossings (*tuin).* 5. For waste management, multi-purpose processing centers will be established at specified and appropriate locations, and the establishment of bio-gas plants will be prioritized where a high amount of waste is collected.

Strategies	Working Policies
2. To develop mechanisms and approaches that promote transparency and accountability, and build the capacity of training providers in an integrated manner based on capacity building plans. Also, to ensure the meaningful participation of citizens and stakeholders in managing local development activities.	1. Meaningful participation of citizens and stakeholders in all processes of local planning will be ensured, and an action plan for the same will be developed to integrate training units functioning under various agencies and mechanisms. Systems and methods will be put in place to implement programs focused on promoting transparency and accountability of these mechanisms and building their capacities. 2. Users committees will be formed and regulated to ensure public participation in development for achieving sustainability of the plans. 3. E-service delivery will be implemented by adopting innovative measures, including the use of ICT in local activities and service delivery.
3. To make local governments self-reliant by ensuring inclusive participation in the formulation and implementation of local-level policies, plans, budgets, and programs and enhancing competency in the mobilization of local resources.	1. Procedures will be defined to ensure inclusive and meaningful participation of all people belonging to different genders, regions, or classes in the formulation and implementation of local-level policies, plans, budgets, and programs. 2. Necessary processes will be defined to ensure access of inclusion groups (women, *Dalits*, *Adibasi Janajati*, senior citizens, children, youth, people living with disabilities, and farmers) to the governance system and promote meaningful participation, empowerment, and ownership.

Strategies	Working Policies
4. To make the local level professional and competitive by standardizing work performance and using the latest technologies in collaboration with the private sector and cooperatives.	1. The genuine trust of the private sector will be earned by making the local level professional and competitive through the use of new technologies and standardization of work performance. For this, collaboration, regular dialogue, and interaction with the private sector will be undertaken.

5. Expected Results

Local-level administrative centers and all Ward offices will have been connected with road networks; at least one higher secondary level technical school will have been established at all local levels; suspension and road bridges will have been constructed within 30 minutes of walking distance, and products will have had market access as a result of the development of market centers. Similarly, all households will have had electricity connections; branches of banks or financial institutions will have been expanded to all wards of the municipalities, and urban villages will have developed.

8.5 Science and Technology

1. Background

The Constitution of Nepal foresees a strong connection between science and technology and the development of the country and contains policies to increase investment in scientific studies, research, scientific and technological inventions, and the development of science and technology as well as to protect scientific, technical, intellectual, and special talents. It is essential to contribute to the development of a happy and prosperous nation by carrying out scientific and technological and innovative activities in areas including clean environment, health, food, housing, infrastructure, information and communication, education, and social security. It is also important to apply the knowledge derived from

scientific research and achievements of traditional and emerging technologies to fulfilling the basic needs and to emphasize the wise use of the natural resources available in the country.

It is necessary to adopt science and technology as a means of production and development infrastructure, increase the State's investment in this field significantly, build the capacity of technical schools and universities in a coordinative manner for the development of skilled human resources, and prioritize research and technology holistically.

2. Major Problems

Major problems are the inability to create a conducive environment to utilize the knowledge, skills, and abilities of the human resources and talents scattered in and outside the country for the overall development of the country; lack of effective policies and clear legal framework for coordination and collaboration in the activities carried out by agencies working on science and technology; limited public investment in the proper development and use of science and technology; lack of conducive environment needed to retain capable young human resources in the country; lack of an effective mechanism to share the benefits of science and technology with the general public; and lack of efforts to make investment made by various agencies in the field of science and technology fruitful.

3. Challenges and Opportunities

The challenges are to encourage the best use of emerging technologies including nuclear technology, ICT, nanotechnology, biotechnology, and artificial intelligence; minimize the negative impact of advancement in technology; make policy and institutional arrangements for balanced development of science and technology; make science education practical and accessible; create a conducive environment in the country for the young people with higher education in the field of science and technology and involved in research; utilize the capacity of the scientific and technical talents within the country; strengthen the research sector and equip it with infrastructure; use advanced technology for the development of industry and entrepreneurship; create linkages between the advancement of science and technology and basic services and products; and formulate and implement long-term plans and roadmaps for science and technology and innovations.

Major opportunities are: promotion of the sector by creating linkages between science and technology and development; access to international and support for capacity building, to make greater use of nuclear technology as a party to the Convention on the Peaceful Use of Nuclear Technology; opportunity to receive international and global support for technology transfer and promotion, conducive environment for advancing scientific research and technological development by establishing research institutions and academies even at the provincial level; possibility of utilization of science and technology through bringing back scientific talents living outside the country; increase in the number of researchers in the field of scientific research and innovation; significant numbers of capable youth groups with academic degrees in science; expansion of international cooperation and coordination supported by modernization; possibility to bring the knowledge, experience, and skills of scientists to Nepal from the global level; and political awareness about the role of science and technology in economic growth and for prosperity.

4. Vision, Goal, Objectives, Strategies and Working Policies

4.1 Vision

A society with science, and the production system with technology and innovation.

4.2 Goal

To achieve prosperity by developing a scientific culture in society and embedding innovation in production technology.

4.3 Objectives

1. To use science and technology optimally to improve people's quality of life and promote scientific thinking and analysis.
2. To benefit from the latest scientific progress and emerging technologies by making science education practical and using science for the delivery of basic services.
3. To use and develop natural resources and traditional technologies and promote innovation for increasing production and industrial development.

4.4 Strategies and Working Policies

Strategies	Working Policies
1. To develop a culture of scientific analysis by increasing the awareness of science in society.	1. Legal and institutional arrangements will be put in place for the establishment of an integrated research and development fund to strengthen the latest scientific research and technology development at a high level. 2. The existing science and technology policy will be implemented with timely amendments. 3. Emphasis will be given to teaching and learning science. 4. Laws, rules, directives, and standards required for the safe and peaceful use of atomic technology will be introduced and a competent body will be established to regulate it. 5. Policy and legal arrangements will be made to create a foundation for obtaining reliable data and information on relevant areas, including science, technology, and innovation. 6. Infrastructure with skilled human resources will be developed and brought into operation for collection and analysis of data required for the planning, implementation, and monitoring and evaluation. 7. Wide dissemination of science and technology through formal and informal media, including mass media and mobile science laboratories, will be carried out, and participatory interactions on science will be organized across the country.

Strategies	Working Policies
2. To share the benefits and achievements of science and technology with the general public and help them to achieve a higher quality of life.	1. The use of available technology will be encouraged to guarantee the environment, health, food, housing, information communication, education, social security, and food security. 2. Science and technology will be made an integral part of all aspects of production, including in agriculture, industry, forest produce, and services as well as in quality infrastructure.
3. To make innovation consistent with the SDGs by encouraging and promoting the use of emerging technologies.	1. Studies and research will be conducted in the fields of space science and technology, atomic science and technologies, Nanotechnologies, and biological sciences and technologies. 2. The potential of science, technology, and innovation will be utilized to achieve goals of poverty reduction and other goals under the SDGs. 3. Research and investment will be made under public-private partnerships to promote scientific research.
4. To prepare necessary infrastructure and technical human resources for utilization of and value addition in natural resources available in the country.	1. Well-equipped research institutes and academies will be established in Provinces based on their special characteristics, and they will be developed as Centers of Excellence and aligned with local needs. 2. Universities will be encouraged to undertake studies and research on issues of national priority

Strategies	Working Policies
5. To ensure institutional coordination to use resources optimally and conduct result-oriented research by motivating the young generation to compete in acquiring scientific knowledge and technical skills.	1. Provincial and local level science study centers will be established to organize various exhibitions and programs for making science practical, useful, and competitive. 2. A conducive environment will be created for young human resources involved in science and technology to become entrepreneurs and use their knowledge, skills, and abilities in innovative activities.
6. To create linkages between academic research and industrial production and to develop entrepreneurship among human resources involved science and technology by increasing investment in research and development to increase industrial production.	1. An effective mechanism will be developed to ensure coordination among research institutes, universities, and industrial enterprises. 2. Policies and regulations required to create a conducive environment for collaboration among universities, research institutes, and industrial enterprises will be developed and implemented. 3. Research and development units will be established in industrial enterprises. Additionally, modern laboratories will be established for testing and certification of industrial products.

5. Expected Results

National science and technology policy and Strategy will have been formulated, with priorities determined under them; a clear roadmap will have been formulated for the development and use of science and technology-based on the strengthening of institutions in accordance with the federal structure; legal and institutional arrangements for the safe and peaceful use of atomic technology and ionizing radiation will have been made; an Atomic Act will have been enacted and a regulatory body under the Act will have been established for the management of atomic materials; science study centers will have been established in each

province; scientific research scholarships will have been provided as needed; and a significant number of youths will have been mobilized in scientific research in coordination with educational institutions, ministries, and industries.

8.6 Urban Development

1. Background

The Constitution of Nepal envisions balanced and inclusive development of the country. To realize the national vision of *'Prosperous Nepal, Happy Nepali'*, it is necessary to build planned, environmentally-friendly, disaster-resistant, well-managed, inclusive, economically dynamic, and picturesque cities equipped with modern infrastructure. Cities and human settlements need to be made inclusive, safe, resilient, and sustainable. A declaration for sustainable human settlements and cities for all should also be made. Additionally, economic, human, and infrastructural losses to disasters, need to be substantially reduced, and impediments to basic services should be removed. With the number of municipalities reaching 293 including the newly announced municipalities, the urban population is estimated at 62.2 per cent of the total population. Along with the emergence of new cities, migration from the surrounding villages to the cities has also gone up rapidly. Therefore, it is necessary to improve the urban environment and living standards by providing quality urban infrastructure services and facilities at a time when urban life is becoming difficult due to additional pressure on the already inadequate physical, social and economic infrastructure available with cities.

2. Major Problems

Major problems are: the majority of municipalities remaining at an urbanizing stage with rural characteristics; lack of urban infrastructure and services informed by a framework for categorization of cities based on the degree of urbanization (from big cities to market centers); lack of coordination and collaboration among relevant agencies for planning, construction management, upgrading, expansion, and improvement of cities; lack of internalization of the concept of disaster management in construction and development works in the cities; poor availability and quality of urban amenities to develop the city traditionally

without deeply analyzing the geographical and geological system as well as historical background and the nature of the expansion of the city.

3. Challenges and Opportunities

The major challenges are to: carry out development in a systematic and planned, way based on land-use plans; improve the environment by managing urban infrastructure and services based on fixed standards for different categories of cities; introduce a mandatory system for coordination and collaboration among concerned agencies for the development of integrated urban physical infrastructure; make a big investment by identifying resources to revitalize the urban system and interrelationships adopted by the National Urban Policy and Strategy, and protect existing and emerging cities from the risks of disasters.

Major opportunities are: priority for urban development by the government of Nepal, non-government agencies, and donors; interest of the private sector in investing in the development and management of urban infrastructure; possibility of planned development with modern infrastructure and unique identity of emerging cities currently in the initial phase of development; possibility of urban development in the catchment areas of national highways and proposed railways; significant experience of government agencies and awareness and acceptance of Integrated Land Development Programmes among the people; and the beginning of the implementation of concepts such as new modern city and smart city.

4. Vision, Goal, Objectives, Strategies, and Working Policies

4.1 Vision

Sustainable economic and social prosperity through systematic urbanization.

4.2 Goal

To develop accessible, prosperous, sustainable, and beautiful cities.

4.3 Objectives

1. To develop disaster-resistant, human-centered, safe, economically dynamic, clean, and well-managed cities.

2. To revitalize cities and rural-urban interrelationships through a green economy for a balanced national urban system and sophisticated urban landscape.

3. To build technical capacity for urban planning, construction, management, improvement, and expansion, and to institutionalize good governance in managing urban infrastructure.

4.4 Strategies and Working Policies

Strategies	Working Policies
1. To develop social, physical, and economic infrastructure for improving the environment of existing cities.	1. Cities will be developed based on geographical conditions, economic prosperity, tourism potential, and identity and archeological features 2. Urban development will be carried out in a controlled way based on disaster sensitive land use. 3. For the improvement of the urban environment, a plan will be formulated implemented based on the concept of integrated urban infrastructure including transport, urban roads, drinking water supply, sewerage, housing, parks, open green areas, market areas, and bus parks. 4. Legal and institutional arrangements will be put in place based on the concept of the Utility Corridor for integrating and managing urban services and amenities. 5. A clean urban environment will be developed through proper management of human waste and pollution reduction. 6. New settlements, modern cities, and economic corridors will be developed in locations around national highways or nodal centers and places with industrial and commercial activities. 7. Roads within major urban areas of the country will be developed and expanded based on the concept and standards

Strategies	Working Policies
	of urban roads.
2. To make a directed investment for the development of the national urban system by identifying and utilizing all kinds of resources.	1. Based on the concept of the Urban Corridor Development Initiative, urban corridors will be developed in all seven provinces. 2. The strategic investment will be mobilized through the private sector, public-private partnership, inter-governmental partnership, and cooperatives for integrated urban infrastructure services. 3. The capacity of all three levels of government and the private sector involved in urban development will be enhanced to achieve the goal of sustainable urban development. 4. Collaboration with educational and research institutes will be achieved to institutionalize urban studies research. 5. Alternative financial resources will be generated for urban development by implementing the concept of 'value capture' which is about using a portion of the increased price of real estate as a result of urban land development and infrastructure development projects for investment purposes. 6. Plans and standards reflecting provincial identity will be developed and implemented for the development of all provincial capitals.
3. To promote integrated urban infrastructure development and urban good governance in urban service delivery through inter-	1. Large urban infrastructure will be developed in an equitable and diversified manner at the inter-provincial level. 2. Initiatives will be taken to establish a technical department in all municipalities including urban planners, architects, and engineers to manage staff and resources needed for

Strategies	Working Policies
governmental coordination collaboration.	urban planning and implementation. 3. Municipalities will be encouraged and facilitated to prevent uncontrolled urbanization. 4. Proper arrangements for accommodation and basic services will be made for the urban poor. 5. Development and construction works will be carried out by clustering the existing cities in different categories and setting standards for infrastructure and services for each category. 6. Smart cities will be developed by using the latest technologies, including ICT, to increase the effectiveness in urban infrastructure development and service delivery.
4. To develop Kathmandu Valley as an attractive, prosperous, environment-friendly, and cultural capital equipped with state-of-the-art facilities.	1. Kathmandu Valley will be developed and protected as a federal capital by preserving its historical, natural, and cultural heritage. 2. All local levels within the Kathmandu Valley will be encouraged to develop as a cultural city reflecting their basic characteristics and identity.

5. Expected Results

An integrated urban development plan will have been formulated in all municipalities. Basic urban infrastructure will have been developed in 70 municipalities, including district headquarters in the Tarai. A total of 10 new cities will have been developed alongside the Mid-Hill Highway and surrounding areas. The development of three smart cities will have started, with studies initiated for 10 smarter. The development/expansion of new cities in four places within Kathmandu Valley will have started. Land required for the construction of the outer ring road in Kathmandu valley will have been acquired through land development.

Drainages, corridor roads, and green belts will have been constructed on both sides of rivers including Bagmati.

8.7 Rural Development

1. Background

Rural development is a development process that transforms the economic, social, political, cultural, and physical infrastructure from a multi-dimensionally traditional society into a modern society. Although the concept of rural development in Nepal started with the rise of democracy in 1950, the efforts for social change and planned rural development are considered to have started from the first plan of 1956. Along with Tribhuvan Rural Development Programme, Integrated Rural Development Programme, Agricultural Roads Programme, Rural Infrastructure Development Programme, Rural Access Programme, Poverty Alleviation Programme, Remote, and Special Area Development Programme, Rural Community Infrastructure, and Decentralized Rural Development Programme have been implemented in Nepal. In this context, significant development and progress have been achieved through planned development efforts, including in the socio-economic sector rural development, and physical infrastructure. In view of increasing public expectations use of technology, and the impact of globalization, the achievements cannot be taken as satisfactory. It is, therefore, necessary to ensure the quality of life by increasing interconnectivity between urban and rural areas, increasing production and productivity, creating employment opportunities, establishing linkages between local products and the market, enabling meaningful participation of marginalized groups, and promoting equitable distribution of development returns.

2. Major Problems

Major problems are: inadequate development of infrastructure based on rural needs and priorities; lack of quality and sustainability of completed infrastructure; the cost of infrastructure development due to scattered settlements; lack of national balance in infrastructure development due to remote areas and geographical complexities; and lack of optimum use of resources and investments allocated for rural development.

3. Challenges and Opportunities

The major challenges are to meet the basic needs of the people living in scattered settlements and remote areas; justify the rationale of infrastructure development by reaping more benefits than the cost of constructed infrastructure; gain stakeholders' support, participation, and ownership in the selection, development, and management of local infrastructure; ensure quality and sustainability of rural infrastructure; facilitate local service delivery; manage financial resources for the development of essential infrastructure; implement the concept of integrated settlements; facilitate the supply of skilled technical human resources required for local infrastructure and retain them; develop the capacity for work under the federal structure, and protect the infrastructure from natural disasters.

The opportunities are to increase public participation and ownership thanks to the presence of locally elected representatives; enhanced local level leadership in the development of the local infrastructure and sufficient potential for planned development of infrastructure; expansion and development of municipalities with urbanization; and expansion of the programs to attract young returnee migrant workers.

4. Vision, Goal, Objectives, Strategies and Working Policies

4.1 Vision

Rural settlements with modern basic standards and infrastructure.

4.2 Goal

To build and develop rural infrastructure to help the rural economy and social development.

4.3 Objectives

1. To develop balanced and sustainable rural infrastructure.
2. To make rural life simple, comfortable, and productive.
3. To promote quality of life by managing and minimizing migration.

4.4 Strategies and Working Policies

Strategies	Working Policies
1. To prioritize infrastructure development based on rural development master plans and plans for productive infrastructure development supported by the concept of sustainability-driven by local resources and technologies.	1. An expert group will be formed to formulate Rural Development Master Plan. Based on its report, the master plan will be implemented within one first year. 2. Rural development will be emphasized ensuring sectoral prioritization based on the maximum allocation of local resources and the use of technologies as well as active participation from local communities. 3. Stakeholders' capacity will be developed for selection, operation, and sustainable management of projects based on demand and direct participation from beneficiary communities.
2. To determine sectoral priorities and develop rural infrastructure based on local potential ensuring access to basic services for all, and to make service delivery cost-effective through the development of local infrastructure.	1. Infrastructure for rural development will be developed and expanded by investing in modernization and commercialization of agriculture, promotion of tourism (eco-tourism, health tourism), conservation and management of forests, and establishment and expansion of traditional and technology-driven industries. 2. Traditional values, beliefs, and culture will be preserved and promoted by increasing investment in education and health and improving its quality for social and cultural transformation of rural areas. 3. Programs on active participation, empowerment, proportional representation, and inclusion of rural people will be mainstreamed into development programs for the political and administrative transformation of rural areas. 4. Promotion and protection of rural labor force, indigenous and

Strategies	Working Policies
	local knowledge, skills, and technologies will be emphasized through technology-friendly development of urban areas and the deployment of skilled human resources.
3. To systematize and minimize migration while ensuring income generation and employment.	1. Emphasis will be given to quality of life through rural tourism, promotion of cooperatives, local indigenous products, and utilization of natural resources, market expansion and development of smart villages. 2. Service delivery will be made simple, accessible, and cost-effective by responding to people's needs and demands for services and addressing the interdependence between rural and urban lives without disturbing the rural environment. 3. The migration will be managed by implementing programs such as the use of labor-intensive technologies, utilization of local skills and resources, and the promotion of local industries and entrepreneurship.
4. To discourage the expansion of settlements alongside riverbanks, slopes, and cultivable areas by managing vulnerable settlements.	1. Programs will be implemented at the local level by identifying vulnerable areas and discouraging possible expansion of settlements in these areas. 2. Systematic and reliable development of settlements will be taken forward by identifying safer places.

5. Expected Results

A master plan for rural development will have been formulated implemented. Rural infrastructure will have been developed to ensure access to basic services such as quality education, health, drinking water, electricity, and sanitation as well as justice and human rights services. Productive infrastructure based on local resources, skills, and technologies will have been developed. Public participation in the selection, operation, and sustainable management of programs will have been mobilized to the maximum extent possible. Rural

tourism will have been promoted in such a way to support the economy. Local service delivery will have been of high quality, affordable, and effective. The migration will have been managed sustainably through entrepreneurial programs.

8.8 Housing and Settlement Development

1. Background

The Constitution of Nepal recognizes the right to housing as a fundamental right and requires the state to respect, protect and fulfill the right of all citizens to safe, suitable, and environment-friendly housing and provide housing facilities to homeless citizens. The Constitution also has policy provisions for the development of planned and systematic settlements to manage informal settlements. The government has guaranteed the right of citizens to safe housing by linking it with social security through policy and legal arrangements. Similarly, scattered households in remote and high-risk areas need to be relocated to nearby safe places in integrated settlements also ensuring that they are financially strong.

Under the right to housing, approximately 2 million housing units need to be constructed by 2023, out of which some 400,000 housing units will be needed for poor, endangered, and marginalized communities, Under the People's Housing Programme, 17,000 housing units have been constructed for the poor, endangered, and marginalized groups by 2018/19, and grants have been provided for the purchase of zinc sheets and timber for the construction of 7,000 safe citizen housing.

2. Major Problems

Major problems are inadequate facilitation for the development of integrated and planned settlements; loss of the huge amount of money and life annually due to unsafe settlements and weak housing structures; construction of houses through personal efforts becoming expensive and unsustainable; collective and multi-storied joint housing units built by the private sector becoming out of reach for low-income families and the urban poor; low public interest in collective housing programs; and a gradual reduction in the use of traditional building materials and technologies.

3. Challenges and Opportunities

Major challenges are to: develop integrated settlements based on scientific land use for scattered settlements in remote and high-risk areas; build safe and low-cost housing using local construction materials; ensure housing facilities for low-income groups, marginalized people, groups facing disaster risks, and the urban poor; and attract the private sector to collective housing programs.

Major opportunities are: implementation of the Right to Housing Act, 2018; implementation of safe citizen housing and People's Housing Programme for the ultra-poor, endangered, and marginalized ethnic groups by the Government of Nepal; increase in public awareness as well as technical capacity in the construction of safe housing in aftermath of the catastrophic earthquake of 2015; increase in private sector investment in planned housing and land development; mobilization of funds from cooperatives and welfare funds for the construction of systematic housing; relocation of remote and high-risk settlements with preparations for integrated settlement development; increased family income due to changes in occupational diversity; and increased need and potential for urbanization due to increase in household income from remittances.

4. Vision, Goal, Objectives, Strategies and Working Policies

4.1 Vision

Accessible, safe, resilient, and integrated housing and settlement.

4.2 Goal

To make arrangements for sustainable and resilient housing for people through the development of integrated planned settlements.

4.3 Objectives

1. To build or upgrade safe, environment-friendly, accessible, and resilient housing appropriate for all income groups.
2. To develop integrated settlements in coordination and collaboration among federal, provincial, and local levels.

4.4 Strategies and Working Policies

Strategies	Working Policies
1. To enhance institutional capacity by clarifying sectoral roles of federal, provincial, and local levels.	1. Capacity building programs will be implemented for the local level by formulating and amending necessary policies, acts, regulations, and working procedures to ensure good governance based on clarity about the roles of federal, provincial, and local levels in relation to housing and settlement development. 2. Unplanned, old, and dense settlements will be rehabilitated. 3. Integrated programs will be implemented by encouraging participation from the local level, private sector, and local people in the development and expansion of housing and infrastructure services. 4. Private sector operated housing and land development companies will be encouraged to expand their services to urban areas beyond the Kathmandu Valley. 5. Existing policies will be revisited to encourage the construction of joint and mixed housing units to meet the growing demand for housing in urban areas. 6. Unhealthy development of settlements will be controlled by ensuring r easy access to rented accommodation with the involvement of government agencies. 7. Policies and standards will be developed and implemented to promote and mobilize investment from financial agencies active in the housing sector including Town Development Fund by conducting studies on soft loans, subsidies, and other possibilities for finance.
2. To discourage settlements in areas	1. The relocation of settlements will be encouraged by identifying geographically remote areas, areas with high

Strategies	Working Policies
that are geographically remote, have high development impediments, and are inaccessible and vulnerable to disasters.	development impediments, inaccessible areas vulnerable to disasters, and settlements in the Chure region. Relocation will follow the identification and development of safer settlements nearby. 2. Integrated settlements with basic services and facilities will be developed based on density and population. 3. Special social housing will be developed for people living with physical disabilities, senior citizens, and people at high risk of disasters.
4. To develop environmentally balanced, financially viable, technically suitable safe, and well-managed integrated settlements.	1. While developing new lands for settlements, the application of appropriate technologies and design will be encouraged to complete the construction and distribution of infrastructure services at the lowest possible cost. 2. Low-cost housing units will be constructed using low-cost technologies and local construction materials by identifying alternative sources of investment including under public-private partnerships.
5. To make arrangements for safe, affordable, and environment-friendly housing for the poor, *Dalits*, Muslims, endangered and marginalized ethnic communities, and communities at high risk of disasters.	1. Safe housing will be made available for the ultra-poor, endangered, and marginalized ethnic communities, and the urban poor. 2. Thatched roofs will be replaced with zinc sheets as a campaign. 3. Cooperative housing will be prioritized.
4. To develop physical	1. Provisions for land acquisition will be simplified to develop

Strategies	Working Policies
infrastructure services in a planned integrated manner and in such a way that land for housing is acquired ensuring effective use of land.	integrated settlements. 2. Land pooling programs and other forms of land development plans and programs will be implemented in urban areas as well in collaboration or with the involvement of the private sector to increase the supply of developed plots for households willing to build houses on their own. 3. A Land and Housing Development Fund will be established as a national level autonomous body by expanding the jurisdiction of the existing Land Development Revolving Fund currently under the Department of Urban Development and Building Construction.

5. Expected Results

By the end of the plan period, the proportion of people living in safe housing will have increased from 40 to 60 per cent, and families living in self-owned houses will have increased from 85.3 to 89 per cent. One million housing units and 100,000 residential plots will be constructed with the participation of different levels of government and the private sector. A total of 35,000 safe citizen housing units will have been constructed; 5,000 housing units will have been constructed in city areas for the urban poor; and a total of 35 integrated settlements will have been developed, with at least five such settlements developed in each province.

8.9 Building Construction

1. Background

As Nepal's geographical location is prone to multiple forms of disasters including earthquakes, it is essential to achieve an effective response and recovery and to build buildings according to the concept of 'Build Back Better' in reconstruction works by enhancing disaster preparedness. Considering the catastrophic earthquake that shook Nepal in April 2015 and the damage caused by it, it is equally essential to strictly implement the National Building Code, develop and revisit the Code in a timely manner, and retrofit the

existing buildings as required through risk testing. Encouraging the use of environmentally clean, financially viable, technically suitable, and safe building technology, as well as preservation of the traditional construction technologies and architecture, is the need of the hour. It is necessary to introduce timely improvements in the prevailing building design and construction technologies.

2. Major Problems

Major problems are: construction of safe building still to be institutionalized despite increased awareness on safe building construction after the 2015 earthquake; a poor system for the supply of quality construction materials; lack of compliance among stakeholders with the National Building Code against expectations; lack of technical human resources required for the strict enforcement of the National Building Code at the local level; and inadequate study and research on new low-cost construction technologies.

3. Challenges and Opportunities

The challenges are to formulate norms and standards for improving the quality of building materials through required research and timely use of the latest technologies; construct all buildings safely based on a timely revision of the National Building Code; complete all processes needed to carry out the construction and management of integrated government building through the one-window system; use the latest, sustainable and environment-friendly building technologies; preserve traditional skills, construction technologies, and architecture; and conduct research and training on new construction technologies.

Major opportunities are commitment from all sectors to effectively implement the National Building Code; increase in public awareness on safe and earthquake-resistant building construction; preparation of design catalog for safer construction with the latest technology; rendering of technical services by the government in villages during reconstruction; policy decisions regarding the building of integrated government offices for the construction, maintenance, care, and security of government buildings; and the development of building maintenance system software.

4. Vision, Goal, Objectives, Strategies, and Working Policies

4.1 Vision

Safe, affordable, and environment-friendly buildings.

4.2 Goal

To construct, upgrade, and improve safe, attractive, affordable, and environment-friendly buildings.

4.3 Objectives

1. To build safe, durable, accessible, and affordable buildings by encouraging the use of new building materials with a combination of suitable modern technologies and local architecture in building construction.
2. To improve institutional and legal arrangements for the building sector by adopting a one-window policy for the design, construction, utilization, and maintenance of integrated government buildings.

4.4 Strategies and Working Policies

Strategies	Working Policies
1. To construct integrated government buildings to make government processes service-oriented and functional by developing institutional capacity.	1. Timely revision of the National Building Code and formulation and effective implementation of new building codes will be emphasized as needed. 2. The monitoring mechanism for building codes will be expanded to the provincial and local levels. 3. The capacity of human resources involved in the design, construction, and supervision of the buildings will be developed. 4. Necessary standards for existing building design technologies will be developed by prioritizing the use of local technologies and available construction materials. 5. Laws and standards on leasing/renting of building/land

Strategies	Working Policies
	plots will be formulated to manage the leasing of buildings/land plots and construct and operate 'lease buildings' with public and private investment. 6. Administrative plazas and customer-friendly integrated government buildings will be constructed at federal, provincial, and local levels to make administrative services smooth and cost-effective. 7. An integrated inventory of government buildings will be prepared.
2. To improve institutional and legal structures of the building sector with a one-window policy for integrated design, construction, and maintenance of the government buildings.	1. Educational establishments will be mobilized for regular research and development works for the promotion of more affordable, safer, and environmental-friendly construction materials and the latest technologies to be used in the construction sector. 2. The construction of multi-storied buildings will be encouraged by undertaking research and development on the technologies for such buildings. 3. The use of traditional technologies and local architecture will be encouraged in the construction of new buildings by the private and public sectors. 4. Traditional construction technologies and architecture will be preserved for the construction of buildings having archeological importance.

5. Expected Results

Administrative buildings at all provincial capitals will have been constructed as integrated service centers. The existing National Building Codes will have been timely revised and a new National Building Code will have been formulated. The National Building Code will have been effectively implemented at all local levels. Special housing will have

been constructed at the federal level, and integrated government buildings will have been constructed at federal, provincial, and local levels. Research and development centers on new construction technologies and construction materials will have been established. Buildings with archeological importance will have been reconstructed following traditional construction technologies and architecture.

8.10 Reconstruction

1. Background

The catastrophic earthquake and the subsequent aftershocks that hit Nepal in 2015 caused serious damages in 14 districts of Eastern and Central Nepal while 18 other districts were partially affected resulting in huge loss of lives and property. The National Reconstruction Authority was then formed for formulating policies, legal and institutional structures required for the reconstruction of physical infrastructure, government buildings private houses, historical and archeological heritage damaged by the earthquake. Accordingly, relocation of high-risk settlements, the development of integrated settlements, and rehabilitation works are underway based on the assessment of the loss made by the earthquake. Therefore, it is essential to carry out reconstruction and rehabilitation works in collaboration with all by gradually entrusting the reconstruction related activities to the local level and ensuring its ownership.

2. Major Problems

The major problems are: management of grievances of earthquake victims; poor resource management; land-related obstacles for the construction of public structures; ineffective inter-agency coordination and collaboration; procedural and institutional ambiguities and disputes in the reconstruction of historical and archeological heritages; difficulties in retaining the staff involved in reconstruction by motivating them; and inability to receive, utilize, or mobilize the committed support from development partners.

3. Challenges and Opportunities

Major challenges are to: complete the reconstruction works within the stipulated time by mobilizing necessary resources for the construction of private houses and public buildings,

school buildings, archeological heritage, and health centers damaged by the earthquake; ensure availability and mobilization of technical human resources required for reconstruction; improve the living standards of earthquake victims by conducting livelihood oriented programs for post-reconstruction rehabilitation, and develop policy provisions and implementation capacity required for disaster management at the local level.

Major opportunities are: reconstruction being seen as a national priority program implemented through Nepal Reconstruction Authority and its subordinate bodies; possibility to mobilize human resources as needed to be produced from training conducted at local and district levels; possibility to raise public awareness by conducting orientation and awareness programs on risk reduction; commitments of support received from national and international organizations, donor agencies and friendly nations; and increased ownership of the reconstruction work among elected representatives at the local level.

4. Vision, Goal, Objectives, Strategies and Working Policies

4.1 Vision

Safe and planned reconstruction.

4.2 Goal

To reconstruct the physical infrastructure damaged by the earthquake in a sustainable, safe, and disaster-resistant manner.

4.3 Objectives

1. To complete the reconstruction of private houses and public physical infrastructure at the earliest.
2. To relocate vulnerable settlements, develop integrated settlements, and undertake rehabilitation activities.

4.4 Strategies and Working Policies

Strategies	Working Policies
1. To reconstruct and improve private houses and public physical infrastructure damaged by the earthquake in an earthquake-resistant manner.	1. Retrofitting and reconstruction of remaining structures damaged by the earthquake will be completed soon also taking into account the importance of earthquake-resistant technology and cost-effectiveness. 2. Disbursement of grants and subsidized loans required for the reconstruction of private houses will be carried out effectively. 3. Local skills, materials, and technologies will be used to the extent possible for the reconstruction and rehabilitation of religious and cultural heritages, and private houses with traditional attributes. 4. Reconstruction of the cultural heritages included in the World Heritage List will be completed based on an integrated master plan. 5. The work on reconstruction and rehabilitation will be completed in collaboration and coordination with provincial and local levels.
2. To relocate vulnerable settlements and develop integrated settlements.	1. The legislation will be introduced as needed for expediting the planned relocation of vulnerable settlements and the development of integrated settlements. 2. Settlement development programs will be implemented in collaboration and coordination with provincial and local levels and by adopting fundamental concepts of risk reduction.
3. To create income-generating opportunities for	1. Programs related to commercial agriculture, livestock raising, tourism, production of local materials, and promotion of traditional arts and skills will be implemented

Strategies	Working Policies
protecting the livelihood of earthquake victims (basically for those at risk).	to ensure livelihood opportunities for earthquake victims. 2. Various short- and medium-term free-of-cost vocational skills development training will be conducted to improve the income of earthquake victims. 3. Needs-based income generation and livelihood-oriented programs will be implemented for beneficiaries at risk.
4. To strengthen the capacity and effectiveness required for disaster management starting from the local level.	1. Various capacity building and information dissemination programs will be implemented at the local level for elected representatives, employees, and the general public to strengthen their capacity for the construction of safer structures. 2. Technical assistance, training, and facilitation services will be provided to enhance the capacity for reconstruction at the local level. 3. The knowledge, skills, and abilities gained from reconstruction will be transferred to local levels affected by the earthquake.

5. Expected Results

During the plan period, 505,424 private houses, 167 public buildings, 3,723 school buildings, 286 buildings of security agencies, 554 health centers, 668 archeological heritages, and 1,320 monasteries will have been reconstructed. The families of the earthquake victims will have received grants and soft loans for the construction of their houses; private houses and government physical structures damaged by the earthquake will have been reconstructed, maintained, and retrofitted; the residents of vulnerable settlements will have been relocated to suitable places; reconstruction and rehabilitation of earthquake affected areas will have been completed adopting the latest technologies; various income-generating programs will have been implemented for the livelihood of earthquake victims; and training programs will have

been implemented to enhance knowledge, skills, and capacities of elected representatives and employees at the local level.

Chapter 9: Democracy and Good Governance

9.1 National Unity

1. Background

The Constitution of Nepal has resolved to promote unity in diversity by recognizing the multiethnic, multi-lingual, multi-religious, multi-cultural, and diverse geographical characteristics. Similarly, in the directive principles of the state, the Constitution has embraced the policy of promoting national unity by upholding freedom, sovereignty, territorial integrity, national unity, independence, and dignity of Nepal by protecting and promoting social and cultural solidarity, tolerance, and harmony between various castes, ethnicities, religions, languages, and cultures and developing ties of cooperation between the federal units. Embracing this spirit of the constitution, various efforts have been initiated to conserve and promote various ethnicities, languages, religions, cultures, and traditions through a policy of national unity and increasing harmony among all citizens.

2. Major Problems

Managing the issue of identity within religious, social, cultural, and ethnic diversity in a proper and meaningful way, and the potential existing for creating an environment of more conflict and distrust due to communalism and other forms of extremism are the major problems.

3. Challenges and Opportunities

Keeping the national unity intact, developing a feeling that the nation and nationality are above any individual, community, and region, ensuring respect for the identity and sentiment of all classes and communities and developing a working culture of always keeping nationality and national unity up and above based on the spirit of cooperation, coordination, co-existence and mutual assistance among various units of the federal, provincial, and local levels while exercising their respective jurisdictions are the major challenges.

Accordingly, the constitutional provisions that espouse national unity among the multi-ethnic, multi-lingual, multi-religious, multi-cultural and geographically diverse communities and groups, a state of assurance on the federalism-based on cooperation, coordination, and co-existence, a deeply held desire of the Nepali citizens to build Nepal, opportunities for economic, social, cultural, infrastructural and other sectors' development, constitutional provisions for the management of ethnic, language, cultural, geographic and religious diversity and the interrelationships among the three tiers of government are the opportunities.

4. Vision, Goal, Objective, Strategies, and Working policies

4.1 Vision

Protection, preservation, and promotion of national unity.

4.2 Goal

To integrate the characteristics of a plural society into the economic, social, and cultural development of the country.

4.3 Objective

To strengthen national unity by properly addressing and respecting diversity.

4.4 Strategies and Working Policies

Strategies	Working Policies
1. To disseminate information and awareness among the citizens about Nepal's diversity and its positive and strong aspects.	1. A common code of conduct at the federal, provincial, and local levels will be developed and implemented. 2. Common minimum programs and norms will be developed for all three levels. 3. Informational programs on ethnic, linguistic, gender, geographic, and cultural diversity of Nepal will be published, transmitted, and distributed through various media.

Strategies	Working Policies
	4. A subject on Nepal's social and cultural composition and its positive aspects will be included in the school curriculum as well as in the curriculum of higher education.
2. To inspire citizens to form a civilized society by promoting goodwill and harmony among each other.	1. Programs that motivate every citizen to be responsible to contribute toward maintaining peace, law and order, mutual harmony, and goodwill in the society will be organized. 2. National unity will be promoted by reinforcing national independence, sovereignty, and developing a mutually supportive relationship between the federal units. 3. A conducive environment will be created for the cooperation, coordination, and collaboration between the provinces as well as between the local levels.
3. To bring internal and external activities that incite hatred and conflict in society under the ambit of the law.	1. The policy of zero tolerance will be adopted to stop any misuse and misinformation regarding the constitution or laws with the malicious intention of disrupting the unity within socio-cultural diversity and misleading the citizens. 2. The use of social media to undermine national interest and unity will be discouraged. 3. The national unity as well as social harmony and tolerance among the citizens will be strengthened by identifying and implementing activities that contribute to this end.

5. Expected Results

The mutual goodwill, tolerance, and solidarity among all ethnic, religious, linguistic, and cultural groups and communities will have been strengthened while protecting the national

independence, sovereignty, territorial integrity, and autonomy, all the citizens will have been united for strengthening national unity by prudently capitalizing on the geographical diversity, and a prosperous Nepal and happy Nepali society will have been built through creating socially and culturally more civilized and cultured citizenry.

9.2 Leadership Development

1. Background

The Constitution of Nepal has envisioned strengthening a federal democratic republican system to ensure that citizens can enjoy their democratic rights by establishing a welfare state, strengthening the relationship between the federal units based on mutually cooperative federalism, and embracing the proportional inclusion principle in the governance system through enforcing rule of law, fundamental rights and values and norms of human rights, gender equality, proportional inclusion, participation, and social justice. According to the Constitutional provisions that have arranged for the three levels of government for achieving people's wellbeing and the country's development, there is a need for honest and role-model leadership at all levels. The state's policy seeks to increase the participation of all citizens in the democratic system by creating an environment for them to participate in political, economic, social, and cultural activities and to provide special opportunities in the education, health, and employment sectors to increase youth empowerment to foster leadership that can contribute to the holistic development of the nation. Given this context, it is imperative to develop a political and administrative system that can support the development of the nation while ensuring ownership and trust in the democratic system in order to fulfill the responsibilities toward the country and the citizens. For this, the development of leadership with complete knowledge, ability to include and accommodate every stakeholder, and also a positive attitude is the need of the hour.

2. Major Problems

The failure to develop, nourish and promote a good political and administrative culture, inability to develop sincere political and administrative leadership, lack of a social environment that seeks to support leadership building and development, failure to provide the

right kind of environment to develop the personality of youth and empower them to contribute to the national development are the major problems.

3. Challenges and Opportunities

Developing capable and sincere leadership in the political system, practicing the concept of 'meta leadership', cultivating a feeling of devotion to the nation and the citizens on leaders' minds, practicing the system of electing leaders based on their qualifications and competence, instituting the notion of leadership as a benchmark for loyalty, rectitude, and honesty, empowering youth as well as developing their professional capacity and implementing the reward and punishment system in the leadership system are the major challenges.

Likewise, a form of leadership that has proven its worth in practicing politics and grooming political cadres from the grassroots as per the democratic principles and federal governance system, an increase in the practice of participative and inclusive leadership, adoption of democratic norms for electing leaders, a significant increase in the participation of youth in all spheres of national development, access to opportunities for networking at the national and international levels, initiation of performance-based incentive system, and initiation of the practice of enforcing performance contracts, etc. can be taken as opportunities available in this sector.

4. Vision, Goal, Objectives, Strategies, and Working Policies

4.1 Vision

Develop leadership that is rooted in integrity, competence, honesty, and dynamism.

4.2 Goal

To develop capable and efficient leadership that can take forward the agenda of governance, management, and all-inclusive development of the nation based on democratic norms and values.

4.3 Objectives

1. To develop capable and efficient leadership in all areas of national life including political, administrative, social, and entrepreneurial for the all-inclusive development and good governance in the country.
2. To develop a participatory and collaborative leadership style by deepening the interrelationship between the leadership at various levels.

4.4 Strategies and Working Policies

Strategies	Working Policies
1. To prepare a plan for capable and effective leadership development.	1. A long-term, medium-term, and short-term plan will be developed and implemented for sector-wise leadership development. 2. A leadership succession plan will be developed and implemented for enforcing intergenerational leadership development. 3. Legal provisions will be formulated for the job description, delegation of powers, punishment & reward system, administrative autonomy, etc. for capable and competent leadership development.
2. To increase partnership and collaboration for developing an effective interrelationship between the leadership at various levels.	1. Collaboration and partnership among the leaderships at various levels as well as with the public, private, government, and non-government organizations will be enhanced making them complementary to each other. 2. Activities to exchange learning and experiences between government and private sectors, information sharing exercises, as well as internship programs, will be conducted for leadership development.
3. To prioritize	1. A culture of honoring successful leaders as the ideals and

Strategies	Working Policies
capability-based rather than position-based leadership.	role-models will be developed. 2. The system and mechanisms for evaluating leadership will be made more organized and systematic. 3. An appropriate environment will be created for the development of capable and competent leadership.

5. Expected Results

The necessary plans and laws that enable leaders to be capable enough for running the affairs of the state efficiently will have been in place, coordination and collaboration among the concerned stakeholders will have taken place, and the country's development will have taken a momentum with the competent and successful leaders in driving seats.

9.3 International Economic Relations

1. Background

There are signs of a substantial change in the world's political and economic scenarios. Asia has become the epicenter of economic development in the world while our neighboring countries have been coming through as the world's two largest economies. To achieve the fundamental objectives of national interest, Nepal has been placing special emphasis on external economic relations. Nepal's economic diplomacy is fundamentally focused on mobilizing international economic relations for the country's prosperity and development. Nepal's international economic relations need to be purposefully mobilized towards upgrading itself to a developing country from a least developed country, achieving the Sustainable Development Goals, and realizing the national vision while remaining within the framework of international relations as guided by the constitution. Experiences gained on environmental protection, climate change, and peace building need to be exchanged at the international level.

2. Major Problems

The main problems in the promotion of Nepal's international economic relations are: lack of sufficient human resources and an institutional mechanism capable of properly analyzing and addressing external political, strategic, and policy changes that may affect

Nepal's development efforts, lack of coordination in strategic allocation of means and resources in the multi-layer international economic relations for the nation's benefit, failure to increase cooperation and coordination among the agencies involved in the conduct of international economic relations effectively, failure to fully utilize the market facility available at the international arena due to the weak productivity status of the private sector, and the failure to attract foreign investment as well as appropriate technology as expected.

3. Challenges and Opportunities

Developing and expanding the diplomatic capacity capable of protecting and promoting national interests in the changing environment of the world, identifying opportunities and challenges in the international system and determining their policy scope, realizing benefit from the development achieved by neighboring countries, enhancing bilateral, regional, and multilateral diplomatic engagement to gain the support of allies and other development partners, using the emerging geo-economic changes in the world for the development of the nation, enhancing the ability to supply goods and services internationally while taking into account the uncertainties in international economic relations, and developing necessary Strategy for the full utilization of the facilities available as a least developed country and the mitigation of the impact brought by the graduation from a least developed to the developing country are considered the major challenges.

Nepal having maintained diplomatic relations with 163 countries with 39 active residential diplomatic missions in various places, positive image and goodwill towards the country in the international arena following the end of its long-drawn political transition and conclusion of the home-grown peace process, Nepal's easy entry into the international market due to the bilateral, regional, and multilateral trade agreements, the potential for accessing international market due to its abundant natural resources and geographical location and the opportunity available for maximum mobilization of the skills, capacities, experiences and remittance of the Nepali human resources living abroad are the major opportunities.

4. Vision, Goal, Objectives, Strategies and Working Policies

4.1 Vision

International economic relations for prosperous and equitable development and national dignity.

4.2 Goal

To strengthen international economic relations to develop Nepal as a resilient and self-reliant economy equipped with a balanced and diversified international trade and economic interconnectivity potential and also an attractive investment and tourism destination.

4.3 Objectives

To optimally mobilize international relations to contribute to the achievement of the goals of rapid economic growth, poverty reduction, and Sustainable Development Goals by promoting Nepal's national interest in the international arena.

4.4 Strategies and Working Policies

Strategies	Working Policies
1. To promote Nepal's national interest, national image, national identity, and prestige in the international arena.	1. Nepal's natural, historical, and socio-cultural heritage and its development initiatives to that end will be made recognized and promoted in the world community in line with the provisions on its national interest mentioned in the constitution. 2. Nepal's distinctly recognizable and home-grown democratic political transformation and the peace process as well as the clear direction and the wealth of potential regarding the country's development will be presented and disseminated before the world community. 3. In order to introduce Nepal to the world and promote tourism, the National Day will be celebrated with cultural

Strategies	Working Policies
	programs in the diplomatic missions abroad and the Nepali Peace Mission will be mobilized and targeted publicity programs will be conducted. 4. Diplomatic relations as well as residential diplomatic representation will be expanded to establish diplomatic relations with the remaining countries in the world based on necessity and rationale. 5. Nepal's participation in bilateral, regional, and multilateral diplomatic mechanisms will be further strengthened.
2. To mobilize Nepal's economic diplomacy in a strategic and result-oriented manner.	1. There will be high-level visits, diplomatic initiatives as well as participation in meetings of regional and sub-regional cooperation mechanisms to enhance Nepal's economic interests. 2. In collaboration with the stakeholders, Nepali missions abroad will be mobilized to conduct programs including the study of economic and development policies and market prospects of the respective countries by setting targets based on feasibility. 3. Foreign capital, technology, and skills will be attracted by encouraging the Non-Resident Nepali, international organizations and associations, and multinational companies to operate employment-oriented, long-term, and transformational projects in Nepal, for being able to export Nepali products abroad. 4. Bilateral and trilateral cooperation and collaboration will be promoted between Nepal, India, and China in the areas of transport infrastructure and communication connectivity, energy, and tourism. The economic synergy with South Asia and North Asia will be utilized for the socio-economic

Strategies	Working Policies
	transformation of the country.
3. To analyze and review the existing treaties, agreements, and memorandum of understandings, etc. to make sure they are aligned with the national interest.	1. Treaties under implementation will be modified based on the objective analysis of the treaty and new treaties and agreements will be signed only after close and careful study and analysis of the new equations and power politicization observed in the international relations. 2. The potential adverse impacts of transit, supply, and market access and the technology sector will be analyzed and inter-agency coordination will be enhanced for addressing those impacts. 3. Efforts will be made to make the international regulatory process related to the areas of preferential market access to goods and services, technology transfer, cross-border migration, environment, and climate change in the interest of developing and landlocked countries. The promotion of trade in goods and services will be emphasized by concluding free trade agreements with countries having equal economic status.
4. To ensure quality service delivery by enhancing diplomatic efficiency.	1. Provisions will be made for legal counseling, relief, and rescue of Nepali citizens facing situational and legal problems as per the need. 2. The process of granting visas through the legal process in countries with diplomatic relations will be monitored more effectively. 3. Provisions will be made for the necessary legal structure for professional, efficient, and competitive diplomatic service, and the activities such as formulation of the human resource development plan, adoption of the performance-based management system, knowledge management, and

Strategies	Working Policies
	strengthening of institutional records management will be carried out. 4. Nepal will regularly file candidacy in the United Nations and other intergovernmental and international organizations and the necessary systemic, policy, and legal provisions will be made to equip the interested employees of Nepal Foreign Affairs Service and Civil Service with the capabilities as required for the policymaking and executive-level posts of these international bodies. 5. Passport service and consular service will be made information technology-based.

5. Expected Results

Strengthening of international economic relations during the plan period will have enhanced Nepal's global reputation and created a positive impact on the inflow of external resources. Country-specific and region-specific strategies of economic diplomacy will have been carried out effectively. Bilateral consultation mechanisms will have been established with additional countries and regular meetings and result-oriented strategic dialogues will have been held. Nepal will be represented at the executive level in bodies such as the United Nations and the World Trade Organization (WTO). During this period, an increase in the productivity and supply capacity of Nepal will have contributed to the reduction of trade deficit and significantly increased the number of tourists entering Nepal. Only adept and skilled workers will go to safe destinations with labor agreements. The country will have had easy access to the technology required. The capacity of the human resource involved in the promotion of international relations and diplomacy will have been enhanced.

9.4 Peace, Order and Security

1. Background

The reliable environment of peace, order, and security is a prerequisite for good governance and development. Good governance and development are the foundations of sustainable peace and stability. The Constitution of Nepal has adopted the policy of maintaining freedom, sovereignty, territorial integrity, national unity, independence, and dignity of Nepal, making provisions for peace and security by developing a national security policy, guaranteeing the holistic human security, and making all the security agencies including Nepal Army, Nepal Police, Armed Police Force Nepal, and National Investigation Department strong, professional, inclusive and accountable to the citizens based on the national security policy and making the citizens ready and capable of serving the nation as per the national requirements. It is the constitutional duty of the state to ensure citizen's right to life, property, equality, and protection of freedom, their right to live in peace, and make effective provisions for the protection of their enterprises and businesses by defending the country from the internal and external security challenges. According to the federal system, it is a matter of national priority to create an environment conducive to peace and security for prosperous, self-reliant, and sustainable economic development by developing an effective national security system that can anticipate national and international security challenges at the federal, provincial and local levels. To make every Nepali happy and satisfied through effective implementation of law and crime control and to build a reliable foundation for socio-economic development, the pace of qualitative development of the multifaceted aspect of peace and security needs to be accelerated. It is necessary to make the national security stronger, powerful, and accountable to the people by making the overall national interest, security, and defense policy timely, and through institutional strengthening and modernization of all security mechanisms.

2. Major Problems

Failure to develop the national security system in a timely manner to include all its relevant aspects for providing an all-out guarantee on human security, lack of the sense of responsibility at the grassroots level in maintaining law and order as expected, failure to internalize peace and security in regional socio-economic development activities, lack of

alertness, preparedness and adequate precautions for peace and security, failure to further strengthen and manage the border and immigration system, failure to make the best use of information and latest technology in both internal and external aspects of security, and to obtain, analyze, use and communicate the information related to peace and security adequately, lack of adequate resources for institutional strengthening and modernization required to make the security forces strong, agile, adept and competitive with the pace of time, failure to produce sufficient amount of security equipment required by the security forces within the country, lack of a system to assess and analyze the impact of operating large and strategically important development projects in the country on national security and the failure to prepare IT based systematic and integrated records of the security agencies' fixed and mobile assets are the major problems of this sector.

3. Challenges and Opportunities

Developing the legal and institutional capacity and interrelationship between the three levels of government in maintaining law, order, and security effectively, assessing and managing the sources of conflict promptly, including security challenges in all sectoral issues in order to address security challenges that may arise due to social distortions, discrimination, exclusion, and socio-economic insecurity, reducing the gap between public expectations and available resources, modernizing and commercializing security forces to cope with the changing nature and forms of security challenges, making all the security agencies including Nepal Army, Nepal Police, and Armed Police Force Nepal inclusive and accountable to the people and providing necessary training, coaching, military, and security equipment in the required quantity to the working personnel, keeping their morale high by providing appropriate opportunities for career development in a balanced and equitable manner, making citizens aware of their duty and responsibility towards enforcing the law, providing required number of result-oriented, responsible and motivated human resources for the control of increasing organized crime caused by open borders and globalization, controlling activities including related to international and sensitive regional security environment, international terrorism, anti-constitutional activities, open international borders, and international organized crime, controlling infiltration, encroachment and unwanted activities at the international borders, resolving the problem of immigration and refugees and improving the overall

security system of the country by strengthening the coordination and functional relationship between the security apparatus and the agencies are the major challenges of this sector.

A clear roadmap with stability following the end of the transition period expanded security apparatus across the country, increase in public awareness and development and availability of the latest technology in crime investigation, and strengthened the relationship between security forces and citizens through service-oriented activities such as health services, nature conservation, public interest protection, disaster management, and rescue activities, and, lastly, development of relations with regional and international organizations for the exchange of information and assistance related to security, development of information technology leading to a gradual expansion of the use of modern technology and equipment in the security agencies are opportunities for this sector.

4. Vision, Goal, Objectives, Strategies and Working Policies

4.1 Vision

Independent, indivisible, safe, sovereign, and peaceful Nepal.

4.2 Goal

To fully protect and promote national security and interests while guaranteeing peace and security for development and prosperity with holistic human security.

4.3 Objectives

1. To develop reliable and dependable security systems by strengthening cooperation between security agencies at the federal, provincial, and local levels on issues related to peace and security.
2. To promote sustainable peace by controlling social evils, conflicts, crimes, and violence.
3. To internalize the issue of peace and security in the field of socio-economic development by adopting a peace-friendly development system and sensitive development process.
4. To make all the security agencies efficient, smart, professional, and resourceful in a timely manner.

5. To strengthen the international border and border security and immigration system.
6. To develop an integrated national identity management system with an electronic vital registration system and inclusive of all kinds of information and details of the citizens and integrate the services and facilities delivered by the state into the system thereof.
7. To contribute to the establishment of national and international peace by enhancing the professional capacity of all security agencies.

4.4 Strategies and Working Policies

Strategies	Working Policies
1. To strengthen the national security system by making timely reforms in the policy and Strategy as well as legal and organizational aspects related to security and defense.	1. The national security policy will be implemented effectively keeping in view the security sensitivities of the country. 2. A defense policy that properly addresses the external security of the country will be implemented. 3. The laws related to all security agencies will be reviewed and the necessary amendments and updates will be made. 4. The existing organizational structure of all security agencies will be made more efficient and effective in a timely manner. 5. Concerning the security, borders, and territorial integrity of the country, various programs will be implemented to keep the information, maps, records, and documents safe and up to date. 6. Internal and external security systems will be streamlined and strengthened by sharing interrelationships, cooperation, and important information among all security organs.

Strategies	Working Policies
2. To promote sustainable peace through law enforcement, social justice, and conflict management.	1. The issue of the promotion of sustainable peace will be mainstreamed into all the policies and programs of the state in a coordinated and harmonious manner. 2. Non-discriminatory policies and laws will be formulated and implemented for sustainable peace. 3. Multidimensional programs at the local level and capacity for community mediation and conflict management will be enhanced to promote sustainable peace through social justice. 4. An expert unit will be established and its capacity will be enhanced to collect and analyze information regularly so that the causes of disputes and conflicts in the society can be identified in time.
3. To control social malpractices, conflict, crimes, violence, and drug trafficking and abuse through a partnership with stakeholders including strengthening of existing legal and institutional provisions.	1. Campaigns will be conducted in coordination with the local levels to control social evils, drug abuse, and crime. 2. Narcotics will be prohibited and the sale and distribution of alcohol will be regulated in collaboration with the government, private sector, non-governmental organizations, civil society, media, and other stakeholders. 3. People with an addiction to drug abuse will be provided treatment and rehabilitated to make them entrepreneurial and self-reliant.

Strategies	Working Policies
4. To use modern technology for peace and security, crime investigation and control, and to carry out institutional and technical strengthening of Security Intelligence.	1. Preventive, remedial, and promotional activities will be conducted for peace and security and crime control. 2. Security units and security intelligence will be integrated into the information technology and radio communication network. 3. Data will be managed in the district level police unit by preparing crime and criminal record systems including biometrics. 4. The physical and technical infrastructure of all security units will be upgraded as per the requirement. 5. An inter-agency information sharing mechanism will be developed. 6. Security indices will be developed and implemented to identify security sensitivities at the state and local levels.
5. To increase the efficiency of the security forces by addressing security concerns in all aspects of development.	1. While operating large and strategically important development projects in the country, a system will be developed to assess and analyze their impact on national security. 2. Necessary security arrangements will be made in a coordinated manner for land acquisition, construction, and operational security of large development projects of national pride and strategic importance. 3. Necessary security arrangements will be made in a coordinated manner for land acquisition, construction, and operational security of large development projects of national pride and strategic importance. 4. Special security arrangements will be made in service-oriented, industrial, productive, and developmental sectors by establishing and strengthening specially trained security force and special security units within the existing security forces.

Strategies	Working Policies
	5. The security forces will be involved as required to build the infrastructure of strategic and strategic importance. 6. The capacity of the security forces will be enhanced so that they can play an effective role in various stages of disaster management.
6. Strengthen citizen-friendly security arrangements and consolidate the relationship between citizens and security organs.	1. The capacity of the concerned bodies will be enhanced to make provisions for the analysis (Security and Crime Mapping) of security concerns and challenges from the local level. 2. Various programs will be implemented to strengthen the relationship and partnership between citizens and the security forces. 3. Dedicated, disciplined, and loyal and capable citizens ready to serve the nation will be developed by expanding the National Cadet Corps to the local level.
7. To make all the security agencies capable of facing all kinds of security challenges by making them skilled, modern, professional, and well-equipped with resources and means.	1. Balanced and judicious provisions will be made for the required number of training, coaching, and career development by revising the training policy of all the security agencies on time. 2. The necessary amount of air, land, and naval safety equipment as well as information technology equipment and machinery will be provided to the security forces by making the procurement system of security apparatus materials transparent and effective. 3. To be self-reliant in the production and supply of necessary logistical materials for all the security agencies, the existing industries and factories will be strengthened and new industries will be brought into operation as per the need. 4. Security personnel's accommodation and barracks will be

Strategies	Working Policies
	rebuilt and renovated to make them safe and orderly. 5. Efficiency will be enhanced by developing and expanding the digital security system in all security agencies using modern information technology. 6. Systematic and integrated archives will be created and maintained by digitizing the details on moveable and immovable assets of all security agencies. 7. A National Defense University will be established based on the feasibility to upgrade the training/training institutes of all security agencies as well as to promote higher-level formal education in security and defense-related subjects. 8. The capacity and the credibility of the Nepal Army will be enhanced through military diplomacy, exchange of military assistance, and joint exercises with allies that have diplomatic relations with Nepal.
8. To manage and strengthen the border security and immigration system based on bilateral and multilateral diplomatic initiatives and institutional strengthening.	1. Additional security posts with specialized technology and specialized units will be established and institutional capacity will be enhanced for border security and crime control. 2. Crimes will be controlled by increasing coordination and cooperation with international organizations. 3. An electronic immigration system will be established and developed. 4. Bilateral and multilateral information exchange mechanisms and partnerships will be developed for strengthening border security and the immigration system.
9. To develop the prison as a self-correcting center	1. Prisons with minimum humanitarian services and physical infrastructure will be constructed and improved. 2. Provisions will be made to involve the prisoners in productive

Strategies	Working Policies
with technology-friendly services and facilities by modifying the minimum standards related to prisons in a timely manner.	and development activities.
10. To develop a multi-purpose and technologically integrated national identity management information system and gradually integrate the records of all kinds of details of the citizens and the services and facilities provided by the state.	1. All citizens will be provided with a multi-purpose national identity card. 2. The national identity card management information system, social security, and personal events registration management information system will be integrated. 3. Personal events registration will be linked to the electronic system with biometric details. 4. All the services including social security allowances provided by the state will be made electronic and banking system-based by linking it to the national identity card management information system. 5. The concept of open prison will be implemented.
11. To contribute to the peacebuilding works at the national and international level by enhancing the professional capacity of the security forces.	1. All the security forces will be provided with the training, security materials, and equipment required for the peacekeeping operations. 2. The participation of Nepali security personnel in the establishment of international peace will be gradually expanded. 6. Networking will be expanded at the national and international levels to end all kinds of organized crimes.

5. Expected Results

An environment of sustainable peace and reliable security will have been created through strong coordination between the federal, provincial, and local levels and all security agencies and implementation of scientific and technology-equipped security provisions. The administration will have become citizen-friendly by ensuring the increased interest of the citizens in the security issues. Peace and security will have been addressed on a multidimensional basis and mainstreamed in the sectoral development plans. The project security system will have been strengthened by controlling activities that hinder physical infrastructure development and industrialization. A healthy, civilized, and crime-free society will have been created through the control of the transaction of narcotics and drug abuse and regulation and organization of alcohol production, sale and distribution, and consumption. Cybercrimes, economic crimes, terrorism, human trafficking, and narcotics-related crimes will have decreased significantly. All the reported crime incidents will have been investigated. All the children below 5 years of age will have their birth registered. All the Nepali citizens will have received national identity cards. The internal and external security arrangements will have become strong, robust, and accountable to people through the enhancement of skills and professional capacities through a provision of modern security equipment and logistical materials and sufficient training/coaching in all security agencies.

9.5 Electoral System

1. Background

Nepal has adopted a competitive, multi-party democratic republican system of governance. Periodic elections are an important pillar to ensure the stability and sustainability of this system. The Constitution of Nepal and the laws secure the right to vote in an independent, impartial, and fearless environment for the citizens to elect their representatives and guarantee the right of every adult citizen of voting age to participate, vote, and access information related to elections. The Constitution of Nepal has granted the Election Commission the right to conduct, supervise, guide, control all kinds of elections and gather information of the voters for elections, register political parties and regulate them. After the promulgation of the Constitution of Nepal, elections for the President, Vice-President, Federal Parliament, Provincial Assembly, and local levels have been completed successfully. More

than 36 thousand representatives have been elected and are part of the federal democratic system ensuring inclusive and proportional representation.

2. Major Problems

Failure to carry out election-related activities by preparing an electoral schedule because of the lack of the mention about the periodic election date in the electoral laws, redundancy and ambiguity in the election-related laws, failure to update the voter list registration software, failure to make the voter list error-free, failure to adopt electronic voting machines and electronic counting with consent from the stakeholders, and the lack of physical infrastructure for the management and operation of election offices are the major problems.

3. Challenges and Opportunities

Implementing the strategic pillars, objectives, and activities of the third Strategic Plan being prepared by the Election Commission, making the agencies conducting and managing elections well-equipped with modern technologies, agile, sound, and capable, making the periodic elections free, independent, and frugal with the cooperation of all the stakeholders of the election, preparing well-informed voters through effective voter education, and achieving full compliance of the code of conduct of the elections are the major challenges.

The trust on the Election Commission as an agency capable of conducting all kinds of elections, support and assistance for the Election Commission received from the national and international sectors, stakeholders' increased commitment to democracy and elections, increasing trust from the voters toward the Election Commission, elections being regarded as a national campaign due to vigilant civil society and increasing public awareness, expansion of mass communication and social media and the possibility of using new technology in elections are the opportunities.

4. Vision, Goal, Objectives, Strategies, and Working Policies

4.1 Vision

Conduct and management of clean, free, impartial, credible, and parsimonious elections.

4.2 Goal

To conduct clean, free, fair, fearless, trustworthy, and frugal periodic elections by providing an opportunity to all the candidates and voters to exercise their political rights freely.

4.3 Objectives

1. To contribute to the institutional development of democracy by ensuring the voting rights of the citizens through clean, free, fair, fearless, trustworthy, and frugal periodic elections by improving the election-related acts, regulations, procedures, and directives and making all activities of the election cycle technology-equipped and less-costly.
2. To make perceptible improvements in the election program and process by making the relations among the concerned stakeholders coordinated, cooperative, and strong.
3. To ensure that elections are participatory and inclusive by empowering voters through voter education.

4.4 Strategies, and Working Policies

Strategies	Working Policies
1. To carry out policy reforms by amending and improving the election-related laws.	1. Timely amendments and improvements will be made to the election-related laws. 2. Elections will be made simple, efficient, and effective by making elections predictable through elections calendar. 3. Provisions will be made for carrying out election-related activities as per the schedule fixed legally after discussing with the government, political parties, and other stakeholders. 4. Efforts will be made to create a level playing field among all political parties and candidates and to provide them with an equally competitive environment by curbing the election promotion campaigns that are becoming increasingly

Strategies	Working Policies
	expensive. 5. A conducive environment will be created for enabling all the voters to participate in the elections through the revision of polling stations as required, organizing motivational electoral education programs, ensuring disability-friendly voting arrangements, and adopting an easy voting process.
2. To carry out the activities of voter registration, updating, voting, and vote counting by conducting effective electoral education and applying state-of-the-art technologies to the optimum.	1. To make the electoral process simple, straightforward, fast, and effective, new technologies including electronic voting machines will be used for election management. 2. Voter registration will be run at a campaign scale by taking voter registration and update programs down to the ward levels. 3. A system for online voter registration as well will be developed. 4. The informative messages and notices by the Election Commission will be shared with the stakeholders effectively by using modern communication mediums. 5. Software will be developed for registration and update of political parties and also keep track of their income-expenses as well as to fix the ceiling for electoral expenses.
3. To make the election security robust and reliable by creating an environment of trust and security through coordination between all the political parties, stakeholders, and securities	1. Commitment and ownership from all electoral stakeholders will be generated by establishing good relations with the election stakeholders, mobilizing security forces, and abiding by the code of conduct to ensure the elections are peaceful. 2. A system to strengthen security management during the elections will be developed by analyzing the election security risk. 3. Media monitoring during elections will be made more

Strategies	Working Policies
agencies.	effective. 4. Various activities will be conducted to increase mutual trust, collaboration, and dialogue among the government of Nepal, political parties, mass communication media, civil society, donor agencies, and other stakeholders.
4. To strengthen the Election Commission institutionally.	1. The capacity of the election-related staff will be enhanced through basic introductory training, orientation, and other thematic and refresher training programs on voter list registration, management of election materials, accounting, and election management. The human resources involved in elections will also receive thematic and refresher training. 2. Election-related good practices from around the world will be studied, monitored, and developed to see if they can be adapted to the Nepali context. 3. A separate code of conduct will be developed and implemented for political parties, Election Commission officials, and other human resources involved in elections. 4. The necessary land will be acquired for the District Elections Offices without their own land and offices will be built for them whereas, for the District Elections Offices with their own land, offices will be built. 5. A necessary study will be carried out regarding securing the voting rights of voters living abroad and absentee voters. 6. The concept of State Funding will be studied and the necessary legal and policy provisions will be made.

5. Expected Results

Error-free voter list will have been prepared, the environment will have been created for voting without fear and everyone's access to electoral education will have increased. The

maximum number of voters will have participated in the elections and the ratio of votes rendered invalid will be low. Voter registration, voting, vote counting, and all elections-related activities will have been made technology-friendly. The code of conduct on elections will have been complied with completely and the elections will have become cleaner, freer, fairer, more reliable, more fearless, and more frugal. The institutional capacity of the Election Commission as well as concerned agencies will have been strengthened. The laws related to elections will have been updated.

9.6 Human Rights

1. Background

For the protection, promotion, and respect of human rights, the Constitution of Nepal has clearly recognized the basic rights of the common citizens as the fundamental rights. Nepal is a party to the Charter of the United Nations and the UN Declaration of Human Rights and various other international conventions related to human rights. Nepal has been continuously expressing its international commitment to respect, protect, and promote human rights and has been making constitutional, legal, policy, and institutional provisions for their implementation.

For the protection, promotion, and respect of human rights, permanent structure and institutions have been formed and public awareness programs on human rights have been made robust through coordination and collaboration between government agencies at various levels. Orientation training programs on human rights have been conducted in the communities and human rights are being integrated into the developmental issues structurally and functionally.

2. Major Problems

The major problems for the realization of human rights include social ills like discrimination, untouchability, gender-based violence, difficult geographical structure, and lack of adequate and quality infrastructure, facilities, and services. Although there is increased awareness on issues of human rights, lack of development of a human rights culture that recognizes the service beneficiaries as the catalysts of civil rights, failure to establish basic

knowledge, values & norms, and culture of human rights including political and social rights, and failure to end structural social discriminations are the major problems.

3. Challenges and Opportunities

Ending impunity and ensuring the compliance of law effectively as per the constitutional, legal, and international commitments, making the social and economic activities in development human rights-friendly and civilized, building effective coordination and partnership between the responsible authorities and the rights activists for the protection, preservation, and promotion of human rights, and extending information and knowledge related to human rights to the officers of all agencies and the general public are some of the challenges that exist in this sector.

The constitution of Nepal guaranteeing the universally accepted norms and values of human rights as fundamental rights, legal provisions for implementing fundamental rights, Nepal being a party to regional, international treaties, conventions, and optional protocols related to human rights, the structural provisions that allow the citizens to enjoy their human rights because of the clear demarcation of the jurisdiction of the federal, provincial, and local level governments by the constitution, provisions for an independent and competent constitutional commission protected by the constitution and law that monitors the implementation of human rights, investigates the violation of human rights and an independent judiciary for justice delivery are the important opportunities for the protection and promotion of human rights.

4. Vision, Goal, Objectives, Strategies, and Working Policies

4.1 Vision

Create an inclusive, dignified, equitable, and self-disciplined society.

4.2 Goal

To create an environment for unconstrained enjoyment of rights by creating a justice-friendly governance system and effective service delivery.

4.3 Objectives

1. To respect, protect, and promote human rights as per the national and international commitments.
2. To ensure the rights of marginalized, poor, sexual minorities, and people with disabilities as well as disadvantaged areas, groups, and communities.
3. To strengthen the promotion of human rights and expand a human rights-friendly governance system.

4.4 Strategies, and Working Policies

Strategies	Working Policies
1. To implement the laws established to secure fundamental human rights effectively.	1. The resources needed to implement the laws established to achieve the fundamental human rights will be ensured. 2. The provisions stated in the constitution related to human rights will be made effective and human rights, in turn, will be protected and promoted. 3. Policy, legal and institutional arrangements with regard to free legal services will be made to ensure access to justice of all.
2. To end all forms of discrimination, untouchability, violence, and evil social customs that exist in society.	1. The rights of the poor, marginalized, and disadvantaged communities will be ensured. 2. The basic topics of human rights will be included in the school and university curriculum. 3. Public awareness activities against all forms of discrimination and untouchability will be organized at the federal, provincial, and local levels.
3. To end the impunity in human rights violations and provide compensation for the	1. The investigation of human rights violations will be strengthened. 2. The offenders of human rights violations will be prosecuted and the victims will be provided with appropriate

Strategies	Working Policies
victims.	compensation as well as rehabilitation.
4. To develop the culture of human rights and fulfill the commitments made in international conventions.	1. The feeling among the volunteers and officials in the public sector to see themselves as duty bearer and the citizens as rights holders will be enhanced. 2. Individuals and organizations contributing to human rights protection, preservation, and promotion will be felicitated. 3. The reporting requirements under the international human rights conventions will be fulfilled within the stipulated duration and implemented with a periodic action plan.
5. To apply a human rights-based approach to the plans and programs carried out by the three levels of government.	1. The realization of human rights will be ensured in the policies and activities prepared at the three levels, as well as in their implementation and development. 2. A national action plan on human rights will be formulated and implemented. 3. The capacity of the local level of Judicial Committees will be enhanced. 4. Human rights-friendly policies, plans, and programs will be formulated and implemented.

5. Expected Results

The laws and court decisions related to human rights will have been enforced and the enjoyment of human rights by all Nepali citizens will have been ensured. Additionally, the responsibilities set out in the treaties and conventions that Nepal is a party to will have been fulfilled.

9.7 Justice System

1. Background

It is imperative to make justice commonly accessible, predictable, and reliable by formulating laws as per the wants and aspirations of the Nepali citizens in line with the spirit

of the constitution and federalism and the international standards. For this, it is necessary to implement the fundamental rights provided by the Constitution to ensure citizens' freedom, human rights, and humanitarian values and norms by establishing an efficient, agile, commonly accessible, affordable, impartial, effective, and the accountable justice system through a free, independent, and capable judiciary.

There is a need to control crimes in the society by implementing the criminal codes/acts effectively as per the constitutional provisions and the federal system of governance, prosecute the accused based on the scientific evidence, defend the cases concerning the government and strengthen the justice system in a timely manner to give the people a feeling of peace and security. The local level Judicial Committees which are the entry points of the judicial system need to be made capable of delivering and managing justice and systematic in order to ensure effectiveness in justice delivery and management. The role of the Attorney General who has been recognized as the main legal advisor to the government of Nepal and of the Chief Attorneys who have been provisioned as the main legal advisor to the provincial governments by the Constitution need to be strengthened and mode more robust for the enforcement and defense of the law. This plan will guide the formation of a just and dynamic society through the observance of rule of law which is the prerequisite for human, social, and economic development.

2. Major Problems

Lack of human resource with sufficient knowledge, skill, and capacity to formulate the laws necessary for facilitating the democratic process and maintaining rule of law in the federal system, delay in formulation of laws because of a lack of inter-agency or multiagency coordination, lack of sufficient development of a culture of obeying laws, failure to increase the effectiveness of pro-bono legal services, failure to make judicial process agile, easy, and predictable due to the lack of integration of the case flow management into an information technology system, lack of development of resources management and capacity development of human resources in proportion to the increasing workload of the court, failure to develop an automated system for the enforcement of the verdicts, lack of effective presentation of witnesses and evidences in the judicial process, failure to achieve expected victories in the defense of the government decisions that have been challenged through writs due to the

practice of not taking legal counsel before taking decisions, weak security arrangements for the witnesses and the victims, lack of effective implementation of the verdicts, failure to specialize and diversify the legal education in the topics related to the innovative dimensions as required, and the lack of an expert agency to guide, manage, and regulate the legal education and education system are the major problems of this sector.

3. Challenges and Opportunities

Formulating all the laws to implement the Constitution of Nepal, making the work of the local judicial committees effective and of high quality, increasing access to justice by making free legal aid services to all the concerned people, increasing civic education, awareness, and skills at all levels and agencies for the full compliance of the Criminal Code and Civil Code, making the traditional-format investigation process objective and scientific as well as evidence-based, punish the perpetrators while protecting the victims and the witnesses, developing sufficient means and resources and capacity to strongly defend the cases concerning the government, making provision for sufficient skilled human resource for the proper management of cases and implementation of verdicts with the increase in the number of cases, increasing a sense of duty among citizens with regard to obedience of law, strengthening and modernizing the capacity of the agencies that play coordination role between all the stakeholders, and making the legal education and education system specialized, high quality, and attractive as per the development of the society and its needs are the major challenges.

With the nation embracing a federal governance system, there is an important opportunity to formulate laws and implement them based on priority as per the needs of the federal, provincial, and local levels. The strategic plan of the judiciary has identified areas of improvement such as information technology-friendly justice delivery, physical infrastructure development, and capacity development of the judicial human resource. Likewise, constitutional provision for chief attorney at the provincial level along with the provision for attorney general at the national level for government prosecution and defense of government decisions, provision of local judicial committees, formulation and implementation of new Criminal Code and Civil Code, provision for cost-free legal services, provision for open monitoring/inspection of people in custody and of the prisoners, legal provision for separate

terms of reference for the government attorneys, formulation of thematic laws for the rights, and protection, and promotion of the victims of crime are other opportunities existing in the sector.

4. Vision, Goal, Objectives, Strategies, and Working Policies

4.1 Vision

An independent, impartial, accessible, capable, and reliable justice system.

4.2 Goal

To maintain a justice regime where the people can enjoy the benefits of the rule of law with an expansion of easy access to law and increase in effective legal aid through an independent and capable justice system, effective prosecution, strong defense, assurance of fundamental rights provided by the constitution and protection and promotion of human rights, and the use of information technology in the judicial process.

4.3 Objectives

1. To ensure justice for everyone by making justice administration fast, agile, impartial, effective, and accountable to the people and the judicial process easy, predictable, accountable, transparent, and information technology-friendly, increase the public trust and belief towards the judiciary and build a just society.
2. To formulate simple and high-quality laws as per the constitution of Nepal and the spirit of federalism, and also as per the international treaties and conventions Nepal is a party to; to ensure that these laws are owned by everyone and to establish everyone's access to them through protection and promotion of fundamental rights and human rights.
3. To end impunity by increasing the capacity of the human resource engaged in justice delivery, developing an objective and scientific evidence-based crime investigation, prosecution, and defense system and protecting the victims and the government's witness and delivering justice to the victims.

4. To develop the legal education and education system in a quality-based and competitive way at the national and international level and also in a way that fulfills the needs of society.

4.4 Strategies and Working Policies

Strategies	Working Policies
1. To make the judicial process quicker, effective, predictable, and easier by developing the information technology-friendly case flow management and automatic decision implementation methods and by the institutional strengthening of the judiciary and through capacity building of judicial human resources.	1. A scientific and information technology-friendly case management system will be developed to make the judicial process fast, effective, and predictable. 2. The decision implementation will be systematized so that it is implemented within one year of the final verdict. 3. The Fourth Five-Year Strategic Plan prepared for the institutional strengthening of the judiciary and the Master Plan on Information Technology of the judiciary will be implemented effectively. 4. Judicial actions will be made transparent and judicial good governance will be made effective through the development of certain approaches and standards for service delivery and monitoring and supervision. 5. The physical structures of the courts will be strengthened and infrastructure will be developed for the protection of the archives. 6. Laws and procedures will be reformed to expand the access to law, service-seeker friendly physical structures will be constructed and the internal working culture will be improved. Programs will be conducted for increasing trust and faith in the judiciary and the effectiveness of the reconciliation approach. 7. Training Policy on the Capacity Development of Judicial Human Resource 2074 (2017) will be implemented

Strategies	Working Policies
	effectively. 8. Feedback collection from service-beneficiaries s, grievance management, and punishment and reward system will be carried out effectively. 9. Procedural simplification and innovative jurisprudence issues will be studied and researched regularly. 10. The synchronization between development programs and justice delivery will be ensured.
2. To formulate laws aligning with the constitution.	1. While formulating laws, sufficient discussion will be held with the general public and stakeholders and the required study and research will be carried out to develop a sense of ownership among the public. 2. The formulation of the laws that encapsulate the spirit of the constitution and the laws to be made as per the verdicts of the courts will be sped up. 3. Awareness about laws including the Civil Code and Criminal Code and other laws will be increased by promoting them. 4. A mobile application will be developed under the "Law in your pocket" program to inform the general public about the enacted laws promptly and make them accessible.
3. To make free-of-cost legal aid services accessible for everyone and effective.	1. The acts, regulations, directives, and procedures necessary for the implementation of fundamental rights will be formulated and revised. 2. The international treaties and conventions that Nepal is a party to will be studied and researched to formulate the laws necessary to fulfill international obligations.

Strategies	Working Policies
	3. Free legal aid services will be made accessible for all and effective and the institutional strength and capacity of the implementing agency will be enhanced. 4. Pro bono legal services will be implemented effectively. 5. Legal infrastructure will be prepared to increase easy access to justice and implemented effectively to create a just society free of violence and discrimination. 6. Legal, procedural, and institutional reforms will be carried out to complete the work of transitional justice and the related commissions will be made capable and effective.
4. To make the criminal investigation, prosecution, and defense system scientific and objective evidence-based and carry out institutional strengthening works.	1. The use of a scientific approach in crime investigation will be increased and judicial units of all levels will be made active. 2. The strategic plan of the Office of the Attorney General will be implemented. 3. The procedural science laboratory will be extended to the provincial level. 4. Hello Witness program, e-Attorney program, and government attorney in communities program will be introduced and a victim-friendly room will be expanded. 5. The institutional capacity of the Nepal Bar Council and the Office of Government Attorney will be strengthened to increase the compliance of the law, defense of the government-initiated cases, and the effectiveness of the verdict implementation and to maintain the coordination.
5. To enhance the capacity of Judicial Service staff and government	1. The training needs will be analyzed and capacity enhancement programs will be conducted through the Judicial Service Training Center and National Judicial

Strategies	Working Policies
attorneys and the officials of the local judicial committees on justice delivery and case management.	Academy. 2. The profession of government attorney will be made more professional and will be given more autonomy. 3. Laws related to the terms of reference for the government attorney will be formulated and specialized subject-wise. 4. The officials of the local judicial committees will be provided necessary training and the disputes of the local level will be resolved and conflict will be managed through community-based programs such as reconciliation and mediation. 5. Programs necessary for increasing the professional dignity and the skills of the legal service providers will be conducted.
6. To make the protection of the victim and the government witnesses and the presentation of the witnesses and evidence of the case more effective.	1. For an effective victim-friendly justice system, the necessary legal, physical, and security arrangements will be made. 2. The use of information technology will be expanded for witness testing and evidence presentation. The management of the compensation and relief fund for the victims will be made effective. A witness protection act will be formulated and implemented.
7. To make the legal education and education system organized, modern, and of high quality.	1. A national-level law university will be established and run for the development, management, and regulation of the system governing legal studies to make it high quality, competitive, and capable of fulfilling the needs of the society. 2. Legal education will be modernized and made professional and attractive through specialization.

Strategies	Working Policies
	3. Legal education and the education system will be made technology-friendly and linked to civic education.

5. Expected Results

By the end of this plan, the Rule of Law index will have been increased from 0.54 to 0.58. A free, capable, and effective justice system will have been established and the freedom and rights of the citizens will have been protected. With the use of information technology, the citizens will have been able to access laws and the judicial process easily. The investigation and prosecution of cases will have become more scientific and objective. Through a fast, agile, impartial, and predictable justice process, the implementation, protection, and promotion of the fundamental rights will have become more effective. Everyone will have access to the justice system. Laws with universal acceptance and ownership will have been made and the culture of the compliance of law will have increased. A forensic science laboratory will have been established in all the seven provinces and will have been made operational. With a more strengthened system of prosecution in place, the rate of verdicts favoring the government will have increased.

9.8 Federal System of Governance

1. Background

In keeping with the spirit of the federal system of governance, the federal, provincial, and local governments have been formed and become operational. Similarly, the constitution has adopted a federal structure for governance system with the aim of building the nation through the management of diversity by increasing the ownership, participation, and access of the citizens of various caste, ethnicity, class, region, gender, and community. A federal system based on coordination, cooperation, and collaboration between and among different levels of government is a major building block for the governance system of Nepal.

2. Major Problems

The new experience of implementing a federal system, lack of a clear roadmap for the implementation of the federal system, lack of clearly defined interrelationship between the federal, provincial, and local governments, failure to achieve the expected coordination between the government bodies, and the lack of a capacity development plan for the provincial and local levels are the major problems.

3. Challenges and Opportunities

Creating common understanding between stakeholders regarding the Constitution, defining interrelationship between administration and politics at all levels, managing sufficient staff at all levels, implementing fiscal federalism, embracing the values and norms of cooperative federalism, directing all provinces to the same destination, and exercising the powers by the corresponding levels as prescribed by the constitution by ensuring coordination among all are the major challenges.

A stable elected government at all three levels, political commitments, presence of administrative structure and necessary laws, a favorable environment for the implementation of federalism, and a positive attitude of the citizens are the opportunities available in this area. Similarly, because the local level is the pillar for good governance, development, and prosperity, this also presents itself as an opportunity. There is also an opportunity to achieve national prosperity based on the local economy.

4. Vision, Goal, Objectives, Strategies and Working Policies

4.1 Vision

An inclusive federal system of governance based on coordination, cooperation, and collaboration.

4.2 Goal

To secure equal access of all citizens to the opportunities created by a federal system of governance.

4.3 Objectives

1. To create an environment for the proportional, inclusive, and fair distribution of the benefits attained from democracy.
2. To create a provision for performance as per the principle of subsidiarity.
3. To develop political and administrative leadership from the local level.

4.4 Strategies and Working Policies

Strategies	Working Policies
1. To create the required legal and institutional basis to define the relationship between the three levels.	1. Acts on inter-government coordination prescribed by the constitution will be formulated and implemented. 2. Institutional structures will be constructed and managed as per the federal structure.
2. To formulate and implement the plans, policies, and Strategy to facilitate the easy operation of the government of three levels.	1. A system to ensure that the local level is capacitated to fully implement the constitutional powers will be developed. 2. The capacity of the human resources, elected representatives at the local level, and the rural-municipality and municipality associations, federations, and the District Coordination Committee will be enhanced and they will be made service-beneficiary friendly to contribute to good governance. 3. Partnerships will be formed with civil society, the private sector, and the non-governmental sector for the implementation of federalism.
3. To provide life to geographic, social, economic, and cultural diversity.	1. The functions and work responsibilities of the various commissions and bodies that protect the social, economic, cultural diversity, and inclusion provisioned in the constitution will be facilitated and coordinated. 2. The public, private, cooperative, and community investment will be focused on developing the local level as the center of

Strategies	Working Policies
	economic growth. 3. Social mobilization, awareness, and interaction programs will be operated to maintain unity in diversity while giving life to the geographical, social, economic, and cultural diversities.

5. Expected Results

The necessary laws, policies, and organizational structures for the implementation of federalism will have been created, various studies, researches, discussions, and coordination programs on federalism-related topics will have been conducted, the capacity of the Inclusion Commission and other institutions will have been increased as prescribed by the constitution, and the provincial and local levels will have used and exercised their powers.

9.9 Balanced Development of Province and Local Level

1. Background

The Constitution of Nepal has made a provision to fulfill the aspirations for sustainable peace, good governance, development, and prosperity through the federal, democratic, and republican systems of governance. The constitution has also stated that the main structure of the Federal Democratic Republic of Nepal will be comprised of three levels, namely the Federation, the Province, and the local level, and has determined the list of various powers under the distribution of state power. Internalizing the spirit of the constitution, elections have been conducted for all three levels and the respective governments have been formed. The key to the prosperous Federal Republic of Nepal is the balanced development of the local and provincial levels. Therefore, there is a need to achieve balanced development of the provincial and local levels by formulating laws as per the jurisdiction of the federal, provincial, and local levels and implementing them.

2. Major Problems

Confusion regarding the understanding of the concurrent powers provided by the constitution, instances of the same tax being levied by all levels, difficulties in the

management of physical infrastructure and human resources at the provincial and local levels, and challenges to a balanced development arising from the geographical remoteness are some of the major problems.

3. Challenges and Opportunities

Maintaining geographical balance in the development of provincial and local levels, maintaining coordination and harmony between the three levels of the government in the course of fulfillment of their responsibilities by bringing further clarity regarding the list of powers of the three levels of government, generating the feeling among the citizens that "paying taxes is for their own development", adopting measures to increase revenue without making citizens feel the burden, and achieving a balanced development of all levels are the major challenges.

Transformation of a unitary system of governance into a federal governance system, provision of availability of services and facilities in their locality due to the formation of stable governments after the elections for all levels, and both the provincial and local levels carrying forward the development activities with their own new plans for their levels are the major opportunities.

4. Vision, Goal, Objective, Strategies and Working Policies

4.1 Vision

A prosperous Nepal rooted in a strong federal system of governance.

4.2 Goal

To strengthen the local and provincial levels to make them able to contribute to overall national development.

4.3 Objective

To achieve a balanced and sustainable development of provincial and local governance systems.

4.4 Strategies and Working Policies

Strategies	Working Policies
1. To adopt various measures to ensure that the local and provincial governments carry out the situation analysis studies in their geographical jurisdictions and utilize them appropriately in coordination and cooperation of the federal government.	1. Plans and programs will be formulated to identify the means and resources available at the provincial and local levels and ensure their maximum use. 2. Necessary programs will be introduced to increase the volume of the revenue and make the provincial and local levels self-reliant remaining within the scope of the constitution. 3. All tiers will be made responsible for the maximum utilization of the resources available at the local and provincial levels.
2. To produce development-friendly human resource by increasing the means, resources, and the capacity of the local and provincial levels.	1. Special training programs and other necessary programs will be introduced to increase the capacity of the local and provincial governments. 2. Human resources will be supplied to the provincial and local levels through staff adjustment and new recruitments.
3. To have the federal government motivate all the local and provincial governments to become competitive by coordinating and collaborating for the development of their respective areas.	1. Transparency, accountability, and frugality will be ensured while formulating development plans at each level. 2. The provincial and local levels will be strengthened to increase the scope of their taxes within the limits set by the constitution and become self-reliant. 3. The local and provincial governments will be encouraged to contribute to sustainable and rapid development by increasing revenue through the proper mobilization of the local resources and means.

Strategies	Working Policies
	4. Provisions will be made for spending a certain portion of the local level budget on human capital formation.

5. Expected Results

Clarity on the power-sharing between the federal, provincial, and local levels will have been achieved. All levels will have formulated the laws necessary for the implementation of their powers and will have operated their own plans. For a sustainable, broad, and balanced development, the local and provincial levels will have increased their revenue and developed a self-sustained and affordable expenditure system and the implementation of federalism will have advanced successfully through a balanced development of the provincial and local levels.

9.10 Governance Reform

1. Background

The approaches and tools applied for the governance need to be continuously improved in order to keep fulfilling the socio-economic aspirations of the citizens. This is also essential for developing an environment for the actual realization of the fundamental rights provided by the constitution to the citizens. Under the policies relating to the governance system of the state, the Constitution has sought to guarantee good governance by ensuring equal and easy access of the people to the services and facilities delivered by the State, while making public administration fair, competent, impartial, transparent, free from corruption, accountable and participatory. With the creation of the basis for service delivery as per the federal governance system, work is being done to systematize the new kind of practice and develop the required legal framework, and putting into practice the coordination and collaboration between various levels. To make the local levels capable of fulfilling their duties as directed by the constitution, necessary cooperation, coordination, and monitoring activities are being performed.

2. Major Problems

Failure to develop the capacity of the provincial and local levels to perform their functions and duties in delivering services directly related to the people and also to the development management and operational responsibilities of the respective levels government following the adoption of the federal governance system, lack of proper use of innovative developments and technologies in the areas of public service delivery, lack of complete development of the transparency and accountability system, lack of sufficient coordination between the various levels, and failure to ensure good governance and public responsibilities as expected are the major problems in this domain.

3. Challenges and Opportunities

Delivering services to the citizens at their doorsteps fulfilling the responsibility by maintaining transparency, impartiality, and effectiveness in the public sector as specified by the Constitution, increasing the capacity of development administration, increasing citizens' trust on public administration, creating excitement in public by adopting an effective system of coordination, making the implementation of the federal system more economical, strengthening the level of transparency and accountability, and maintaining integrity and frugality in the governance operation are the major challenges.

End of the long-term political instability and transition with the formation of all political structures through the election in accordance with the new constitution, increase in the level of education and awareness of the people, creation of an environment where the people can monitor the work of the government closely, favorable environment for prioritization of development projects and increase in the participation of the local people, and favorable environment for the implementation of the constitution and meeting the development targets are the major opportunities.

4. Vision, Goal, Objective, Strategies and Working Policies

4.1 Vision

Rule of law based on transparency, accountability, integrity, responsiveness, and modern technology.

4.2 Goal

To strengthen the rule of law by increasing public trust in the overall governance system.

4.3 Objective

To increase citizens' participation and trust by ensuring that public offices are transparent, accountable, honest, and technology-friendly.

4.4 Strategies, and Working Policies

Strategies	Working Policies
1. To carry out organizational, legal, systematic, and behavioral reforms to make the functions and actions of the government transparent and effective.	1. Legal and policy clarity will be brought about to make state-provided services and facilities fast, agile, and effective. 2. The workplaces that are currently traditional will be transformed into being a modern, technology-friendly, and with maximum open space workstation. 3. The electronically published information and data will be published as per the concept of Open Government Data to facilitate the use of government data in activities like study, investigation, and research.
2. To adopt a technology-based immediate problem resolution system to address the problems arising during the implementation of development projects.	1. A mechanism will be established and activated to immediately troubleshoot the problems arising in the course of conducting development activities. An immediate problem resolution system will be established and run under the Office of the Prime Minister and Council of Ministers. 2. The monitoring system will be made objective-oriented and a system of monitoring the monitoring will be developed and implemented as required. 3. The procedures of the public agencies will be revised and improved and the "Hello Sarkar" will be given more power

Strategies	Working Policies
	and made more effective to address the complaints of the citizens in time.
3. To make the performance level of the responsible officers of the political and administrative area measurable and enforce it.	1. Provisions will be made to require public officials to adopt frugality, accountability, and honesty as their life values. 2. A coordination system will be developed at the administrative level to maintain fundamental and technical uniformity through coordination between the functions and activities performed by the public agencies at different levels. 3. The performance contracts will be signed while making public appointments at higher levels.
4. To create a positive popular image and impression towards works performed by public agencies.	1. To avoid duplication of expenses from various agencies while adopting new technology or improving existing technology, provisions will be made to follow certain norms and standards while making the initial expenses and multiple uses of resources by various agencies. 2. The programs of the public agencies will be carried out in an economical manner as a social model. 3. A positive image of the government and the state mechanism will be created among the public by publicizing the actions and programs as well as the new campaigns of the government and emphasizing the promotion of honest good practices.

5. Expected Results

The necessary system and procedures for making the functions and activities of the public agencies more transparent, cleaner, and impartial will have been put in place as per the constitutional provision, the procedures and practice of the public agencies will have become more economic and equipped with integrity, the level of public accountability will have

improved clearly due to the adoption of a clear demarcation system for responsibility and accountability, the time required to complete a task will have become predictable with the use of technology-friendly workplace and procedures, the number of complaints will have decreased, and the overall public trust on the works and working style of the public agencies of the three levels of government will have increased significantly.

9.11 Administrative Good Governance

1. Background

Making the governance system pro-people, capable, strong, service-oriented, and accountable is the need of the hour. It is necessary to ensure the access and participation of all sectors, communities, and stakeholders in the governance. The main spirit of administrative good governance is to systematize a federal governance system based on democracy.

2. Major Problems

The issues pertaining to intergovernmental coordination, policies related to governance and development and service delivery, laws and standards yet to be formulated, structural provisions yet to be made in all levels, lack of appropriate management of human resource at all levels, lack of an accountable, responsible, and service-recipient friendly behavior, and the failure to maintain integrity are the major problems.

3. Challenges and Opportunities

Reviewing the inclusion policies to enable the target groups to reap the benefits, improving service delivery to match the increasing expectations of the public, enhancing the institutional capacity to utilize the full potential of every civil servant, and making structural and policy provisions that maintain effective administrative coordination between the federal, provincial, and local levels are the major challenges.

The state of being able to provide services from the local level because of federal structure, entry of human resources into public administration with new technology, knowledge, skills, and capacity, public administration gradually becoming inclusive, and development and service delivery becoming more effective due to cordial politics-administration relationship are the opportunities.

4. Vision, Goal, Objectives, Strategies and Working Policies

4.1 Vision

Result-oriented and people-serving public administration and development management.

4.2 Goal

To increase public trust toward public services and make development result-oriented through an accountable, professional, and capable public administration.

4.3 Objectives

1. To make the public administration efficient, pro-service recipients and professionals by making it robust, capable, and strong as per the federal system of governance.
2. To make the development process effective by making public services reliable, easily reachable accessible, and of high quality.
3. To develop a multi-sectoral partnership in service delivery and governance system.

4.4 Strategies and Working Policies

Strategies	Working Policies
1. To develop the capacity of the staff and training-providing institutions by formulating a national policy for civil service and making a human resource development plan.	1. The current civil service policy will be adapted as per the federal structure of the government. 2. The staff working at the federal, provincial, and local levels will be provided with training by making a capacity enhancement plan. 3. The training providing institutions will be linked to information technology by arranging the necessary infrastructure. 4. The current capacity enhancement policy and laws will be revised in a timely and equitable manner to develop a bureaucracy committed and further motivated for service delivery and development in order to make the

Strategies	Working Policies
	administrative mechanism agile, sound, and dynamic.
2. To make the inter-governmental coordination and collaboration effective and systematic.	1. A mechanism will be established at the ministry and province level to make the constitutional provision of inter-governmental coordination and collaboration effective. 2. The service delivery will be made effective by constructing administrative structures, service delivery points, and capacity development-related structures for the provincial and local levels.
3. To engage cooperatives and the private sector in development management by making the service delivery citizen- and development-friendly.	1. Legal and policy reforms will be made to engage the private sector and civil society in service delivery and development management. 2. The vigilance by various stakeholders including civil society will be increased to make service deliveries transparent, people-oriented, and accountable. 3. The system of taking feedback from the service-recipients will be institutionalized and necessary efforts will be made to make the system technology-friendly in order to make the service delivery and development effective.
4. To make civil servants more result-oriented and accountable to their work responsibilities.	1. Appropriate and effective provisions will be made for performance agreements with indicators, and for rewards and punishment to bring positive changes to the attitude of the civil servants by making them responsible, dutiful, and accountable. 2. The honesty in public administration will be increased through enforcing a policy of zero-tolerance against corruption. 3. Further improvements will be made to administrative

Strategies	Working Policies
	good governance based on various studies and recommendations.

5. Expected Results

By the end of the plan, the grievances handling rate of 'Hello Sarkar' will have reached 98 per cent from the current 48.9 per cent. In this period, all the Nepali citizens will have received their national identity cards. The capacity development plans for all provinces and local levels will have been prepared, at least two-thirds of the people's representatives and staffs at the local levels will have received basic training, administrative buildings with minimum infrastructure up to the ward level will have been constructed for all municipalities and rural municipalities, inter-governmental coordination related laws will have been formulated and implemented effectively, a code of conduct will have been made for all local representatives and staffs and implemented, the efficiency of the public sector will have increased with the establishment of a mechanism to increase the participation, collaboration, coordination and cooperation of the civil society in the policy formulation and service delivery at the local levels.

9.12 Corruption Control

1. Background

The Constitution of Nepal has made legal and structural provisions to guarantee good governance by ensuring equal and easy access of the people to the services and facilities delivered by the State while making public administration fair, competent, impartial, transparent, free from corruption, accountable, and participatory. Necessary legal provisions are being formulated to bring corruption-related activities and financial irregularities happening in the public, private, cooperative, community, and the non-governmental sectors as well under the scope of the law by revising the prevailing law as per the United Nations Convention against Corruption. As per these legal provisions, it is necessary to strengthen the anti-corruption regulatory agencies. There is a need to have a macro perspective and commitment and a corresponding dynamism for mitigating the impact of corruption in the economic and social aspects of the society and it needs to be reflected in the behavior.

2. Major Problems

Failure to strengthen public opinion against corruption in the society, failure to bring the economic irregularities of the private sector completely under the scope of legal action, failure to develop a robust system of investigation, failure to make public services especially the procurement-related services and other services of direct concern to the citizens completely online, and failure to make the public services predictable by expanding them to all provinces and local levels are the major problems.

3. Challenges and Opportunities

Establishing corruption as a social crime by developing moral values in the society, enhancing good governance by controlling corruption in all sectors, and making the overall public service predictable by controlling new forms of corruption-related offenses are the challenges.

The potential to bring corruptions and financial irregularities at all levels and sectors under the jurisdiction of the law at all levels as the laws are being revised as per the United Nations Convention Against Corruption, suitable opportunities for the development of the nation by controlling the wrong economic activities as strong governments have been formed at all levels as per the federal structure, changed perspectives towards corruption in the society, constitutional and legal provision for a strong regulatory agency, development of strong awareness among citizens against corruption, potential to make the anti-corruption drive more effective due to strengthening of the regulatory agency and the expansion of provincial (regional offices) and contact offices of Commission for the Investigation of Abuse of Authority (CIAA) are the opportunities available in this sector.

4. Vision, Goal, Objective, Strategies and Working Policies

4.1 Vision

Creation of a virtuous society.

4.2 Goal

To create a dignified and clean society by controlling corruption-related activities.

4.3 Objective

To provide the feeling of good governance by controlling corruption-related activities.

4.4 Strategies and Working Policies

Strategies	Working Policies
1. To modify and implement the current laws and policies as per the current time and context.	1. The reform of the anti-corruption laws and policies will be continued. 2. The corruption at the policy level will be ended and the policymakers will be made accountable and responsible. 3. An integrity policy will be formulated and implemented.
2. To build a virtuous society with integrity and zero-tolerance against corruption.	1. The Commission for the Investigation of Abuse of Authority, Judicial Council, Department of Anti-Money Laundering, Department of Revenue Investigation, National Vigilance Centre, National Investigation Department, Public Procurement Monitoring Office, Directorate of Military Intelligence, and other concerned authorities will be made strong and capable as well as accountable and responsible. 2. Corruption-related information will be collected, exchanged, and analyzed and arrangements will be made to make it available to the regulatory agency and concerned agency for necessary action. 3. Corruption control will be made effective by enhancing the capacity of the staff working at anti-corruption mechanisms and agencies and using modern equipment and processes. 4. The coordination between the regulatory agencies will be strengthened and made more effective and the actions related to corruption control will be taken in an integrated manner.

Strategies	Working Policies
	5. The anti-money laundering work will be made more effective and the wrongdoers will be punished as per the law. 6. Preventive, corrective, and promotional activities will be carried out for corruption control.
3. To make awareness-raising, preventive, and punitive activities against corruption more effective.	1. An online system will be developed for public services delivered at the federal, provincial, and local levels. 2. A topic with a message such as "Corruption is a crime against society" will be included in the school-level curriculum to create social awareness against corruption and emphasize on becoming moral citizens. 3. Awareness programs will be conducted with the active participation of civil society, non-governmental organizations, and community-based organizations for mobilizing public opinion against corruption. 4. The rule of law will be implemented effectively. 5. The media sector will be collaborated with to create public opinion against corruption.
4. To make public service accountable and transparent by bringing clarity on the costs, time, and processes as well as procedures of public services.	1. Guided by the provisions in the United Nations Convention Against Corruption Strategic Action Plan, laws will be designed accordingly. 2. The public services will be made more effective by bringing clarity on the cost, time, and process and procedures of the public services through websites and Citizen's Charter of the public agencies and various other mediums of communication. 3. A periodic action plan will be prepared and implemented for the effective implementation of the provisions of the

Strategies	Working Policies
	United Nations Convention Against Corruption.
5. To control financial irregularities in the public, private, non-governmental, governmental, and banking sectors and make the service delivery of the private sector of high quality and service-oriented.	1. Necessary legal arrangements will be made for the investigation and prosecution against irregularities. 2. International cooperation promotion instruments such as on mutual legal assistance, extradition, etc. will be made effective to bring back the money earned through corruption and hidden in foreign countries.

5. Expected Results

By the end of the plan, the Corruption Perception Index denoting the control of corruption will have reached 41 from the current 34. The corruption will have decreased in every level of the state and among the citizens and integrity in public life will have been promoted. The reduction in corruption will have contributed to the achievement of the long – term vision of *'Prosperous Nepal, Happy Nepali'*.

9.13 Controlling Human Trafficking

1. Background

The Constitution has made provisions for prohibiting forcing the people to work against their will under the rights against exploitation and protecting and promoting the civil freedom, fundamental rights, and human rights. Human trafficking and transportation is a multi-dimensional, multi-sectoral, and global challenge and, therefore, measures are being taken for its prevention and the protection, care, and legal recourse of the victims. Similarly, the government has been formulating necessary laws and policies as per the commitments made at the national and international levels and conducting various programs in cooperation, coordination, and collaboration with the stakeholders. The state plays a crucial role in

controlling heinous crime related to human trafficking. Therefore, there is a need to control human trafficking and transportation through mutual coordination and collaboration between the federal, provincial, and local levels as per the changed state structure.

2. Major Problems

Change in the dimensions and forms of human trafficking and transportation, lack of clear identification of the vulnerable groups/communities, failure to identify the victims and the perpetrators, trafficking even by one's close relatives and acquaintances, failure to make the foreign labor migration systematic and dignified, sexual exploitation of women going abroad as domestic helpers and for other foreign employments, the existence of sexual exploitation of women and adolescent girls in the hotel and hospitality industry, the existence of sale of human organs due to lack of awareness and due to poverty, expansion of international criminal networks and involvements, and lack of effective international collaboration and partnership are the problems in this sector.

3. Challenges and Opportunities

Adopting new measures for controlling human trafficking given its new forms, types, and new routes, establishing effective coordination between the agencies involved in controlling it, developing an integrated data and information system, creating opportunities for employment and self-employment within the country, controlling the internal and external trafficking for sexual and labor exploitation, increasing awareness on foreign employment and human trafficking, collecting evidence and protecting witnesses in an effective manner harmonizing the Foreign Employment Act and Human Trafficking and Transportation (Control) Act with each other, increasing the capacity to mobilize police against the international organized network of human traffickers and collecting and analyzing the information are the major challenges of this sector.

Guarantee of the rights against exploitation by the Constitution of Nepal, creation of a positive environment for addressing the issues of human trafficking and transportation and through collective efforts of the federal, provincial, and local levels, establishment and operation of centers for information and counseling on human trafficking and transportation control and safe emigration, the formation of committees against human trafficking and

transportation by the local levels and the possibilities for their mobilization, operation of short-term rehabilitation fund and center for the victims of human trafficking, the collaboration of various agencies and non-governmental organizations for controlling human trafficking, and the increase in awareness among the general public on human trafficking due to the development of information and communication technology are the opportunities in this sector.

4. Vision, Goal, Objectives, Strategies and Working Policies

4.1 Vision

A dignified society free of human trafficking and transportation.

4.2 Goal

To achieve the socio-economic transformation of the communities and groups vulnerable to human trafficking and transportation.

4.3 Objectives

1. To socio-economically empower the communities and groups vulnerable to human trafficking and transportation.
2. To control human trafficking and transportation through preventive measures.
3. To make the rescue, protection, access to justice, and rehabilitation services for victims of and the people affected by human trafficking and transportation more effective.

4.4 Strategies and Working Policies

Strategies	Working Policies
1. To adopt measures to control and discourage human trafficking by identifying the groups and communities vulnerable to	1. The communities and groups vulnerable to human trafficking will be identified and community-based livelihood and self-employment training programs will be conducted for their empowerment. 2. A procedure will be prepared for the study and

Strategies	Working Policies
human trafficking and transformation and empowering them economically and socially.	identification of victims and the people affected by human trafficking and transportation. 3. An integrated data and information management system will be developed for the groups vulnerable to human trafficking and transportation and the victims and the affected people. 4. Collaboration and partnership will be formed among the private sector, development partners, and communities to control human trafficking. 5. To stop human trafficking and transportation, educational and awareness programs on safe emigration will be conducted at the local levels and an information center will be established. 6. National and local media will be capacitated and sensitized towards the issues of human trafficking and transportation to mobilize them effectively. 7. The groups and organizations promoted by the women's development program will be mobilized effectively for controlling human trafficking and transportation.
2. To increase the capacity of the coordination mechanism and structures with different levels of government and maintain an effective partnership with the stakeholders for the control of human trafficking and transportation, rescue,	1. The mechanism established for rescue, repatriation, protection, and rehabilitation of the victims and people affected by human trafficking and transportation will be strengthened and expanded. 2. A temporary protection center will be established at the destination country to immediately rescue and protect the victims/people affected by human trafficking and transportation. 3. A long-term rehabilitation center with integrated

Strategies	Working Policies
protection, and rehabilitation of the victims/affected.	services and facilities will be established in each province with making the services provided to the victims and affected people as per the standard and a rehabilitation center will be established and operationalized at the local levels as per the need. 4. A policy of zero-tolerance against human trafficking and transportation will be adopted and the relevant laws will be updated in a timely manner to bring those involved in trafficking under the purview of the law. 5. A scientific and transparent investigation system will be developed in addition to a justice system against human trafficking and transportation. 6. The rehabilitation of the victims and people affected in their families and the support and the monitoring provided after the reunification will be made effective. 7. Bilateral, regional, and international forums will be used for regional coordination to control human trafficking and transportation and facilitate the process of repatriating the victims/affected people. 8. Diplomatic missions will be mobilized for the control of human trafficking and transportation and the rescue, protection, rehabilitation, and repatriation of the victims/affected people.
3. To ensure integrated and effective service delivery by respecting human rights for the protection of the victims/affected people of human trafficking and	1. The legal aid and compensation received by the victims/affected people of human trafficking and transportation will be made easier to access. 2. National, Provincial and Local Committees formed for controlling human trafficking and transportation will be strengthened to implement activities against human

Strategies	Working Policies
transportation.	trafficking and increase the community's participation in the activities. 3. Legal provisions will be enacted for the protection of witnesses and victims. 4. A rehabilitation fund for the welfare of the victims of and the people affected by trafficking will be established at the provincial and local levels.
4. To increases the access to justice of victims of and the people affected by human trafficking and transportation through the effective criminal justice system and legal as well as institutional structures for controlling human trafficking and transportation.	1. The necessary legal and policy reforms will be carried out to adopt a zero-tolerance policy against human trafficking and transportation and bring the criminals involved in such activities under the purview of justice. 2. Keeping in mind the sensitivity of the victims of and people affected by human trafficking and transportation, the incident reporting process will be made victim-friendly and the victim's access to justice will be increased. 3. An effective regulation and monitoring system will be developed to control the internal trafficking for sexual and labor exploitation and the sexual exploitation in the hotel and hospitality industry.

5. Expected Results

There will be a significant decrease in internal and external human trafficking and transportation, mechanisms to control human trafficking and transportation will have been established at the local levels, the victims will have been able to access compensation easily, victims' access to justice will have increased and a quality rehabilitation center will have been operated for the victims and affected people.

Chapter 10: Cross-Cutting Sectors

10.1 Statistical System

1. Background

The Constitution of Nepal specifies the statistical powers of the federal, provincial, and local levels. Accordingly, the country's statistical system is operating as a decentralized system with the involvement of all three levels of government. In addition to the Central Bureau of Statistics, various constitutional commissions, ministries and departments, Nepal Rastra Bank and other bodies are involved in the activities related to statistics at the federal level. These agencies have been generating and supplying data under their respective thematic areas. The generated data can be the objective basis for achieving desired results through formulation, monitoring, and evaluation of policies and plans of all three levels of the government in line with the national goal of development and prosperity, and implementation of the long-term development vision, Sustainable Development Goals, and the programs guided by the State's directive principles and policies as outlined in the Constitution.

The statistical system, formally introduced through the 1911 census, has been operational for over a century. Since then, periodic national level censuses and surveys have been carried out by the Central Bureau of Statistics. So far, 11 population censuses, six agricultural censuses, and ten industrial censuses have been carried out. The National Economic Census, 2018, the first of its kind, has also been completed. Estimations of the national accounts and development of its indicators are carried out regularly. The Demographic and Health Survey carried out by the Ministry of Health and Population and the Family Budget Survey carried out by Nepal Rastra Bank are taking place at regular intervals. Data is generated from administrative records, information management systems, processing, and analysis of the study and research reports. A national strategy for the development of the statistical system has been formulated, and a new Statistics Act is being drafted. It is expected that the statistical system will be further strengthened during the plan period to set a clear course of action.

2. Major Problems

Failure to establish a statistical system in line with the federal system of governance; absence of timely reviews of statistical laws and regulations and contradictions in existing legal provisions; lack of effective coordination between statistical activities leading to the generation of inconsistent data; limited use of existing statistical standards and best practices; and the poor state of physical, technical and financial infrastructure required for the statistical system are the major problems. Other problems include: limited use of new technologies including information technologies in statistical activities; limited generation of data from administrative records; non-availability of disaggregated data as sought; lack of implementation of survey approval systems; and lack of organizational and procedural reforms of statistical bodies.

3. Challenges and Opportunities

Major challenges for the statistical system are to: establish a statistical system at all levels in accordance with the federal structure by clarifying the powers and responsibilities of all three levels of government to establish a system of data generation and availability; address the demand, supply, and use of data at the federal, provincial and local levels; and clarify the responsibilities of different agencies at each level of government through the implementation of a survey approval system. Other challenges are to: mobilize development aid received for the development of the statistics sector in the priority sectors; increase data generation by developing human resources and institutional capacity related to statistics; carry out statistical activities in a cost-effective manner; and ensure continuous generation and supply of data required for the policies and planning systems at all three levels of government, including the long-term vision of national development and SDGs by adopting internationally recognized methods, technologies, and quality standards.

The statutory powers and responsibilities of the federal, provincial and local levels have been defined by the Constitution in line with the federal system, and the report on functional unbundling has been approved and implemented by the Government of Nepal. A national strategy has been formulated for the development of a new statistical system. The

process of drafting a new Statistics Act is in progress. Some other opportunities include: continued increase in the use of information and technologies; establishment of management information systems in various ministries and government agencies; increased awareness about data and its application; continued s increase in the demand for quality data for policymaking and planning processes; competitiveness and long experience of staff involved in statistical management in government agencies; continued support from the international community and development partners; and increased interest expressed from higher political and administrative authorities in the development and application of data systems.

4. Vision, Goal, Objectives, Strategy and Working Policies

4.1 Vision

Development of a strong, functional, and coordinated national statistical system.

4.2 Goal

To develop a system for generation, management, and supply of high-quality data in line with federalism for devising policies for equitable development and prosperity.

4.3 Objectives

1. To generate and supply credible, e and high-quality data comparable at the international level.
2. To develop a statistical system in line with the federal structure by achieving inter-agency and intergovernmental coordination in statistical activities.

4.4 Strategies and Working Policies

Strategies	Working Policies
1. To make policy and institutional arrangements for the management of statistical activities in accordance with the	1. A national strategy will be implemented for the development of the statistical system. 2. The existing National Statistics Council will be reorganized ensuring representation of the statistical bodies at the federal, provincial, and local levels. A

Strategies	Working Policies
federal system.	Provincial Statistics Council will be formed for effective coordination at the provincial level. 3. Technical committees will be formed with inter-governmental representation to ensure coordination in the generation of data at each level of government. The statistical units will be coordinated to maintain uniformity on standard concepts, definitions, benchmarks, framework, and classification.
2. To generate and supply data in accordance with internationally recognized methods and quality standards by identifying and prioritizing appropriate indicators for policy, planning, monitoring and evaluation, and Sustainable Development Goals.	1. A national statistical profile will be developed based on information technology and will be updated regularly to ensure that integrated data and indicators are available up to the local level. 2. National, provincial, and local level indicators of Sustainable Development Goals will be measured, collected, edited, and analyzed. 3. The concepts, definitions, standards, formats, and classifications recognized at the international level will be adapted for Nepal and applied. 4. Appropriate procedures will be followed from the initial stage of planning of statistical activities to reduce the burden on respondents, increase the response rate, and reduce cost. 5. Data will be generated, analyzed, and disaggregated based on geographical, gender-related, social, and sectoral characteristics.
3. To use all sources of data (census, survey, and administrative records) for the generation and supply	1. Censuses and surveys required for the generation and projections of data and indicators required for formulation, implementation, monitoring, and evaluation of policies and plans will be undertaken on a rotational

Strategies	Working Policies
of data.	basis. 2. Data, details, and maps obtained from administrative records and management information systems in various bodies at federal, provincial, and local levels will be collected, processed, and analyzed. Initiatives will be taken for the management and use of big data.
4. To increase the use of modern information technologies in statistical activities and adopt the latest technologies.	1. The prevailing best practices and technologies including Open Data will be adopted for communication, publication, and dissemination of data in a user-friendly manner. 2. Modern information and communication technologies will be optimally used in statistical work. Statistical content will be optimally included on the websites of government bodies at all levels. 3. An online system will be adopted for the management of the personal events registration system. Demographic indicators will be prepared by processing the data currently in paper records or on online data systems. 4. A management information system and an integrated portal will be established to streamline the administrative records of all public bodies. Appropriate digital technologies will be used at all stages of documentation and management of information on administrative reports.
5. To make institutional arrangements for data management, capacity-building, effective coordination, exchange of	1. Functions, duties, and powers of all agencies at all levels of government will be clarified by implementing the prescribed statistical system and making organizational arrangements. 2. The physical, technical, and statistical infrastructure of

Strategies	Working Policies
information, and networking at all levels of government.	statistical offices or units at all levels will be developed. 3. International aid will be mobilized within the framework of national policies for the development of human resources, studies and research activities, and exchange of experience in globally recognized best practices. 4. Institutional management and capacity will be developed for studies, research activities, and training of statistical staff. 5. For the management, application, and exchange of data at provincial and local levels, a basic system for data management will be established and developed along with the capacity building of statistical agencies at these levels of government. 6. Arrangements will be made for the exchange of expert services and internships in coordination with educational institutions, including universities, research institutes, and non-governmental organizations. 7. Arrangements will be made to implement the survey approval system from the Central Bureau of Statistics.

5. Expected Results

Censuses and surveys including National Census 2021, National Agricultural Census 2021, Nepal Living Standards Survey, Nepal Multiple Indicator Survey, Demographic and Health Survey, Family Budget Survey, Time-use Survey, Survey on Violence against Women, and Nepal Industrial Survey will have been conducted. Standards and procedures for statistical activities will have been prepared and implemented, and the survey approval system and the specified statistical model system will have been implemented. Regular generation and supply of data related to indicators of SDGs will have been carried out. Quarterly and annual estimates of national accounts, supply utilization accounts, input-output accounts, and

production and price related statistics and indicators will have been prepared. A national statistics profile will have been prepared and aggregated and disaggregated data will have been updated regularly. The base year of the national accounts will have been revised (rebased), and updated base estimates will have been prepared.

10.2 Poverty Alleviation

1. Background

The Constitution of Nepal has adopted the policy of prioritizing economically deprived people of all genders, regions, and communities while providing social security and social justice. For the past two decades, Nepal has been implementing poverty alleviation programs as prioritized development efforts. In the Tenth Plan, poverty was divided into three broad dimensions, namely, income-based poverty, human poverty, and social exclusion. Currently, more than 50 poverty alleviation programs are under implementation. To ensure these programs focus on the genuine target group, programs for identification of poor households and distribution of identity cards are in operation. As a result of these efforts, Nepal's overall poverty and human development indicators have improved significantly. Today, the population below the poverty line is 18.7 per cent, the multidimensional poverty index is 28.6 per cent and the human development index is 0.579. Despite this, many of the targets set in the areas of poverty alleviation and reduction of economic inequality are yet to be met.

Our expectation is to end all forms of poverty everywhere as stated in the SDGs. Achieving this requires increasing the per capita income of the poor by addressing the many dimensions of poverty, as well as transformative efforts to reduce the economic inequality that exists among geographical, gender, and social groups. Similarly, since poverty reduction is a cross-cutting issue, an integrated and coordinating role of government, cooperative, community, private, and non-government sectors as well as development partners is inevitable.

2. Major Problems

The major problems of this sector are the predominant orientation of the targeted poverty alleviation programs towards 'distribution' as compared to 'capacity-building';

inability to implement programs targeted to the real poor; lack of coordination among various standalone poverty alleviation programs of different agencies; subsistence-based agricultural practices; inability to ensure easy access to national resources among the poor; inability to utilize remittances inflow received from foreign employment into productive sectors; inability to stop brain drain; and inability to utilize the human resources seeking foreign employment in the country itself through the creation of employment opportunities based on their abilities and capacities.

3. Challenges and Opportunities

The major challenges are to: accelerate poverty reduction efforts to reduce the severity and inequality of poverty among geographical, gender, ethnic, and income groups; promote self-employment by ensuring access to skills, capital, and technologies for people below the poverty line; gradually reassign the surplus human resources from agriculture to non-agricultural sectors; modernize and commercialize the agriculture sector; generate new employment opportunities by creating an investment-friendly environment for the development of agriculture, industries and tourism sectors; and implement the poverty alleviation programs targeted to the poor by identifying the real poor.

Increase in active participation of citizens in the development campaign with political stability; law and order and good governance maintained with the introduction of the federal system of governance in the country; development of a strong foundation for the implementation of poverty alleviation programs with poverty alleviation being a shared responsibility among all three levels of government; ongoing efforts to implement poverty alleviation programs, including social security targeting the real poor through the identification of poor households; poverty-focused formulation and implementation of periodic and sectoral plans, including agriculture, tourism, development and construction; and the Government of Nepal's commitment to implement the SDGs and plan of action for poverty alleviation under SAARC and BIMSTEC are the opportunities available in this sector.

4. Vision, Goal, Objectives, Strategies and Working Policies

4.1 Vision

A society free of poverty of all kinds.

4.2 Goal

To bring the percentage of population below the poverty line to a single digit by reducing the economic inequality between the rich and the poor.

4.3 Objectives

1. To identify the poor and implement targeted poverty alleviation programs.
2. To formulate and implement skills development and employment programs targeting the poor.
3. To establish easy access of the poor to state resources.

4.4 Strategies and Working Policies

Strategies	Working Policies
1. To identify poor households through surveys and keep updated records.	1. Legal provisions will be introduced for identity cards to identify the poor and integrate into the national identity card system. 2. National identity cards will be issued by identifying poor households through surveys of all households across the country using modern technologies. 3. Urban and rural areas having a majority of poor communities and poor households (poor, moderately poor, and extremely poor) will be identified. 4. Records of poor households will be updated through surveys. Additionally, such records will be managed by developing an information management system for poor households.

Strategies	Working Policies
2. To formulate and implement poverty alleviation programs and projects targeting the already identified poor.	1. Capacity development, income generation, and employment-oriented programs will be implemented for poor households from backward areas and communities. 2. Social security and social protection programs as well as poverty alleviation programs will be targeted to poor individuals, households, and communities. 3. Provisions for poverty alleviation included in the SDGs, SAARC Poverty Alleviation Action Plan, and BIMSTEC Poverty Alleviation Action Plan will be incorporated in sectoral policies and implemented. Formulation and implementation of such policies and programs will be carried out in coordination with relevant agencies. 4. A system for effective coordination and monitoring will be developed among different poverty alleviation programs implemented by various agencies.
3. To implement skills development training and education programs focused on employment and self-employment.	1. Partnership and coordination will be achieved with various agencies implementing education and skill development training programs focused on employment and self-employment. 2. Special subsidies and concessional loans will be provided to ultra-poor individuals and households for operating businesses, and free of cost support will be provided towards developing their skills relevant to market demand. 3. Employment-oriented training will be provided to unemployed youths as an impetus towards entrepreneurship. 4. Poverty alleviation programs will be implemented by coordinating and expanding partnerships with international/regional organizations and development

Strategies	Working Policies
	partners.
4. To increase productive employment opportunities and ensure poor people's access to such opportunities.	1. All opportunities, including employment opportunities, created through economic growth will be distributed equitably. 2. A minimum employment guarantee plan will be formulated and implemented. 3. Economic growth and job creation will be prioritized while formulating and implementing development projects.
5. To ensure access of the poor to the means of production by formulating a poverty alleviation policy.	1. Poverty alleviation policy and the law will be formulated to effectively manage poverty alleviation programs. 2. The Ministry of Land Management, Cooperatives, and Poverty Alleviation will be the central body for coordination, formulation, implementation, monitoring, and evaluation of poverty alleviation programs. 3. Poverty alleviation will be accorded high priority while formulating all sectoral policies, plans, and programs. 4. Domestic and foreign investment, foreign aid, and other resources of the state will be mobilized equitably. 5. Necessary skills, capital, technologies, and resources will be made available for aspiring poor entrepreneurs. 6. Entrepreneurs and entrepreneurship will be developed by investing the resources available with community organizations in productive sectors.
6. To ensure access to basic needs and services for the poor.	1. Easy access to basic needs such as education, health, drinking water, housing, information, etc. will be ensured for the poor through government and non-government organizations.

Strategies	Working Policies
	2. Living standards of the poor will be improved through the promotion of businesses by involving the poor in cooperatives and using the scattered labor, capital, technologies, and skills in an integrated manner.

5. Expected Results

By the end of the planning period, the population below the absolute poverty line will have come down from 18.7 per cent to 9.5 per cent, and the population living in multidimensional poverty will have decreased from 28.6 per cent (2014) to 11.5 per cent. The ratio of the income of the richest 10 per cent of the population to the income of the poorest 40 per cent of the population will have decreased from 1.3 to 1.25 and the property-based Gini coefficient will have decreased from 0.31 to 0.29. With the development of the national system to identify the poor, identity cards will have been issued to poor individuals and households across all 77 districts.

10.3 Labor and Employment

1. Background

In view of the potential for making significant progress in terms of poverty alleviation and economic development, the development of skilled human resources based on market demands is the need of the hour. Labor plays an important role as a means of production to strengthen the national economy by increasing productivity through the development of quality human resources. Creating productive employment opportunities and shifting the existing surplus and unproductive labor in agriculture to service sectors such as industry, trade, tourism, education, and health as well as employing young workers can contribute to a structural change in the economy. Although foreign employment has played a significant role in poverty alleviation in the past and was therefore promoted at the government level, its long-term social, economic, and human costs need to be analyzed, and it should be discouraged and replaced with domestic employment opportunities.

The right to employment and labor is enshrined in the Constitution as a fundamental right. The Constitution foresees policies for developing skilled and professional labor force, maintaining good relations between workers and entrepreneurs, utilizing capital, skills, technologies, and experience gained from foreign employment; and ensuring decent job opportunities for all. ILO Convention 169 guarantees dignified and secure employment and labor productivity. The National Employment Policy, 2015, and the Foreign Employment Policy, 2012 are under implementation, and the commitment to safe employment has been expressed through the SDGs and ILO Convention 169. For this, various programs are under implementation in line with the Strategy for promoting domestic employment, ending compulsive foreign employment, and increasing productivity.

Approximately 500,000 additional individuals enter the Nepalese labor market annually. Since the absorption capacity of the domestic labor market is weak, the surplus labor opts for foreign employment. Approximately, 1,000 young people leave Nepal every day for foreign employment, and the remittance inflow amounts to 25.4 per cent of the GDP, which is among the highest in the world. On the other hand, due to a liberal labor policy, the inadequacy of skilled labor, and poor labor inspection and regulation, the influx of foreign workers is increasing with domestic workers being displaced. Around 36.5 per cent of the labor force is engaged in the formal sector, and the unemployment rate is 11.4 per cent. The labor force participation rate is 38.5 and the forced labor participation rate is 1.2 per thousand people. In FY 2018/19, the average annual labor productivity was NRs. 184,600.

2. Major Problems

The major problems in this sector are: lack of consistency in labor, skills, and production; lack of respect for labor; lack of entrepreneurship development, self-employment, and productive employment opportunities; low mobilization of skills and capital gained in foreign employment; the prevalence of various forms of child labor; inability to encourage employment-friendly investment through the development of good industrial relations; and poor effectiveness of the labor market information system and labor administration.

3. Challenges and Opportunities

The major challenges are to: implement the right to labor and employment; identify and create employment opportunities in the productive sector; bring informal sector employment into the formal sector; make labor inspection and regulation effective; develop skilled labor based on labor market demands; develop entrepreneurship by making education practical and employment-oriented; broaden the potential for economic development by developing good industrial relations and increase labor productivity; enter into bilateral labor agreements with major destination countries; protect workers in the destination countries; and reduce the structural risks created by foreign employment while utilizing at the same time capital, technologies, knowledge, and skills gained from the foreign employment.

New laws on labor, social security, and employment; increased priority for technical education and skill-based training; legalization of the minimum wage; availability of loan facilities to the educated yet unemployed people and returnee migrant workers; implementation of a master plan for child labor prevention; and expansion of employment information centers into the local level are major opportunities.

4. Vision, Goal, Objectives, Strategies and Working Policies

4.1 Vision

Availability of dignified and productive employment opportunities to all citizens.

4.2 Goal

To significantly reduce the unemployment rate and under-utilization of labor by increasing employment in productive sectors.

4.3 Objectives

1. To expand productive and dignified employment opportunities across the country.
2. To develop good industrial relations.
3. To end all forms of labor exploitation including child labor.
4. To make foreign employment safe, dignified, and systematic.

4.4 Strategies and Working Policies

Strategies	Working Policies
1. To guarantee minimum employment by expanding employment programs right from the local level.	1. Special programs including Prime Minister Employment Program (PMEP) will be implemented effectively to guarantee minimum employment. 2. Soft loans will be provided with educational certificates as collateral to promote employment and entrepreneurship. 3. Employment created in the private sector will be linked with the demand for available human resources by establishing an employment information center. 4. A positive attitude towards labor will be developed through 'Shramko Samman, Hamro Abhiyan' ('Respect for Labor Campaign'), and rights and interests of the workers will be guaranteed through labor audits while the commitment towards 'equal pay for equal work' will be fulfilled by ending all forms of discrimination at workplaces. 5. Arrangements will be made to digitize and publish important records related to employment and publish them on the website of concerned agencies. 6. All workers will be registered and brought into the ambit of social security. 7. All forms of labor exploitation will be ended in accordance with the principles of dignified labor. Every form of labor will be made dignified, and forced labor will be eliminated. 8. The minimum wage required for subsistence will be fixed and increased as needed in a timely manner.

Strategies	Working Policies
	9. Capital expenditure of government bodies will be linked with the creation of employment opportunities. 10. Employment in the informal sector will be gradually brought into the formal sector.
2. To develop good industrial relations through effective implementation of the existing labor and employment laws and social dialogue.	1. Arrangements will be made for contribution to the Foreign Employment Welfare Fund based on a classification of workers to make the Fund more effective. 2. A system of regular dialogue and coordination will be established among government agencies, employers, and trade unions to develop good industrial relations and resolve labor disputes. 3. A labor exchange center will be established, operated, and regulated in collaboration between the government and the private sector. 4. The occupational health and safety standards of workers in industrial establishments will be effectively implemented, monitored, and regulated. 5. The process of formalizing informal labor will be initiated through the effective implementation of the labor law. 6. Child labor will be ended by implementing the existing master plan for ending child labor effectively. 7. Mandatory representation of workers will be ensured while deciding on the issues related to the rights and interests of workers.
3. To enhance workers' capacity through	1. A "Skills for All, Employment for All" program will be implemented by orienting the vocation and skills

Strategies	Working Policies
technical and vocational education, training, and skills development based on national needs.	development training programs to the market needs. 2. Labor productivity will be increased by developing the capacity of the labor force based on the demand of the labor market. 3. Necessary arrangements will be made for aspiring migrant workers to acquire skills through necessary training and coaching before departure. 4. Knowledge, skills, and experience gained from foreign employment will be certified and used in entrepreneurship development
4. To create effective coordination among the three levels of government for the creation of employment opportunities and management of labor.	1. Capacity-building programs and programs to motivate the government to disseminate employment information will be implemented. 2. A knowledge exchange center will be established to benefit from the best practices observed in the field of employment at home and abroad. 3. Provisions will be made for the implementation of the minimum wage, and payment of wages, salaries, allowances, and other facilities for workers in industrial establishments will be made through bank accounts. 4. Coordination and collaboration between different levels of government will be ensured for the effective management of employment services. 5. A comprehensive program will be implemented for universal security based on social solidarity, contribution, and social partnership.
5. To make different stages of foreign employment	1. In addition to concluding labor agreements with major destination countries, labor diplomacy will be pursued

Strategies	Working Policies
safe, exploitation-free, dignified, and high-paying.	for the protection of the rights, interests, and social security of Nepali workers abroad. 2. Effective coordination will be maintained with service providers, non-resident Nepali, and diaspora Nepali organizations and reputed employment companies for the protection and promotion of rights and interests, as well as for the rescue of workers in destination countries. 3. A Foreign Employment Council will be established ensuring the representation of all stakeholders. 4. Domestic needs for labor will be assessed and arrangements will be made to send surplus workers for foreign employment needed by concluding labor agreements with destination countries. 5. Legal arrangements will be implemented for workers going to India for employment to register at the local level, receive identity cards, and join the insurance/welfare fund. 6. Past records of migrant workers will be maintained in a safe and organized, dignified manner. Also, all kinds of malpractices will be strictly controlled.
6. To establish a high level 'National Employment Authority' with the powers to generate employment opportunities and coordinate with various agencies and regulate	1. Details of the economically active population will be updated by creating a central statistical system related to human resources and employment. 2. Coordination with the National Technical Training Institute will be maintained to impart skills to those who are looking for employment to meet market demands and are registered with the Authority. 3. All Funds including Youth Self-Employment Fund and

Strategies	Working Policies
employment-related work.	Poverty Alleviation Fund, and relevant Boards, and Commissions will be integrated into the Authority. 4. Skilled and technical human resources will be developed through training and capacity-building aided by the formulation of a National Human Resource Development Plan.

5. Expected Results

With the creation of 2.5 million additional job opportunities during the plan period, unemployment will have reduced significantly by the end of the planned period. The labor force participation rate will have increased from 38.5 to 49 per cent. The share of the formal sector in employment will have increased from 36.5 to 50 per cent, and the average annual labor productivity will have increased to NRs. 276,000. Within the plan period, 500,000 individuals will have received vocational, technical, and skills-based training annually. Employment information centers will have been established at all local levels and integrated into the employment system of the organized sector. Good industrial relations will have been established with reduced labor disputes.

10.4 Human Resource Development

1. Background

Human resources are the major drivers of the development of a socialism-oriented, independent, and prosperous economy as envisioned by the Constitution. Similarly, the right to employment as provided for in the Constitution and the goal of decent employment under the 2030 Agenda also require a human resource development plan to link education with skills, skills with production, production with the market, and market with employment opportunity and economic development. Approximately, 40.35 per cent of the population falls in the age group 15-40 years. It is necessary to enable these youths to compete in the domestic and international labor markets. They need to be developed into skilled human resources through vocational and technical education and skill-based training. It is also necessary to

create a conducive environment for citizens to utilize the employment opportunities available within the country and create self-employment opportunities.

2. Major Problems

The major problems are: lack of a system to assess the current state of production of human resources and future requirements of workforce for various sectors; imbalance between the produced human resources and the demand in the labor market; lack of skilled human resources required for the domestic labor market; conditions forcing a large number of unskilled workers to work abroad under risky conditions on low wages; exodus of educated and skilled human resources from the country; inadequate short and long-term technical and vocational skills development opportunities (available for only 150,000 out of 500,000 individuals entering the labor market every year); quality of technical education failing to meet the market demands; conditions that force teachers, educational institutions, students to take risks based on mere estimates in relation to the labor market demands; lack of coordination among knowledge, skills and work resulting in increased unemployment rate; lack of development and prosperity; lack of priority accorded to human resource development, the mainstay of poverty alleviation and economic growth.

3. Challenges and Opportunities

The major challenges of this sector are to: formulate and implement a human resource development plan by identifying all possible sectors that contribute to the development of a prosperous nation as envisioned by the Constitution including education, energy, health, information technology, agriculture, and forest and estimating the required human resources for these sectors; expand access to quality vocational skills and training opportunities for all; make arrangements for sending only skilled youths for foreign employment; utilize the skills and competencies of returnee migrant workers, and integrate human resource development with poverty alleviation and economic development.

A very high proportion of productive youth according to the age-wise structure of the population; ready to use assessment and projection details of current human resources; increasing demand for skilled human resources in the domestic and international labor markets; a gradual increase in public and private investment in quality technical and

vocational education; growing interest in vocational and technical education allowing for the production of quality human resource in the country and its use it in socio-economic transformation are the major opportunities.

4. Vision, Goal, Objectives, Strategies and Working Policies

4.1 Vision

Development of competent, proficient, skilled, and productive human resources.

4.2 Goal

To develop human resources for social and economic transformation while maintaining a balance between market demand and supply.

4.3 Objectives

1. To evaluate the current state of human resource required for immediate and long-term economic and social transformation and make projections on the same basis.
2. To produce and supply competent and quality human resources competitive at the domestic and international levels through the institutionalization of the human resource development system.

4.4 Strategies and Working Policies

Strategies	Working Policies
1. To prepare and implement a human resource development plan based on the periodic projections for the development and utilization of skilled and semi-skilled human resources required in the	1. An integrated human resource development plan will be prepared and linked to research with the participation of all levels of government and the private sector. 2. Annual human resources plans will be prepared at all three levels of government based on periodic projections of the workforce. 3. Youths will be focused on technical and university education; employed workers will be encouraged towards self-study, training, and development; and retired

Strategies	Working Policies
country.	workers will be focused on knowledge transfer programs. 4. Economic and social policies will be formulated and amended based on the updated trends of youths, women, elderly people, PWDs, and active workers.
2. To partner and collaborate with the government, community, and private sectors for the development and mobilization of human resources required in various sectors as the economic development of the nation progresses.	1. Government investment will be increased to produce required human resources for priority sectors according to the guidelines on projections of human resources. 2. The private sector will be incentivized for the development and mobilization of human resources based on the concept of corporate social responsibility and public-private partnership.
3. To make quality technical education and vocational skills development opportunities accessible for all.	1. Programs to encourage universities, educational institutions, and the private sector to produce human resources for sectors with high demand for labor will be implemented. 2. Various types of vocational and skill-based training programs will be conducted in collaboration with the private sector, as per the domestic demand for labor. 3. Collaboration with the private sector with ample employment opportunities will be carried out for the utilization of human resources. 4. Capacity and quality will be enhanced through collaboration, coordination, and integration among dispersed skills development institutions and programs within government

Strategies	Working Policies
	5. Quality human resources capable of competing at national and international labor markets will be prepared by providing opportunities for research-based higher and technical education. 6. Facilities including scholarships will be provided for technical and vocational education to build the capacity of economically and socially backward groups. 7. Internship and apprenticeship programs will be made mandatory to maintain consistency between the human resources produced and the employment opportunities available in the labor market.
4. To use the skilled human resources returning from foreign employment as a source of knowledge and skills.	1. Returnee migrant workers will be mobilized as vocational training instructors by preparing a digital record of the skills of these individuals. 2. Priority will be given to Nepali workers returning from employment in industries abroad.
5. To acquire and use new technologies through foreign industries and companies.	1. Skilled human resources will be produced by introducing new technologies in coordination and collaboration with foreign industries and companies. 2. Research work will be conducted for the mobilization of foreign direct investment by developing the capacity of universities and their affiliated research bodies.

5. Expected Results

Human resources projection will have been made, and an integrated human resource development plan will have been formulated. Sectoral plans will have been formulated based on the projection and the plan. Skilled human resources will have been produced as per the requirement of the country. Development plans will have highly prioritized development and utilization of human resources. A balance between supply and demand in the labor market

will have been maintained. The government and the private sector will have collaborated for the development and utilization of human resources. Interested youths will have received opportunities for the development of their skills based on market demands. Semi-unemployment and unemployment rates will have been reduced.

10.5 Research and Development

1. Background

Research and development are indispensable in strengthening the federal democratic republic system of governance and making development management result-oriented. The State's policies entail increasing investment in scientific study, research, and invention; uplifting and developing science and technology; and preserving scientific, technical, intellectual, and specialized talents. Institutions like the Center for Research on Environment, Health and Population, Nepal Health Research Council, Nepal Agricultural Research Council, Center for Educational Research and Development, Center for Economic Development and Administration, Center for Nepal and Asian Studies, Centre for Policy Research and Analysis, Active Forest Nepal, Institute for Policy Research and Development, Institute of Foreign Affairs, Nepal Administrative Staff College, Nepal Study Group, universities, academic institutions, etc. have been active in the field of policy research for a long time. However, the country needs to do more to develop their capacity and internalize their contributions to different dimensions of national development. To accomplish this, the Government of Nepal has set up a policy research institute to undertake study and research on evidence-based policies.

Studies and research have played an important role in formulating and implementing policies on sectoral issues such as energy, transportation, tourism, agriculture, education, health, forest, environment, urban development, foreign employment, and social development to achieve the national vision of 'Prosperous Nepal, Happy Nepali'. It is necessary to pave the way through research and development to identify the resources that have not been identified so far, to mobilize them systematically, to create an environment that allows for the best use of available resources, and to implement and support development policy formulation.

2. Major Problems

Lack of a long term vision in the field of research and development; lack of adequate emphasis on research and development; lack of priority given to study and research by public and private sectors; inadequate mobilization of resources in research and development; inability to properly mobilize young scientists; poor coordination of institutional mechanisms for research and development; lack of involvement of universities and academic institutions in research and development; and inability to acquire and utilize research and development studies conducted in Nepal by other countries are the major problems. Similarly, lack of a mechanism to involve the creative youth in the country as well as those who have returned from abroad in research and development has become an obstacle in research and development of evidence-based development policies.

3. Challenges and Opportunities

Internalization of research and development as an integral part of national policies and development projects; prioritization and standardization of research and development areas; documentation of factual and relevant information and data for research and development; integration of research and development with policy-making and feedback mechanisms; development of the capacity to collect, access and use the information for policy analysis; formulation of national standards through study, research, and high-level coordination among agencies working in this field; certification of the studied and researched subjects, their integrated storage and easy availability of proof; and institutionalization of research and development achievements together with their impact assessment to make them evidence-based and sustainable are the major challenges.

The potential for research and development to be established as knowledge-based future property after the intensive intellectual effort that goes into it; increasing demand for study and research in national policies and development projects; increasing national, regional, and international partnerships; establishment and expansion of institutional networks in research and development; and creation of an environment in which the results of research and development can be used as a support are the major opportunities. In the context of globalization, research and development has gradually gained importance in promoting national interest in terms of policies and action plans. Advancing research and development

with the help of the experiences of neighboring countries, China, and India, in the fields of innovative development, knowledge, and technology transfer are additional opportunities.

4. Vision, Goal, Objectives, Strategies and Working Policies

4.1 Vision

Building a prosperous nation through development based on evidence and knowledge.

4.2 Goal

To develop research and development as a storehouse of creative knowledge.

4.3 Objectives

1. To prepare knowledgeable and creative citizens for the future through research and development.
2. To utilize the achievements of research and development in promoting the national interest, policies, and programs.
3. To increase capacity for the formulation and implementation of national policies through research and development.

4.4 Strategies and Working Policies

Strategies	Working Policies
1. To emphasize making the educational system practical, experimental, and research-oriented.	1. The research work of universities will be incorporated into the national policymaking. 2. Investment in study and research will be gradually increased.
2. To link training and development with research and development by reflecting it in theory and practice.	1. Credible information, data, and monitoring arrangements will be ensured in all government agencies. 2. Post-training impact assessment will be made mandatory by making the curriculum of training providers practical.

Strategies	Working Policies
	3. An environment will be created for trainees to use the knowledge and skills acquired during the training in the workplace research activities.
3. To make research and development a national priority and review and build on past sectoral policies, including on the role of the private sector.	1. Strategic support and partnership of private, non-governmental, and community sectors will be encouraged in research and development. 2. National investment in research and development will be increased, and a mechanism will be developed to make the investment of private and development partners credible. 3. The participation of stakeholders in policy formulation, implementation, and monitoring will be enhanced through research and development. 4. Emphasis will be placed on production and productivity while institutionalizing research and development in areas with comparatively higher development potential. 5. Collaboration with the private sector will be undertaken at the national and international levels for research and development.
4. To advance research and development as a research project.	1. All agencies involved in research and development will be brought into a single network. 2. The results of research and development will be aligned with national policies and development projects and their national standards will be defined 3. A coordinated environment will be created for the identification and utilization of national and international financial, technical, humanitarian, and

Strategies	Working Policies
	other resources.
5. To emphasize human resource development through research and development	1. High priority will be given to developing qualified and proficient human resources active in different fields through quality and academic education and training for the youth. 2. Subjects related to research and development will be included in higher education.
6. To create an environment to make policymakers professional and sectoral experts.	1. Policies, plans, and programs of all levels of government will be made more conducive towards pursuing the Sustainable Development Goals. 2. On-the-job training will be made a mandatory responsibility of the supervisor. 3. Scientific, technical, intellectual, and specialized talents will be protected by developing a mechanism to utilize the knowledge, skills, and experience of former civil servants in the national interest through research and development. 4. Statistical information of studies and research inside and outside Nepal will be documented. 5. Contact and collaboration between research and development institutions in Nepal and research and development institutions in other countries will be established.

5. Expected Results

Public and private sector investment in studies, research, and development will have increased. Documentation of studies and research will have started. Studies, research, and development will have supported industrial production. An evidence-based and result-

oriented decision-making process will have been established to contribute towards building a prosperous nation in line with the federal democratic republican system.

10.6 Inclusion

1. Background

The Constitution of Nepal provides for the right to participate in State institutions based on the principle of proportional inclusion of economically, socially, politically, and administratively backward groups (women, *Dalits*, indigenous communities, Madhesis, Tharus, Muslims, marginalized groups, minorities, people with disabilities, gender, and sexual minorities, farmers, workers, citizens in remote areas and economically deprived Khas Aryas). The Constitution of Nepal has provision for the National Women's Commission, National Dalit Commission, National Inclusion Commission, Adibasi Janajati Commission, Madhesi Commission, Tharu Commission, and Muslim Commission to make inclusion more systematic, secure, and effective. Skills development training, scholarship loans and employment programs, reservation in education and public sector employment, and programs related to protection and promotion of mother tongue are being implemented. The disparities between caste groups and geographic regions in terms of economic, educational, and health outcomes need to be eliminated. Additionally, inclusion needs to be embraced as a major means of maximizing national development while maintaining the country's diverse social structure as capital.

2. Major Problems

Major differences in the social spheres among different target communities and classes; lack of equitable access to state resources, means, opportunities and benefits; and lack of proper representation in political and administrative structures are the major problems.

3. Challenges and Opportunities

Reduction of poverty in the target communities; elimination of the economic, educational and social disparities among different communities and classes; establishment of equitable access to state resources and services; transformation of regressive social norms and

values; adequate representation of the target community in the provincial and local government structures; and inclusive development are the key challenges.

Recognition of the right of citizens belonging to different castes, classes, and backward areas to participate in state institutions based on the principle of proportional inclusion as a fundamental right; laws related to fundamental rights passed by the federal parliament; establishment of constitutional commissions to make inclusion more systematic and effective; ethnic and gender representation in various positions at the local level; awareness and activism for protection and promotion of religion, culture, and language; and increasing representation of such communities in different organs and sectors of the state are the major opportunities for increasing the effectiveness of the inclusion process.

4. Vision, Goal, Objective, Strategies and Working Policies

4.1 Vision

Inclusive development with the presence and meaningful participation of all citizens of the state.

4.2 Goal

To empower and proportionately develop backward communities based on the Human Development Index.

4.3 Objective

To ensure proportional and inclusive access to resources and facilities available in the country for the target groups deprived of economic, social, and political opportunities.

4.4 Strategies and Working Policies

Strategies	Working Policies
1. To increase proportional access of the target groups to the resources available in the country.	1. Access to resources available in the country will be increased for women, indigenous communities, *Dalits*, Madhesis, Muslims, endangered minorities, and marginalized citizens.

Strategies	Working Policies
	2. Targeted programs will be implemented for the economic and social development of the citizens in marginalized and backward areas.
2. To ensure meaningful participation in the decision-making process of the three levels of government and its administrative structures through positive discrimination and reservation.	1. Participation of all stakeholders in decision-making processes in all areas of governance and development will be ensured. 2. Meaningful participation in the political, social, and administrative spheres will be ensured for the economically, socially, and geographically backward citizens through 'positive discrimination' and reservation.
3. To enable the target groups to utilize employment opportunities available in the country by providing skills development training.	1. Skills development training will be provided to the economically and socially backward target groups to enable them to utilize the employment opportunities available at the federal, provincial, and local levels and within their jurisdictions.
4. To preserve and promote the languages and cultures of the indigenous communities, *Dalits*, Madhesis, Muslims, and backward classes.	1. Necessary research, the pursuit of good learning, the involvement of the concerned classes and awareness programs will be carried out in order to preserve and promote the endangered languages and cultures of different caste/ethnic groups and communities.

5. Expected Results

People's participation in the decision-making processes of all three levels of government will have materialized. Community access to available resources will have increased. Meaningful and tangible participation in political, administrative, educational spheres will have been attained through positive discrimination and reservation. The languages and cultures of indigenous communities, Madhesis, Muslims, and backward classes will have been protected and promoted.

10.7 Socio-cultural Diversity and Unity

1. Background

Nepal is well-known in the world as a multi-ethnic, multi-lingual, multi-religious, and multi-cultural nation. Our rich tangible and intangible assets have been a means for strengthening national unity. It is our responsibility to preserve, promote, and develop the historical, archeological, and cultural heritages and languages by preserving them in their pristine condition. It is equally necessary to strengthen social harmony through good cultural practices, cultural tolerance, and coexistence. The nation's cultures have an important role to play in strengthening national unity and integrity and in helping embrace 'unity in diversity'.

There are 125 castes/ethnic groups and 129 languages belonging to 4 linguistic communities in Nepal. Ten heritage sites in Nepal are included in the World Heritage List. Nepal is seen as one of the richest nations in the world in terms of tangible and intangible cultural resources.

2. Major Problems

Major problems include: lack of scientific records of ancient cultural heritages and properties; encroachment of the heritages due to unmanaged urbanization; increasing effects of globalization and modernization; insufficient resources for effective implementation of policies and laws related to the management of tangible and intangible cultural heritages; lack of ownership at the local/community level in sustainable conservation and operation of heritage sites; failure to respect and encourage creators and communities involved in preservation and promotion of cultural practices; and inadequate study, research and investigation in languages and cultures.

3. Challenges and Opportunities

Effective implementation of policies, laws, and international conventions on tangible and intangible cultural heritages; protection of indigenous cultures from the effects of globalization; inclusion of all languages and cultures as a state priority; and mobilization of adequate resources for their preservation and promotion are the major challenges.

Satisfactory progress has been achieved in the reconstruction of the historical and archeological heritage damaged by the earthquake. There is a possibility of further efforts through all three levels of government under the federal structure based on local realization to preserve cultural heritage. Other opportunities are: the constitutional provision of language commission; recognition of the right to one's language and culture as a fundamental right; and increased harmony amidst cultural and religious diversity resulting in strong national unity. This has increased the opportunity to attract foreign religious tourists.

4. Vision, Goal, Objectives, Strategies and Working Policies

4.1 Vision

A united Nepali society that prides itself in its diversity.

4.2 Goal

To strengthen national unity and integrity by protecting, promoting, and developing all unique cultures of Nepal.

4.3 Objectives

1. To enhance Nepal's unique identity and national unity by preserving the cultures and traditions of all castes/ethnic groups.
2. To ensure effective management and conservation of heritage sites and develop them as tourist destinations.
3. To develop and promote languages, literature, scripts, music, drama, and fine arts.

4.3 Strategies and Working Policies

Strategies	Working Policies
1. To build a cultural narrative that promotes national unity by recognizing, protecting, and respecting the social,	1. Programs will be implemented to promote respect for religious and cultural values and norms of all communities. 2. Endangered cultures will be preserved and documented. 3. Common drivers of national unity will be identified in

Strategies	Working Policies
cultural, and religious values of all communities.	different cultures and promoted in such a way that can be understood and practiced by the general public 4. The message of cultural unity will be communicated among the people based on the above-mentioned narrative 5. Arrangements will be made for the protection of the traditional *guthi* system and its operation in a new way in the changed context after a thorough review of the entire system.
2. To establish cooperation between the government and the private sector to protect religious, cultural, and archeological heritage and to rebuild the damaged structures while also developing and promoting them as tourist attractions.	1. Reconstruction of damaged properties will be completed in time, and they will be promoted as tourist attractions. 2. Tangible and intangible cultural heritages will be categorized based on effective protection criteria. Such categorization will also take into account the federal, provincial, and local jurisdictions. 3. Master plans for Shiva Circuit, Buddha Circuit, Ramayana Circuit, and other religious and cultural circuits will be prepared and implemented. 4. Initiatives will be taken to effectively protect and promote the areas included in the World Heritage List and efforts will be made to have other potential sites enlisted. 5. A master plan will be formulated and implemented for sustainable development and management of heritage sites of religious, cultural, traditional, historical, and archeological importance. 6. Religious, cultural, traditional, and historical civilizations will be preserved and promoted. 7. High priority will be given to the publicity and promotion of religious and tourist destinations such as Pashupatinath, Lumbini, Greater Janakpur, and Devghat at the

Strategies	Working Policies
	international level.
3. To revitalize the institutions related to language, art, literature, music, etc.	1. Societal protection will be given to special sites with ancient art, literature, music, language, and culture; and the artists and creators dedicated to them will be recognized and respected. 2. Copyright protection will be effectively provided for original creations. 3. The real status of various languages and scripts prevailing in the country will be identified, documented, protected, and promoted. 4. Appropriate arrangements will be made for research and protection of traditional folk music, dance, drama, and other audio and performance folk arts.
4. To establish intergovernmental coordination and collaboration on the exploration, excavation, protection, preservation, and promotion of historical, religious, and archeological heritage.	1. Tourist attraction will be increased in various religious, cultural, and archeological heritage. 2. Nepal's unique civilizations will be identified, protected, and promoted. 3. In-depth studies and research will be conducted for the conservation of tangible and intangible cultural resources. 4. Necessary legal arrangements will be introduced for proper management of resources including donations/offerings in religious heritages in order to make them self-reliant. 5. Cooperation will be established with provincial and local levels in archiving, preserving, and utilizing local heritages, historical forts, languages, scripts, arts, cultures, *guthi*s, religious sites, and *pati-pauwas*. 6. The Kathmandu Valley will be developed as a living open

Strategies	Working Policies
	museum through the promotion of sites of touristic, cultural, and historical importance. 7. One multilingual, multi-ethnic and multi-cultural museum will be established in each province.

5. Expected Results

Reconstruction of the damaged heritages will have been completed; the master plan for the development of Lumbini and Pashupatinath areas will have been implemented; features of cultures of all communities in the country will have been systematically documented; endangered cultural heritages will have been preserved, and two more sites will have been enlisted as World Heritage Sites. Similarly, local and community participation in the preservation of archeological, religious, and cultural heritages will have increased; the number of schools that use mother tongues as the medium of instruction will have increased by 20 per cent; sites of archeological and historical significance will have been preserved and promoted, and copyright protection and benefits to the creators will have been ensured.

10.8 Disaster Risk Reduction and Management

1. Background

Nepal is among the countries most at risk of various natural and non-natural disasters due to its unstable geology and topography, seasonal weather variations, climate change, unmanaged infrastructure development, and risk-insensitive development activities. In view of the active seismic zone, geologically dynamic mountain range, unstable and sloping terrains, Nepal is ranked 11th in the world in terms of seismic risk and 30th in terms of floods and landslides. More than 500 disasters occur every year on average in Nepal. Natural and non-natural disasters have been adversely affecting Nepal's physical, economic, and social development and progress.

The Constitution of Nepal has adopted the policy of early warning, preparation, rescue, relief, and rehabilitation to reduce the risk of natural disasters and has included disaster management in the exclusive powers of the local level and a concurrent power

between the federal, provincial, and local levels. Similarly, natural and non-natural disaster preparedness, rescue, relief, and recovery is included in the concurrent powers between the federal and provincial levels. Learning from past disasters, the current plan incorporates international commitments, including the Sendai Framework 2015-2030, the Paris Agreement on Climate Change Adaptation, the Addis Ababa Action Agenda, and the Sustainable Development Goals to implement this responsibility in a planned and systematic manner. National policies, Strategy, and action plans will incorporate disaster risk reduction and management within the jurisdiction of federal, provincial, or local level.

2. Major Problems

The major problems include: lack of adequate information and knowledge about disaster risk; lack of coordination between disaster risk reduction and development work; poor adherence to disaster resilience in the development process; poor mainstreaming of disaster management in development activities; lack of disaster risk identification and mapping in all sectors; unplanned and excessive exploitation of natural resources; absence of a clear action plan and adequate investment in disaster risk reduction and management in all sectors; lack of coordination among stakeholders; lack of information management system based on disaster risk reduction and management indicators; and lack of efficient and adequate human resources, equipment, provisions and relief materials for emergencies

3. Challenges and Opportunities

Completion of disaster risk assessment at every stage of project management starting from the selection process of development projects; adoption of risk-based planning and decision-making processes; mobilization of adequate investment for disaster risk reduction; safe resettlement of citizens living in disaster-prone, unorganized, and scattered settlements; strengthening of coordination and cooperation among stakeholders; establishment and management of disaster management funds at federal, provincial and local levels; development and operation of an integrated disaster management information system; internalization and implementation of disaster management at federal, provincial and local levels; and increasing internalization of responsibility and implementation capacity are the major challenges.

Policy and legal provisions including constitutional guarantee; National Disaster Risk Reduction Policy, 2075; Disaster Risk Reduction and Management Act, 2074; National Disaster Risk Reduction and Management Strategic Plan of Action, 2018-2030; establishment of National Disaster Risk Reduction and Management Authority; distribution of powers and responsibilities for disaster risk reduction and management among various levels of government; implementation of various international commitments; increase in awareness on risk reduction in the private sector and communities; the activism of NGOs; increasing involvement in scientific research and increased access to modern technologies are the major opportunities.

4. Vision, Goal, Objectives, Strategies and Working Policies

4.1 Vision

Resilient Nepal safe from disaster risks.

4.2 Goal

To reduce human, material, economic, social, cultural, and environmental loss caused by all kinds of natural calamities and non-natural disasters.

4.3 Objectives

1. To strengthen the disaster management system to reduce and manage disaster risks.
2. To ensure multi-hazard risk mapping/information-based disaster risk forecasting, preparedness, response, capacity-building, recovery support along with disaster risk-sensitive planning and infrastructure construction at all three levels.
3. To increase public, private, and community investment in disaster risk reduction and management.
4. To make a post-disaster recovery, rehabilitation, reconstruction, and new construction strong and resilient by increasing awareness and ensuring broad participation in disaster risk reduction and management.

4.4 Strategies and Working Policies

Strategies	Working Policies
1. To improve necessary policy, institutional, and procedural systems to strengthen the disaster-resilient governance system.	1. Necessary policies and legal arrangements will be put in place after reviewing the existing arrangements related to disaster risk reduction and management. 2. A culture of intergovernmental coordination and cooperation will be adopted while working on disaster management at federal, provincial, and local levels. 3. Access to services for all will be ensured by increasing the understanding of multi-hazard risks based on an assessment of it at all three levels. 4. All aspects of social inclusion, including gender, will be given priority while formulating and implementing disaster risk reduction plans and programs.
2. To mainstream risk mitigation in sectoral development processes at federal, provincial, and local levels and increase public, private, and community investment, partnership, and collaboration to reduce disaster risk and strengthen resilience.	1. Findings of disaster risk evaluation will be included in sectoral development plans and infrastructure development based on disaster risk assessment. 2. Disaster risk reduction indicators will be developed and implemented in the monitoring and evaluation of the development process. 3. In addition to minimizing potential risks at the three levels and community level, a robust disaster impact assessment system, life and non-life insurance, social security, and other community-based disaster risk reduction methods will be promoted to prevent further damages. 4. Partnerships at all levels will be made effective by increasing public and private investment for disaster risk reduction and resilience enhancement.

Strategies	Working Policies
	5. Partnerships and collaboration among public sector agencies, the private sector, NGOs, cooperatives, and communities will be promoted in the field of disaster risk reduction and management. 6. Partnerships and collaboration among government agencies, private sector bodies, educational institutions, and researchers in the field of disaster risk reduction and management will be promoted and strengthened.
3. To develop multi-hazard risk assessment/mapping-based preparation, response, recovery capacity, and adequate resource management from the community level up to the national level.	1. Multi-hazard risk assessment and mapping will be done at federal, provincial, local, and community levels. 2. Comprehensive information collection, analysis, and dissemination of disaster risk reduction and management at all three levels will be based on an online system and will be made accessible to all in coordination with stakeholders.
4. To develop and strengthen infrastructure, human resources, capacity, and technology required for disaster risk forecasting, monitoring, preparedness, and effective response.	1. For effective preparedness and response, an early warning system that includes an assessment of possible disasters based on geographical information systems will be developed and expanded. 2. Strategic storage of rescue and relief materials will be maintained up to the local level, and storage and distribution will be made effective by increasing the capacity of the local level for post-disaster damage reduction and recovery. 3. Disaster and disaster-related courses and topics will be included in the formal and non-formal education and skills development training programs. 4. Capacity will be enhanced through modern technologies,

Strategies	Working Policies
	equipment, logistics, and skilled human resources to monitor disasters and their risks, disseminate information and carry out search and rescue effectively.
5. To use the income from natural resources in disaster risk management at the community level judiciously.	1. Disaster budget code and disaster management financial strategy will be prepared and implemented to minimize disaster risks and reduce human, material, economic, social, cultural, and environmental damage. 2. Safe and resilient settlements will be developed by investing the revenue generated through natural resources in disaster risk reduction in affected areas. 3. A 'disaster risk reduction fund' will be established and operated for disaster loss reduction using the proceeds from natural resources income. 4. Emphasis will be placed on the 'Build Back Better' concept in post-disaster reconstruction and rehabilitation.

5. Expected Results

The average number of families affected by disasters will have decreased from 17.1 per thousand to 9.8 per thousand, and the average death toll will have decreased from 1.6 per 100,000 to 1 per 100,000. A disaster risk reduction and management plan will have been formulated based on information and evidence, and the decision-making process will have been established at all levels. Strategic action plans, procedures, and response structures will have been formulated and implemented for disaster risk reduction and management at federal, provincial, and local levels. Public and private sector investment in disaster risk management will have increased. Disaster and disaster risk forecasting, information dissemination, search and rescue, response, and recovery will have been made effective with the establishment of disaster management information systems. The capacity for effective response will have been augmented with modern equipment, resources, technologies, and skilled human resources. Disasters and the consequent loss of human lives and material, economic, social, cultural, and

environmental loss will have been minimized and a resilient development system will have been established.

10.9 Environment

1. Background

Environmental management is a subject directly linked to human health and well-being. The right to live in a clean and healthy environment is a fundamental constitutional right of every citizen. Clean transport, eco-friendly factories, and hospitals, and well-managed urbanization are needed in order to build and operate physical infrastructure according to Nepal's geography, land use, and topographic capacity. Caution should be exercised in the use of magnetic and electrical equipment, pesticides, and chemicals.

Some standards are in place for the prevention and control of noise, water, land, and air pollution. The standards have been followed in industrial establishments through regular and occasional monitoring. Climate adaptation village programs have been launched to achieve environmental proficiency at the local level. Although efforts have been made for the last two decades to maintain environmental hygiene through public awareness about environmental issues, sanitation and waste management, pollution control, and greenery along riverbanks and roadsides, most of the set targets have not been met. As environmental management is a complex, multi-sectoral, and multi-dimensional subject, the cooperation and collaboration of all citizens, all levels of government, agencies, and sectors are an essential condition for its effective management.

2. Major Problems

Lack of integrated and planned development; increasing population pressure; uncontrolled urbanization; imbalance between infrastructure development and environmental concerns; various types of pollutants including radioactive, electrical, magnetic, and chemical discharges from industries, hospitals, and urban areas; chemical fertilizers used in agriculture; lack of standards and weak implementation of existing standards for toxic and hazardous chemicals contributing to an increase in air, noise, water, and land pollution; lack of coordination and cooperation among the three levels of government, industrial establishments,

universities, research institutes and other stakeholders on environmental issues are the major problems.

3. Challenges and Opportunities

Formulation of necessary policies, laws, standards and their effective implementation to guarantee the right of every citizen to live in a clean and healthy environment; securing a commitment from all the levels of government and agencies under them on environmental concerns; control of water, land, noise and air pollution from large scale industries, transportation, and human activities in urban settlements; proper management of waste including plastics; tree plantation and promotion of greenery along river banks and roadsides; maintenance of balance between environment and development; penalization of the polluters; public awareness and motivation towards environmental responsibilities; and partnership and cooperation in studies and research are the major challenges.

The constitutional provision of a healthy environment as a fundamental right; a finalized environment protection framework; increased public awareness about a clean and healthy environment and local, national, regional, and international interest on this area; conventions and agreements related to the environment to which Nepal is a party; widespread recognition of biodiversity and natural environment as the backbone of the country's tourism development; increased attention towards environmental cleanliness from most parties and stakeholders are the major opportunities in this field. Since special attention has to be paid to the environmental aspects in order to achieve the Sustainable Development Goals, the potential to secure support from all the stakeholders, including government agencies, universities, and NGOs, in environmental management is an opportunity in itself.

4. Vision, Goal, Objectives, Strategies and Working Policies

4.1 Vision

A clean, green, and healthy environment.

4.2 Goal

To protect the right of citizens to live in a clean, green, and healthy environment through effective pollution control, garbage management, and promotion of greenery.

4.3 Objectives

1. To prevent and control all kinds of pollution (water, air, soil, sound, and electricity).
2. To maintain a balance between the development of physical infrastructure and the natural environment.
3. To manage garbage created from all areas including households, major cities, and industrial areas; to maintain the cleanliness of the rivers, and to expand greenery.
4. To formulate necessary policies, laws, and have an effective institution for environmental management, including pollution control; and to carry out studies, research, and capacity-building programs.

4.4 Strategies and Working Policies

Strategies	Working Policies
1. To prevent and control all types of pollution by preparing national standards for water, air, soil, sound, radiation, hazardous waste, and electrical pollution and have polluters pay compensation to pollution victims.	1. National standards will be prepared in accordance with international standards related to the prevention of water, land, noise, visual, and air pollution. They will be implemented and monitored in the existing and new cities. 2. Emission-generating activities will be controlled by establishing and operating air quality measurement centers in major cities, industrial establishments, and risky areas, and integrated mapping of air quality and forecasting of air pollution levels will be carried out. 3. Pollution control systems will be installed in industrial establishments, and arrangements will be made for the treatment of polluted water in non-industrial sectors. 4. Environment-friendly technologies will be installed to manage smoke, dust, and water discharged from

Strategies	Working Policies
	industries and other businesses. 5. Certificates will be issued for pollution-free industrial products. 6. Restrictions will be placed on the production and use of plastics that do not follow the prescribed standards, and policies will be adopted on the reuse of plastic products. 7. Pesticides used in agriculture, industries, and other businesses will be regulated and controlled.
2. To make environmental impact assessment and mitigation an integral part of infrastructure development through the formulation of necessary laws and institutions to maintain a balance between infrastructure development and the environment.	1. Laws will be formulated/amended and standards developed covering all aspects of environmental management to manage priority projects and other projects affecting the environment at federal, provincial, and local levels. 2. Stakeholders will be mobilized for the development of a green economy, which will be mainstreamed into sectoral programs for environmental development. 3. Criteria for initial environmental examination and environmental impact assessment will be broadened and made practical, and the process for ratifying the environmental impact assessment reports will be simplified and made transparent through intergovernmental coordination. 4. A certain percentage of the project budget will be allocated for the environmental impact assessment and its report to help reduce and mitigate environmental impact.
3. To adopt new technologies with participation from the private sector for waste	1. Environment-friendly action plans will be developed at all local levels and bio-energy, organic fertilizer, waste treatment, and incineration plants will be set up and

Strategies	Working Policies
management.	operated under a public-private partnership. 2. Disposal of garbage in wetland areas, religious places, roads, streets, *toles*, and other public places will be completely prohibited; the garbage management system will be made more effective with the use of modern technology-based machinery (that may help, for instance, in converting disposable organic matter into organic manure). 3. The garbage generated from natural and non-natural disasters will be managed. 4. Tree plantation will be launched as a campaign to stop river encroachment. 5. Disposal of polluted water, sewage, and garbage into the rivers will be controlled.
4. To promote integrated river management and greenery in urban areas in a planned manner.	1. In the major cities, industrial establishments, riverbanks, and roadsides, activities to promote greenery such as tree plantation and flower gardening, which will be carried out in collaboration between the government and local communities.
5. To conduct studies, research, and capacity-building programs for stakeholders in the field of environmental management and pollution control in collaboration with universities and other agencies.	1. Coordination and partnership will be secured between the federal, provincial, and local levels, development partners, NGOs, community organizations, and academic institutions in conducting environmental research activities. 2. The Central Department of Physics under Tribhuvan University, the National Reference Laboratory, and the Central Environment Reference Laboratory under the Government of Nepal will be upgraded for effective operation; and environmental laboratories will be

Strategies	Working Policies
	established at the provincial level. 3. Periodic reports on the state of the environment of all provinces will be prepared and published 4. Specialization will be promoted through organizing training, seminars, and observation trips for stakeholders of environment management. 5. Monitoring and evaluation system will be made effective by strengthening the environmental information system and updating the statistics for all environmental management activities. 6. Industries will be established to make good use of recyclable items generated from industrial, household, and other sources.

5. Expected Results

By the final year of the planned period, the average air pollution from fine particulate matter ($PM_{2.5}$) will have been reduced from 50 micrograms per cubic meter to 40 micrograms per cubic meter. Significant achievements will have been made in the prevention and control of all types of pollution with the implementation of national standards for the protection of the environment. Garbage management plants will have been established at the local level; forest parks will have been established; greenery will have increased in public areas by at least 5 per cent. Incineration plants will have been set up for hazardous waste management in large industrial establishments and hospitals. Environmental pollution testing laboratories will have been established in all provinces, with air quality measurement centers established in 30 locations.

10.10 Climate Change

1. Background

Climate change is a serious global concern. The maximum temperature in Nepal has increased by an average of 0.056 degrees Celsius per year, and this rate is even higher in the Himalayan region. Although Nepal is responsible for only 0.027 per cent of the world's total greenhouse gas emission, the country has been (and is likely to continue) experiencing some major impacts of climate change due to its geologically and geographically sensitive topography. Special attention has to be paid to the conservation of the Himalayas, which have been serving as a global heat sink.

Climate change has adversely affected agriculture, food, water resources, forests, biodiversity, human health, tourism, energy, irrigation, settlements, and infrastructure. The intensification of floods, landslides, and fires has caused huge loss of property and affected livelihoods, forcing people to relocate. As a party to the United Nations Framework Convention on Climate Change (UNFCCC), Nepal has been taking advantage of the opportunities in the international arena in line with national needs and fulfilling its obligations. In keeping with the National Adaptation Program for the Implementation of the National Climate Change Policy, 2019, and the Local Adaptation Plan for Action, 2010, Nepal has been implementing climate change adaptation programs at the local level. Environment-friendly development processes with low carbon emissions adopted under renewable clean energy programs have contributed to the reduction of emissions while forest sector programs are in operation for carbon sequestration.

Nepal has ratified the Paris Agreement on climate change and prepared a roadmap for its implementation, including a 'nationally determined contribution' roadmap. It is necessary to formulate and implement policies and programs to adapt to the effects of climate change and minimize its adverse effects through effective coordination with stakeholders, including the interrelated agencies for environmental protection and development, different sectors, and the international community.

2. Major Problems

Inclusion of Nepal in the list of countries most affected threatened by climate change despite its negligible contribution to climate change; lack of inter-sectoral coordination and understanding (even if climate change is a multi-sectoral subject); potential impacts of climate change; lack of research and basic data on potential loss from climate-induced disasters; poor mainstreaming of the climate change issues in the overall development process; lack of overall institutional capacity, necessary finance, technologies, and knowledge to address climate change, its impacts and implications are the major problems.

3. Challenges and Opportunities

Reducing climate vulnerability through risk management at various levels; building climate adaptive capacity; building climate-resilient communities; increasing access to climate finance; conducting result-oriented programs; ensuring inter-agency coordination; enhancing institutional capacity; and addressing Nepal's specific issues related to climate change in international fora are the major challenges.

Potential for bilateral and multilateral cooperation and collaboration in mitigating the effects of climate change: availability of regional and international methods and institutions for participation in carbon trading to reduce carbon emissions; possibility for the establishment of an environment-friendly payment system for development and carbon footprint reduction; access to international payments for carbon sequestration; mobilization of foreign aid in the field of climate change in line with Nepal's priorities; and its inclusion in the country's climate-friendly development programs to support the nation's prosperity are the key opportunities.

4. Vision, Goal, Objectives, Strategies and Working Policies

4.1 Vision

Building a climate-resilient society.

4.2 Goal

To contribute to building a sustainable society by augmenting the capacity to adapt to climate change and minimizing its adverse effects.

4.3 Objectives

1. To increase the adaptive capacity by minimizing the adverse effects of climate change in accordance with the Paris Agreement.
2. To implement the concept of environment-friendly, clean energy-driven, and green development for climate change mitigation.
3. To access international finance and technologies available for climate change mitigation and adaptation within the framework of the Paris Agreement, and distribute the benefits equitably.

4.4 Strategies and Working Policies

Strategies	Working Policies
1. To improve and enhance necessary policies and institutional structures at federal, provincial, and local levels for climate change management.	1. National Climate Change Policy, 2019 will be implemented by internalizing the changes at national and international levels. 2. Federal laws on environment and climate change will be formulated. 3. A long-term strategic plan will be formulated for the implementation of the Paris Agreement on climate change and the nationally determined contribution roadmap will be modified and implemented as needed. 4. The issue of climate change will be mainstreamed at all levels of government, agencies, and sectors.
2. To implement national, provincial, and local adaptation plans to reduce the vulnerability of communities.	1. Rivers and glaciers will be surveyed, monitored, and risk mitigation activities will be carried out. 2. A National Adaptation Plan on climate change will be formulated, and adaptation plans will be prepared and implemented at the local level to achieve the priorities and goals set by it. 3. Community-based forest management plans will be designed

Strategies	Working Policies
	to be adaptive to climate change and to maximize carbon sequestration. 4. Infrastructure related to disaster risk management will be developed in order to adapt to climate change; and appropriate technologies to address the impacts of climate change on agriculture, water, and energy resources will be identified, protected, promoted, and disseminated.
3. To adopt the concept of green development and promote clean energy to mitigate climate change.	1. A framework for green development will be prepared and implemented 2. Electric vehicles will be given priority. 3. Major sources of emission and drivers of greenhouse gases including transport, industry, energy, agriculture, forest, and land use will be categorized based on emission volume, and criteria for emission measurement will be prepared. 4. The reference levels and historical trends of major sources of emissions will be identified and emission reduction measures will be recommended.
4. To advocate at the international level for easy access to climate finance and distribute any potential benefits to provincial, local, and community levels.	1. Initiatives will be taken to access finance and technologies through participation and coordination in bilateral and international fora, such as REDD Plus, Green Climate Fund, Global Environment Facility, Adaptation Fund, Climate Investment Funds. 2. Arrangements will be made to allocate a large portion of the climate change budget to addressing local issues by empowering local governments in the formulation and implementation of local adaptation plans. 3. Private sector participation and investment will be increased to mitigate climate change and expand clean energy

Strategies	Working Policies
	programs.
5. To carry out research and capacity-building activities in the field of climate change.	1. Studies and research, technology development, and capacity-building activities will be carried out in the field of climate change in collaboration with universities and other institutions at federal, provincial, and local levels. 2. Investment in climate change management will be mobilized from all three levels of government by clarifying the responsibilities of each level 3. The impact of climate change mitigation, adaptation, investment, and payment will be effectively monitored and evaluated.

5. Expected Results

By the end of the planned period, 460 local level adaptation plans will have been prepared and implemented. Provisions will have been made to monitor the greenhouse gas emissions from five sectors (transport, industry/commerce, agriculture, forest, and energy) regularly. At least, five major projects in the field of climate change management will have been implemented to increase the capacity to adapt to the adverse effects of climate change. Approximately 90% of the schools will be providing climate change education and 2,000 individuals (local planners) will have been trained in climate change adaptation.

10.11 Hydrology and Meteorology

1. Background

Nepal has uneven and diverse climatic patterns due to its geographical and topographical features. Climate and agriculture are interdependent. Knowledge of and data on water, weather, and climate are important for the preservation of biodiversity. Unfavorable weather and floods are leading to disasters, and climate change is adding to the complexity of weather and flood forecasts. The glaciers and snow-capped areas are shrinking while adding to the risk of eruption of glacial lakes. Reliable weather forecasting and prior information are

needed to improve Nepal's agricultural system, reduce air accidents, and decrease the loss of life and property from floods, droughts, and other natural disasters.

2. Major Problems

Inability to obtain regular and real-time data by making the existing hydrological and meteorological stations efficient and accurate as per the standards of World Meteorological Organization; lack of skilled human resources; lack of government ownership of most of these centers' lands making it difficult to maintain the continuity in the flow of data/information; inadequate hydrological and meteorological stations in higher hilly and mountainous areas; lack of specific laws governing and directing hydrological, weather and climate services; inadequate resources for uninterrupted flow of services; inability to operate aeronautical meteorological services effectively as per the standards of the International Civil Aviation Organization; inability to expand hydrological and meteorological services as per the demands of stakeholders (aviation, agriculture, tourism, water resources, disaster management, health, etc.), lack of regular collection of data on quantity and quality of water in lakes, ponds and groundwater reservoirs; insufficient study and research on sedimentation, flood and damage assessment, and mitigation are the major problems.

3. Challenges and Opportunities

Effective management of agriculture, aviation, water resources, health, tourism, etc. by making the weather and water flow forecasts reliable; continuous collection of quality data related to surface and groundwater and weather from all over the country (especially in the face of the geographical remoteness and heterogeneity of the country); networking, expansion and modernization of hydrological/meteorological stations/centers; studies and surveys on glaciers and glacial lakes; mitigation and management of the impact of hydrological and meteorological catastrophes triggered by climate change in various areas; meeting the standards set by the International Civil Aviation Organization and the World Meteorological Organization for hydrological and meteorological services; provision of agro-meteorological services; development of multi-hazard forecasting system to be used at the local level; provision of long-term weather forecasting service; timely scientific studies and research on climate change; effective dissemination of regional data/information to stakeholder agencies;

production of skilled human resources; and effective use and increased adoption of modern technologies are the major challenges.

Major opportunities are: the need for reliable, uninterrupted, quality hydrological and meteorological services in sustainable development and management of water resources, agriculture, tourism, health, infrastructure construction, etc.; growing interest in capacity-building, institutional development, studies, and research from various domestic and foreign organizations to minimize the negative effects created by climate change; increasing demand for reliable forecasting services for hydrological and meteorological phenomena; increasing demand for verification of weather events for insurance purposes; and increasing demand for meteorological services for aviation with the expansion in aviation services.

4. Vision, Goal, Objectives, Strategies and Working Policies

4.1 Vision

Sustainable development of aviation, water resources, agriculture, tourism, health, and other sectors through reliable hydrological and meteorological services and development of a climate-adapted society.

4.2 Goal

To help in protecting the lives and properties of citizens and support the development of sustainable infrastructure through reliable hydrological and meteorological services.

4.3 Objectives

1. To formulate necessary policies and carry out institutional reforms necessary for timely development and expansion of hydrological and meteorological services.
2. To help in protecting citizens' lives and properties through reliable hydrological and meteorological forecasts.
3. To conduct studies and research on hydrology, meteorology, and climate change.

4.4 Strategies and Working Policies

Strategies	Working Policies
1. To formulate policies and laws to provide reliable, dependable, and quality hydrological and meteorological services as per the standards of the World Meteorological Organization.	1. Legal arrangements and institutional reforms will be made for timely development and expansion of hydrological and meteorological services and their operations on a cost-recovery basis.
2. To transform the hydrological and meteorological stations into modern automated stations with the latest technology and expand them as needed.	1. Hydrological and meteorological stations will be upgraded into automated centers with telemetry technology. 2. Hydrological and meteorological stations will be established in the high mountainous areas, and surveys on glaciers and glacial lakes will be conducted.
3. To study and assess the difference in water availability for essential infrastructure, water balance, and debris as per the river basin management plans.	1. Water will be managed in large inter-basin water transfer systems and multi-purpose water resource projects. 2. Hydrological and meteorological stations will be established with modern equipment, to study and measure water flow, climate, and sediment.
4. To undertake reliable and high-quality forecasting of weather and water flow	1. In order to make hydrological and meteorological services reliable, one high-tech weather radar will be installed in each of the eastern, central, and western regions of Nepal. 2. One Radiosonde balloon will be launched every day to

Strategies	Working Policies
	assess the atmospheric weather condition.
5. To develop a hydrological and meteorological disaster forecasting system in coordination with various organizations as prescribed by the Sendai Framework for Disaster Risk Reduction.	1. Seven-day weather forecasts and climate change projections will be made, and television and other means of communication will be used to disseminate reliable forecasts of floods, droughts, and other meteorological events to various stakeholders and target communities. 2. Flood risk maps will be prepared based on remote sensing, geographical information systems, and mathematical modeling, and risk-based flood forecasting and early warning systems will be developed and brought into operation. 3. Bilateral and multilateral initiatives will be undertaken for the international flow of weather forecast information.
6. To coordinate and collaborate with the World Meteorological Organization, intergovernmental bodies related to climate change, the International Civil Aviation Organization, and other stakeholders.	1. A national blueprint will be prepared and implemented in line with the Global Framework for Climate Services formulated by the World Meteorological Organization. 2. Necessary infrastructure including laboratories will be established; maintenance and calibration of hydrological and meteorological instruments will be undertaken; and technology will be developed; and studies and research will be conducted as needed. 3. Studies and research on the actual or potential impact or of hydrological and meteorological factors and climate change will be made effective in collaboration with research institutions.

5. Expected Results

A reliable weather forecasting service of up to seven days will be available through the continuous collection, processing, and analysis of weather data from weather radars, radiosondes, lightning measurement centers, automated hydrology, and meteorology stations equipped with the latest technology. Information on climate change will have been disseminated through studies and research. The risk and loss of life and property will have been minimized through timely dissemination of forecasts related to hydrological and meteorological disasters among relevant agencies.

10.12 Community-based Organizations and Non-Governmental Organizations

1. Background

The Constitution of Nepal states that the investment and role of community-based organizations (CBOs) and non-governmental organizations (NGOs) should be made accountable and transparent, and a one-window system should be adopted for the establishment, approval, operation, regulation, and management of such organizations while involving them in areas of national needs and priorities. The Sustainable Development Goals also include partnerships with civil society. International NGOs (INGOs) have an important role to play as partners in development. The nation needs an environment in which CBOs and NGOs can contribute to the development efforts of the government and improve the living standards of the people. At the same time, the flow of resources needs to be transparent and their maximum social mobilization needs to be ensured while providing effective services. In this context, the role of CBOs and NGOs needs to be focused on achieving Sustainable Development Goals.

2. Major Problems

Lack of professional, transparent, and effective collaboration among government, non-government and community organizations; duplication of national and international NGOs' programs; lack of effective supervision, monitoring and evaluation of projects; lack of integrated information and statistical system; lack of internal good governance in CBOs and

NGOs; a failure in achieving expected results despite the mobilization of foreign aid through NGOs and INGOs; and lack of effectiveness in regulatory agencies are the major problems.

3. Challenges and Opportunities

Facilitation and mobilization of projects run by NGOs and INGOs through the one-window system; making the flow financial resources from international NGOs transparent and incorporating them in the national accounting system; mobilization of NGOs in areas of national priorities and needs in coordination among the three levels of government; preparation of indicators to measure the contribution of the non-governmental sector in economic development; and institutional strengthening for effective monitoring /evaluation are the major challenges.

Constitutional guarantee to legal rights of non-governmental organizations and provisions for accountability and responsibility of these organizations; provisions for the involvement of CBOs/NGOs in the formulation and operation of provincial and local-level projects in accordance with the federal system; mobilization of NGOs as development partners up to the local level in accordance with the federal system; and the possibility to lay the groundwork to accelerate and achieve the Sustainable Development Goals are opportunities in this field.

4. Vision, Goal, Objectives, Strategies and Working Policies

4.1 Vision

Professional, accountable, and transparent CBOs and NGOs.

4.2 Goal

To achieve social and economic development by mobilizing NGOs and INGOs in a regulated, transparent, and systematic manner.

4.3 Objectives

1. To mobilize, manage, and regulate non-governmental organizations in areas of national priority.

2. To pursue the social and economic development of the country by making the utilization of resources received from NGOs and INGOs accountable and transparent.

4.4 Strategies and Working Policies

Strategies	Working Policies
1. To make the agency facilitating the operation of NGOs and INGOs capable, strong, responsible, and accountable.	1. Policies related to the establishment, approval, affiliation, operation, management, mobilization, and regulation of non-governmental organizations will be formulated, legal provisions will be reviewed, and new laws will be introduced as needed. 2. Implementation of any project under a national or international non-governmental organization with the intention to make any adverse impact on Nepal's sovereignty, integrity, security, and foreign policy; disrupt the good relations among different castes or communities; influence people's religious beliefs, or adversely affect common morality will be made legally punishable. 3. A master plan will be formulated to manage the property under the usufruct of the Social Welfare Council. 4. The agency facilitating and regulating activities in accordance with the federal structure will be restructured and empowered to make coordination and collaboration between the three levels of government effective. 5. A code of conduct and behavioral standards will be formulated and implemented for the operation of community-based organizations and NGOs. 6. Institutional strengthening of the agency responsible for the monitoring and evaluation of affiliation, approval, and operation of NGOs will be carried out
2. To ensure transparency	1. Programs run by NGOs and INGOs will be implemented in

Strategies	Working Policies
and accountability of NGOs and INGOs and make facilitation, operation, monitoring, and evaluation effective.	national priority areas in a coordinated manner using the one-window system. 2. Resources of the NGOs and INGOs will be mobilized with priority accorded to the utilization of physical, human, and technological resources available at the local level. 3. Criteria for the operation and expenses of NGOs and INGOs will be developed and implemented effectively. 4. In order to maintain transparency, information on the resources received by NGOs and INGOs will be documented, and a mandatory arrangement will be made for them to join the aid management information system. 5. In order to achieve the goal of national development, a policy of partnership with the non-governmental sector will be adopted. 6. The development of non-profit social organizations will be encouraged.
3. To increase the mobilization of NGOs and INGOs in social and economic development through coordination and collaboration among the three levels of government.	1. Participation, collaboration, and coordination of local stakeholders and local government will be ensured in all stages of project development and implementation by NGOs. 2. The provincial government will facilitate the programs run by local NGOs at the provincial level with the support from INGOs; and arrangements will be made for NGOs implementing programs at the provincial and local levels to abide by the standards and code of conduct approved by the federal government. 3. Arrangements will be made to include projects and investment plans of NGOs in the annual budget and programs of the local level.

Strategies	Working Policies
	4. Monitoring and evaluation of the projects run by national and international NGOs will be made regular and effective in coordination and collaboration of all three levels of government. 5. Community and social sector investment will be encouraged and promoted within the framework of social entrepreneurship.
4. To make I/NGOs' effectiveness and efficiency measurable and develop an integrated data system.	1. I/NGOs' contributions to the social sector will be documented using an integrated data system. The data will be analyzed and updated to prepare annual reports which will be published. 2. Provisions will be made to enter the data on the financial and physical situation of INGOs into the information system. 3. Provisions will be made for a third-party evaluation of the progress of the programs/projects running under INGOs. 4. Arrangements will be made to channel the money received from INGOs through banks designated by the Government of Nepal.

5. Expected Results

NGOs and INGOs will have been mobilized in areas of national priority in a professional, transparent, and accountable manner. New laws related to the operation and regulation of NGOs will have been implemented. Integrated data and information systems will have been established and operated, and monitoring and evaluation will have been made effective.

Chapter 11: Plan Formulation, Implementation, and Monitoring & Evaluation

11.1 Plan Formulation and Implementation

1. Background

In over six decades of planned development efforts, apart from the national planning system being institutionalized, significant achievements have been made in the area of socio-economic development. Although necessary resources are being allocated to the socio-economic sector since the First Plan, including Strategy and programs to achieve significant achievements in the sector, the achievements have not been as expected. In order to make the planning system result-oriented and realistic in the face of changing political climate, continuous efforts have been made. Since the 13th Plan, the concept of results framework has been adopted and improved to integrate the Medium-Term Expenditure Framework and Annual Development Program with the plan. As a part of the efforts to develop and institutionalize planned development system at the provincial and local levels as well, institutional provisions have been made at the provincial level for planned development. Provincial and local plan formulation guidelines and national and provincial monitoring and evaluation guidelines have been formulated and implemented. Additionally, progress has been made in the establishment of the National Project Bank for identifying, selecting, and approving the development projects and programs. To make the planning process evidence-based and result-oriented at three levels of government, efforts are being made to adopt a results framework and to establish the National Project Bank.

As the Fifteenth Plan is the first plan to implement the Constitution according to the federal system, it is focused on creating a basis for the national vision of "Prosperous Nepal, Happy Nepali" and a socialism-oriented economy by ensuring rapid economic growth, creation of productive employment opportunities and equitable access to benefits and opportunities of development. This plan will guide the periodic plans of the provincial and local levels and their implementation as such that the development of an integrated planning

system, long-term vision, national goal, and objectives are achieved as per the federal system. Additionally, the plan focuses on transformational programs and project identification and result-oriented planning, and the institutional development and strengthening of the monitoring and evaluation systems.

2. Major Problems

Lack of clarity on legal provisions and criteria on the list of concurrent jurisdiction between the federal, provincial, and local levels, failure to make plan formulation evidence-based and result-oriented and link it to the implementation system, lack of disaggregated data as per the federal system, and the lack of skilled and experienced human resource in planning due to the Economic Planning Group of the Nepal Civil Service being defunct are some of the major problems related to planning formulation. Similarly, lack of ownership during the implementation of the plan due to low participation of stakeholders during formulation, lack of scientific analysis and selection methodology for the projects being implemented, the weak institutional capacity of the implementing body, the poor institutional memory of the stakeholder agencies, lack of clarity on the engagement and classification of the plans based on the three levels of government, failure to restructure the concerned bodies/agencies as required, the predominance of scattered and piecemeal projects, lack of adequate attention to the capacity development of the human resource in the related ministries and agencies and lack of organizational and working approach reforms, failure to institutionalize performance contract agreements, and redundant/multiple allocations of resources in the projects are the major problems felt in the implementation of the plan.

3. Challenges and Opportunities

Formulating plans and identifying programs based on the state of development at the national, provincial, and local levels and with long-term thinking as per the priorities, ensuring resources and means by harmonizing periodic plans, Medium-Term Expenditure Framework and annual budget, improving the organizational structure, process, and method of plan formulation according to the federal system, enhancing the capacity of the bodies involved in planning at the three levels and enhancing institutional strength by enhancing the capacity of the involved human resources are the major challenges. Additionally, streamlining

the public procurement process, improving project management and making implementation more effective, formulating a clear action plan for fiscal federalism and integrating it into the implementation of the plan, developing an environment of coordination and collaboration among the agencies involved in the implementation, rational classification and prioritization of resources for the programs and projects, and engaging human resources involved in the project without being interrupted for a certain time are also the challenges.

High level of commitment of the federal, provincial, and local governments towards development, the prevalence of a strong financial status for the resources required for the implementation of development plans and programs and widening financial scope, expansion of necessary statistical base, adoption of a long-term vision for the implementation of Sustainable Development Goals and socio-economic transformation, policy, legal, institutional and structural changes in line with the implementation of the constitution and the federal structure, efforts to make the planning process more productive, balanced, equitable and inclusive, increasing commitments of development cooperation, emphasis on disaster-resilient planning and implementation, and the availability of skilled human resources due to increasing investment in education are the opportunities to make the planning process more effective. Additionally, initiation of institutional arrangement for planning process and management at the provincial and local levels, legal provisions for the implementation of Medium-Term Expenditure Framework, implementation of fiscal federalism and the level-wise adjustment, and management of staff are also the opportunities that are available in this sector.

4. Vision, Goal, Objective, Strategies and Working Policies

4.1 Vision

Development of an evidence-based and result-oriented plan formulation system as per the federal structure.

4.2 Goal

To achieve targeted achievements through development programs/projects by formulating plans as per the long-term vision.

4.3 Objective

To develop a coordinated, result-oriented, and robust plan formulation system at the federal, provincial, and local levels to achieve national vision and goals

4.4 Strategies and Working Policies

Strategies	Working Policies
1. To formulate plans based on long-term vision and national priorities.	1. Plans will be formulated by incorporating the programs aligning with the directive principles and policies of the state mentioned in the Constitution. 2. Plans at all tiers of government will be formulated based on a long-term vision. 3. Tier-wise plans will be formulated keeping in view the implementation of Sustainable Development Goals. 4. Project banks will be established at all levels and the projects included in the bank's roster will be prioritized and implemented. 5. For the identification, evaluation, selection, and prioritization of projects, a ministry-wise framework along with resources related to project development will be developed and strengthened. 6. A sector-wise master plan will be formulated to implement the long-term vision.
2. To improve the procedural aspects of planning.	1. A system will be developed to review the past plans and get the learning, experience, and feedback therefrom to make planning more effective. 2. In order to make the plans implementable and result-oriented, a system will be developed to realistically envisage the inherent goals of the plan and estimate the

Strategies	Working Policies
	required resources. The production and management of data required for this will be improved. 3. Clear provisions will be made for the necessary institutional structure, resources, responsibilities, and monitoring and evaluation system required for the implementation during the formulation of the plan itself. 4. An inclusive and participatory planning system will be developed at all levels. The ownership of all stakeholders in the plan formulation will be enhanced by ensuring the participation of the various level of governments, private and non-governmental sectors, civil society, academia, and other stakeholders.
3. To strengthen and develop the existing planning system aligning it with the federal structure.	1. The planning system will be developed at three levels according to the federal structure. 2. By institutionalizing planning and the Medium-Term Expenditure Framework at the federal, provincial, and local levels, a functional relationship will be established between the various levels and components of the plan. 3. A system will be developed to address the problems that appear during the planning process and program formulation phase at the three levels and to make level-wise coordination more effective. 4. While formulating the plans at the provincial and local levels, the basic principles, vision, and goals of the national plan will be followed keeping in view the national vision and goals. A system will be developed where the national plan will also guide and facilitate

Strategies	Working Policies
	the planning at the provincial and local levels.
4. To enhance the capacity of and strengthen the public agencies involved in planning as well as of the private, cooperative, and community sectors and increase their receptive capacity.	1. Planning, monitoring, and evaluation related agencies will be developed for turning them as specialized agencies. 2. The functional specialization will be achieved by making institutional provisions for the planning units at the federal and provincial ministries and development related bodies at the three levels. 3. The institutional capacity of planning agencies and units at the three levels will be developed. 4. The capacities and accountability of the human resource involved in the formulation and implementation of the plan at the three levels will be enhanced.
5. To improve the procedural aspects of plan implementation.	1. The programs/projects included in the plan will be implemented by specifying the level-wise and agency-wise responsibilities for the implementation. 2. The program/project implementation timeline will be prepared and implemented as well. The public procurement process will be streamlined accordingly. 3. The resource availability, mobilization, disbursement, expenditure, and reporting system required for the implementation of the program will be improved. 4. The Medium-Term Expenditure Framework and the annual program will be integrated into the plan implementation system. A system will be developed to make the Medium-Term Expenditure Framework a mandatory prerequisite to ensure the allocation of

Strategies	Working Policies
	resources.
6. To manage the institutional structure for the implementation of the plan as per the federal structure.	1. The mechanism for the implementation of the plan will be established and strengthened at the federal, provincial, and local levels. 2. Economic Planning and Statistical Service within the Nepal Civil Service will be fully activated and necessary staff will be mobilized at all three levels for project management, monitoring, and evaluation process. 3. The law will be revised to make the Accounting Officer further responsible for plan formulation and budget management. 4. Management information systems related to the plan will be developed and implemented at all levels.
7. To improve project management and program implementation.	1. Legal, policy, institutional and procedural reforms related to public procurement, natural resource, and human resource mobilization will be carried out. 2. Massive infrastructures will be constructed and sector-wise transformative projects and programs will be implemented. 3. Programs and projects will be implemented based on prioritization maintaining geographical, provincial, and regional balance. 4. Only the priority projects selected through the project bank will be implemented. 5. Results will be ensured through inter-agency coordination and multi-sector intervention for the plan implementation.

Strategies	Working Policies
	6. Problematic and severely delayed programs/projects will be re-prioritized and based on the rationale they will be continued, merged, or shut down.

5. Expected Results

Legal, institutional and procedural mechanisms for planning as per the federal structure will have been put into effect, the planning system will have been developed and institutionalized at the provincial and local level by formulating the long-term vision and periodic plans, Medium-Term Expenditure Framework will have been institutionalized at the federal, provincial and local levels, transformational programs/projects will have been developed and implemented, and institutional strengthening of the planning and implementing body along with the capacity building of the human resource involved will have been carried out.

11.2. National Project Bank

1. Background

The Project Bank has been established to identify and mobilize investment opportunities and also to identify and select well-conceived projects for balanced economic and social development. To achieve the development goals in the specified time frame with meeting the expected quality, a system for proper identification and selection of projects must be developed for the implementation of such projects on a priority basis. Most of the projects are found in trouble because there is still a practice of identifying and selecting projects without specific norms and standards and implementing them without preparation. They are not being completed in the stipulated time and cost. This has resulted in unnecessary and excessive pressure on public finance management in recent years. Expansion of the National Project Bank to the planning level of federal, provincial and, local levels can aid in maintaining fiscal discipline, generating further investment opportunities, and achieving efficiency in the implementation of projects.

2. Major Problems

Failure to complete development projects in specified time and cost due to various reasons such as the practice of implementing projects without adequate preparatory steps like identification, selection, and evaluation, lack of factual data on the need and contribution of projects, lack of sectoral master plans and other plans and failure to establish a necessary mechanism to address these issues; and lack of institutional structure and capacities are the major problems.

3. Challenges and Opportunities

Proper management of the project cycle, mobilization of internal and external resources, and equitable distribution along with gaining cooperation, coordination, and commitment of all the concerned parties are challenging. It is also challenging to mitigate the long-term adverse impact created by the ill-conceived past projects and increasing the adoption of the principles and values of the project bank.

Provision of the establishment of National Project Bank in the policies and programs of the government, the policy of mobilization of public investment in priority areas, determination of criteria for selection of projects in coming fiscal years, concerns and commitment from the development partners, and the important role of National Project Bank in all three tiers of government are major opportunities. Projects included in the National Project Bank will be investable for public or private sectors as well as public-private partnerships.

4. Vision, Goal, Objectives, Strategies and Working Policies

4.1. Vision

Rapid, balanced, and sustainable development by promoting good governance in project formulation and management.

4.2. Goal

To achieve balanced and sustainable development by mobilizing public, private, and international funds by creating portfolios of implementation-ready projects.

4.3. Objectives

1. To develop and operationalize a system of evidence/criteria-based identification, selection, evaluation, and prioritization of projects.
2. To facilitate the establishment of project banks at the provincial and local levels as per the principles and norms of project banks.

4.4 Strategies and Working Policies

Strategies	Working Policies
1. To establish a National Project Bank through evidence- and criteria-based identification, selection, evaluation, and prioritization of projects.	1. The necessary legal and institutional framework will be created for criteria-based identification, evaluation, selection, and prioritization of projects. 2. The project selection system will be developed fully by integrating the projects from the roster at the National Project Bank into the National Project Bank Management Information System to ensure organized documentation. 3. National Project Bank will be fully implemented in the National Planning Commission. 4. Only projects with a completed feasibility study will be selected for implementation based on priority. 5. The National Planning Commission will identify the necessary project in special circumstances and carry out the feasibility study. 6. The identification, prioritization, and return from a project will be ensured through the National Project Bank.
2. To play the role of facilitator for the establishment of project bank systems at the provincial and	1. The process of setting up criteria for identification, evaluation, and selection process and prioritization of the project at provincial and local levels and its implementation will be facilitated. 2. Necessary coordination and facilitation will be provided to

Strategies	Working Policies
local levels	establish project banks at the provincial and local levels. The project bank will be integrated into an electronic information management system for the proper documentation of the projects listed at the provincial and local levels.
3. To prepare a portfolio of implementation-ready projects and to mobilize investment and assistance of the domestic and foreign private sectors.	1. Assistance will be provided to mobilize internal and external resources for the development and operation of the projects included in the national project bank as well as the projects included in the provincial and local level project banks. 2. Based on the priority of the projects included in the National Project Bank, selected projects will be included in the Medium-Term Expenditure Framework. 3. Ongoing projects under implementation will be evaluated and reprioritized based on approved criteria.

5. Expected Results

The National Project Bank will have been established and made fully operational. The required resources for development projects will have been identified and mobilized and the projects will have been completed with the required quality, quantity, time, and cost thereby contributing to the fiscal management of the government.

11.3. Intergovernmental Relations and Coordination

1. Background

As per the arrangements on the state structure made by the Constitution of Nepal, the federal, provincial, and local levels are expected to keep in view the common concerns and interests impacting each other as well as the national goal and interest, while exercising their powers to take forward their social economic and cultural development efforts. The Constitution has also stated that the relations among these three levels shall be based on cooperation, co-existence, and coordination. It is felt as the need of the hour that the three

levels of government compete as well as coordinate and collaborate among each other by optimally exercising their powers and contribute to national development by strengthening inter-governmental coordination.

2. Major Problems

Lack of common understanding regarding the powers conferred on by the constitution to the federal, provincial, and local levels, disagreement between the three levels regarding revenue sharing, failure to strengthen the legal and institutional provisions for coordination with each other, and the failure to make the relationship between three levels effective and result-oriented are the major problems.

3. Challenges and Opportunities

Bringing more clarity to the list of concurrent jurisdictions conferred on by the constitution, adopting a measure to increase the government revenue without making the citizens feel the additional burden, addressing the increasing aspirations and expectations of the citizens, enhancing the culture of coordination by maintaining political understanding between the federal, provincial, and local levels, and strengthening the legal and constitutional provisions for inter-governmental coordination are the major challenges.

The adoption of a federal-state system with a federal democratic republican system of governance, acceleration in the implementation of federalism, a provision in place to provide the services supposed to be provided to the people by the three levels of government locally at their doorsteps, and the three levels taking forward the development and construction activities as per their jurisdictions are the major opportunities.

4. Vision, Goal, Objectives, Strategies and Working Policies

4.1 Vision

Strong inter-governmental relationship and outcome-oriented intergovernmental coordination.

4.2. Goal

To make the relationship among the federal, provincial, and local levels strong, robust, and capable.

4.3 Objectives

1. To support the development and good governance through inter-governmental co-ordination to remove the confusion seen in the implementation of the federal system of government.
2. To strengthen the intergovernmental coordination by ensuring uniformity in understanding the concurrent powers of the federal, provincial, and local levels.
3. To build the necessary legal and institutional mechanism for effective and fruitful inter-level relations.
4. To make citizens experience the federal governance system by bringing clarity in resource distribution and sharing, development, and implementation.

4.4 Strategies and Working Policies

Strategies	Working Policies
1. To accelerate the implementation of people's constitutional rights through federal, provincial, and local level governments.	1. The powers of each level will be clarified by formulating necessary laws on exclusive and concurrent powers conferred by the constitution. Additionally, necessary institutional and systemic provisions will be made to perform prescribed tasks according to the Inter-governmental Functional Unbundling Report. 2. The federal government will provide necessary facilitation for the formulation and implementation of laws and exercise of power by the provincial and local levels. 3. The projects being carried out by the Nepal government and the land and property at the district and regional level before the formation of the three levels of the government will be

Strategies	Working Policies
	handed over to the concerned level based on the need and rationale.
2. To make the implementation of development activities, service delivery, and the issues of direct public concern effective by promoting coordination between three levels of government.	1. The coordination among the three levels will be made effective through the strengthening of the Inter-Provincial Council and the Provincial Coordination Council. The coordination will be facilitated by forming the secretariat of the Inter-Provincial Council. 2. The services provided to the people will be made prompt and effective to bring efficiency in development and service delivery. 3. As per the need, the operations and service delivery of the local governments will be monitored and facilitated by the provincial and federal levels whereas the operations and service delivery of the provincial level will be monitored and facilitated by the federal/central level. 4. Necessary laws shall be formulated for coordination between three levels.
3. To create an environment of competition between the governments for enhancing the development and governance of their respective levels.	1. To speed up development activities and promote good governance, plans along with programs will be formulated and implemented from all levels. 2. Governments at all levels will be encouraged through various programs to achieve significant progress in the Human Development Index. 3. An environment will be created for all levels to learn from each other's best practices/excellent performance in achieving development and maintaining good governance.

5. Expected Results

Clarity will have been achieved concerning the jurisdiction and powers of the federal, state, and local levels. Legal provisions will have been put into effect for the coordination between the three levels. A culture of exchanging information and adopting good practices regarding issues of common concern and interest will have been developed among the three levels of government through increased collaboration and coordination. There will have been a perceptible development and maintenance of good governance. Development and good governance will have been achieved in such a way that the common people will have a feel of it.

11.4. Monitoring and Evaluation

1. Background

Monitoring and evaluation play an important role to ensure public accountability through successful implementation of development policies, plans, programs, and projects; and also by making the development process result-oriented and transparent. The Constitution also highlights the importance of monitoring and evaluation and widens its scope in the context of the implementation of national policies and achieving good governance. For systematic monitoring and evaluation of development projects, the National Monitoring and Evaluation Guidelines 2018 is in effect. M&E systems for the provinces have been facilitated by drafting and disseminating the Provincial Monitoring and Evaluation Guidelines, 2018 (model). Indicators have been prepared for monitoring and evaluation in line with SDGs and the data has been systematized at the provincial level as well.

It is essential to make monitoring and evaluation more effective in coordination and collaboration at inter-agency and intergovernmental levels. It is also essential to strengthen the feedback mechanisms by studying the effects and impacts of development policies, plans, and programs through internal and third-party evaluation. New technologies should be used and brought into a network to make monitoring and evaluation of development projects swift, efficient, and systematic. The existing problems will be addressed at the soonest by developing a system of mandatory implementation of the feedback to be received from monitoring and evaluation in the plans of all three levels of the government.

2. Major Problems

The main problems are: inadequate compliance of the different stages of monitoring; inadequate capacity to evaluate overall impact, effect, and sustainability of development policies, plans, and programs intensive; and weak priority for drafting monitoring and evaluation action plans during the planning process. Other problems are: lack of mandatory provisions to implement positive feedback from monitoring and evaluation; lack of linkages of project performance to the system of performance appraisal or punishment for the concerned officials; and inability to build the capacity of human resources involved in monitoring and evaluation due to the lack of adequate resources.

3. Challenges and Opportunities

The major challenges are to: institutionalize the monitoring and evaluation system in coordination and collaboration with the federal, provincial, and local levels under the federal structure; report the progress targeted by plans in an integrated manner; define accurate and measurable indicators for national goals; review progress by generating data and information based on disaggregated indicators and surveys of effects and impacts on the different areas including SDGs; develop and retain skilled human resources in the field of monitoring and evaluation; evaluate impact and effects of plans and programs; make the implementation of the feedback from the evaluation mandatory; and apply technologies in monitoring and evaluation in practice. The opportunities are: Constitutional devolution of work responsibilities to each level of the government; opportunity for all three levels of government to prepare monitoring indicators according to their assigned responsibilities; increased activities of provincial and local government towards monitoring and evaluation with the implementation of federalism; completion of the draft of model policy guidelines on monitoring; increase in and partnerships and collaboration with prestigious national and international organizations active in the field of monitoring and evaluation; and wider internalization of monitoring and evaluation.

4. Vision, Goals, Objectives, Strategies and Working Policies

4.1. Vision

Governance reform through results-based monitoring and evaluation system.

4.2. Goal

To achieve targets of development plans and programs by strengthening the results-based monitoring and evaluation system based on measurable indicators.

4.3. Objectives

To institutionalize the results-based monitoring and evaluation (M&E) system at federal, provincial, and local levels.

4.4 Strategies and Working Policies

Strategies	Working Policies
1. To strengthen the M&E system through legal and policy measures.	1. A Monitoring and Evaluation Act will be drafted and promulgated. 2. Participatory, modern, and innovative methodologies will be adopted in M&E systems. 3. Codes of conduct and quality standards for responsible institutions and agencies will be formulated and implemented to enhance the quality of M&E work. 4. Agencies related to monitoring and evaluation will collaborate with each other and they will exchange information for coordination.
2. To develop inter-agency and inter-governmental coordination and collaboration for institutionalizing results-based M&E.	1. Inter-governmental coordination and collaboration will be strengthened to make the role of monitoring and evaluation effective under the federal structure. 2. Work will be carried out following the monitoring and evaluation action plan prepared annually at all three levels of government. 3. Goals, Strategy, and working policies and programs and projects will be revised as needed by conducting a mid-term evaluation of the plan. 4. Arrangements will be made to include a logical framework

Strategies	Working Policies
	and simple, clear, measurable, and reliable results indicators already during the project planning process. 5. An information system on project progress will be developed at federal, provincial, and local levels based on an integrated monitoring and evaluation system. 6. Prioritized development projects will be jointly monitored with participation from all three levels of the government. 7. Monitoring and coordinating agencies including the District Coordination Committees will be made effective for monitoring and evaluation.
3. To develop the capacity of human resources involved in M&E at all levels of government.	1. Training will be conducted to build the capacity of human resources involved in M&E at federal, provincial, and local levels. 2. For the development of capacity for quality monitoring and evaluation, the collaboration will be undertaken with national/international organizations working in the related field. 3. A system will be developed to evaluate the effects and impacts of pre-, current-, and post-project status of periodic plans, policies, and annual programs and their sustainability for all three levels of government. 4. Monitoring and evaluation, archive management, and reporting will be carried out by internalizing the Sustainable Development Goals in development policies, plans, and programs at federal, provincial, and local levels.
4. To develop a structure for the timely resolution of problems of	1. A special mechanism with powers to resolve problems of national pride projects, transformational projects, major programs, and priority projects will be established

Strategies	Working Policies
development programs and projects.	2. A system will be developed to include in or remove projects from the project bank by analyzing the projects based on feedback from monitoring and evaluation. 3. A system of program /project monitoring will be developed by forming joint monitoring teams comprising stakeholder agencies.

5. Expected Results

A Monitoring and Evaluation Act will have been promulgated. A system to acknowledge recommendations from monitoring and evaluation before the approval of new programs and projects will have been in place. In all seven provinces, the progress of major development projects will have been reviewed through the Project Performance Information System. Policy and functional clarity on M&E will have been achieved at provincial and local levels, and this will have contributed to achieving expected results from development projects.

11.5. Risk Management

1. Background

Achieving the expected goals and objectives of the plan requires political stability, collaboration among the political parties, policy stability, conducive investment environment, economic stability, support from the friendly countries and the development partners, institutional efficiency and effectiveness, and inter-sectoral coordination and intergovernmental collaboration. Similarly, investment from public, private, cooperative, and non-governmental sectors is expected as determined by the plan. Projects and programs, including national pride projects and programs, transformational projects, and other major programs to be completed during the plan period will determine the implementation of the plan. Therefore, the potential risk is assumed to be under the controllable scope of assumptions and forecasts made during the planning process.

2. Risks

2.1. External Risks

This includes regional and global economic, political, and environmental risks. The fiscal and financial policies to be pursued by the two neighboring countries and other countries with which Nepal has significant trade, labor, and investment relations, their economic status, market and production conditions, global market imbalances, and economic crises may negatively affect Nepal's economy in real, monetary, public and external sectors. It may affect exports, imports, employment, tourist arrivals, and receipt of foreign aid, remittances, the balance of payments, and foreign exchange reserves. Price inflation in India, foreign exchange policy, the impact of price fluctuations at the international level, and the impact of fluctuations in agricultural production and supply due to seasonal adversities are other risks. Macro policies, as well as sectoral policies and Strategy of the plan, are expected to address these aspects holistically and make the economy independent and strong, while also achieving stability of the external sector. Similarly, terrorist activities in the external sector, bilateral and multilateral relations, and adverse effects of climate change on the environment, increase in the price of petroleum products, global pandemic of COVID-19, and other epidemics and disasters can pose threat to achieving the goals of the Plan.

2.2. Internal Risks

These include political, economic, financial, monetary, natural, governance, and social and work-culture related risks. As Nepal's economy is gradually expanding, the expected improvement in the export-import ratio cannot be achieved unless there is an increase in domestic production; and the development of the productive sector may put significant pressure on the current account. Internal political instability disrupting investment climate or weak internal security may adversely affect the economy. Similarly, Nepal is highly vulnerable in terms of climate change, hence it is likely to adversely affect people's livelihood, production, infrastructure, and other sectors during the planning period. Also, it is challenging to control air pollution caused by domestic and cross-border carbon emissions, and build a clean and green economy.

Nepal is a sensitive country as far as nature is concerned. Due to its location and topography, it is at high risk of natural disasters such as earthquakes, floods, landslides, low rainfall, and droughts. For example, in the last 800 years, Nepal has experienced three major earthquakes (1220 AD, 1934 AD, and 2015 AD). If adequate preparedness for disaster risk reduction is not brought into place or if adequate precaution is not adopted during the development of large-scale modern infrastructure and construction works, the impact on human, material, and economic well-being, poverty, and vulnerability is likely to increase exponentially. This can have unexpected impacts on economic activities and can affect GDP as well as productivity creating barriers to achieve the Plan's goals.

As the federal system of governance is a new practice for Nepal, the institutional development and implementation capacity at provincial and local levels will affect the implementation of development plans, policies, and programs. Similarly, the goals and Strategy spelled out in the annual and periodical plans to be formulated during the planning period should be continued. Therefore, it is necessary to change the attitude and perspectives of the political leadership, bureaucracy, and citizens, and the structure of the system to achieve the goals of the plan. Risks can be managed if the operating procedures and work culture are improved by achieving efficiency in resource allocation and operational efficiency. If financial, human, and physical resources cannot be mobilized effectively while making the economy self-reliant, the risk of not achieving the stated goal will remain.

3. Risk Management Strategies and Working Policies

Strategies	Working Policies
1. To identify risks from possible fluctuations in the world economy and minimize their adverse impact on the Nepalese economy.	1. A system will be established to identify potential risks to the economy. 2. Foreign currency reserve will be increased. 3. The external dependence of the Nepali economy will be gradually reduced.
2. To formulate policies and Strategy as needed by	1. The capital account will be gradually and selectively made convertible based on feasibility studies.

Strategies	Working Policies
analyzing the international political economy.	2. Appropriate policies and Strategy will be formulated and implemented based on studies and analyses of policies of neighboring countries, and countries important for Nepal in terms of political economy, and international development partners, and other international organizations.
3. To mitigate the impact of risks associated with foreign trade and foreign exchange.	1. Imports will be managed by reducing unnecessary imports and increasing domestic production of goods and services. 2. The foreign exchange policy will be reviewed to ensure the competitiveness and macroeconomic stability of the Nepalese economy. 3. Emphasis will be given to promoting exports to India and increasing the arrival of Indian tourists in order to increase the reserve of Indian currency. 4. Emphasis will be given to utilizing foreign currency in productive areas. 5. Trade will be diversified both country-wise and product-wise.
4. To minimize the risks associated with the management of foreign employment, the inflow of remittance, and its mobilization.	1. Provisions will be made for legal, institutional, and procedural reforms and incentives to increase the inflow of remittances through formal channels and mobilize remittances and foreign investment in priority sectors. 2. Domestic employment opportunities will be increased.
5. To maintain macroeconomic stability.	1. An economic early warning system will be developed and operationalized to identify economic and financial risks and adopt management strategy.

Strategies	Working Policies
	2. An appropriate strategy will be adopted based on medium- and long-term projections of remittance inflow, investment, foreign trade, and balance of payment. 3. Public expenditure priorities will be re-defined as needed by assessing potential pressure to mobilize resources during disaster events. 4. By developing and expanding insurance services, the risks associated with economic, natural, social, and other factors will be covered by insurance to reduce financial risks. 5. The capital and commodity exchange market will be made clean, competitive, and reliable. 6. Necessary financial instruments will be developed to reduce risks associated with an investment in the stock market.
6. To manage public finance effectively.	1. The financial control system will be strengthened by developing a methodology to regularly assess the financial risks at all three levels of government. 2. Public budget will be allocated to infrastructure related to widening the revenue base, leading to a high return on investment and increasing production. 3. Public expenditure will be mobilized to ensure productivity and results. 4. Current expenditure will be kept at the desired level by developing criteria for its management. Similarly, non-budgetary expenditures will be controlled. 5. Social security systems including contributory social

Strategies	Working Policies
	security will be expanded and strengthened. 6. Laws and medium- and long-term Strategy related to public debt management will be formulated. A strategy to reduce the risk of foreign exchange will be adopted to manage public debt. 7. The criteria for mobilizing public debt will be reviewed and updated in a timely manner. Also, public debt will be mobilized for the short term and within certain limits. 8. The process of formulating a Medium-Term Expenditure Framework will be strengthened to make it realistic.
7. To mitigate the risks associated with monetary and financial sectors.	1. Arrangements will be made to adopt a cost-effective system while determining the interest rate for loans. 2. Foreign investment will be mobilized to bridge the gap between investment required for the economy and the availability of domestic resources. 3. The inflation rate will be maintained at the desired level. 4. Monetary policy will be revised according to market prices and liquidity situation. 5. Public finance and monetary policies will be formulated annually to ensure price stability. 6. Access to finance will be enhanced by expanding the services of financial institutions and developing technology-friendly financial services. The regulatory system for the financial sector will be strengthened.
8. To mitigate the risks associated with infrastructure and	1. Security will be provided for energy installations, infrastructure, and human lives. Cyber security will be provided and cybercrime will be controlled.

Strategies	Working Policies
information technologies.	2. Modern technologies will be adopted for the systems related to the networking of information technologies and database security. 3. The digital divide will be reduced by expanding and increasing access to information technologies.
9. To manage and mitigate the risks induced by natural hazards, and non-natural disasters including pandemics.	1. Plans, Strategy, and action plans will be formulated and implemented based on studies and research on disaster risk forecasting, preparedness, response, and recovery as well as mapping of multi-disaster risks. 2. Resilience will be developed right from the community level by increasing public, private, and community investment in disaster risk reduction and management. 3. Necessary Strategy and programs will be developed and implemented for the prevention and control of pandemics that may outbreak at the national, regional, or global level. 4. Disaster risks will be managed and mitigated by developing infrastructure, and skilled human resources, as well as arranging financial resources based on the assessment of disaster risks. 5. Adaptation capacity will be enhanced, awareness will be generated, and empowerment programs will be carried out at the community level to mitigate the impacts of climate change. 6. Issues related to climate change will be mainstreamed into different phases of development programming.
10. To minimize risks associated with	1. Good governance will be ensured through the promotion of transparency and accountability in

Strategies	Working Policies
governance.	government actions. 2. Effectiveness of collaboration and coordination among federal, provincial and local levels will be enhanced while improving political, administrative, and fiscal federalism. 3. Consistency will be ensured in long-term vision, periodical plan, and annual budget. Sectoral policies will be aligned with them.
11. To reduce risks associated with social life and work culture.	1. Social harmony and solidarity will be maintained. 2. Respect for work, dignity of work, and responsibility for work will be promoted. 3. Arrangements will be made to implement codes of conduct for all public office holders reflecting ethical standards and discipline. 4. Necessary programmes will be implemented to promote professional dignity, professionalism, and integrity.

Annex 1: Programmes and Projects to be implemented in the Fifteenth Plan

1.1 National Pride Projects

The projects that are of strategic importance and focus on large-scale infrastructure building and cultural and environmental protection thereby contributing to socio-economic upliftment of the country have been identified and implemented as National Pride Projects since FY 2011/12. These projects are given high priority by ensuring resource allocations and making provisions for intensive monitoring of their implementation. There are altogether 22 National Pride Projects to date. The Fifteenth Plan has adopted the strategy of accelerating the implementation of most of the National Pride Projects under operation in order for completing them by the plan period, and completing all pre-implementation works of the projects under preparation within the first two years of the plan period in order for initiating their implementation in time. Accordingly, the provisioning of the means and resources, and coordination and facilitation required for these projects have been given due emphasis. The brief details of the National Pride Projects are presented as follows:

1. Gautam Buddha International Airport Project

Name of Project	Gautam Buddha International Airport Project
Sector	Infrastructure, air transport
Introduction	Lumbini, the birthplace of Lord Gautam Buddha, is the centre of faith for the Buddhists worldwide. It is listed as a World Heritage Site and is a major tourism destination. To increase tourist attraction to this place, the Gautam Buddha Airport situated at Rupandehi, Bhairahawa is being upgraded to an international airport as a National Pride Project. It will help manage the high pressure of passenger flights and also provide safe, reliable, and seamless air services.
National goals	● High and equitable national income ● Accessible modern infrastructure and intensive connectivity ● High and sustainable production and productivity

Goal	To develop Nepal as an attractive tourism centre by developing and expanding safe and reliable international flight services.
Objectives	To attract tourists by constructing the Bhairahawa International Airport (4E standard) and integrating it into the international flight network
Impact and outcomes	The air service of Nepal will have become safe, reliable, standardized, affordable, accessible, and sustainable. The air traffic pressure on the Tribhuwan International Airport will have decreased, the number of foreign tourists' arrival especially Buddhists will have increased resulting in increased tourism business and tourism-related employment and the expansion of air transport-related industries and services. It will have contributed to the development of a quality tourism industry.
Outputs	An international airport (4E standard) with the capacity to serve up to 7.6 million passengers annually will have come into operation with being upgraded.
Major activities	• Upgrade existing runway (1500 metre length and 30-metre width) to a length of 3000 metres and width of 60 metres (90 metres including safety runway) • Construct three link-taxiway • Construct apron for large airplanes • Construct an international terminal building • Install radar or the communication and navigation equipment
Period	Start: 2015 AD, End: 2020 AD
Total estimated cost	NRs. 30.91 billion
Implementation status	Runway has been upgraded; taxiway, parking area, and international terminal building have been constructed and other buildings are under construction Physical progress: 85 percent and financial progress: 55 percent (NRs.23.1 billion spent)
Scope	Implementation area: Rupandehi District of Province No. 5 Number of beneficiaries: 7.6 million passengers annually.

2. Pokhara International Airport Project

Name of Project	Pokhara International Airport Project
Sector	Infrastructure, air transport
Introduction	The existing international airport is facing difficulties including managing the pressure of air passengers and providing safe, reliable, and seamless international air service. Therefore, the construction of an international airport in Kaski district is being implemented as a National Pride Project which will help develop tourism in Gandaki province and other regions.
National goals	• High and equitable national income • Accessible modern infrastructure and intensive connectivity • High and sustainable production and productivity
Goal	To develop Nepal as an attractive tourism centre by developing and expanding safe and reliable international flight services.
Objectives	To construct Pokhara International Airport (4D standard) for safe and reliable flight services.
Impact and Outcomes	The air service of Nepal will have become safe, reliable, standardized, affordable, accessible, and sustainable. The air traffic pressure in Kathmandu will have decreased, the number of foreign tourists' arrival will have increased resulting in increased tourism business and tourism-related employment and the expansion of air transport-related industries and services. It will have contributed to the development of quality tourism industry.
Outputs	International Airport (4D standard) with the capacity to serve 800 thousand passengers annually will have come into operation.
Major activities	• Construct 2500-metre-long and 45 metre wide runway, • Construct two taxiways and one parallel taxiway • Construct the Airplane parking area (apron) • Construct the international terminal building, airport operation, administration building, control tower, and fire control and other infrastructure • Install radar communication and path navigation equipment

Period	Start: FY 2014/15, End: FY 2022/23
Total estimated cost	NRs. 21.60 billion
Implementation status	The construction of runway, taxiway, and parking area has been completed and the construction of the terminal building and other buildings is in progress. Physical progress: 85 percent and financial progress: 55 percent (NRs.6.42 billion spent)
Scope	Implementation area: Kaski District of Gandaki Province Number of beneficiaries: 800 thousand passengers annually

3. Nijgadh International Airport Project

Name of Project	Nijgadh International Airport Project
Sector	Infrastructure, air transport
Introduction	To develop the tourism sector as one of the major drivers of economy, it is imperative to increase the inflow of foreign tourists by constructing and expanding international airports and related infrastructures. The existing international airport alone is not adequate to expand international flight network. In this context, this project is being implemented as a National Pride Project to provide safe, reliable, and seamless international air services.
National goals	• High and equitable national income • Accessible modern infrastructure and intensive connectivity • High and sustainable production and productivity
Goal	To develop Nepal as an attractive tourist destination by developing and expanding safe and reliable international flight services.
Objective	To construct Nijgadh International Airport (4F standard) for safe and reliable flight services.
Impact and outcomes	Nepal's civil aviation and cargo transport services will have become safe, reliable, standard, affordable, accessible, and sustainable. The air traffic pressure in the existing international airport will have decreased, the number of foreign tourist arrival will have increased, the tourism business and the employment created by them will have enhanced, the air transport related

	industry and services will have expanded and the quality of the tourism sector will have increased. The construction and operation of the airport will have contributed to the social and economic transformation of Province no. 2 and the whole nation through employment creation, production and productivity enhancement, trade facilitation, and expansion.
Outputs	An international airport (4F standard) capable of serving 10.5 million passengers annually in the first phase and 60 million passengers in the second phase will have been constructed and brought into operation.
Major activities	• Prepare a Detailed Project Report and the master plan • Prepare the project site for airport construction • Determine and approve appropriate investment and operational framework and ensure resources. • In the first phase, construct infrastructure including one runway • In the second phase, construct full capacity international airport including two runways
Period	Start: FY 2019/20 End: FY 2023/24 (first phase) Start: FY 2024/25 End: FY 2028/29 (second phase)
Total estimated cost	NRs. 165 billion ($ 1.50 billion)
Implementation status	Environmental Impact Assessment (EIA) report has been approved and land acquisition of 65 bighas out of 110 bighas has been completed. NRs. 590 million has been spent.
Scope	Implementation area: Bara District of Province no. 2 Number of beneficiaries: 10.5 million passengers in the first phase and 60 million passengers in the second phase annually.

4. Pashupati Area Development Trust

Name of Project	Pashupati Area Development Trust
Sector	Cross-cutting, socio-cultural diversity
Introduction	Shree Pashupatinath temple is the centre of faith among Hindus of the world and has historical and cultural significance thereby making it listed as a World Heritage site. The master plan of Pashupati Area Development Trust is

	under implementation for comprehensive preservation, development, and promotion of this area. In order to develop the area as a religious, cultural, and eco-tourism-promoting destination as well as an international Hindu pilgrimage site, the programmes of the Trust are is being recognized as a National Pride Project.
National goals	• High and sustainable production and productivity • Safe, civilized, and just society • National unity, security, and dignity
Goal	To further establish the Pashupati area as an international pilgrimage site for Hindus and to develop it as a major tourism destination.
Objectives	To develop the Pashupati area as a model destination of religious, cultural, and eco-tourism to enhance internal and international tourism.
Impact and outcomes	The preservation and promotion of Pashupati area from archaeological, cultural, and environmental lens will have been achieved, the number of religious pilgrims will have increased and socio-cultural promotion along with national unity will have been achieved.
Outputs	The promotion, preservation, and maintenance of archaeological, cultural, and religious heritage, development of physical infrastructure for the convenience of pilgrims, the establishment of a learning centre of excellence for learning oriental philosophies including Hinduism will have been accomplished and maintenance of environmental cleanliness will have been ensured.
Major activities	• Prepare a comprehensive master plan • Study, research, excavate, preserve and promote archaeological and cultural heritage • Construct the physical infrastructures including the building, temple courtyard, and drinking water installations • Establish an eastern philosophy study centre including on Hinduism • Control the pollution of Bagmati river and maintain its water flow • Increase publicity and networking related to Pashupati Area
Period	Start: FY 2013/14, End: FY 2021/22

Total estimated cost	NRs. 1.27 billion
Implementation status	The construction of physical infrastructure and preservation and promotion of archaeological and cultural heritage has been completed. Physical progress: 72 percent and financial progress: 57 percent (NRs. 710 million spent).
Scope	Implementation area: Kathmandu District of Bagmati Province

5. Lumbini Development Trust

Name of Project	Lumbini Development Trust
Sector	Cross-cutting, socio-cultural diversity
Introduction	Because of its being recognized as the birth place of Lord Buddha as well as having owned other historically and culturally significant places bearing direct or indirect relations with the life of Buddha, the Lumbini area has been listed as a World Heritage site. The master plan of the Lumbini Development Trust is under implementation for comprehensive preservation, development, and promotion of this area. To establish this area as a religious, cultural, and ecotourism-promoting model area and as an international Buddhists' pilgrimage site as per the master plan, the Trust itself is being recognized as a National Pride Project.
National goals	• High and sustainable production and productivity • A safe, civilized, and just society • National unity, security, and dignity
Goal	To establish the Lumbini area as a major tourism destination by developing it as an international centre for world peace.
Objectives	To develop the Lumbini area as a model area of religious, cultural, and eco-tourism and enhance internal and external tourism as per the master plan.
Impact and outcomes	There will be an expansion of economic activities due to a significant increase in religious and cultural tourism activities thereby contributing to the promotion of socio-cultural values and national unity. The Lumbini area will have been established with a reputation as an international peace centre.
Outputs	The objectives of promoting, preserving, and developing archaeological areas

	including the Lumbini-birthplace of lord Buddha- and Tilaurakot (ancient Kapilvastu), Gotihawa, Sagarhawa, Sisniykot, Kudan (Kapilvastu), Devdaha (Rupendehi) and Ramgram (Nawalparasi) will have been achieved. The physical infrastructure for the convenience of pilgrims will have been erected, international conference hall and pavilion will have been constructed, the Lumbini Area will have become environmentally clean, and the number of tourists will have increased.
Major activities	• Prepare a comprehensive master plan • Study, research, excavate, preserve and promote archaeological and cultural heritage • Construct a conference hall with a capacity of five thousand participants • Construct physical infrastructure including building, premises, symbolic pavilion, and pedestrian trail • Study the issues related to Buddhist philosophy and peace • Increase publicity and networking related to Lumbini Area
Period	Start: FY 2013/14, End: FY 2021/22
Total estimated cost	NRs. 6.10 billion
Implementation status	The construction of physical infrastructure and preservation and promotion of archaeological and cultural heritage has been carried out. Physical progress: 85 percent and financial progress: 79.16 percent (NRs. 4.57 billion spent)
Scope	Implementation area: Kapilvastu, Rupandehi, and West Nawalparasi Districts of Province no. 5

6. Rastrapati Chure-Terai-Madhesh Conservation Programme

Name of Project	Rastrapati Chure-Terai-Madhesh Conservation Programme
Sector	Economic, forestry, biodiversity and watershed
Introduction	Chure area, itself a very sensitive region in terms of fragility of its landscape and natural and ecological system, is in danger due to population pressure, unplanned settlement, unscientific farming, and livestock farming that affects

	the ecological system. The adverse impact that this area suffered has affected Bhawar and the Terai region as well, and to manage these problems of this region, RastrapatiChure-Terai-Madhesh Conservation Development Committee was formed in FY 2010/11 and the project is being implemented as a National Pride Project since FY 2013/14.
National goals	• High and sustainable production and productivity • Healthy and balanced environment • National unity, security, and dignity
Goal	To contribute to poverty reduction through income generation, industry, and tourism by balancing the ecological system of Chure, Bhawar, and Dun region.
Objectives	To manage human settlements through the conservation and sustainable management of natural resources and heritage (forest, water, plants, and biodiversity) of Chure, Bhawar and Dun region.
Impact and outcomes	The conservation of natural resources and the water reservoir of Chure, Bhawar, and Dun region, balanced ecological system, and improvement in the earning and livelihood of the people of that area will have been achieved. The reduction in natural disasters in this area and the development of timber and non-timber-based industries and tourism based on forestry and agriculture will have been made possible. .
Outputs	26.5 million Saplings of different tree species will have been produced, 1,607 hectors of the very sensitive area will have been preserved, plantation will have been carried out in 1,945 hectares of government or public land in the river basin, 728 hectors of gorge landslide and mudslide including caused by flash flood will have been prevented, and the preservation of 548 springs and excavation of wells will have been carried out. Along with this, management of 190 km river and small river edges, 380 underground water recharge, construction and conservation of ponds, 155 rainwater run-offharvesting dams, preservation of 622 hectares land left by the river, construction of 99 km embankment, construction of 846 spurs, stud and check dam, rehabilitation of 88 hectors of damage land and conservation and

	management of 30 ponds and lakes will have been achieved.
Major activities	• Seedling production, distribution and plantation, preservation of very sensitive areas, prevention of soil erosion, gorge landslide, mudslide and river control • Conservation of sources of water and ponds and lakes, conservation of underground water recharge, embankment, construction of spur, stud and check dam and recovery of destroyed land • Operation of timber and non-timber industries based on forests and agricultural forests • Promotion of the eco-tourism sector • Study and research related to Chure, Bhawar, and Dun region
Period	Start: FY 2013/14, End: FY 2033/34
Total estimated cost	NRs. 249.702 billion (value based on FY 2015/16)
Implementation status	Seedling production, distribution and plantation, preservation of very sensitive areas, prevention of soil erosion, gorge and landslide, infrastructure corridor, agricultural forest development, research, and other activities as mentioned in point no. 9 are underway. Progress: 7.94 billion has already been spent.
Scope	Affected area: 7 provinces, Chure, Bhawar, Dun and Terai – Madhesh region of 37 districts Number of beneficiaries: 4.2 million

7. Melamchi Drinking Water Project

Name of Project	Melamchi Drinking Water Project
Sector	Social, drinking water
Introduction	Melamchi Drinking Water Project has been launched as a comprehensive inter-basin water transfer project whose capacity can be gradually increased to meet the growing demand for drinking water in Kathmandu valley.

National goals	• Development and full utilization of human capital potentials • High and sustainable production and productivity • Well-being and decent life
Goal	To improve the living standard of the people of Kathmandu valley by providing safe drinking water facility
Objective	To provide safe drinking water to the residents of Kathmandu valley as per their demand.
Impact and Outcomes	510 million litres of water (170 million in the first phase and 340 million in the second phase) will be available for the distribution in Kathmandu valley. Improvement in urban living standards will have been achieved with the accessibility of safe drinking water.
Outputs	In the first phase, the construction of a 170 million water treatment centre, 27.5 km tunnel, 1 headworks, and nearly 100 km road will have been completed. In the second phase, the construction of 340-million liter water treatment centre, 11 km of tunnel, 2 headworks, and nearly 25 km road will have been completed.
Major activities	• In the first phase, construct access road, concrete bridge, headworks in the Melamchi river, tunnel and water treatment plant, • In the second phase, construct headworks in the Yangri and the Larke river, tunnel, water treatment plant, road and bridge
Period	Start: FY 1998/1999,End: FY 2020/21 (first phase) Start: FY 2018/19,End: FY 2024/25 (second phase)
Total estimated cost	NRs. 66 billion
Implementation status	Under the first phase, the access road, concrete bridge, tunnel, and water treatment centre have been constructed whereas under the second phase, the construction of the access road has been started. NRs. 27 billion has been spent under the first phase.

Scope	Implementation area: Kathmandu, Lalitpur, Bhaktapur, Sindhupalchok and Kavrepalanchok District of Bagmati Province Number of beneficiaries: 3.5 million

8. Upper Tamakoshi Hydropower Project

Name of Project	Upper Tamakoshi Hydropower Project
Sector	Infrastructure, energy
Introduction	The 456-megawatt run-off-the-river project was launched to meet the growing internal demand for electricity by generating and distributing electricity on a regular basis. This project which is being constructed with local participation, domestic investment, and the use of local human resources is being implemented as a National Pride Project and is at the final phase of implementation. The electricity generated from this project will be connected to the national grid by a 47 km long transmission line with the capacity 220 KV.
National goals	• High and equitable national income • High and sustainable production and productivity • Healthy and balanced environment
Goal	To ensure the availability of clean energy by increasing the production of hydro-electricity
Objectives	To assist in mitigating the energy crisis by increasing the electricity supply by producing 456-megawatt electricity.
Impact and outcomes	There will be an improvement in electricity supply, an increase in energy consumption, and an increase in competitive capacity and productivity which will have contributed to economic growth significantly.

Outputs	The construction of the hydropower project with the capacity of 456 Megawatt will have been completed which will have produced 2,281 Gigawatts hour electricity annually.
Major activities	• Acquire land and construct access road, • Construct embankment, tunnel, hydroelectricity powerhouse and other civil works, • Procure, transport, and install hydro-mechanical and electromechanical equipment, and • Construct and expand transmission line and substation.
Period	Start: FY 2010/2011,End: FY 2019/20
Total estimated cost	NRs. 49.29 billion (revised, excluding the interest during construction period)
Implementation status	The construction of the main tunnel, installation of turbine and generator and transmission line has been completed, installation of penstock pipe is in progress. Physical progress: 99.4 percent and Financial progress 99.1 percent (NRs. 48 billion has already been spent)
Scope	Implementation area: Dolakha district of Bagmati Province

9. Budhigandaki Reservoir Hydropower Project

Name of Project	Budhigandaki Reservoir Hydropower Project
Sector	Infrastructure, energy
Introduction	It has become imperative to meet the internal electricity demand and expansion of electricity trade by generating and distributing electricity regularly and efficiently. In consideration of drying up of glaciers from climate change and scarcity of energy, irrigation, and drinking water during the dry season, this project with capacity of 1,200 megawatt is being implemented as a National Pride Project.

National goals	• High and equitable national income • High and sustainable production and productivity • Healthy and balanced environment
Goal	To ensure the availability of clean energy by increasing the production of hydroelectricity.
Objectives	To increase the electricity supply by constructing the 1,200-megawatt capacity reservoir hydropower project.
Impact and outcomes	With the increment in the regular production of electricity, there will be improvement in the supply of electricity even during the dry season and an increment in consumption of energy. Competitiveness and productivity will have been enhanced and the power trade will have been supported.
Outputs	The Construction of a reservoir-based hydropower project of the capacity of 1200 Megawatt will have completed which will have produced 2,283-Gigawatt hour electricity annually.
Major activities	• Land acquisition, rehabilitation, and resettlement, • Determine investment modality, • Construct access road, • Construct embankment, hydroelectricity power-house and other civil works, • Purchase, transportation and install hydro-mechanical and electromechanical equipment, • Construct and expand transmission line and substation
Period	Preparation phase Start: FY 2012/2013, End: FY 2019/20 Implementation phase Start: FY 2020/21, End: FY 2028/29
Total estimated cost	NRs. 283.57 billion (US$2,593 million, Base year 2015/16)
Implementation status	The distribution of Rs 28.42 billion as compensation for 2344.66 hectares out

	of the 2958.46 hectares in flood-affected areas has been completed.
Scope	Dhading and Gorkha district of Bagmati and Gandaki Province

10. West Seti Hydropower Project

Name of Project	West Seti Hydropower Project
Sector	Infrastructure, energy
Introduction	It has become imperative to meet the internal electricity demand and expansion of electricity trade by generating and distributing electricity regularly and efficiently. For this, the reservoir-based West Seti and S.R.6 (situated in the downstream of the project) hydropower projects with a combined capacity of 1,200 MW are being implemented as a National Pride Project.
National goals	• High and equitable national income • High and sustainable production and productivity • Healthy and balanced environment
Goal	To provide necessary electrical energy for the socio-economic transformation of the country.
Objectives	To contribute to the economic prosperity of the country by generating hydroelectricity.
Impact and outcomes	This will have helped in electricity trade by achieving self-reliance in hydroelectricity production.
Outputs	The production of 1,200-megawatt hydroelectricity will have been achieved with the construction of hydropower projects in the Seti river.
Major activities	• Land acquisition, rehabilitation, and resettlement, • Determine investment modality,

	• Construct access road, • construct embankment, hydroelectricity powerhouse and other civil works, • Procure, transport, and install hydro-mechanical and electromechanical equipment, • Construct and expand transmission line and substation
Period	Start: FY 2020/2021, End: To be decided
Total estimated cost	NRs. 273.85 billion (US$2407 million)
Implementation status	Due to non-implementation of the prior agreement for project development, a re-application, and letters of intent for project development have been sought from potential interested investors as per the decision of the Investment Board. Two letters of intent have been received, out of which only one has been accepted and invited for discussion. No expenditure has been made for the project.
Scope	Implementation areas: Doti, Dadeldhura, Baitadi, Accham, and Bajhang district of Sudurpashchim Province

11. Electricity Transmission Project (Millennium Challenge Account- Nepal)

Name of Project	Electricity Transmission Project (Millennium Challenge Account- Nepal)
Sector	Infrastructure - energy and road transport
Introduction	The development of high capacity internal and interstate transmission lines has become essential to increase production and competitiveness, reduce trade cost, and attract investment and achieve high, equitable, and sustainable economic growth. But there is low productivity and high trade deficit because of the high energy cost due to structural constraints in the sector. Therefore, this project is being implemented as a National Pride Project that aims to produce hydropower, expand the quality and reliable access, and increase regional energy trade that reduces total transportation expenses.

National goals	• High and equitable national income • Accessible modern infrastructure and interconnectivity • High and sustainable production and productivity
Goal	To alleviate poverty through economic growth by improving energy consumption
Objectives	To increase energy consumption by increasing generation, availability, and trade of energy.
Impact and outcomes	Distribution and supply of energy will have been improved, utilization of the transmission network will have been increased, electricity transmission leakage will have been reduced and energy production and trade will have been increased. This will have increased energy consumption, competitiveness, and productivity and will have contributed to provincial balance.
Results	289 Km internal (400 KV) and 23 Km interstate (new Butwal- Sunauli) transmission line and 3 substations will have been constructed.
Major activities	• Construct transmission line, • Construct substation and • Mobilize technical assistance in the energy sector.
Period	Start: FY 2015/2016, End: FY 2024/25
Total estimated cost	NRs. 70.50 billion
Implementation status	The work related to project development has been completed and the agreement on the project with the Millennium Challenge Corporation is in the process of approval from the federal parliament. Financial progress: 3.1 percent.
Scope	Implementation area: 12 districts of Bagmati Province, Gandaki Province and Province No. 5 Number of beneficiaries: 23 million

12. Bheri-Babai Diversion Multipurpose Project

Name of Project	Bheri-Babai Diversion Multipurpose Project
Sector	Economic, Irrigation and Infrastructure, Energy
Introduction	For the prosperity of the country, there is a need to improve the living standards of the citizens and enhance agricultural products and productivity by utilizing water resources through inter-basin transfer for energy, irrigation, and drinking water. Therefore, this project has been implemented as a National Pride Project to integrate and operate energy production, irrigation and watershed conservation in Surkhet, Banke and Bardiya districts. Modern technology-based Tunnel Boring Machine has been adopted for boring the tunnel for the first time in Nepal which is believed to make a big leap in the development of other sectors too.
National goals	• High and equitable national income • Accessible modern infrastructure and interconnectivity • High and sustainable production and productivity
Goal	To improve the living standard of the people by increasing the availability of sustainable and reliable irrigation facilities, hydropower generation and income generation on multipurpose agricultural land through the development of water transfer systems.
Objectives	To generate electricity and provide the round-the-year irrigation facility in the agricultural lands of Banke and Bardiya districts by constructing the tunnel with the use of modern Tunnel Boring technology that can transfer water from the Bheri river into the Babai river.
Impact and outcomes	Irrigation facilities will have been available in 51 thousand hectares of arable land throughout the year and underground water storage will be increased in drought-prone areas in Banke and Bardiya districts. Also, 400 gigawatt-hours of clean energy will be available annually. This will have significantly increased agricultural production, improved the living standards of farmers and contributed to poverty reduction.
Result	By constructing 158-metre descending basin and tunnel portal with a 114-metre long barrage on the Bheri river and transferring 40 cubic metres per

	second of water into the Babai river through 4.2-metrediameter and 12.2-km long tunnel, 48.6 megawatts of electricity will have been generated and irrigation facility will have reached to 51 thousand hectares land.
Major activities	• Acquire land in the reservoir area of the dam spot, • Construct tunnel, • Carry out civil construction work related to headworks and powerhouse, • Carry out hydro-mechanical and electromechanical works, • Carry out the environmental protection as well as social development and capacity development activities, • Operation and restoration of lift irrigation and surface irrigation plan under the Bheri corridor irrigation development project.
Period	Start: FY 2011/2012, End: FY 2022/23
Total estimated cost	NRs. 33.91 billion (Revised)
Implementation status	Construction of the tunnel is in the final phase; construction of headworks and powerhouse has started. Physical progress: 38 percent and financial progress: 32 percent (Rs10.64 billion spent)
Scope	Implementation area: Surkhet district of Karnali Province and Banke and Bardiya districts of Province No. 5 Number of beneficiaries: 0.5 million

13. Babai Irrigation Project

Name of Project	Babai Irrigation Project
Sector	Economic, Irrigation
Introduction	It is imperative to increase agricultural production and productivity and improve the living standard of the farmers by utilizing available water resources in the irrigation sector. Therefore, this project is being implemented as a National Pride Project to provide a reliable irrigation facility from the Babai river in Bardiya district. The canal constructed from this project will provide a reliable irrigation facility to the area from the water transferred

	from the Bheri river and will be available throughout the year.
National goals	• High and equitable national income • Accessible modern infrastructure and interconnectivity • High and sustainable production and productivity
Goal	To increase agriculture production and productivity and food supply by providing sustainable and reliable irrigation facilities in the arable land.
Objectives	To develop irrigation infrastructure to provide irrigation facilities throughout the year in 36 thousand hectares of arable land of Bardiya district.
Impact and outcomes	A reliable irrigation facility will be available for 36 thousand hectares arable land in Bardiya district and underground water storage will have increased in dry land. This will have significantly increased agricultural production, productivity, and food security and will also have improved the living standard of farmers as well as contributed to poverty alleviation.
Outputs	The irrigation infrastructure will have been developed for 36 thousand hectares arable land with the construction of a 76-km main canal and a 95-km branch canal.
Major activities	• Acquire land, • Construct the main canal, branch and sub-branch canals, • Control river for the protection of flood-affected areas and structures, • Develop irrigated areas, • Operate and manage the canals
Period	Start: FY 1975/1976, End: FY 2022/23
Total estimated cost	NRs. 18.963 billion
Implementation status	Construction of a 900-metre bridge including ware and desilting basin is completed. Physical progress: 42.05 percent and financial progress: 41.89 percent

	(Rs7.65 billion spent).
Scope	Implementation area: Bardiya district of Province No. 5 Number of beneficiaries: 298 thousand

14. Rani Jamara Kulariya Irrigation Project

Name of Project	Rani Jamara Kulariya Irrigation Project
Sector	Economic, irrigation
Introduction	This project as a National Pride Project is being implemented to modernize the Rani, Jamara and Kuleriya irrigation system that was built by farmers more than a hundred years ago, to produce electricity and provide irrigation facility. The electricity generated from this project will help in the expansion of a sustainable irrigation by supporting the repair and maintenance of irrigation infrastructure.
National goals	• High and equitable national income • High and sustainable production and productivity • Well-being and decent life
Goal	To increase agriculture production and productivity and food supply by providing sustainable and reliable irrigation facilities in the arable land.
Objectives	To develop and expand irrigation infrastructure to provide irrigation facilities throughout the year in 38 thousand 3 hundred hectares of arable land of Kailali district. This will contribute to improving the living standard of farmers, food security and poverty alleviation.
Impact and outcomes	This will have significantly increased the quantity of agricultural production and productivity by providing a reliable irrigation facility in 38 thousand 3 hundred hectares arable land of Kailali district.

Outputs	Irrigation infrastructure will have been developed and expanded in 38 thousand 3 hundred hectares arable land by the construction of 52 km main canal, 125 km branch canal and 700 km sub-branch canal. Also, 4.71-megawatt of electricity will have been generated and irrigation infrastructure will have been repaired and maintained regularly.
Major activities	• Construct side intake, • Construct the main canal, branch and sub-branch canal and structure, • Develop irrigated area, • Carry out the civil, hydro-mechanical and electromechanical works of the powerhouse, • Protect irrigated areas and construct bridges and culvert.
Period	Start: FY 2010/2011, End: FY 2023/2024
Total estimated cost	NRs. 27.7024 billion
Implementation status	Construction of side intake, main canal and feeder canal and protection of the irrigated area has been completed. Physical progress: 45.5 percent and financial progress: 43.05 percent (Rs11.43 billion spent)
Scope	Implementation areas: Kailali districts of Sudurpashchim Province Number of beneficiaries: 300 thousand

15. Sikta Irrigation Project

Name of Project	Sikta Irrigation Project
Sector	Economic, Irrigation
Introduction	It is essential to increase the production and productivity of the agricultural sector and improve the living standard of farmers. Therefore, this project is

	being implemented as a National Pride Project to provide a reliable irrigation facility from the Rapti river to arable land of Banke district.
National goals	• High and equitable national income • High and sustainable production and productivity • Well-being and decent life
Goal	To increase agriculture production and productivity and food supply by providing sustainable and reliable irrigation facilities in arable land.
Objectives	To develop and expand irrigation infrastructure to provide irrigation facilities throughout the year in 42 thousand 7 hundred 66 hectares of arable land of Banke district.
Impact and outcomes	This project will have significantly increased agricultural production and productivity by providing a reliable irrigation facility in 42 thousand 7 hundred 66 hectares arable land of Banke district which in turn will have improved employment, food security and nutrition and living standard of farmers and contributed to poverty alleviation.
Outputs	Irrigation infrastructure will have been developed and expanded in 42 thousand 7 hundred 66 hectares of arable land caused by the construction of 98.75 km main canal and 95.4 km branch canal.
Major activities	• Construct the main canal and the branch canal, • Develop and expand the irrigated area, • Construct river control and water measurement centre, • Manage the canal operation and irrigation system.
Period	Start: FY 2004/2005, End: FY 2019/2020

Total estimated cost	NRs. 25.2 billion
Implementation status	Construction of 317-metre barrage with the bridge, construction of 75 percent of work of the main canal, 20 percent of work of branch canal and construction of 614-metre desilting basin has been completed. Physical progress: 61 percent and financial progress: 63.3 percent (Rs15.555 billion spent).
Scope	Implementation areas: Banke district of Province No. 5 Number of beneficiaries: 4 hundred and 50 thousand

16. Kathmandu Terai Madhesh Fast-track Project

Name of Project	Kathmandu Terai Madhesh Fast-track Project
Sector	Infrastructure, transport infrastructure
Introduction	The construction of a high capacity expressway has been started to connect the federal capital with Terai Madhesh within a short distance through safe and modern transport infrastructure in a way that it maintains international standards and provincial balance. The project has been implemented as a National Pride project and connects the capital with the proposed international airport at Nijgadh in Bara district in an hour's journey and will contribute significantly to the overall socio-economic development by increasing domestic and international arrival, interstate trade, transportation facility, production, and productivity and expanding economic activities.
National goals	• High and equitable national income • Accessible modern infrastructure and intensive connectivity • High and sustainable production and productivity
Goal	To build a basis for balanced development and prosperity by connecting federal capital with Terai Madhesh through the fast-track.

Objectives	To construct a fast-track of Asian Highway Standard (class I, 4-lane) to connect the federal capital with Terai Madhesh by a short-distance journey.
Impact and outcomes	By connecting Kathmandu with the Terai Madhesh within a short time and distance, the cost and time of transportation will have been significantly reduced and the interconnectivity with the proposed Nijgadh international airport will have been maintained. Also, import of petroleum products will have been streamlined, economic activities including industry, trade, and tourism will have been expanded, production and productivity will have been increased, and all this will have contributed to decentralized urbanization, socio-economic transformation and provincial balance.
Outputs	A 72.5 km long fast-track with 3 tunnel-ways and 87 bridges including 4 lanes will have been constructed to connect Kathmandu to Nijgadh by a journey of one hour.
Major activities	• Complete the cutting and filling work up to subgrade formation level and pave, • Construct different kinds of highway structure walls, • Construct large, medium and small bridges, • Construct three tunnel ways with a total length of 6.415 km, and • Construct a four-lane road which will have 27-metre width in TeraiMadhesh and 25-metre width in the hilly region.
Period	Start: FY 2017/2018, End: FY 2023/2024
Total estimated cost	NRs. 213.95 billion
Implementation status	95 percent of land acquisition and 97 percent of tree felling work has been completed, earthwork and road structure construction has started, call for proposal for construction of tunnel way (Mahadevtar, Dhedre and Lendada), preparation work for construction of tunnel way from Mahadevdada to Landada, bridge and fast-track has been started. NRs. 25 billion has been spent.

Scope	Implementation areas: Kathmandu, Lalitpur, Makawanpur and Bara districts Number of beneficiaries: 15 million

17. Mid-hill (Pushpalal) Highway Project

Name of Project	Mid-hill (Pushpalal) Highway Project
Sector	Infrastructure, transport infrastructure
Introduction	It is important to develop transportation infrastructure in a balanced and integrated way so that the people have easy access to transport and, consequently, the economic and social activities are facilitated. Therefore, this project is being implemented as National Pride Project for overall and balanced development and for managing migration by integrating the districts of the mid-hill region of Nepal into the road transport network extending from Chiyobhangyang of Panchthar district (Border of Nepal - India) in the east to Jhulaghat of Baitadi district (Mahakali river, Nepal India Border) in the west.
National goals	• Accessible modern infrastructure and intensive connectivity • High and sustainable production and productivity • Well-being and decent life
Goal	To contribute to social and economic development of the districts of the mid-hill region by connecting them to the National transport network.
Objectives	To achieve balanced regional development by expanding easy access to transportation in the mid-hill settlements.

Impact and outcomes	The people of the Mid-hill region will have easy access to transportation and it will have contributed to the development of the sectors such as hydropower, tourism, agriculture, industry and service and income generation and employment opportunities. Additionally, new cities will have been developed, the rapid migration from hill to Terai will have decreased, and the project will have supported foreign investment promotion, poverty alleviation, and regional balance.
Outputs	A 1,879-km long two-lane blacktopped road and 202 road-bridges will have been constructed.
Major activities	• Construct 1,417 km of blacktopped road from this project and 462 km of blacktopped road from other projects/road division office(s) and • Construct 129 bridges from this project and 73 bridges from other agencies.
Period	Start: FY 2007/2008, End: FY 2022/2023
Total estimated cost	NRs. 101.50 billion (Revised)
Implementation status	The construction of 802 km of blacktopped road, 99 km of gravel road and 67 bridges has been completed. Physical progress: 48 percent and expenditure: Rs 39.91 billion
Scope	26 districts of Mid-hill areas (Panchthar, Terhathum, Dhankuta, Bhojpur, Khotang, Okhaldhunga, Udayapur, Sindhuli, Ramechap, Kavrepalanchowk, Sindhupalchok, Nuwakot, Dhading, Gorkha, Lamjung, Kaski, Parbat, Baglung, Rukum East, Rukum West, Jajarkot, Dailekh, Acham, Doti, Dadeldhura and Baitadi) Number of beneficiaries: 10 million

18. Postal Highway project

Name of Project	Postal Highway Project

Sector	Infrastructure, Transport infrastructure
Introduction	The postal road that was used to exchange letters in the past in Terai-Madhesh, extending from Bhadrapur of Jhapa in the east to Daiji of Kanchanpur in the west, has been envisaged to be developed as a postal highway. This project is being implemented as a National Pride Project because this highway will allow the uninterrupted movement in Terai-Madhesh and the expansion of socio-economic activities.
National goals	• Accessible modern infrastructure and intensive connectivity • High and sustainable production and productivity • Well-being and decent life
Goal	To contribute to socio-economic development by expanding easy access to transportation.
Objectives	To develop this region in a balanced manner by expanding easy access of transport by connecting the district headquarters and dense settlement of Terai-Madhesh extending from Bhadrapur of Jhapa in the east to Daiji of Kanchanpur in the west.
Impact and outcomes	The easy road access to densely populated areas of TeraiMadhesh and district headquarters will have been ensured, and the objectives such as employment generation, income generation, and the development of agriculture, industry and service sectors will have been achieved. Additionally, the project will have contributed to foreign investment promotion, poverty alleviation and the regional balance.
Results	1,792 km two-lane blacktopped road and 219 road-bridges will have been constructed.
Major activities	• Construct a total of 1,792 km of two-lane blacktopped road with 975 km of road running east-west and 817 km of feeder road, • Construct 219 bridges

Period	Start: FY 2007/2008, End: FY 2022/2023
Total estimated cost	NRs. 65.24 billion
Implementation status	Construction of 270 km blacktopped and 325 km graveled roads as well as 81 bridges has been completed. Physical progress: 44 percent and expenditure: Rs27.83 billion
Scope	Implementation areas: 21 districts of TeraiMadhesh. Number of beneficiaries: 8 million.

19. Koshi Highway Project

Name of Project	Koshi Highway Project
Sector	Infrastructure, Transport infrastructure
Introduction	It is important to develop transport infrastructure in a balanced and integrated way so that people will have easy access to transport and the economic and social activities are facilitated. Therefore, this project has been initiated as a National Pride Project to achieve an overall and balanced development and manage migration by connecting the mountainous and hilly districts of the Eastern region to the road transport network extending from Rani, Biratnagar to Kimathanka, Sankhuwasabha.
National goals	• Accessible modern infrastructure and intensive connectivity • High and sustainable production and productivity • Well-being and decent life
Goal	To contribute to the social and economic development of the region by connecting the northern border of Kimathanka to the southern border of Biratnagar and the five districts within Province No. 1 to the national and

	cross-national transport network.
Objectives	To develop this region in a balanced manner by expanding easy access of transport to the settlement areas of five districts starting from Sankhuwasabha to Morang of Province No.1.
Impact and outcomes	People of the mountainous and hilly region of Province No.1 will have easy access to transport, development activities including hydropower development and the development of tourist areas, agriculture, industry and service sectors will have taken place and income and employment generation will have been supported. Additionally, new cities will have been developed, the rapid migration from hill to Terai will have decreased, and the project will have supported foreign investment promotion, poverty alleviation, and regional balance.
Result	390 km of a two-lane blacktopped road and 10 road-bridges will have been constructed.
Major activities	• Open the track in the remaining 14 km of the road, • Upgrade two-lane 162 km of road from Khandbari to Kimathanka to blacktop level, • Construct 10 road-bridges.
Period	Start: FY 2004/2005, Completion: FY 2022/2023
Total estimated cost	NRs. 16.20 billion
Implementation status	Construction of blacktopped road from Rani, Biratnagar to Khandbari and one bridge is completed. Physical progress: 15 percent and expenditure: NRs. 2.41 billion

Scope	Implementation areas: Morang, Sunsari, Dhankuta, Terhathum and Sankhuwasabha districts of Province No. 1. Number of beneficiaries: 2.6 million.

20. Kaligandaki Corridor Project

Name of Project	Kaligandaki Corridor Project
Sector	Infrastructure, Transport infrastructure
Introduction	The transport infrastructure has to be developed in a balanced and integrated way for people's easy access to transportation and the facilitation of economic and social activities. Therefore, this project has been launched as a National Pride Project for overall and balanced development and management of migration by connecting the mountainous and hilly districts of Gandaki and Province no.5 to a road transport network extending from Korala, Mustang to Gaindakot, Nawalparasi East.
National goals	• Accessible modern infrastructure and intensive connectivity • High and sustainable production and productivity • Well-being and decent life
Goal	To contribute to the social and economic development of the region by connecting Gandaki province's northern entry point Korala to Gaindakot and the seven districts within it (including the districts of the province no. 5) to the National and cross-border transport network.
Objectives	To achieve balanced development by expanding easy access to transport to settlements in seven districts of Gandaki and Province No. 5 extending from the Mountain to Terai Madhesh.

Impact and outcomes	The people of seven districts of Gandaki Province and Province No. 5 from mountain to Terai Madhesh will have easy access to transport, development activities including hydropower development, and the development of tourist areas, agriculture, industry and service sectors will have taken place and income and employment generation will have been supported. Additionally, new cities will have been developed, the rapid migration from hill to Terai will have decreased, and the project will have supported foreign investment promotion, poverty alleviation, and regional balance.
Results	The construction of a 444-km two-lane blacktopped road and 76 road-bridges will have been completed.
Major activities	• Open trackof road 431 km, • Construct 444 km of the blacktopped road and • Construct 76 road bridges.
Period	Start: FY 2004/2005, End: FY 2022/2023
Total estimated cost	NRs. 32.22 billion
Implementation status	Construction of 431 km track, paving of 82 km road and construction of 5 bridges has been completed. Physical progress: 13 percent and Financial Progress: 19 percent (Rs 5.33 billion spent).
Scope	Implementation areas: Mustang, Myagdi, Parbat, Baglung, Gulmi, Palpa and Nawalparasi East districts of Gandaki Province and Province No. 5 Number of beneficiaries: 2.3 million

21. Karnali Corridor Project

Name of Project	Karnali Corridor Project
Sector	Infrastructure, Transport infrastructure

Introduction	The transport infrastructure has to be developed in a balanced and integrated way for people's easy access to transportation and the facilitation of economic and social activities. Therefore, this project has been launched as a National Pride Project for overall and balanced development and management of migration by connecting the mountainous and hilly districts of Karnali and Province no.5 to a road transport network extending from Hilsa, Jumla to Nepalgunj, Banke.
National goals	• Accessible modern infrastructure and intensive connectivity • High and sustainable production and productivity • Well-being and decent life
Goal	To contribute to the social and economic development of the region by connecting Karnali province's northern entry point Hilsa to Province No. 5's southern entry point Jumunaha, Nepalgunj and the eight districts within those points to the National and cross-national transport network.
Objectives	To achieve balanced development by expanding easy access to transport to settlements in eight districts of Karnali and Province No. 5 from Jumla to Banke.
Impact and outcomes	The people of eight districts of Karnali Province and Province No. 5 from mountain to TeraiMadhesh will have easy access to transport, development activities including hydropower development, and the development of tourist areas, agriculture, industry and service sectors will have taken place and income and employment generation will have been supported. Additionally, new cities will have been developed, the rapid migration from hill to Terai will have decreased, and the project will have supported foreign investment promotion, poverty alleviation, and regional balance.
Results	528 km long two-lane blacktopped road and 12 road-bridges will have been constructed.
Major activities	• Open 269 km of track (from Khulalu to Simikot through Hilsa),

	• Construct 269 km of blacktopped road (from Khulalu to Simikot through Hilsa) and • Construct 12 road-bridges.
Period	Start: FY 2004/2005, End: FY 2023/2024
Total estimated cost	NRs. 11.55 billion (from Khulalu to Simikot through Hilsa)
Implementation status	Construction of a 242 km track is completed, construction of 4 Belly Bridge is completed and the construction of 4 bridges is in progress. Physical progress: 20 percent and Financial Progress: 18 percent (NRs 1.99 billion spent)
Scope	Implementation areas: Banke, Bardiya, Surkhet, Dailekh, Kalikot, Jumla, Mugu and Humla districts of Province No. 5 and Karnali Province Number of beneficiaries: 1.8 million

2.2 Metro and Railways

22.1 East-West Railways Project

Name of Project	East-West Railways Project
Sector	Infrastructure, Rail Transport
Introduction	It is imperative to develop a safe, reliable, environment-friendly transport network for sustainable development by mitigating social, economic, and geographical imbalances. To achieve this objective, a railway extending from Kakarvitta in the east to GaddaChauki in the west, is being developed as a National Pride Project to reduce the geographical distance between different regions of the country and contribute to strengthening national unity by reducing the cost of transporting goods and passengers significantly through a railway operated by domestically produced hydropower and by developing the railways as an easy, secure and reliable transport service.

National goals	• Accessible modern infrastructure and intensive connectivity • High and sustainable production and productivity • Healthy and balanced environment
Goal	To contribute to the socio-economic development of the country by developing and operating domestic and cross-country railway networks and by gradually substituting the transport that is operated by petroleum products.
Objectives	To operate safe, accessible, reliable and environment-friendly railway service by developing East-West Electric Railways.
Impact and outcomes	The long-term transportation costs will have decreased substantially with the expansion of safe, accessible and reliable transportation. The reduction of imports of petroleum products and vehicles will have led to a reduction in trade deficit. Agriculture, industry, tourism, and service sectors will have developed and employment opportunities will have been created. The interconnectivity with the neighboring countries will have been enhanced through a railway network.
Results	Construction and operation of East-West 925 km (Kakarvitta - Nijgadh section, Nijgadh -Butwal- Lumbini section 251 km and Butwal-Gaddachauki section 324 km) Railway and north-south 79 km link line (Itahari-Biratnagar, Butwal- Bhairahawa- Lumbini and Kohalpur- Nepalgunj) will have been completed.
Major activities	• Acquire land for Railways, • Prepare a detailed project report (DPR), • Construct track bed to construct Railways, • Construct electric substation and transmission line, rail structures including railway station, • Construct a small, medium, and large bridges and tunnels, • Procure and install necessary equipment including trains, • Develop and manage human resources related to rail service operation.

Period	Start: FY 2008/2009, End: FY 2029/2030
Total estimated cost	NRs. 955.22 billion
Implementation status	The preparation of detailed project report, the land acquisition for 70-km Bardiya-Nijgadh section, and the construction of 35-km Track bed and 2 bridges have been completed and the construction of 14 bridges is in progress. Rs 13.55 billion has been spent.
Scope	Implementation areas: 21 districts under Province No. 1, Province No. 2, Gandaki Province, Province No. 5 and Sudurpashchim Province Number of beneficiaries: 10 million

22.2 Kathmandu Metrorail Project

Name of Project	Kathmandu Metrorail Project
Sector	Infrastructure, Rail Transport
Introduction	It is imperative to expand safe and reliable public transport service to manage urbanization of Kathmandu Valley and the population pressure. This project is being implemented as a National Pride Project to develop electric Railways as secure, reliable, fast and environment-friendly public transport in an urban area.
National goals	• Accessible modern infrastructure and intensive connectivity • Well-being and decent life • Healthy and balanced environment
Goal	To develop a clean urban environment by making public transport fast and reliable by developing and operating a rail network.
Objectives	To develop and operate a safe, reliable and environment-friendly railway

	service in Kathmandu valley.
Impact and outcomes	With the operation of an accessible and environment-friendly public transport in Kathmandu valley, there will be significant improvements to the traffic management. Air pollution will have declined with the decline in the use of carbon-based vehicles. There will be reduction in road accidents as well as commuting time. Employment opportunities will have been generated and the import of petroleum products will have declined. With the development of beautiful and well-planned city, the standard of living will have been improved.
Output	A 77 km (Satdobato - Ratnapark - Narayangopal Chowk section, Kirtipur - Kalimati – Naya Baneshwor - Airport section, Swayambhu - Dillibazar - Boudha section, Koteshwor - Chabhil - Swayambhu - Satdobato- Koteshwor section, Dhobi Ghat- Singhadurbar - Naxal- Gogabu section) railway will have been developed and operated.
Major activities	• Prepare a detailed project report, • Acquire land for railways, • Construct track bed to construct Railways, • Construct bridges and tunnels, • Construct electric substation and transmission line, rail structures including railway stations, • Procure and install necessary equipment including trains, • Develop and manage human resources related to rail service operation.
Period	Start: FY 2011/2012, End: FY 2030/2031
Total estimated cost	NRs. 470 billion
Implementation status	Feasibility study of the 77 km railway has been completed and a detailed project report of 12 km is being prepared. Rs 300 million has been spent

Scope	Implementation areas: Kathmandu, Lalitpur and Bhaktapur district of Bagmati Province Number of beneficiaries: 4 million

1.2 Game Changer Projects

To achieve the long-term vision and the national goals set by the Fifteenth Plan, projects that have broad impact and are of distinct nature have been identified as Game Changer Projects. Additionally, these projects will play an important role in creating a basis for a strong economy at the local level and in achieving the double-digit growth trajectory set by the Plan while maintaining provincial balance. The project implementation will fundamentally change the existing situation of the sector. In addition, these projects are expected to have multiplier effects through forward-and-backward linkages in other areas.

The Game changer Projects will create the basis for prosperity and happiness by focusing on the drivers of change and the supportive sectors and the long-term strategies. The projects have been identified and selected based on the following criteria to fulfill the targets of the national and sectoral goals and objectives set by the Fifteenth Plan. The projects that were developed after going through a rigorous process of identification and selection in the past will be given high priority for their implementation, monitoring and evaluation.

1. **Contribution to Gross Domestic Product:** To become a 'game changer' project, the proposed project will need to contribute to at least 0.5 percent of gross domestic product (annual average) within five years of its completion through the production of goods or services, contribution to the production of goods and services in other sectors and improvement in productivity.
2. **Contribution to sectoral achievement:** The implementation of the proposed project will need to contribute at least 20 percent to the attainment of major results of the related sector.
3. **Employment generation:** The implementation of the proposed project will need to create at least 20,000 direct employment opportunities in the implementation phase

and at least 40,000 direct or indirect employment opportunities after the completion of the project.

4. **Number of beneficiaries:** The implementation of the proposed project will need to benefit at least one million population during the project implementation phase and two million population directly or indirectly after the completion of the project.
5. **Sectoral and provincial balance:** The proposed project will need to give priority to the sectors and provinces which are lagging behind in development indicators for the purpose of maintaining sectoral and provincial balance. Such projects will also need to ensure that the investment and implementation framework designed in keeping with national importance and priority has been finalized and will be implemented within this very plan period.

   The details of the game changer projects are as follows:

1.2.1 Economic sector

1. Prime Minister Agriculture Modernization Project

Name of the Project	Prime Minister Agriculture Modernization Project
Sector	Economic, Agriculture
Introduction	It is necessary to modernize the agriculture sector by increasing the availability of basic infrastructure and use of high-yielding seed varieties and breeds. The project has been adopted as a Game Changer Project to enhance competitiveness and to ensure food and nutrition security by industrializing the sector to create sustainable economic opportunities and to be self-reliant in agricultural production.
National goals	• High and equitable national income • High and sustainable production and productivity • Well-being and decent life
Goal	To industrialize through coordination and mobilization of components of the

	overall agricultural value chain.
Objectives	To increase the competitiveness and value of exportable agricultural products by creating specialized zones of major agricultural products and becoming self-reliant in major crop commodities.
Impact and Outcomes	Significant contributions will have been made to the improvement of food and nutrition, expansion of industry based on agriculture, import substitution and export promotion, employment generation and poverty alleviation.
Output	With the establishment of 15,000 pockets, 1,500 blocks, 300 zones and 21 super-zones respectively based on the geographical feasibility and local needs, 8 hundred 42 thousand hectares of land will have been cultivated and at least 6.6 million metric tons of additional agriculture products will have been produced.
Major Activities	• Reduce cost by assisting the establishment and operation of small agricultural equipment, customs hiring service centre. • Increase production through scientific management of land and expansion of crop-specific farming, cooperative farming, contract farming, voluntary commitment for pooling, and the establishment of model agriculture farm, development and maintenance of small, medium and large irrigation system. • Enhance value chain by assisting the establishment of the processing industry and post-harvest centre, market management and regulation of the quality of food commodities and expansion of quarantine services. • Increase the availability of quality seeds and breeds by modernizing and developing institutional capacity of the agricultural research centres and the Government farm centres.
Period	Start: FY 2016/2017, End: FY 2025/2026
Total estimated cost	NRs. 130 billion

Implementation status	Progress so far: 20 percent and Rs 7.45 billion (except Pocket and Block) has been spent.
Scope	Implementation areas: 77 Districts Beneficiary Farmers: NRs. 1.141 million
Areas for improvement	To bring improvement to the project based on the norms set for a Game Changer Project by focusing on national needs, production and productivity and by focusing on specific crops and products after evaluating the first three years of the project implementation.

2. Sunkoshi Marin Diversion Multipurpose Project

Name of Project	Sunkoshi Marin Diversion Multipurpose Project
Sector	Economic, Irrigation
Introduction	For the prosperity of the country, it is necessary to increase agricultural production and productivity and improve the living standard of citizens by using the abundant water resources for energy, irrigation, drinking water and other purposes through inter-basin water transfers using the appropriate technologies. In this scenario, this multipurpose project is adopted as a Game Changer Project to provide abundant, reliable and sustainable irrigation facility in 0.122 million hectares arable land of the five districts of Province No. 2 by transferring the water of the Sunkoshi river into the Marin river, a tributary river of the Bagmati river.
National goals	• High and equitable national income • Accessible modern infrastructure and intensive connectivity • High and sustainable production and productivity

Goal	To improve the living standard of citizens through the development of water-transfer systems to provide sustainable and reliable irrigation facilities in the arable land, generation of hydropower, the supply of drinking water and increment in income generation in multipurpose ways.
Objectives	To generate electricity and to provide irrigation facilities throughout the year in five districts of province No. 5 by transferring the water of the Sunkoshi river to the Marin river.
Impact and Outcomes	Irrigation facilities will have been made available in Bara, Rautahat, Sarlahi, Mahottari and Dhanusa districts of Province No. 2 throughout the year and the underground water reserve will have been increased in dry areas. It will have significantly increased agricultural production and productivity, food security and living standard of farmers, and contributed to poverty alleviation and provincial interconnectivity.
Outputs	146-metre long barrage including 120-metre descending basin and tunnel portal will have been constructed in Sunkoshi river and 67 cubic metres per second of water will have been transferred to Marin river through a tunnel of 55-metrediametre and 13.1 km length to provide reliable irrigation facility in 122 thousand hectares of land. Additionally, 28.62 Megawatt of electricity will have been generated making 250 Gigawatt-hour clean energy available annually.
Major Activities	• Carry out the construction of diversion headworks, intake, descender basin and tunnel, • Construct surge tank and powerhouse, • Procure, transport, and install hydro and electromechanical equipment, • Construct the transmission lines, • River control works on Marin river, • Increase the irrigated area by expanding and managing canal and other irrigation structures under the Bagmati Irrigation Project.

Period	Start: FY 2019/2020, End: FY 2023/2024
Total estimated cost	NRs. 46.1939 billion
Scope	Implementation areas: Sindhuli and Ramechap districts of Bagmati Province and Bara, Rautahat, Sarlahi, Mahottari and Dhanusa districts of Province No. 2 Number of beneficiaries: NRs. 2.6 million

3. Forest for Prosperity Programme

Name of Project	Forests for Prosperity Programme
Sector	Economic, Forest, Biodiversity and Watershed
Introduction	Although 45 percent of the total area of Nepal is covered by forest, this sector has not been able to contribute to the prosperity of the nation through the means of economic development. Therefore, this programme has been adopted as a Game Changer Project to meet the domestic demand, substitute imports, and create employment by increasing the timber and non- timber forest products from the forest areas by paying attention to the proper management and sustainable and scientific use of forest resources.
National goals	• High and sustainable production and productivity • A well-being and decent life • Healthy and balanced environment
Goal	To contribute to environmental cleanliness, industrialization and national economy through sustainable management of Forest.
Objectives	To create employment opportunities by establishing timber- and non-timber based large and medium industries through scientific management of the forests.

Impact and Outcomes	With a substantial increase in timber production, timber import will have been substituted and the timber and non - timber exports will have increased. The creation of employment opportunities of 500 work days will have contributed to livelihood improvement and poverty alleviation. Production of forest products-based industrial goods will have contributed to the local and national economy and in maintaining the environmental balance.
Outputs	Sustainable management of at least 0.2 million hectares forest, development of 20,000-hectare area of Private forest, production of 30 million cubic feet timber annually during the project period, production of industrial production by the establishment of medium and large industries based on forest products will have been achieved.
Major Activities	• Encourage the establishment of timber and non- timber industries • Promote the preservation and conservation of private forests and maintain, promote and utilize national and other forest areas • Identify the pocket area and produce area-specific non-timber forest products • Promote improved energy resources to 70,000 households • Plant trees and protect and manage them
Period	Start: FY 2020/2021, End: FY 2023/2024
Total estimated cost	NRs. 5.80 billion
Scope	Implementation areas: 13 Terai districts situated on the west of Bagmati river (timber-based forest product related program) Districts of Hilly and Mountainous area (Non-timber related program) Number of beneficiaries: NRs.14.475 million

4. Land Administration Strengthening and Informal Land Relations Management Program

Name of Project	Land Administration Strengthening and Informal Land Relations Management Program
Sector	Economic, Land Management
Introduction	There is a need for equitable distribution of benefits from the land by properly resolving the problem of unorganized settlement. Also, it is imperative to provide simple, convenient and transparent service through the application of modern technology in land administration for which this programme is selected as the Game Changer Project.
National goals	• High and sustainable production and productivity • Safe, civilized, and just society • Good governance
Goal	To ensure the rights and access over the land of unorganized settlers including marginalized groups and to maintain good governance in land management.
Objectives	• To protect and promote the rights of landless *Dalits* and manage the squatters and unorganized settlers • To digitize historical documents related to land administration and to make land administration simple, transparent and modern by adopting the latest technology
Impact and outcomes	The land in informal use will have entered within the registry of the state and the informal transaction of land will have been brought under the legal system. The land administration service provided through the electronic governance system will have increased credibility and civic satisfaction.
Outputs	About 10 million plots of unofficially consumed or occupied lands will have

	been included in the state records system, and about 1.3 million unorganized households will have been managed and significant revenue will have been collected from it. About 200 million sheets of documents (journals, field book, registers, map, etc.) in the Survey and Land Revenue Office will have been incorporated into the electronic governance system, the map and land administration service will have been operating in an integrated and systematic manner and the actual valuation system of the land will have been prepared and implemented.
Major Activities	• Identify the risky settlements and relocate the citizens living in such places to safer places, • Digitize land records, • Develop integrated and reliable service system in Survey and Land Revenue offices, • Develop physical and technology-related infrastructure and capacity, • Develop the scientific land evaluation system, • Collect and identify data of homeless squatters and unorganized settlers, • Map out and record into registry the suitable land plots for the settlement of landless squatters, and • Classify unorganized settlers and regulate and manage them accordingly.
Period	Start: FY 2020/2021, End: FY 2023/2024
Total estimated cost	NRs. 3.60 billion
Scope	Implementation area: Nationwide Number of beneficiaries: 1.3 million from the management of unorganized settlers and all the population from the modernization of the land administration.

5. Industrial Infrastructure Development Project

Name of Project	Industrial Infrastructure Development Project
Sector	Economy, Industry
Introduction	Employment-oriented and highly result-oriented industrial sector for achieving rapid economic growth along with productivity and competitiveness is the need of the hour. For this, it is important to promote and develop industries based on local labour and skills as well as industries with modern technologies focusing on the development of industrial infrastructure and increment of production and productivity. Therefore, this project has been recognized as a Game Changer project with a view to developing industrial zones and villages in collaboration and partnership with the private and the cooperative sector while maintaining provincial balance in coordination with the local levels.
National goals	• High and equitable national income • High and sustainable production and productivity • Well-being and decent life
Goal	To develop the competitiveness of industries and increase the industrial production and productivity by developing and expanding the industrial infrastructures.
Objectives	To establish and operate Special Economic Zones, Industrial Zones, and Industrial Villages.
Impact and outcomes	Based on the nature of economic or industrial zones/villages, various small, medium and large-scale industries will have been established and become operational. Increase in the industrial production and productivity will have led to significant surge in the industry sector's contribution to the economy and to import substitution and export promotion leading to the balance of trade.
Output	One cross-border economic zone, seven special economic zones, and 15 industrial zones along with one industrial village each in all local levels based on feasibility will have been established and operated in partnership with the private and the cooperative sectors.

Major activities	• Carry out detailed study and design as well as Environmental Impact Assessment, • Construct industrial villages in coordination and collaboration with the local levels, • Construct industrial zones in coordination and collaboration with the provinces, • Construct a cross-border economic zone and special economic zones, • Operate and promote industrial zones and industrial villages in partnership with the private and the cooperative sector.
Period	Start: FY 2019/20, End: FY 2028/29
Total estimated cost	NRs. 256.38 billion
Scope	Implementation Area: All local levels and provinces Number of beneficiaries: 2.1 million (Industrial Zones: 1 million, industrial village: 750 thousand and Special Economic Zone: 350 thousand)

1.2.2 Social Sector

1. Health Institutions and Health Service Expansion Program

Name of Project	Health Institutions and Health Service Expansion Program
Sector	Social, Health
Introduction	It is the responsibility of the state to ensure access to quality and affordable health services by increasing the investment in the health sector to prepare healthy and productive citizens. It is, however, challenging to maintain good governance in health sector by developing a mechanism that would be service-oriented and accountable to public health, and also by providing modern equipment and specialist doctors. Therefore, the Health Institutions and Health Service Expansion Programme has been implemented to enhance the leadership role of the government and the complementary role of the private and the cooperative sectors in health services and provide basic, and specialized health services.
National goals	• Development and full utilization of human capital potentials

	• Accessible modern infrastructure and intensive connectivity • Well-being and decent life
Goal	To increase in the quality and access of every citizens to free primary health services as well as emergency and specialist healthcare services
Objectives	To expand health services network and infrastructure to increase people's access to primary and emergency health services and specialist and highly specialized health services
Impact and outcomes	With the development and expansion of health services infrastructures, 80% of the total population will have gained access to health posts within 30 metres of their residence. There will have been a notable reduction in maternal mortality rate, child mortality rate, and neonatal mortality rate.
Output	Every ward of the local level will have ensured the delivery of free primary health services, every local level will have had the medical care facility along with emergency operation, every district and province will have acquired specialist health services facilities, and some specific locations will have been equipped with the development and expansion of health-related infrastructures with highly specialized health services.
Major activities	• Categorize and identify the location of health institutions on the basis of population and geography • Develop and implement procedures and standards required for the construction, operation, and management of health institutions • Conduct mapping of the infrastructures of the existing zonal/sub-regional/regional hospitals and develop the required infrastructures for their upgrading • Construct physical infrastructures and provide modern equipment and human resources for the new and the upgraded health institutions • Provide effective services from the primary health care centres, primary hospitals, secondary level hospitals, tertiary level hospitals, and highly specialized hospitals and develop and enforce a Scientific Referral System
Period	Start: FY: 2019/20 End: 2023/24
Total estimated cost	NRs. 135 billion

Scope	Implementation area: Countrywide Number of beneficiaries: All citizens

2. Public School Strengthening Project

Name of Project	Public School Strengthening Project
Sector	Social, Education
Introduction	Education is the basis for refined and dignified living, decent employment, and entrepreneurship development. It plays a significant role in sustainable peace and prosperity through the development of a knowledge-based society. It is important to increase the attraction of the people towards public education by ensuring easy access to school education, equity, and quality. In order to make quality public education a preferred choice among general public, parents, and also the students through the development of the physical infrastructure, management of skilled subject teachers, and continuation of professional capacity enhancement, and the development of a learning friendly environment, this programme has been adopted as a Game Changer project.
National goals	• Development and full utilization of human capital potentials • High and sustainable production and productivity • Well-being and decent life
Goal	To make the public school a preferred choice among the general citizens by ensuring quality education
Objectives	• To develop the public secondary school as the model school by ensuring physical infrastructure and skilled subject wise teachers. • To strengthen educational governance by creating an effective teaching and learning environment in public schools.
Impact and outcomes	A harmonious relationship will have been established among the school management committee, teachers, parents and the community. Gender and disability-friendly infrastructure will have been developed, skilled subject teachers will have been supplied in sufficient number, improvements will have been made in the learning environment and the learning achievements of the students and the net enrolment in the secondary education will have increased.

	The model school will have created a positive impact on the other schools.
Outputs	Science, technology, engineering and mathematics (STEM)-based syllabus and teaching and learning materials will have been developed and implemented. There will be at least one model public school established at each local level. The model schools will have library, science lab, information technology lab, playground, and drinking water and toilet facilities. The availability of required subject teachers will have been ensured for the model schools. The teachers of the model secondary schools will have enjoyed the technology-based professional skills development opportunities available to them.
Major activities	• Develop STEM-based syllabus and improve learning materials • Make provisions for library, science lab, information technology lab, playground, drinking water, and toilets in the model schools • Conduct the technology-based professional skills development programmes for the secondary level teachers • Make provisions for internship for the Mathematics, English, Science and Technical subjects and mobilize volunteers • Make provisions for grants for teacher management, teachers' training, and teaching assistance • Use learning materials and technology that are friendly to the children with disability • Manage hostel services in required locations
Period	Start: FY 2020/21 End: 2023/24
Total estimated cost	NRs. 86 billion
Scope	Implementation Area: Throughout the country Number of beneficiaries: 2 million

3. Technical and Vocational Education and Training Program

Name of the project	Technical and Vocational Education and Training Program
Sector	Social, Education

Introduction	It is the policy of the government to run technical schools at all local levels keeping in view the importance of technical and vocational education and training to support quality human capital formation, job creation and socio-economic development. Additionally, there are scholarship opportunities in technical education for the economically and socially disadvantaged, women, indigenous and ethnic groups, people from remote areas and communities, persons with disabilities, conflict victims, and family members of martyrs and people injured in the people's movement and hardworking students. In order to involve the industrialists, businessmen and employers in technical and vocational education as well as in training in the process of human capital formation, there is a need for effective coordination between various public and private sector bodies for practical educational exercise and on-the-job training (OJT) schemes for the students of technical education. Therefore, this programme has also been adopted as a Game Changer Project.
National Goals	• Development and full utilization of human capital potentials • High and sustainable production and productivity • Well-being and decent life
Goal	To contribute to the economic and social development through increased production and productivity by preparing skilled human resource.
Objectives	To produce quality technical human resource by extending equitable access to technical and vocational education and training.
Impact and outcomes	With the effective coordination between public and private sector bodies and development of physical infrastructure, skilled human resource will have been produced in the field of technical and vocational education. The share of skilled human resource in the working age group will have reached 70 percent. Production and productivity will have been increased through the deployment of quality human resources in the public and private sectors.
Outputs	Short-term skills-based training, technical SEE and the diploma level courses and textbooks will have been prepared. The physical infrastructure of 59 affiliate institutes will have been constructed and the capacity of 15000 trainers will have been increased. As many as 100,000 technical human resources will have been developed annually in the diploma, certificate and

	technical SEE levels in subjects like agriculture, engineering, health and hotel management.
Major activities	• Prepare textbooks by developing and revising the curriculum, • Provide training to instructors of technical and vocational schools and training-providing institutes, • Construct educational building, administrative building, laboratory and the hostel of technical schools, • Establish and operate one model technical and vocational school at each local level.
Period	Start: FY 2019/20 End: 2023/24
Total estimated cost	NRs. 51.25 billion
Scope	Implementation area: Nationwide Number of beneficiaries: 2 million

4. President Women Empowerment Program

Name of the project	President Women Empowerment Program
Sector	Social, Gender Equality and Women Empowerment
Introduction	The constitution has guaranteed women's lineage rights without any discrimination as well as their safe motherhood and reproductive health rights along with their right to participate in all bodies of the State based on the principle of proportional inclusion. Despite this, the status of women's socio-economic development and safe motherhood as well as reproductive health has not improved as expected. Therefore, this programme is being implemented to establish a gender-responsive governance system and a just society by developing and promoting women's socio-economic empowerment and entrepreneurship.
National Goals	• Development and full utilization of human capital potentials • Well-being and decent life • Safe, civilized and just society
Goal	To contribute to the establishment of gender-responsive governance system

	and building of a just society by empowering women both socially and economically.
Objectives	To improve women's entrepreneurship development, increased participation, gender equality as well as safe motherhood and reproductive health.
Impact and outcomes	The increase in opportunities for women entrepreneurship development and employment promotion will have been seen and also gender equality and empowerment index will have been improved.
Outputs	As many as 3000 women will have received entrepreneurship and employment-oriented training and 10 thousand women will have received employment opportunities annually, there will be air rescue and safe delivery management for pregnant women in a life-threatening condition and a gender-responsive budgeting system will have been institutionalized at the government level.
Major activities	• Conduct programmes related to economic empowerment, entrepreneurship and employment promotion through establishment of multi-dimensional women entrepreneur model village, integrated women entrepreneurship development, and innovative vocational and skills-based training, • Establish rescue fund and make provisions for air rescue and safe delivery in the hospital for pregnant women who are in a life-threatening condition, • Develop management information system with gender disaggregated data by conducting a survey of domestic and care work done by women and monetary pricing and survey of the situation of gender-based violence, • Establish gender-responsive budgeting system at all three levels of government, • Construct gender-friendly physical structure, and • Conduct programmes related to women empowerment and awareness.
Duration	Start: FY 2019/20 End: FY 2023/24
Total estimated cost	NRs. 21.175 billion
Scope	300 local levels from all 7 provinces that are lagging behind in the Human Development Index.

1.2.3 Infrastructure Sector

1. Upper Arun Hydropower Project

Name of the Project	Upper Arun Hydropower Project
Sector	Infrastructure, Energy
Introduction	There is a need to meet domestic demand and expand electricity trade by generating and distributing regular and reliable electricity. For this, 1061 MW run-of-the-river project based on river flow has to be constructed in Sankhuwasabha district and this project has been adopted as a Game Changer Project to help ensure electricity even in dry season.
National Goals	• High and equitable national income • High and sustainable production and productivity • Healthy and balanced environment
Goal	To ensure the availability of clean energy by increasing hydropower production.
Objectives	To construct hydropower project of 1,061 MW capacity.
Impact and outcomes	Increased electricity production will lead to improving power supply, increasing clean energy consumption, enhancing competitiveness and productivity and contributing to energy trade.
Results	The 1,061 MW capacity hydropower project will generate 4478 GW hours of electricity annually.
Major activities	• Conduct detailed engineering study and environmental and social impact analysis of the project. • Determine the investment modality and acquire land and construct access road • Carry out civil works including headworks, main tunnel, tailrace tunnels and power house. • Procure, transport and install hydro-mechanical and electro-mechanical equipment.
Period	Project Preparation Stage: Start: FY 2010/11, End: FY 2021/22 Project Implementation Stage: Start: FY 2022/23, End: FY 2027/28

Total estimated cost	NRs. 155 billion
Implementation Status	Detailed Project Report and Environmental Impact Assessment are being carried out. NRs. 1.95 billion has been spent.
Scope	Sankhuwasabha district of Province No. 1

2. National and Cross border Transmission Lines Program

Name of the Project	National and Cross border Transmission Lines Program
Sector	Infrastructure, Energy
Introduction	The contribution of energy sector to the economy has to be increased by connecting the generated hydropower to the national and international grids, making the power supply system effective and reliable and by promoting energy trade. In view of this urgency, this programme has been adopted as a Game Changer Project to build power transmission infrastructure.
National Goals	• Accessible modern infrastructure and intensive connectivity • High and sustainable production and productivity • Healthy and balanced environment
Goal	To increase power generation and consumption by expanding access to quality and reliable and affordable electricity services and enhance regional power trade.
Objectives	To construct 220 KV and 400 KV high voltage transmission lines and sub-stations.
Impact and outcomes	Electricity production, transmission and access will have been increased and electricity leakage will have been reduced. Accordingly, consumption of clean energy will have gone up, and regional energy trade will have increased thereby leading to the increase in energy generation and national income.
Results	205 km of high voltage cross border and 2171 km of national transmission lines will have been constructed and come into operation.
Major activities	Cross border Transmission Line Project: • New Butwal-Gorakhpur 400 KV Cross border Transmission Line Project • Raatmaatey-Rasuwagadhi-Kerung 400 KV Cross border Transmission

	Line Project National Transmission Line Project: • New Butwal-Lamahi-Kohalpur-New Attariya 400 KV Transmission Line Project • Kaaligandaki Corridor 400/220 KV Transmission Line Project • West Seti-New Attariya 400 KV Transmission Line Project • Karnali Corridor (Phukot-Dododhaara) 400 KV Transmission Line Project • Bheri Corridor 400 KV Transmission Line Project • Hetauda-Dhalkey-Inaruwa 400 KV Transmission Line Project • Tamakoshi-Kathmandu 400/220 KV Transmission Line Project • Kimathaanka Arun-Arun Hub 400 KV Transmission Line Project • Arun-Tingla-Inaruwa-Mirchaya 400 KV Transmission Line Project • Tamor Hub-Chaangey (Dhungesanghu) 220 KV Transmission Line Project • Lekhnaath-Damauli 220 KV Transmission Line Project • Marsyangdi Corridor 220 KV. Transmission Line Project • Bharatpur-Bardaghaat 220 KV Transmission Line Project • Hetauda-Bharatpur 220 KV Transmission Line Project • Khimti-Dhalkebazar 220 KV Transmission Line Project • Koshi Corridor 220 KV Transmission Line Project
Period	Start: FY 2020/21, End: FY 2028/29
Total estimated cost	As some projects are still in the study phase, the total estimated cost could not be mentioned.
Scope	Implementation area: All 7 provinces

3. East-West Highway Upgradation Project

Name of the Project	East-West Highway Upgradation Project
Sector	Infrastructure sector, Transportation Infrastructure
Introduction	The East-West Highway (Mahendra Highway) extending from Kakadbhitta of Jhapa in the east to Kanchanpur in west has been contributing to the social and

	economic sectors of the country. The construction of this highway, considered a backbone of the country, has enabled the expansion of agriculture, industry and trade in the surrounding areas and the development and urbanization of commercial centres. In addition, the fast growth of such major cities as Mechinagar, Damak, Itahari, Hetauda, Bharatpur, Butwal, Kohalpur, Attariya, Mahendranagar and other cities like Birtamode, Lahaan, Bardibas, Chandranigahapur, Nijgadh, Pathalaiya, Ratnanagar, Kawasoti, Bardghaat, and Lamahi has been made possible due to the economic and social activities created by this highway.It is necessary to upgrade this highway as a high-capacity expressway to increase productivity and competitiveness of the economy by managing increased traffic congestion and maintaining minimum transportation costs. The project has been adopted as a Game Changer Project to build infrastructure checkpoints and inter-state dry ports at the east and west ends of the highway and to carry out development works in line with other transport and production infrastructures.
National Goals	• High and equitable national income • Accessible modern infrastructure and intensive connectivity • High and sustainable production and productivity
Goal	To contribute to social and economic development through safe, modern and intensive national transportation network.
Objectives	To upgrade East-West highway to Asian Highway Standard (Class I, 4 lanes).
Impact and outcomes	The upgradation of this highway, the backbone of the country, will have managed the increasing traffic congestion a led to significant reduction in transportation costs and travel time, reduction in production cost will have materialized, and the production and productivity of agriculture, industry and service sectors will have increased. Likewise, it will also have contributed to trade facilitation, import substitution and export promotion to a great extent.
Results	1,027 km of East-West highway will have been upgraded to Asian Highway Standard (Class I, 4 lane and 6/8 lane in urban area) and come into operation.
Major activities	Upgrade 588 km of Kakadvitta-Butwal section to Asian Highway Standard, prepare the Detailed Project Report (DPR) of Butwal-Mahakali section (439 km) and carry out the preparations, and expand that section to Asian Highway

	Standard.
Period	Start: FY 2018/19, End: FY 2026/27
Total estimated cost	NRS. 225 billion (estimated)
Implementation status	Detailed project report of Narayanghaat-Butwal section has been prepared and construction work has started, detailed project report of Kamala-Kanchanpur section has been prepared and procurement process has started. NRs. 1.16 billion has been spent.
Scope	Implementation area: 21 districts of Terai and Hill Number of beneficiaries: 10 million

4. Galchhi-Trishuli-Mailung-Syafrubesi-Rasuwagadhu Road Project

Name of the project	Galchhi-Trishuli-Mailung-Syafrubesi-Rasuwagadhu Road Project
Sector	Infrastructure, Road Transportation
Introduction	The road project to reach Chinese border through Dhading, Nuwakot and Rasuwa districts has been implemented as a project of national pride. The current length of this road from Galchhi to Rasuwagadhi is 82 km and three options have been proposed to connect Rasuwagadhi to Indian border. First option: Rasuwagadhi-Syafrubesi-Mailung-Galchhi to Sirsiya border via Mugling-Narayanghaat-Lothar (Total length: 312 km) Second option: From Rasuwagadhi-Syafrubesi-Mailung-Galchhi-Malekhu-Lothar tunnel route to Sirsiya border via Hetauda-Pathalaiya-Birunj (Total length: 242 km) Third option: From Rasuwagadhi-Syafrubesi-Mailung-Bidur-ChahareyTokha tunnel route to Sirsiya border via Kathmandu-Khokhan-Nijgadh and Pathalaiya-Birgunj border (Total length: 212 km)(
National Goals	• Accessible modern infrastructure and intensive connectivity • High and sustainable production and productivity • National unity, security, and dignity
Goal	To contribute to social and economic development through safe, modern and intensive national transportation network.
Objectives	To develop Galchhi-Trishuli-Mailung-Syafrubesi-Rasuwagadhi road as a major inter-country trade route connecting North-South.

Impact and outcomes	By developing the northern border town Rasuwagadhi as an inter-country trade route connecting the southern border, transportation/transportation cost will be significantly reduced, the reduction in production cost will increase the production and productivity of agriculture, industry and service sector and will contribute to the social, economic, cultural and tourism development of this belt. In addition, attracting foreign investment and engaging with the markets of the two neighbouring countries will be of immense help in areas of trade facilitation, import substitution and export promotion.
Results	82 km two-lane blacktopped roads and 24 bridges will have been constructed.
Major activities	• Construct two-lane blacktopped road and bridge from Galchhi of Dhading to Rasuwagadhi of Rasuwa. • Carry out detailed studies of three options and select and implement them.
Period	Start: FY 2015/16, End: FY 2021/22
Total estimated cost	NRs. 20.50 billion
Implementation status	12 kilometres of blacktopped road has been constructed, 11 bridges are under construction. NRs. 3.36 billion has been spent
Scope	Implementation area: Dhading, Nuwakot, and Rasuwa districts of Bagmati Province.

5. Provincial and Local Road Construction and Maintenance Program

Name of the Project	Provincial and Local Road Construction and Maintenance Programme
Sector	Infrastructure, Local Infrastructure
Introduction	The movement of people, goods and services and the corresponding economic activities and service delivery need to be strengthened by expanding safe, reliable and sustainable road operations to the local level. This programme has been adopted as a Game Changer as it has become necessary to ensure 'Sustainable Transport Facility for All' in line with the Sustainable Development Goals by ascertaining the achievements of the Rural Road Maintenance Development Programme and by developing a culture of construction, upgradation and maintenance of roads.
National Goals	• Accessible modern infrastructure and intensive connectivity

	• High and sustainable production and productivity • Well-being and decent life
Goal	To increase general public's access to safe, reliable and affordable transport by constructing and maintaining the provincial and local roads through connecting the local level administrative centres to the district headquarters, provincial road network, provincial capital and national road network.
Objectives	To construct, maintain and improve the operation of provincial and local roads in coordination with the federal, provincial and local levels so that the transportation is operated in the administrative centres for 12 months.
Impact and outcomes	The service delivery down to the local level will have become easy, affordable and effective, economic activities will have been expanded by establishing access to the market, self-employment and employment opportunities will have been created to help improve the living standards of the people and reduce poverty and provincial and local economies will have been strengthened.
Results	500 kilometres of the new road will have been constructed as per the priority of road network connecting the centres of rural municipality and municipality, 4200 km blacktopped roads and 3000 metre road bridge will have been constructed, and periodic maintenance and construction of 4000 km and annual regular maintenance of 11,500 km roads will have been carried out.
Major activities	• Prioritize the construction and development of road network, • Identify local economic centres and important social, cultural, touristic and agricultural pocket areas, • Construct new roads and road bridges • Upgrade and renovate roads • Carry out regular and emergency maintenance of the roads • Increase institutional capacity • Conduct monitoring and evaluation
Time period	Start: FY 2019/20, End: FY 2022/23
Total estimated cost	NRs. 227 billion rupees (2000 million USD)

Scope	Implementation area: Nationwide

6. New City Development Project

Name of the Project	New City Development Project
Sector	Infrastructure, Urban Development
Introduction	The project has been initiated to develop a planned new city with basic infrastructure including the intersection of Mid-Hill (Pushpalal) Highway and North-South Highway or the surrounding area or settlement to prevent uncontrolled urbanization resulting from migration pressure from the Mid-Hills to some cities. This project has been adopted as a Game Changer as it will reduce the cost of development and service delivery and support population management and economic prosperity by maintaining geographical balance by developing cities with modern urban service facilities in the region.
National Goals	• Accessible modern infrastructure and intensive connectivity • High and sustainable production and productivity • Well-being and decent life
Goal	To contribute to the socio-economic development of Mid-Hill region by developing scenic sustainable cities.
Objective	To develop ten new cities by constructing basic urban infrastructure for a population of about 100,000 in the settlements connected by Mid-Hill Highway and North-South Highway.
Impact and outcomes	The citizens will have easy and sustainable access to urban services with the construction of a beautiful city equipped with all basic facilities in the mid-hill region. Private investment in urban infrastructure will have increased due to the creation of an attractive investment environment, migration will have become well-organized, tourism and mountain development will have been carried out and the establishment of small and medium scale industries based on local products and raw materials will have contributed to economic development.
Outputs	Ten land pooling programmes will have been conducted, 500 kms of roads will have been constructed, one drinking water project will have been completed in each city, ten waste treatment plants will have been set up, and

	amusement parks and bus parks will have been constructed in 10 locations.
Major activities	• Conduct systematic land pooling program • Construct roads, bus parks, amusement parks, and open-air markets (haat bazars). • Construct urban infrastructures like drinking water, waste treatment plants and drainage.
Period	Start: FY 2015/16 End: FY 2023/24
Total estimated cost	NRs. 150 billion (Government of Nepal: NRs. 50 billion and private sector: NRs. 100 billion)
Implementation status	Integrated development plan for new city development with detailed engineering report has been prepared and block plan of five land pooling programmes has been approved. In addition, 104 km of track has been opened and road has been gravelled, 20 km-long road has been upgraded and 31 km of canals, 10 buildings, a bus park/park, and one vegetable and fruit collection centre have been constructed and 1100 solar lights have been installed. Rs 3.61 billion has been spent
Scope	Implementation area: Province No. 1: Phidim of Paanchthar, Basantapur of Terhathum Bagmati Province: Khurkot of Sindhuli, Baireni-Galchhi of Dhading Gandaki Province: Dumre-Bhansaar of Tanahun, Burtivaang of Baaglung Karnali Province: Chaurjahaari of West Rukum, RaakamKarnali of Dailekh Sudurpashchim Province: Saanfebagar of Achham, Patan of Baitadi Number of beneficiaries: 1 million

7. Urban Corridor Project

Name of the Project	Urban Corridor Project
Sector	Infrastructure, Urban Development
Introduction	According to the concept of regional economic and urban development, there is a need to build large urban corridors with well-organized and modern infrastructure. The goal is to build multi-sectoral infrastructure by setting up functional boundaries covering geographical areas and urban centres within

	an hour's drive from major cities in the corridor. This is expected to increase production and productivity by intensifying quality and well-facilitated urban life as well as economic activities in agriculture, industry and service sectors. This project has been adopted as a Game Changer Project including the six corridors identified by the National Urban Development Strategy, 2017.
National Goals	• Accessible modern infrastructure and intensive connectivity • High and sustainable production and productivity • Well-being and decent life
Goal	To increase economic activities and provide easy access to public services by managing modern urban settlements within the easy transportation access area of highways.
Objectives	To develop urban infrastructure keeping in view the economic and urban characteristics of the designated area as per the concept of urban corridor.
Impact and outcomes	Large cities with modern infrastructure will have been developed in the urban economic corridor area and citizens will have gained easy and sustainable access to urban services. An investment-friendly environment will have been created and urban infrastructure will have been built by the private sector. Migration will have become more systematic and the establishment of manufacturing and service sector industries based on local products and raw materials will have contributed to economic development and poverty alleviation.
Outputs	In the urban economic corridor area, 100 percent of the households will have achieved access to piped treated drinking water, 80 percent of the households in the first and second tier settlements will have secured access to sewerage development and 100 percent of the garbage generated in the urban areas will have been collected and treated at regional treatment centres.
Major activities	• Formulate integrated development strategy including implementation plan of project area, • Prepare detailed project reports of the prioritized projects, • Conduct organized land development, • Construct infrastructure related to road and drains, bus park, amusement

	park, *haat bazar (occasional local market),* • Construct drinking water, waste treatment centre, sewerage development and other infrastructures.
Period	Start: FY 2019/20 End: FY 2027/28
Total estimated cost	NRs. 678.03 billion (6.2 billion USD)
Implementation status	Feasibility study of Biratnagar-Dharan corridor and Bhairahawa-Butwal corridor has been conducted and integrated development strategy has been formulated.
Scope	Implementation area: Province No. 1: Jhapa, Morang and Sunsari Districts: Biratnagar-Itahari-Dharan Corridor Province No. 2: Dhanusha and Mahottari Districts: Janakpur-Bardibas Corridor Province No. 2: Bara and Parsa Districts: Birgunj-Simara Corridor Province No. 5: Kapilvastu, West Nawalparasi and Rupandehi Districts: Bhairahawa-Butwal-Lumbini-Kapilvastu Corridor Province No. 5: Banke District: Nepalgunj-Kohalpur Corridor Sudurpashchim Province: Kailali and Kanchanpur District: Dhangadhi-Attariya-Bhimdattanagar Corridor Number of beneficiaries: 12 million

8. Digital Nepal

Name of the Project	Digital Nepal
Sector	Infrastructure, Communication and Information Technology
Introduction	Maintaining good governance by developing knowledge, skills and capabilities related to information technology through electronic service delivery to the Nepalese citizen in keeping with the global development and achievements related to information and communication and developing information technology as a key pillar of the economy are two critical necessities for the government at this time. However, the timely application of the latest technology through adequate structural development and

	expansion and management of information technology infrastructure remains challenging. Therefore, this programme has been adopted as a Game Changer Project to develop innovation, talent, skills and entrepreneurship through a multilateral partnership by maintaining the interconnectivity between the various information systems of the government in service delivery through digital infrastructure development.
National goals	• Accessible modern infrastructure and intensive connectivity • High and sustainable production and productivity • Good Governance
Goal	To increase the contribution of communication and information technology to the economy and promote good governance by developing and expanding digital infrastructure and technology.
Objectives	To ensure multi-dimensional transformation of the economy by confirming easy and simple public service delivery through maximum use of digital technology.
Impact and outcomes	Everyone will have gained access to broadband and internet services and uninterrupted telecommunications services will have been made available even in times of disaster. Through nationwide communication infrastructure, and investments in education, health, energy, tourism, agriculture and other sectors will have increased and information technology-based industries will have expanded and the contribution of information and communication sector to the GDP will have significantly increased.
Outputs	Nepal will have owned its own satellite, 6900 km of optical fiber network under information highway will have been constructed, high-speed broadband service will have been expanded across the country and 55 types of public services will have been operated electronically. About 125,000 employment opportunities will have been created directly and indirectly.
Major activities	• Launch and operate the Sagarmatha Satellite. • Build nationwide optical fibre network under information highway. • Connect and operate the main equipment of 4G LTE. • Bring mobile device management system and National E-payment

	Gateway into operation. • Use digital signature in government service delivery. • Provide public services electronically.
Period	Start: FY 2018/19, End: FY 2021/22
Total estimated cost	NRs. 107.50 billion
Scope	Implementation area: Nationwide Number of beneficiaries: All citizens

1.2.4 Good governance and crosscutting sectors

1. National identity Card and Vital Registration Programme

Name of the Project	National Identity Card and Vital Registration Program
Sector	Democracy and good governance-peace, order and security; social- social security and protection
Introduction	It is necessary to collect the personal and biometric details of the citizens and provide Nepali citizens with unique digital identification along with multi-purpose and modern technological national identity number. It will serve as an important basis for providing legal and governmental services to ensure the economic, social, political and cultural rights of the individual. In addition, the programme has been adopted as a Game Changer Project to maintain the interconnection between the national identity card and the personal event registration system by documenting the personal events including birth, death, marital relationship, migration and so on.
National Goals	• Safe, civilized and just society • Good Governance • National Unity, Security and Dignity
Goal	To formalize the economy and promote good governance by developing a national identity card system with information and details of the citizens.
Objectives	• To bring effectiveness in upholding law and order and public service delivery by maintaining civic identity through multi-purpose and technologically integrated national identity card, • To integrate economic activities, personal event (vital0 registration and

	social security systems with national identity card management information systems.
Impact and outcomes	Transparent, objective and reliable public service delivery will have increased public satisfaction. The scope of formal economy will have expanded, civic identity and national dignity will have been enhanced, and peace, security and good governance will have been maintained.
Outputs	Personal events (vital) registration and distribution of social security allowances will have been based on modern technology. All Nepali citizens will have received a national identity card, personal incidents will have been registered on time, social security allowances will have been distributed by banks and financial institutions and interconnections and information exchange will have been established between the information management systems. Necessary data and records will have been made available for policy and planning.
Major activities	• Collect official biometric information of individuals from all 77 districts and distribute multipurpose and modern technology national identity card with national identity number to every citizen, • Keep the identity and up-to-date records of the group receiving social security allowance on the basis of personal incident (vital) registration details and to distribute it electronically through banks and financial institutions, • Develop a multi-purpose data source by establishing interconnection between multi-purpose national identity management system and social security and personal incident registration management information system.
Period	Start: FY 2018/19 End: FY 2021/22
Total estimated cost	NRs. 20.58 billion
Implementation status	National identity card bill has been introduced in the federal parliament. Likewise, as many as 65,461 identity cards have been distributed in Paanchthar district and to the employees of Singhadurbar, and distribution of identity cards has been started in 15 districts. Personal incidents are being registered online from 2656 ward offices.

Scope	Implementation area: Nationwide Number of beneficiaries: All citizens

1.3 Major Programmes

Major programmes have been identified and developed in order to achieve the goals set by the Long-term Vision and the national and sectoral goals set by the fifteenth plan through effective implementation of strategies and operational policies as stated in the plan. These programmes have been selected considering the need for sectoral and provincial balance. In this process, the existing programmes will be studied and reviewed and implemented with necessary modifications. New major programmes will be developed and implemented after completing preparatory work. The details of the major programmes are given below. The national goals mentioned in the details refer to the following national goals:

1. High and equitable national income
2. Development and full utilization of human capital potentials
3. Universally accessible modern infrastructure and dense interconnectivity
4. High and sustainable production and productivity
5. Well-being and decent life
6. Safe, civilized and just society
7. Healthy and balanced environment
8. Good governance
9. Comprehensive democracy
10. National unity, security, and dignity

1.3.1 Economic Sector

S. N.	Program/Project	National Goals	Project Period (Start and Completion)	Total Estimated Cost (in million NRs.)	Expected Results
1.	Integrated Financial Management Information System Development Project[1]	8 9	2020/21 2024/25	1550	• Integrated management information system will have been developed for public finance at federal, provincial, and local levels. • Financial activities of three levels of government will have been integrated into the information system; transaction costs will have been reduced, and financial reports will be available on real time basis. • Fiscal discipline, financial transparency, accountability and reliability will have been enhanced.
2.	Livestock Farming And Marketing Programme For Self-Reliance On Meat Products Program[1]	4 10	2019/20 2023/24	4120	• Meat production will have increased by 40 percent and imports will have been substituted. • Value addition will have taken place with improvements in capacity of industries in the value chain of meat.
3.	Rice Promotion Programme for Self-Reliance on Rice[1]	4 10	2020/21 2022/23	3650	• Labour cost of rice farming will have decreased by 70 percent. • Area covered by the cultivation of spring rice will have reached 250 thousand hectares. • Masino varieties of rice will have occupied 35 percent of the total rice cultivation area.

S. N.	Program/Project	National Goals	Project Period (Start and Completion)	Total Estimated Cost (in million NRs.)	Expected Results
					• The productivity of monsoon rice will have reached 5 metric ton per hectare. • With the production of additional 2 million tons of rice, the country will have become self-reliant in rice.
4.	Maize Production Promotion Program[1]	4	2020/21-2022/ 23	4750	• The cultivation of hybrid maize will have been expanded to 60 thousand hectares. • The productivity of maize will have reached 8 metric ton per hectare. • The country will have become self-reliant in maize used as feed, and its import will have been substituted.
5.	Fruits Development Program[2]	4 10	2020/21-2022/23	2100	• Fruits cultivation will have expanded to 50 thousand hectares. • The country will have become self-reliant in major fruits. • An additional 1.775 million tons of fruits will have been produced. • The productivity of fruits will have reached 12 metric tons per hectare
6.	Fish Production and Promotion Programme [2]	4 5	2020/21-2022/23	2193	• Commercial fish farming will have been done in 2500 hectares of land. • Future brood with 30 thousand tags will have been available for carp hatchery. • 140 thousand tons of edible fish will have been produced.

S. N.	Program/Project	National Goals	Project Period (Start and Completion)	Total Estimated Cost (in million NRs.)	Expected Results
					• The productivity of ponds will have reached 6 metric tons per hectare. • 200 million large size fish seeds will have been available. • The country will have been self-reliant in the production of edible fish.
7.	Seed Production and Promotion Program[2]	4 7	2020/21- 2022/23	400	• The number of open pollinated released breeds will have reached 423. • The number of listed local breeds will have reached 100. • The number of hybrids will have reached 25. • Quality seeds will have been available to 300 thousand farmer families. • The seed replacement rate will have reached 25 percent.
8.	Agriculture Research Programme [2]	4 7	2020/21 2022/23	25000	• 2 hybrid varieties of rice and 6 hybrid varieties of maize along with 2 aromatic and 2 varieties of fine rice and 2 open pollinated breed of maize will have been developed. • 4 varieties of oilseed crop, 2 varieties for potato chips, and 2 varieties for consumption will have been developed. • 1 million saplings of orange will have been produced. • 5 thousand kids of pure Boer goat and cross Boer and 500 million fish fingerlings will have been produced. • 15 innovative technologies will have been developed. • 1200 metric tons of source seeds of various breeds will have been

S. N.	Program/Project	National Goals	Project Period (Start and Completion)	Total Estimated Cost (in million NRs.)	Expected Results
					produced. • Nepal Agricultural Research Council will have been institutionally strengthened.
9.	Prosperous Tarai-Madhesh Irrigation Special Program[3]	3 4	2016/17- 2020/21	24800	• Irrigation services will have been extended to 18 districts of Tarai-Madhesh region and 4 districts of Inner Madhesh. • Irrigation services will have been extended to 94 thousand hectares of cultivable land through construction of underground shallow and deep tube well and 16.5 thousand hectares of cultivable land through lakes and construction of wells.
10.	Integrated Energy Irrigation Special Program[3]	3 4	2018/19 2022/23	18180	• Irrigation facilities will have been available for 10 thousand hectares of cultivable land in Mid-Hill areas through solar lift.
11.	Rehabilitation and Management Handover of Mega Government Irrigation Plan Program[3]	3 4	2004/05 - 2021/22	4630	• 98.5 thousand hectares of land will have been irrigated following the reconstruction and rehabilitation of mega government irrigation projects.
12.	Bagmati Irrigation	3	2020/21 -	54670	• Irrigation will have been available to 45940 hectares of land in Sarlahi

S. N.	Program/Project	National Goals	Project Period (Start and Completion)	Total Estimated Cost (in million NRs.)	Expected Results
	Project[2]	4	2022//23		and Rautahat district.
13.	Mahakali Irrigation Project[3]	3 4	2006/07-2027/28	26770	• Irrigation facilities will be available on 33520 hectares of land in Kailali and Kanchanpur district.
14.	Sunsari Morang Irrigation Project[3]	3 4	2019/20-2023/24	3720	• Irrigation will have been available to 65 thousand hectares of land in Morang and Sunsari district.
15.	Dang Valley Mega Irrigation Project[3]	3 4	2017/18 – 2023/24	40000	• Irrigation facilities will have been available to 56 thousand hectares of land in Dang district.
16.	Climate-induced Disaster Resilience Building Project[3]	7 10	2012/13 – 2020/21	2600	• Water and meteorological services will have been modernized with the upgradation of 88 weather stations and 70 water measurement stations. • Flood warning system will have been in place, 1 weather radar will have been installed, radiosonde station at one location will have been set up, and physical infrastructure will have been developed.
17.	River Control Program[3]	7 10	2019/20 – 2023/24	77910	• Inundation of human settlements and cultivable lands will have been prevented with the construction of embankments and physical infrastructure in large rivers. • Destruction of lives and properties will have been reduced, and land will have been reclaimed through embankment in Khando, Banganga, and

S. N.	Program/Project	National Goals	Project Period (Start and Completion)	Total Estimated Cost (in million NRs.)	Expected Results
					West Rapti River. • Large scale landslides will have been prevented. • New technologies related to river control and management of water induced disasters will have been identified, developed, and implemented.
18.	Wildlife Farming and Zoological Garden Program[1]	4 7	2019/20– 2023/24	6920	• Two national level zoological gardens will have been established and operated, and endangered species will have been produced and protected. • Wildlife farming will have started in 10 locations in collaboration with the private sector. • Biodiversity will have been protected, studies and research will have been carried out and eco-tourism will have been developed.
19.	Nature-based Tourism Program[1]	4 7	2019/20 – 2023/24	7700	• Access infrastructure, environmental management, and tourism facilities will have been enhanced for the diversification of nature-based tourism. • The nature-based tourism service will have been upgraded with involvement of communities and the private sector.
20.	Clean Environment Program[1]	7 8	2020/21 – 2023/24	650	• Air quality measurement stations will have been established and operated. • Action plan for air quality improvement will have been implemented. • Data on air quality will have been analysed and published systematically. • Air quality will have been maintained as per the standard.

S. N.	Program/Project	National Goals	Project Period (Start and Completion)	Total Estimated Cost (in million NRs.)	Expected Results
21.	REDD + and Climate Adaptation Program[2]	4 7	2019/20 – 2023/24	4500	• Carbon trade will have been piloted in 13 districts. • Action Plan on Climate Change Adaptation and Reduction will have been implemented in 650 local levels. • Green jobs will have been created, and the local economy will have been strengthened.
22.	Entrepreneurship Development and Promotion Program[2]	2 4	2019/20 – 2023/24	20000	• Entrepreneurship development and scale up programmes will have been implemented and 150 thousand entrepreneurs will have been produced. • Business Incubation Centres will have been established and operated in all local levels. • Eleven thousand youth will have been self-employed with their skills verified. • Domestic production will have increased through modernization and upgradation of traditional knowledge and skills. • Nine hundred thousand jobs and self-employment schemes will have been created through the establishment and rehabilitation of micro, cottage, small, and medium enterprises. • The competitiveness and production of enterprises will have increased.

S. N.	Program/Project	National Goals	Project Period (Start and Completion)	Total Estimated Cost (in million NRs.)	Expected Results
23.	Mining and Mining-related Industries Development Program[1]	1 4	2019/20 – 2028/29	1500	• Commercial production will have started from Dhauwadi Iron Mine. • Petroleum products will have been explored in Dailekh and its production will have started. • Strategically important minerals will have been preserved and promoted. • Processing of precious stones will have been encouraged and high value products will have been produced and exported. • Five thousand jobs will have been created in the mining sector.
24.	Trade Infrastructure Development Project[1]	3 4	2019/20 – 2028/29	7500	• Two Integrated Customs Check Posts, 5 dry ports, 7 Integrated Service Centres, and 7 quality quarantines will have been constructed and expanded. • Seven Sanitary and Phytosanitary Test laboratories will have been established. • Petroleum pipelines will have been extended from Amlekhgunj to Chitwan and Kathmandu.
25.	Maps and Geographical Information Production Program[1]	4 8	2020/21 – 2022/23	8300	• 0.5 metre contour interval map and data will have been prepared. • Digital elevation model of 1 metre grid size will have been prepared. • Ground Sampling Distance Orthophoto of 15 cm for the whole territory will have been prepared.

S. N.	Program/Project	National Goals	Project Period (Start and Completion)	Total Estimated Cost (in million NRs.)	Expected Results
					• Maps and geographical information will have been available for planning and infrastructure development. • Land administration will have been strengthened based on land details obtained through maps
26.	Strengthening Cooperatives for Self-Employment Program[1]	1 4	2020/21 – 2023 /24	3000	• At least 10 model cooperatives will have been established and operated in each province. • 35 cooperative industrial villages will have been established in collaboration with the cooperative sector. • 250 cooperative markets will have been established. • Production and productivity will have increased and contributed to poverty alleviation.
27.	Great Himalayan Trail Project[2]	3	2010/11 – 2023/24	5000	• The 1,780 km trail from Taplejung to Darchula will have been marked, and 200 km of it will have been upgraded each year. • Access roads for the trail will have been developed. • Resting place, information centre, notice boards, and signage will have been constructed along the trail. • Tourist arrival and length of stay will have increased. • Employment will have been created, income generating activities will

S. N.	Program/Project	National Goals	Project Period (Start and Completion)	Total Estimated Cost (in million NRs.)	Expected Results
					have been expanded, and living standards will have improved in the mountain region.
28.	Hill Station Development and Promotion Program[1]	4 5	2019/20 – 2023/24	2000	• One hill station will have been developed in each province close to the new cities being developed in the Mid-hill region. • Basic infrastructure including roads, drinking water, drainage, and parks will have been developed and heritages will have been conserved. • Well-furnished accommodations including hotels operated by the private sector and community-based homestays will have come into operation. • Tourist arrivals and length of stay will have increased. • Employment will have been created, income generating activities will have been expanded, and living standards will have improved in the hilly and Chure region.

S. N.	Program/Project	National Goals	Project Period (Start and Completion)	Total Estimated Cost (in million NRs.)	Expected Results
29.	Janakpur Cultural and Tourism Infrastructure Development Project[1]	4 6	2019/20 – 2023/24	2000	• Greater Janakpur master plan will have been prepared and implemented. • Cultural heritages of Janakpur will have been conserved, beautification and construction of information boards, signage, park sand sanctuaries (Dharmashala) will have been carried out and lakes will have been conserved. • Infrastructure will have been developed on the Nepal side of Ramayana circuit. • Arrival of tourists in and around Janakpur will have increased, and employment and income generating activities will have increased.
30.	Rara Lake Tourism[3] Infrastructure Development Programme	4 7	2017/18 – 2023/24	2000	• View point and access road to Rara Lake will have been constructed. • 100 km trail/cycle lane will have been constructed and the lake will have been conserved and beautified. • Well-furnished accommodations including hotels operated by the private sector and community-based homestays will have come into operation. • Arrival of tourists in and around Rara will have increased, and employment and income generating activities will have increased.

S. N.	Program/Project	National Goals	Project Period (Start and Completion)	Total Estimated Cost (in million NRs.)	Expected Results
31.	Tourism Destination Development Program[2]	4 5	2017/18– 2020/21	2010	• One model tourist destination will have been developed in each province (Sandakpur area, Illam, Dhanusadham area, Dhanusa, Indrasarobar area, Makwanpur, Panchase area, Kaski Parbat, Jagadishpur Lake area, Kapilvastu, Rara area, Mugu and Bhadgau area, Kailali). • Trekking trails will have been upgraded and one tourist information centre and one community cultural centre will have been established in each destination. • A community homestay will have been developed in each destination and handed over to the community.

Note. 1. New Programme 2. Revised Program, and 3. Existing Program.

1.3.2 Social Sector

S. N.	Program/Project	National Goals	Project Period (Start and Completion)	Total Estimated Cost (in million NRs.)	Expected Results
1.	School Sector Development Program[3]	2 5	2016/17 – 2022/23	120490	• The number of qualified and trained teachers will have increased • Equitable access to basic education will have increased, and the quality of education will have been enhanced. • Safe learning environment will have been ensured for each child. • Functional literacy and reading & learning habits of youth and adults will have been enhanced.
2.	Food for Education Program[3]	2 5	2018/19– 2022/23	2480	• Mid-day meals will have been provided to 822 thousand students, and nutrition health will have improved. • Enrollment, attendance, reading capacity, and learning achievements will have improved. • Gender and caste-based discrimination will have decreased.
3.	Vocational Education and Training Enhancement Project (Second)[3]	2 5	2017/18 – 2021/22	6810	• Minimum Quality Standards, Indicators and Quality Assurance Guidelines will have been prepared and implemented for technical education institutions operating Technical SEE and Diploma level. • 100 technical educational institutions will have been provided grants

S. N.	Program/Project	National Goals	Project Period (Start and Completion)	Total Estimated Cost (in million NRs.)	Expected Results
					based on their performance against quality assurance indicators prescribed by the Guideline. • 6500 Technical SEE and diploma level students will have been provided scholarship on the basis of Proxy Means Test Scores Apprenticeship model including 80 percent practical exercises and 20 percent theoretical knowledge will have been provided to 1500 unemployed youth who qualify for level 2.
4.	Medical College Infrastructure Development Project/Committee[3]	2 5	2018/19 – 2024/25	57000	• Provincial level medical colleges will have been established and operated in Butwal, Bardiwas, Surkhet and Geta (Kailali). • Affordable access to quality health education will have increased, and health services will have been expanded to the provincial level. • Human resources will have been produced for health sector maintaining provincial balance.
5.	Higher Education Improvement Project[4]	2 5	Modality yet to be decided	-	• Physical infrastructure for higher education will have been developed. • Higher education institutions that have completed quality assurance and accreditation process will have been accredited. • Higher education institutions will have received grants based on their

S. N.	Program/Project	National Goals	Project Period (Start and Completion)	Total Estimated Cost (in million NRs.)	Expected Results
					performance. • Access to quality higher education will have been enhanced maintaining provincial balance. • Research, development and innovation will have increased for academic excellence.
6.	Nepal Vocational Qualification System[1]	2 8	2019/20 – 2023/24	3000	• Systematic improvements will have been made in the area of technical and vocational training. • The quality of human resources produced in this sector will have been ensured.
7.	Madan Bhandari Science and Technology University[1]	2 4	2020/21– 2024/25	10000	• A world class science and technology university will have been established and come into operation. • Capable human resources will have been produced in high-tech and other sectors. • Scientific, innovative, research-oriented, and technology-friendly education will have been promoted in accordance with the local context

S. N.	Program/Project	National Goals	Project Period (Start and Completion)	Total Estimated Cost (in million NRs.)	Expected Results
8.	High Mountain International Research Centre[1]	2 4	2022/23- 2025/26	5000	• An international standard research centre with state-of-the-art facilities will have been established and run in the higher mountain region. • Collaboration of Nepali scientists with scientists and relevant institutions of other countries will have been expanded. • Nepal will have established a unique identity in the world's scientific community and will have attracted quality tourists through scientific tourism and earned foreign currency.
9.	National Science Technology and Innovation Fund[1]	2 4	2023/24 – 2025/26	5000	• A fund will have been operated to encourage talents involved in the areas of science technology and innovation. • An incubation centre will have been established and innovation will have been carried out.
10.	Multi- Disciplinary ResearchCentre[1]	2 4	2020/21 – 2025/26	10000	• A research centre with international standards and state-of-the-art facilities will have been established. • Existing research centres, central departments of universities, and affiliated colleges based in provinces will have been developed as research centres based on specialization. • The intellectual exchange between Nepali scientists and technicians

S. N.	Program/Project	National Goals	Project Period (Start and Completion)	Total Estimated Cost (in million NRs.)	Expected Results
					within and outside the country will have taken place through science technology and innovation networks. • Scientific capacity and access will have increased through the expansion of relationships with national and international academic institutions and universities.
11.	Health Insurance Program[3]	2 5	2015/16– 2023/24	35000	• The percentage of population covered by health insurance will have increased from the current 7 percent 60 percent. • The percentage of personal expenditure on health and medical treatment will have reduced from the current 53 percent to 40 percent. • Universal and quality access to and utilization of health services will have increased.
12.	Integrated Vaccination and Nutrition Program[2]	2 5	2019/20– 2023/24	9010	• The number of children receiving all recommended vaccines will have reached 95%. • The ratio of adolescent girls receiving HPV vaccine will have reached 60 percent. • The ratio of babies exclusively breastfed for 6 months will have reached 90 percent.

S. N.	Program/Project	National Goals	Project Period (Start and Completion)	Total Estimated Cost (in million NRs.)	Expected Results
					• Nutrition status of women, children, and adolescents will have improved through nutrition-specific and nutrition sensitive programmes.
13.	Safe Motherhood and Reproductive Health Strengthening Program[2]	2 5	2019/20 – 2023/24	7510	• Pregnant women will have been examined, birthing department will have been established in tertiary hospitals, and maternity services of health institutions will have been improved. • The access to safe motherhood and reproductive health services will have been expanded to highly marginalized groups. • Reproductive health problems like fistula, uterus cancer, and breast cancer faced by women will have been reduced through preventive and curative programmes. • Maternal mortality rate, child mortality rate, and infant mortality rate will have declined.
14.	Integrated Disease Prevention and Control Program[2]	2 5	2019/20 – 2023/24	25000	• A National Disease Control and Prevention Centre will have been established by integrating disease control agencies. • Tuberculosis and leprosy will have been treated through active search and

S. N.	Program/Project	National Goals	Project Period (Start and Completion)	Total Estimated Cost (in million NRs.)	Expected Results
					identification of cases in the community as well as through special programmes. • Special programmes on eradication of malaria, filarial, and dengue diseases will have been implemented. • Mental health programmes will have been expanded up to the local levels.
15.	Integrated Health Information Management and Digital Health Program[1]	2 8	2019/20 – 2023/24	2920	• Integrated health information management system will have been implemented through intergovernmental coordination. • Effectiveness of health services will have improved based on exchange of health information and data and full utilization of this information. Digital health services will have been expanded, and a modern health system will have developed.
16.	Migration Health Program[1]	2 5	2019/20– 2023/24	1030	• Information systems on health issues related to migration will have been developed and managed. • Health risks will have been reduced through identification, prevention, and management of health problems, disease outbreak, and pandemics that can be caused due to migration and open border.

S. N.	Program/Project	National Goals	Project Period (Start and Completion)	Total Estimated Cost (in million NRs.)	Expected Results
17.	Population Management Program[1]	2 5	2019/20 – 2023/24	255	• Demographic management information system will have been developed and demographic profiles of federal, provincial, and local levels will have been prepared. • The birth and death in health institutions will have been integrated into the event registration program. • The demographic dividend will have been utilized through sectoral and intergovernmental coordination and mainstreaming.
18.	Drinking Water Quality Improvement Program[3]	2 5	2019/20 – 2023/24	8380	• Safe drinking water services will have reached 1.905 million households or 27.5 percent of the population • Public health will have significantly improved resulting in increased productivity.
19.	Drinking Water Service Expansion and Rehabilitation Program[3]	2 5	2019/20 – 2023/24	21210	• The construction and rehabilitation of 900 drinking water projects will have been completed. • 1.148 million people will have benefitted from the expansion and rehabilitation of drinking water services.

S. N.	Program/Project	National Goals	Project Period (Start and Completion)	Total Estimated Cost (in million NRs.)	Expected Results
20.	Climate Adapted Mega Drinking Water Project[3]	2 5	2019/20- 2023/24	38500	• Construction of 55 projects will have been completed. • 855 thousand people living in dry areas and affected by climate change will have benefitted from drinking water services.
21.	Kathmandu Valley Wastewater Management Project[3]	2 5	2003/04 – 2023/24	3950	• Drainage and waste water processing plant will have been built. • 138 million litres of wastewater will have been processed in Kathmandu valley daily.
22.	Youth Vocational Innovation Centre[1]	2 4	2019/20 – 2023/24	4680	• Skilled and entrepreneurial human resources will have been developed. • Youths will have been supported to shift from traditional subsistence work to modern entrepreneurial work. • Services will have been provided through an integrated youth vocational innovation centre. • Policy, knowledge, and work will have been linked.
23.	Youth Self Employment Program[1]	2 4	2019/20 – 2023/24	2000	• 12 thousand youths will have become self-employed every year. • Economic situation of youths will have been strengthened. • Exodus of youths to foreign countries will have decreased.

S. N.	Program/Project	National Goals	Project Period (Start and Completion)	Total Estimated Cost (in million NRs.)	Expected Results
24.	Scout Expansion Program[3]	5 10	2019/20– 2023/24	1520	• Scout activities will have been conducted and expanded in schools. • The spirit of volunteering will have been instilled in children, and they will have been participating in volunteer activities.
25.	Campaign Against Gender Based Violence Program[3]	6 9	2019/20 – 2023/24	610	• Skills development, protection, and rehabilitation of women affected by violence will have been carried out establishing a long-term rehabilitation centre at the provincial level as needed. • All forms of violence and discrimination against women will have been reduced, and with qualitative improvements in their lives. • The ratio of women facing physical, mental or sexual violence in their lifetime will have decreased to 13 percent.
26.	State as the protector of children at risk[1]	5 6	2019/20 – 2023/24	2000	• The state will have taken guardianship of orphans and destitute children, with their protection, development, participation, and security guaranteed. • The classified information of children with special protection needs will have been managed. • Street children in Kathmandu Valley and other cities will have been rescued and managed.

S. N.	Program/Project	National Goals	Project Period (Start and Completion)	Total Estimated Cost (in million NRs.)	Expected Results
					• Child marriage will have decreased.
27.	Senior Citizens Program[1]	6 10	2019/20 – 2023/24	2200	• Senior citizen clubs, day-care centres and health centres will have been established and operated. • Helpless, infirm, and abandoned senior citizens will have been living a Well-being and decent life. • Knowledge, skills, and experience of senior citizens will have been used in social development, infrastructure development and policy formulation and planning.
28.	Disability- friendly Campaign[1]	5 6	2019/20 – 2023/24	1000	• Disability – friendly public and physical structures will have been constructed. • Rehabilitation services including education and health facilities will have been be available for people with disabilities. • Services necessary for people with disabilities will have been easily available, with one million people across the country directly benefitting from this. • Access and participation of people with disabilities in development activities will have increased.

S. N.	Program/Project	National Goals	Project Period (Start and Completion)	Total Estimated Cost (in million NRs.)	Expected Results
29.	Human Trafficking Control Program[3]	6 10	2019/20 – 2023/24	310	• A mechanism for controlling human trafficking will have been set up at provincial and local levels. • Internal and external human trafficking will have been significantly reduced
30.	Social Organization Mobilization and Management Program[1]	6 8	2019\20-2023\24	100	• National and international non-governmental organizations will have been mobilized in national priority areas following pre-determined criteria. • National and international non- governmental organizations will have supported economic and social development by being professional, transparent, and accountable.
31.	Sports Infrastructure Development and Promotion Program[3]	5 10	2019\20-2023\24	116800	• A well- equipped international-sports complex will have been constructed. • Stadiums with facilities comparable to international standards will have been constructed in all provinces. • Cricket grounds, including Mulpani Cricket Stadium, will have been constructed in all provinces. • Gauritar sports academy will have been constructed.

S. N.	Program/Project	National Goals	Project Period (Start and Completion)	Total Estimated Cost (in million NRs.)	Expected Results
					• Sports infrastructure will have been developed for the national sports competition. • Khelgram (Sports Village) will have been constructed at all local levels. • Public-private partnership will have been prioritized for the construction and operation of sports infrastructure.
32.	Sports Training, and Competition and Promotion Program[1]	5 10	2019\2020-2023\24	3360	• 80 thousand athletes will have been given basic and specialized training. • Sports skills of athletes will have improved. • National sports teams will have been fully prepared based on opportunities to practice sports available for all citizens. • People's attraction to sports will have increased, and national pride will have been enhanced through sports.
33.	Adventure Sports Promotion Program[1]	2 5	2020\21 – 2023\24	600	• Six adventure sports stadiums will have been constructed. • Six international competitions related to adventure sports will have been organized annually. • Sports will have contributed to tourism promotion.

S. N.	Program/Project	National Goals	Project Period (Start and Completion)	Total Estimated Cost (in million NRs.)	Expected Results
34.	High Altitude Training Centre[1]	4 5	2019\20- 2023\24	2500	• High altitude sports training centres will have been constructed at an altitude above 2500 metres in Lukla, Manang, Helambu, Jumla, and Ghandruk, with covered halls, fitness centres, football, and cricket or other sports playing fields, parapet walls and stages. • Public – private partnership will have been prioritized.

Note: 1. new program. 2. Revised program. 3. Existing program. 4. Programmes for which implementation and investment modalities have not yet been finalized

1.3.3 Infrastructure Sector

S. N.	Program/Project	National Goals	Project Period (Start and Completion)	Total Estimated Cost (in million NRs.)	Expected Results
1.	Karnali Chisapani Hydropower Project[4]	3 4	Construction and investment modalities not decided	To be decided	• The project will have been developed in Bardiya, Kanchanpur, Surkhet and Achham districts with 10,800 MW of electricity generated.

S. N.	Program/Project	National Goals	Project Period (Start and Completion)	Total Estimated Cost (in million NRs.)	Expected Results
			yet		
2.	Mugu Karnali Reservoir Hydropower Project[3]	3 4	2018/19-2030/31	41840	• The project will have been developed in Bajura, Mugu, and Humla districts and will have generated 1,902-megawatt electricity.
3.	Kali Gandaki Reservoir Multipurpose Hydropower Project[1]	3 4	2021/22-2027/28	To be decided	• The reservoir project will have been developed in Parbat and Myagdi districts and will have generated 844-megawatt electricity.
4.	Lower Arun Hydropower Project[1]	3 4	2020/21-2025/26	135800	• The project will have been developed in Sankhuwasabha district and will have generated 679-megawatt electricity.
5.	Kimathangka Arun Peaking Run of the River Hydropower Project[3]	3 4	2017/18-2026/27	96400	• The project will have been developed in Sankhuwasabha district and will have generated 450-megawatt electricity and 2,925-gigawatt hour energy.
6.	Phukot Karnali Peaking Run of the River Hydropower Project[3]	3 4	2017/18-2026/27	98400	• The project will have been developed in Kalikot district and will have generated 426 megawatt electricity and 2,510 gigawatt hour energy.
7.	Nalgaadh Reservoir	3	2012/13-	154600	• The project will have been developed in Jajarkot district and will have

S. N.	Program/Project	National Goals	Project Period (Start and Completion)	Total Estimated Cost (in million NRs.)	Expected Results
	Hydropower Project[3]	4	2028/29		generated 417-megawatt electricity and 1,232 gigawatt hour energy.
8.	Jagadulla Peaking Run of the River Hydropower Project [3]	3 4	2017/18-2023/24	21200	• The project will have been developed in Dolpa district and will have generated 307 megawatt of electricity and 1,098-gigawatt hour energy.
9.	Naumure Reservoir Hydropower Project[1]	3 4	2020/21-2025/26	51450	• The project will have been developed in Dailekh district and will have generated 245-megawatt electricity.
10.	Tanahu Hydropower Project[3]	3 4	2017/18-2022/23	41620	• The project will have been developed in Tanahu district and will have generated 140-megawatt electricity and 502.58 gigawatt hour energy.
11.	Rasuwagadhi Hydropower Project[3]	3 4	2013/24-2020/21	13680	• The project will have been developed in Rasuwa district and will have generated 111 megawatt and 613.88-gigawatt hour energy.
12.	Middle-Bhotekoshi Hydropower Project[3]	3 4	2013/14-2020/21	12280	• The project will have been developed in Sindhupalchowk district and will have generated 102-megawatt electricity and 542.30 gigawatt hour energy.
13.	Tamakoshi-V Hydropower Project[1]	3 4	2019/20-2023/24	16700	• The project will have been developed in Dolakha district and will have generated 100-megawatt electricity and 240 gigawatt hour energy.
14.	Arun-IV Hydropower Project[1]	3 4	2020/21-2025/26	82080	• The project will have been developed in Sankhuwasabha district and 372-megawatt electricity will have been generated.

S. N.	Program/Project	National Goals	Project Period (Start and Completion)	Total Estimated Cost (in million NRs.)	Expected Results
15.	DudhKoshi Hydropower Project[1]	3 4	2020/21- 2028/29	21,9000	• The project will have been developed in Solukhumbu district and will have generated 635-megawatt electricity and 3,400 gigawatt hour energy.
16.	Khimti Those Shivalaya Hydropower Project[1]	3 4	2021/22- 2027/28	To be decided	• The project will have been developed in Dolakha and Ramechhap districts and will have generated 326-megawatt electricity.
17.	Bharbhung Hydropower Project[1]	3 4	2021/22- 2027/28	To be decided	• The project will have been developed in Dolpa district and will have generated 500-megawatt electricity.
18.	Seti River-VI Hydropower Project[1]	3 4	2021/22- 2027/28	56000	• The project will have been developed in Doti and Achham districts and will have generated 280-megawatt electricity.
19.	132 KV Transmission Line Program[2]	3 4	1998/99- 2020/21	1241290	• Thankot-Chapagaun 132 KV Transmission Line: Project: 54 circuit km Transmission line, • Singati-Lamosanghu 132 KV transmission line project: 80 circuit km transmission line and 30 MVA sub-station. • Solu Corridor 132 KV transmission line project:180 circuit km transmission line and 30 MVA sub-station, • Ramechhap-Garjyang-Khimti 132 KV transmission line project: 31 circuit km transmission line and 30 MVA sub-station • Dordi Corridor 132 KV transmission line project: 20 circuit km

S. N.	Program/Project	National Goals	Project Period (Start and Completion)	Total Estimated Cost (in million NRs.)	Expected Results
					transmission line and 10 MVA sub-station, • Butwal-Lumbini 132 KV transmission line project: 44 circuit km transmission and 90 MVA sub-station will have been built.
20.	Micro and Small Hydropower Projects[3]	4 7	2019/20- 2023/24	2600	• 113 megawatts of electricity will have been generated and the access to electricity will have increased.
21.	Solar Energy Program[3]	4 7	2019/2020- 2023/24	12700	• 127 megawatts of electricity will have been generated and the access to electricity will have increased.
22.	Bio Energy Program[3]	4 7	2019/20- 2023/24	10000	• 200,000 household biogas plant, 500,000 improved stoves and gasifiers (heat and electricity technology) will have been installed. • 500 high-capacity biogas plants will have been installed and 40,000 metric ton LP gas will have been produced.
23.	Wind Energy Program[3]	4 7	2019/2020- 2023/24	2000	• 10 megawatt electricity will have been generated in Mustang utilizing wind energy.
24.	Nepal Energy Efficiency Program[3]	4 7	2019/20- 2023/24	50	• Legal framework will have been ready, standards for electrical equipment will have been fixed and energy audit will have been carried out for major industries.
25.	National Highway Expansion and	1 3	2018/19- 2023/24	282420	• 173 km road in the Naubise-Muglin and Muglin-Pokhara sections of Prithvi highway will have been upgraded to four lanes and will have been

S. N.	Program/Project	National Goals	Project Period (Start and Completion)	Total Estimated Cost (in million NRs.)	Expected Results
	Upgradation Program[3]				developed as an alternative route. • 49 km of Rani-Biratnagar-Itahari-Dharan road, 40 km of Jatahi-Janakpur-Dhalkebar road, 31 km of Birgunj-Pathlaiya, 27 km of Belahiya-Butwal road, and 14 km of Mohanapul-Attariya road will have been upgraded to four lane road. • 22 km of Suryabinayak-Dhulikhel section of Araniko Highway will have been upgraded to four lanes and 87 km of Dhulikhel-Dolalghat-Barhabise-Kodari section will have been upgraded to two lanes and blacktopped. • 157 km of Siddhartha Highway (Butwal-Palpa-Pokhara) will have been upgraded to two lane road. • Out of 352 km road (Kechana-Ilam-Phidim-Taplejung-Olangchungola) of Mechi Highway, 123 km of Dobhan-Olangchungola section will have been blacktopped. • Out of 281 km of Bhittamode-Jaleshwar-Bardibas-Khurkot-Manthali-Tamakoshi-Singati—Lamabagar-Lapchagaun road, 261 km of Bhittamode- Lamabagar section will have been blacktopped and the construction of 20 km road from Lamabagar-Lapchagaun will have

S. N.	Program/Project	National Goals	Project Period (Start and Completion)	Total Estimated Cost (in million NRs.)	Expected Results
					begun. • Malekhu-Bhandara road will have been upgraded to two lanes. • 108 km of Dumre-Besisahar-Chame road will have been upgraded to two lanes and blacktopped. • 211 km of Shahid marga (Koilabaas-Lamahi, Arjun khola-Ghorahi-Holeri-Ghartigaun-Thabang-Rukum) will have been blacktopped. • Out of 317 km road (Chhinchu-Kudu-Jajarkot-Dunai-Dho-Tinje-Marim of Bheri Corridor), 118 km Chinchu-Kudu-Jajarkot-Dunai section will have been blacktopped and road track will have been constructed in Dunai-Dho-Tinje-Marim section. • Out of 296 km of Khutiya-Dipayal-Chainpur-UraaiBhanjyang road, Khutiya-Dipayal-Chainpur section will have been upgraded to two lanes and Chainpur-UraaiBhanjyang section's track will have been constructed and the upgradation to two lanes and blacktopping will have started. • Out of 350 km of Dhangadhi-Sahajpur-Buder-Syaule and Satbaanjh-Darchula-Tinker road, 110 km road track will have been constructed in Darchula-Tinker section and upgradation to two lane road and blacktopping will have started.

S. N.	Program/Project	National Goals	Project Period (Start and Completion)	Total Estimated Cost (in million NRs.)	Expected Results
					• 201 km of Chandani-Bhimdutta-Pancheswar-Jhulaghaat road will have been blacktopped.
26.	Madan Bhandari Highway Project[3]	3 5	2018/19-2021/22	98300	• 1,250 km road from Bahundangi of Jhapa to Rupal of Dadeldhura will have been upgraded to two lanes and blacktopped. • This road will have been developed as an alternative to East-West highway. • People living in Chure hills and inner Tarai will have had easy access to transport services.
27.	Basic Road Network Expansion Program[2]	3 5	2019/20-2023/2024	81000	• 39 km road will have been constructed and upgraded connecting Humla's headquarters to the National Road Network. • 813 km road connecting headquarters of Manang, Mustang, Mugu, Dolpa, and Humla district will have been upgraded and blacktopped.
28.	Road Network Operation and Maintenance, Rehabilitation and Road Safety Programmes[3]	3 4	2018/19-2023/24	55000	• Based on the service quality of roads, regular, occasional, and periodic maintenance and rehabilitation will have been carried out. • Road safety test will have been carried out during design, construction, and upgradation phases etc. to reduce road accidents. • Modern technology will have been used to collect service charge and vehicle charge in national highways.

S. N.	Program/Project	National Goals	Project Period (Start and Completion)	Total Estimated Cost (in million NRs.)	Expected Results
					• At least one road construction quality test lab will have been established in each province.
29.	Kathmandu Valley Access and Valley Roads Strengthening Program[1]	3 5	2018/19-2023/24	32580	• 24 km of Sitapaila-Dharke-Galchhi road will have been blacktopped. • 65 km of Balaju-Trisuli road will have been blacktopped. • 15.5 km of Kalanki-Maharajgunj-Koteshwar section (Except Chabahil-Gaushala section) of the Kathmandu Ring Road will have been upgraded to eight lanes. • Upgradation of 68 km of the Kathmandu Outer Ring Road to four lanes will have started.
30.	Road Bridge Construction Program[3]	1 3	2018/2019-2023-2024	198000	• 400 bridges will have been constructed in national and provincial highways and 1,200 bridges will have been constructed in local roads. • 10 modern bridges will have been constructed in the capital city and other large cities. • Existing bridges will have been repaired and maintained whereas dilapidated bridges will have been rebuilt. • The construction of flyover will have been started in Kathmandu Ring Road and other highways with busy traffic.
31.	Tunnel Road	1	2019/20-	53660	• 2.5 km long tunnel will have been constructed at the Nagdhunga-

S. N.	Program/Project	National Goals	Project Period (Start and Completion)	Total Estimated Cost (in million NRs.)	Expected Results
	Development Program[2]	3	2023/24		Sisnekhola section of Tribhuvan highway. • Studies will have been conducted and detailed project reports will have been prepared and implemented based on the feasibility for tunnel roads in Siddhababa section of Siddhartha highway, Tokha-Gurje Bhanjyang section of Tokha-Chahare-Bidur road, Betrawati-Syafrubesi section of Galchhi-Trishuli-Mailung-Syafrubesi-Rasuwagadhi road, Khurkot-Chiyabari section of BP highway, Hemja-Nayapul section of Mid-hill highway, Sahajpur section of BP nagar-Khutiya-Dipayal road, Thankot-Chitlang road and Lamabagar-Lapchegaun section of Dolakha-Singati-Lamabagar-Lapchegaun road.
32.	Rasuwagadhi-Kathmandu Railways Project[1]	1 3	2019/20-2027/28	293000	• Detailed Project Report and Environmental Impact Assessment will have been carried out. • Investment modality will be finalized and preparatory works like land acquisition will have been completed. • The construction of 72 km of railways will have been completed.
33.	Raksaul-Kathmandu Railways Project[1]	1 3	2019/20-2027/28	264000	• Detailed Project Report and Environmental Impact Assessment will have been carried out. • Investment modality will have been finalized and preparatory works like

S. N.	Program/Project	National Goals	Project Period (Start and Completion)	Total Estimated Cost (in million NRs.)	Expected Results
					land acquisition will have been completed. • The construction of 135 km of railways will have started.
34.	Water Transport Development Project[1]	3 4	2019/20-2027/28	5300	• Laws related to water transport will have been formulated. • Feasibility studies will have been conducted and Detailed Project Reports will have been prepared for Saptakoshi (Dolalghat-Chatara, Baraha region-Tumlingtar), KaliGandaki (Ramdi-Devghat), Narayani (Devghat-Gandak) and Karnali (Khakraula-Khimdi, Khimdi-Hulm). • The required infrastructure based on feasibility will have been developed in Saptakoshi, Kali Gandaki, Narayani and Karnali River and water transport will have come into operation.
35.	Integrated Urban Development Program[3]	3 5	2015/16-2023/24	135000	• 520 km urban road and 640 km underground/surface canal will have been built. • 46 bus parks and entertainment parks will have been built. • Integrated urban development plan will have been formulated for 293 municipalities and the development of organized urban infrastructure will have started.
36.	Kathmandu Valley New Town	3 5	2019/20-2028/29	372000	• Four new towns with modern infrastructure will have been developed in Kathmandu valley's Sankhu-Changunarayan-Duwakot-Kageshwari-

S. N.	Program/Project	National Goals	Project Period (Start and Completion)	Total Estimated Cost (in million NRs.)	Expected Results
	Development Project[3]				Manahara region, Balaju-Kavresthali-Tokha region and Katunje-Dadhikot-Sirutar-Gundu region. • High urban population of the valley will have been managed with new settlements spread over 130,000 ropanis of land.
37.	Relocation of Vulnerable Settlements and Integrated Settlement Development Program[3]	5 10	2018/19-2023/24	5000	• Following the preparation of detailed project report on integrated settlement development, work on infrastructure will have started including roads, drinking water, drainage, open spaces, housing plots, waste management system, school and health services and electricity in 35 locations (5 per province). • The process of relocating vulnerable settlements and settlements, where it is difficult to deliver public services, will have started for 35 small settlements with 5 settlements in each province.
38.	Banchare Danda Sanitary Landfill Site Construction Project[3]	5 7	2018/19-2020/21	650	• A modern sanitary landfill site with a processing centre for waste management of Kathmandu valley will have come into operation. • The Valley's environment will have become clean and hygienic, with people enjoying improved living standards
39.	Security Printing Project[3]	3 10	2017/2018-2023/24	32000	• A security printing system based with latest technology will have been established and functional.

S. N.	Program/Project	National Goals	Project Period (Start and Completion)	Total Estimated Cost (in million NRs.)	Expected Results
					• Security of database of confidential information of national importance will have been ensured. • The country will have become self-reliant in security printing.
40.	National Reconstruction Program[3]	5 10	2015/16-2020/21	937000	• Reconstruction of the structures damaged by the 2015 earthquake will have been completed in a sustainable, resilient and planned manner • Reconstruction of all houses of individuals and families displaced by the 2015 earthquake will have been completed.

Note: 1. New program. 2. Revised program. 3. Existing program. 4. Programmes for which implementation and investment modality have not yet been finalized.

1.3.4 Democracy and good governance

S. N.	Program/ Project	National Goals	Project Period (Start and Completion)	Total Estimated Cost (in million NRs.)	Expected Results
1.	Home Administration Strengthening Program[2]	6 8	2019/20- 2023/2024	12450	• Quality of the service delivery from district, Ilaka and border administration offices will have improved. • Community security will have been strengthened due to establishment and expansion of security systems in partnership between the police and the community. • Border management and immigration systems will have been strengthened and illegal migration and cross border crimes will have been controlled. • Physical capacity of the prisons will have been increased, and prisons will have been transformed into rehabilitation centres making prisoners able and motivated to reintegrate into society. • Disaster management will have been made more effective and the loss of life and property will have been minimized. • The use of information technology for maintaining peace and security and for controlling crimes will have increased.
2.	National Defence University[1]	2 10	2019/2020- 2023/24	3200	• A university offering courses on national security and defence will have been established.

S. N.	Program/ Project	National Goals	Project Period (Start and Completion)	Total Estimated Cost (in million NRs.)	Expected Results
					• A resource centre with international standards will have been developed for teaching, learning, undertaking research and analysing national security and defence issues.
3.	Strengthening Physical Infrastructure of Courts[2]	6 7	2019/20- 2023/24	31370	• Buildings for Supreme Court, high courts, and district courts will have been constructed. • Land required for the construction of residences and guardhouses for judges and judicial staff will have been acquired.
4.	Strengthening Electoral System[2]	8 9	2019/2020- 2023/24	190	• Timely improvements will have been introduced in election- laws. • Election codes of conduct will have been implemented effectively, and the credibility of elections will have increased. • Financial transparency of political parties will have improved. • Voter participation in the election process will have increased.
5.	Human Rights Protection and Promotion Program[2]	6 9	2018/19- 2020/2021	60	• Protection, and promotion, of human rights will have increased, with also compliance improving • Human rights violators will have been punished; victims will have received justice, relief, and compensation; and impunity will have ended. • International conventions and commitments Nepal is party to will have been implemented effectively.

S. N.	Program/ Project	National Goals	Project Period (Start and Completion)	Total Estimated Cost (in million NRs.)	Expected Results
					• Bilateral and multilateral relations will have been developed for human rights protection.
6.	Provincial and Local Governance Support Program[1]	8 9	2019/2020- 2023/2024	14980	• Provinces will have adopted a participatory approach and formulated acts and policies. • Training will have been provided to people's representatives and staff at provincial and local levels. • Public services delivered by provincial and local governments will have been effective. • Innovative Partnership Fund will have come into operation, with support provided to local levels. • Gender equality and inclusion (GESI) principles will have been mainstreamed into the governance system of provincial and local levels.
7.	Construction of Local Level Administrative Buildings[2]	8 9	2019/2020- 2023/24	60000	• Administrative buildings will have been constructed as needed in all local levels.
8.	Infrastructure Development and Fixed Assets	8 10	2019/2020- 2025/26	12500	• Diplomatic missions will have had their own land and buildings. • Diplomatic activities and services will have been carried out from their own buildings.

S. N.	Program/ Project	National Goals	Project Period (Start and Completion)	Total Estimated Cost (in million NRs.)	Expected Results
	Mangement[1]				• Nepal's image will have been enhanced in the international arena.
9.	Electronic Passport Management Program[1]	8 10	2020/21-2025/26	8000	• Secure, high-tech supported, and credible electronic passports with biometric details will have been issued online from within the country and Nepali missions abroad. • With Nepali passports meeting the international standards, international travel will have been easy, convenient, and respectful.
10.	Diplomatic Capacity Development Program[1]	8 10	2019/20-2021/22	530	• A long-term roadmap for human resource development and diplomatic capacity enhancement will have been prepared and implemented. • Highly professional diplomats and diplomatic staff will have been developed in the areas of international relations issues of bilateral and multilateral interest. • Nepal's leadership role and effectiveness in multilateral forums will have been enhanced. • Nepal's prestige and image will have been enhanced in the international arena.

Note: 1.New program. 2. Revised program, 3. Existing programme

1.3.5 Crosscutting sectors

S. N.	Program/ Project	National Goals	Project Period (Start and Completion)	Total Estimated Cost (in million NRs.)	Expected Results
1.	Prime Minister Employment Program[3]	2 6	2018/19- 2023/24	50000	• 100,000 people registered as unemployed will have got jobs at least for 100 days in a year. • Population covered by social security programmes will have increased.
2.	Social Security Fund[1]	5 6	2019/20- 2023/24	250	• 15,000 industrial enterprises and 250,000 employees will have been enlisted in the Social Security Fund every year. • The fund contributed by the employees will have been mobilized to ensure social security of the contributor and their families as well as for the national capital formation. • Number of employees enrolled in social security programmes will have increased.

Note: 1. New Programme 2. Revised programme 3. Existing program.

1.4 Major Programmes of Provinces

Major programmes of provinces have been identified and included with support from provincial governments in order to achieve equitable and balanced development through by making collaboration and coordination between the federal government and provincial governments for effective implementation. These projects are expected to reduce disparities between provinces and increase investments in the areas of comparative advantages. The implementation of major programmes of provinces will follow development and preparation of such programmes. The details of major programmes of provinces are given below. The national goals indicated in these projects refer to following national goals.

1. High and equitable national income
2. Development and full utilization of human capital potentials
3. Universally accessible modern infrastructure and dense interconnectivity
4. High and sustainable production and productivity
5. Well-being and decent life
6. Safe, civilized and just society
7. Healthy and balanced environment
8. Good governance

9 Comprehensive democracy

10. National unity, security, and dignity

S. N.	Program/ Project	National Goals	Project Period (Start and Completion)	Total Estimated Cost (in million NRs.)	Expected Results
Province 1					
1.	Koshi-TamorTrunk Line Drinking Water Project	2 5	2020/21- 2025/26	50000	• Water of Koshi-Tamor River will have been purified, and drinking water will have been distributed and exported through pipeline.
2.	Lakes Theme Park	2 4	2020/21- 2023/24	10000	• Parks with international standards will have been developed around various lakes in the province. • Tourist arrival will have increased.
3.	Biratnagar Regional International Airport	1 3	2020/21- 2026/27	15000	• Biratnagar airport will have been upgraded to a regional international airport.
4.	Chatara-Tumlingtar/Chatara-Dolalghat water ways	3 4	2020/21/- 2022/23	10000	• Waterways will have been developed and services operated from Chatara to Tumlingtar and Dolalghat. • Waterways will have been used as an alternative to airways and roadways. • Cargo transportation will have been more convenient and cheaper.
Province 2					
5.	Chief Minister Farmers Uplift Project	4 5	2019/2020- 2023/24	1000	• A modern and commercial agricultural system will have been developed. • Agricultural production and productivity will have increased.
6.	Underground Irrigation	2	2019/20-	150	• Underground irrigation systems will have been rehabilitated, operated

S. N.	Program/ Project	National Goals	Project Period (Start and Completion)	Total Estimated Cost (in million NRs.)	Expected Results
	System Management Project	4	2021/22		with irrigation facilities being available for agriculture. • Agricultural production and productivity will have increased.
7.	Chief Minister BetiPadhau, BetiBachau (educate and protect girl children) Program	2 6	2019/20- 2023/24	1000	• Girl's enrolment rate will have increased and dropout rate will have come down. • Female literacy rate will have increased. • Discrimination between sons and daughters will have been reduced. • Social empowerment of women will have been enhanced.
8.	Chief Minister Cleanliness Campaign	4 5	2019/20- 2023/24	1000	• Historical, religious, and cultural heritages will have been renovated and preserved. • Arrival of pilgrims and tourists will have increased
Bagmati Province					
9.	Bhimphedi-Kulekhani Tunnel Road	1 3	2019/20- 2023/24	13000	• 3.5 km tunnel road from Bhimphedi to Kulekhani will have been constructed. • Travel duration and distance between the provincial capital of Bagmati province and the federal capital will have been reduced.
10.	Madan Bhandari Academy of Health Science	2 5	2019/2020- 2020/21	3000	• Madan Bhandari Academy of Health Science will have been established, and the Academy will have started providing quality health education. • Easy, equitable, and quality access to health education will have been

S. N.	Program/ Project	National Goals	Project Period (Start and Completion)	Total Estimated Cost (in million NRs.)	Expected Results
					ensured.
11.	International Convention Centre Construction Project	4 5	2020/21- 2022/23	1500	• A well-equipped convention hall with international standards will have been constructed and operated in Hetauda. • This will have contributed to the tourism promotion.
12.	International-standard Stadium Construction Project	4 5	2019/20- 2020/21	3000	• A stadium with international standards will have been constructed in Hetauda. • The capacity of Nepali athletes will have been enhanced. • Sports tourism will have been promoted.
13.	Integrated Provincial Building Construction Project	8 9	2019/20- 2023/24	5000	• An integrated building will have been constructed for the province.
Gandaki Province					
14.	Gandaki Province Commercial Agriculture Development Project	1 4	2019/20- 2023/24	6120	• Various crops will have been identified based on potential. • The value chain of crops/products will have been developed.
15.	Provincial Industrial Estate Development	1 4	2018/19- 2023/24	64000	• Industries based on domestic raw materials will have been established and industrial products will have been produced; employment will have been

S. N.	Program/ Project	National Goals	Project Period (Start and Completion)	Total Estimated Cost (in million NRs.)	Expected Results
	Project				created; imports will have been substituted; and exports will have been promoted.
16.	Fewa Lake Conservation and Beautification project	4 7	2019/20- 2024/25	4920	• A check dam will have been constructed to prevent sand and stones flowing from the source river. • Plantation, park construction and other development works will have been carried out at the watershed area. • Drainage construction and dirty water processing will have been carried out in the east and west of the Fewa Lake.
17.	Specialized Hospital for Heart, Kidney and Cancer treatment	2 5	2019/20- 2023/24	1500	• Specialized hospital for heart, kidney and cancer treatment will have been established. • Access to specialized services will have been easy and affordable
18.	Pokhara-Dedgaun-Dumkibaas-Triveni Road Project	1 3	2017/18- 2021/22	6000	• Access of Tarai districts, including Nawalparasi East, to the capital of Gandaki province will have increased, with travel distance shortened.
Province No. 5					
19.	Cash Crops Value Chain Development Project	1 4	2019/20- 2026/27	20630	• The farming of vegetables, fruits, and spices will have been expanded, with increased production and productivity. • Export of cash crops will have been promoted.

S. N.	Program/ Project	National Goals	Project Period (Start and Completion)	Total Estimated Cost (in million NRs.)	Expected Results
20.	Ruru Religious and Touristic Site Management Project	4 6	2020/21- 2028/29	1370	• Existing temples, public rest-houses, sanctuaries (Dharmashala) will have been renovated. • Soil erosion by rivers in the Ruru area will have been controlled. • Necessary infrastructure will have been developed for tourists.
21.	Lumbini Provincial Hospital Services Expansion Project	2 5	2019/20- 2023/24	2040	• Lumbini Provincial Hospital will have been upgraded to provide specialized orthopedic and neurological services.
22.	Information Technology Innovation Centre (ICT park)	1 4	2019/20- 2023/24	1150	• Necessary infrastructure and services for IT-related industries will have been provided. • Human resources skilled in IT will have been produced through higher education and training opportunities.
23.	International--standard Stadium Construction Project	5	2019/20- 2023/24	1760	• A stadium with international standards will have been constructed in Dang. • Performance of Nepali athletes will have increased. • Sports tourism will have been be promoted
Karnali Province					
24.	Agriculture and	4	2020/21-	1000	• Agriculture and livestock resource centres will have been established at

S. N.	Program/ Project	National Goals	Project Period (Start and Completion)	Total Estimated Cost (in million NRs.)	Expected Results
	Livestock Farming Multipurpose Mountain and Hill Resource Centre	7	2024/25		one place each in mountain and hilly regions. • Agricultural production and productivity will have increased with the easy and affordable availability of seeds, saplings, calves, fingerlings etc.
25.	Surkhet-Hilsa Fast track (Karnali Corridor)	1 3	2019/20- 2026/27	64000	• 403 KM road will have been constructed and blacktopped. • Transport will have been accessible in Karnali province. • This will have supported hydropower and other developments as well as the development of agriculture, industry and the service sector.
26.	Kohalpur-Surkhet Road Expansion Project	1 3	2020/21- 2026/27	23220	• A detailed project report will have been prepared for the expansion of Kohalpur-Surkhet highway, and 86 kilometres of road will have been upgraded to four lanes. • This will have helped develop accessible transport facilities in Karnali province. • This will have supported hydropower and other developments as well as the development of agriculture, industry and the service sector.
27.	Surkhet-Jajarkot-Rukum-Dho-MorimlaBheri	1 3	2019/20- 2023/24	5000	• 224 KM road of Chhinchu-Dunai section will have been constructed and blacktopped. • Transport will have been accessible in Karnali province.

S. N.	Program/ Project	National Goals	Project Period (Start and Completion)	Total Estimated Cost (in million NRs.)	Expected Results
	Corridor				• This will have supported hydropower and other developments as well as the development of agriculture, industry and the service sector.
28.	Karnali Integrated Settlement Development Project	3 4	2020/21-2026/27	500	• Detailed Project Report of Integrated Settlement Development in Karnali Province will have been prepared. • Infrastructure including roads, drinking water, drainage system, open space, housing plots, solid waste management, school and health facilities, and electricity facilities will have been developed for integrated settlements in two locations. • Small settlements in vulnerable areas and in areas, where it is challenging to provide access to infrastructure and public services, will have been relocated.
Sudurpashchim Province					
29.	Chief Minister Agriculture and Livestock Development Program	1 4	2019/20-2023/24	1500	• An integrated programme focused on a single crop will be implemented in all local levels of Sudurpashchim province. • A cold store with a capacity of 2500 metric ton, a vegetable storage chamber with a capacity of 1850 metric ton, and a fruit storage chamber with a capacity of 650 metric ton will have been constructed. • A feed industry and a warehouse and processing plant with a capacity of

S. N.	Program/ Project	National Goals	Project Period (Start and Completion)	Total Estimated Cost (in million NRs.)	Expected Results
					10,000 metric ton will have been constructed. • Subsistence agriculture, livestock farming, and fisheries will have been modernized and commercialized.
30.	Sudurpashchim Province Tourism Corridor Development Project	3 4	2019/20-2022/23	1000	• Tourism destinations of Sudurpashchim province will have been developed and interconnected. • Historical, cultural, natural, topographical and human-made heritages will be preserved and promoted. • Tourism products and services will have been diversified. • Sudurpashchim Province will have been developed as an attractive, safe and quality tourism destination. • Arrivals of internal and external tourists and length of stay will have increased.
31.	Sudurpashchim Provincial Road Project	1 3	2019/20-2022/23	30900	• One provincial road will have been constructed in every district of Sudurpashchim Province with 790 kilometres of road in total. • The living standards of people will have improved with the construction of a short, safe, easy, and affordable road.
32.	Province Public Transport	3 5	2019/20-2023/24	2500	• Provincial level institutional arrangements on transport will have been implemented.

S. N.	Program/ Project	National Goals	Project Period (Start and Completion)	Total Estimated Cost (in million NRs.)	Expected Results
	Strengthening Project				• Public transport service will have become safe, convenient and easily accessible.
33.	Self-Employment Development Fund	25	2019/20-2023/24	1000	• A self-employment development fund will have been established and mobilized to produce 5,000 self-employed people every year. • Skills development training will have been provided to 6,000 people every year.

1.5 Major Projects under Public-Private Partnership

Public-private partnerships have been emphasized with a view to generating resources for additional investment in collaboration, participation and partnership with the private sector in cases where the private sector alone is unable to invest as needed. . Accordingly, major public private partnership projects have been identified, developed, and included in the plan to attract investment. These projects are focused on the construction and operation of physical and urban infrastructure, agriculture, forests and industry, and the service sector based on the comparative advantages. Details of major projects under public private partnership are given below. The national goals mentioned in the details refer to the following national goals:

1. High and equitable national income
2. Development and full utilization of human capital potentials
3. Universally accessible modern infrastructure and dense interconnectivity
4. High and sustainable production and productivity
5. Well-being and decent life
6. Safe, civilized and just society
7. Healthy and balanced environment
8. Good governance
9. Comprehensive democracy

10. National unity, security, and dignity

S. N.	Program/ Project	National Goals	Province	Project Period (Start and Completion)	Total Estimated Cost (in million NRs.)	Expected Results
1.	Agricultural Equipment and Tools Installation Industry	4 10	Province No. 2	2020/21-2027/28	15000	• Production and availability of modern equipment suitable for Nepal's crops, soil and farmers will have increased. • The country will have become self-reliant in the production of essential agricultural equipment • The agriculture sector will have been modernized and commercialized through mechanization, and the production and productivity will have increased.
2.	Chemical Fertilizer Factory	4 10	Province No. 2	2020/21-2027/28	73290	• Chemical fertilizer industry will have been established and chemical fertilizers will have become easily available. • Import of chemical fertilizers will have been substituted. • Foreign investment and technology transfer will have happened.
3.	Integrated Agricultural Industry Project	4 10	All provinces	2020/21-2027/28	30000	• Agricultural products storage and processing industry will have been established. • Standard quality will have been maintained in the collection, storage, and processing of agricultural products.

S. N.	Program/ Project	National Goals	Province	Project Period (Start and Completion)	Total Estimated Cost (in million NRs.)	Expected Results
						• Market for agricultural products will have been guaranteed through buyback agreement with farmers. • Value chain of crops will have been developed based on their potential, and employment opportunities will have been created.
4.	Integrated Medicinal Herbs Processing Project	1 4	Karnali Province	2020/21-2027/28	30000	• Medicinal herbs processing industry will have been established. • Areas with commercial potential of medicinal and aromatic plants in Karnali province will have been identified, and herbs will have been collected and processed. • Based on the development of value chains of medicinal herbs, industrial production, employment creation, import substitution and export promotion will have been carried out.
5.	Dhauwadi Iron Mine, and Processing Project	1 4	Gandaki Province	2020/21-2029/30	10000	• One million metric ton of iron and steel will have been extracted, processed, and produced every year. • Import of raw materials for iron will have been substituted and industrial production will have increased.

S. N.	Program/ Project	National Goals	Province	Project Period (Start and Completion)	Total Estimated Cost (in million NRs.)	Expected Results
6.	Khaptad Integrated Tourism Project	1 4	Sudurpaschim Province	2019/20-2028/29	22000	• Transport infrastructure, including cable car, cycle trail and foot trail, will have been developed in the Khaptad region. • High end hotels and settlements as well as living museums reflecting cultural, spiritual and historical uniqueness will have been constructed. • Spiritual and natural heritages of Khaptad will have been protected, and the region will have been developed as a world class tourism destination.
7.	Tamor Multipurpose Project	1 4	Province No. 1	2019/20-2029/30	250000	• A multipurpose project will have been constructed at Tamor River, and 1538 megawatt (including 395 megawatts floating solar) electricity will have been generated. • Water will be pumped during hours of low energy demand to generate electricity during hours of high demand. • Solar energy will have been produced from floating solar energy, with the cost of energy production reduced. • Aqua tourism and fish farming will have been carried out

S. N.	Program/ Project	National Goals	Province	Project Period (Start and Completion)	Total Estimated Cost (in million NRs.)	Expected Results
						at the reservoir.
8.	Innovation and Technology Park	3 4	Gandaki Province	Not yet decided	10000	• Infrastructure needed for IT industry will have been developed. • IT industries will have been established and operated. • Globally competitive IT-related human resources will have been produced. • New dimensions will have been developed in the field of research and innovation. • The country will have been developed as an Information Technology Hub.
9.	Outer Ring Road with Integrated Settlements Project	3 4	Bagmati Province	2020/21-2028/29	900000	• Land pooling, 72 km ring road construction, and 50 km road construction will have been carried out, and an integrated transport system (metro train, bus rapid transit and other public transport) will have been developed. • Well-managed towns will have been developed around the outer ring road with proper security systems, underground wires, solid waste management, open spaces, parks, and drinking water and drainage systems.

Annex 2: Result Framework

2.1 Background

The results framework is a systematic structure of indicators that includes periodic quantitative targets set to monitor and evaluate the overall outputs, outcomes and impacts of the plan by comparing the expected results of the programme and project implementation relative to the vision, goals, strategies and working policies of the Plan with the value of the base-year. In this framework, the official responsible agency is designated for the data sources to get the value of indicators including the relevant unit and also estimates, and risk aspects are mentioned. In Nepal, to make the planning process result-oriented, since the Tenth Plan, provision has been made for the preparation of the sectoral result framework, determination of result indicators, and log frame of projects. In the Thirteenth Plan, the result framework was prepared to establish interrelationship between the plans, programmes, and projects through indicators. In the Fourteenth Plan, the results framework was prepared by determining 15 key result areas and establishing their interrelation between thematic sectors and sub-sectors. In this plan, which is the first in effect after the implementation of federalism and also the one with the Long-Term Vision, the result framework has been formulated in such a way that it is to be implemented in keeping with the entirety of the Plan.

2.2 Results Framework

The results framework of the Fifteen Plan has been prepared with some new features to address development management according to the federal structure. Three types of results framework have been prepared in this respect: one, a framework containing the expected results indicators for the planning period, two, a framework with a long- term vision that includes the goals and destination indicators to be achieved by FY 2043/44, and three, a province-wise segregated indicator framework that includes province-level targets and outcome indicators. While preparing this results framework, 10 key result areas have been determined based on 4 national goals of prosperity and 6 national goals of happiness. The value of the base year and the intermediate and final years quantitative target has been determined by preparing indicators according to the key result areas. By monitoring the results, indicators are prepared that can be used to measure macro and sectoral targets and achievements periodically. These frameworks will provide

guidance on determining targets of Medium-Term Expenditure Framework (MTEF) and annual development programmes as well as help to measure achievement of programme and project implementation. The framework is also expected to assist in monitoring and evaluating the plan from institutional as well as sectoral perspectives.

2.3 Themes Included in the Result Framework

The results framework prepared by the National Planning Commission with active participation and support of the three-tiers of the government and subordinate bodies that implement development plans, programmes, and projects includes the following themes:

- Ten key thematic result areas have been identified and their interrelationships have been established by preparing three-hierarchical result indicators (outputs, outcomes and impacts).
- For measuring the above outputs, outcomes and impacts, appropriate units of sectoral result indicators are determined.
- The value of the base year as well as periodic quantitative targets of each indicator have been mentioned as much as possible to facilitate periodic monitoring and evaluation of the indicators.
- The data source to get the measurement of the indicators as well as the official responsible agencies for data sources have been ascertained.
- The potential risk factors for achieving outputs, outcomes and impacts indicators have been predicted.

2.4 Uses of the Results Framework

The result framework is a tool of monitoring to measure quantitative targets and destinations of the periodic plan. It can be used to measure macro and sectoral targets and also the expected achievement of the Plan. The use of the result framework for planning system and development management is expected in the following way:

- While preparing the annual development programmes, the result indicators (mainly at the output and outcome level) are included in the related sectoral segment. It helps in setting sectoral targets and measuring achievement in a particular fiscal year. It helps to identify improvements and additional efforts needed to achieve targeted achievement in the Plan.

- Since the duration of the Plan is five years, the prior actions of the Plan have to be prioritized in three years. For this, it helps to prepare a medium-term result framework based on a three-year result indicator (cyclic system) under the MTEF. The use of results framework makes it easier to harmonize the annual development programmes with the plan and to measure medium-term targets and achievements.
- The result framework identifies national goals and needs and helps to select areas and projects or programmes of assistance to development partners and align the assistance to national priorities. Also, while conducting such a program, it helps to address the concerns of development partners on whether or not the macro and sectoral targets will be achieved.
- The result framework is useful to select programmes and projects based on the expected results
- . It will be helpful in preparing annual progress reports also by reviewing the achievement of the thematic area of the periodic plan. It also helps to make the public officials accountable for the results.

2.5 Long-term Goals and Targets

According to the vision *"Prosperous Nepal, Happy Nepali"* adopted by the present government, the result framework of long-term vision has been formulated as a tool to measure the macro and sectoral goals and destinations based on the expected results from the implementation of five five-year plans by FY 2043/44. This result framework, prepared for the first time during the plan exercise, includes the outcome and impact indicators of periodic goals and targets for the next 25 years i.e. FY 2043/44 based on the FY 2018/19. This framework includes quantitative target estimation and projection determination of the final year of the Fifteenth Plan (FY 2023/24), final year of Sustainable Development Goals (FY 2029/2030) and final year of Long Term Vision (FY 2043/44) with the relevant unit. In this framework, the data sources to obtain the value of the specified indicator and the agency officially responsible for providing related data periodically have been ascertained.

The use of the results framework of long-term vision will not only measure the achievements of the Fifteenth Plan and SDGs, but is also expected to help create the base for prosperity and happiness and measure dynamism and sustainability based on expected results of the four five-year plans after the fifteenth plan. Additionally, it will help

determine the goals and destination of upcoming plans. It helps to determine the basis of resources and activities each year for the formulation and implementation of the MTEF which is an integral part of the annual budget. The results are expected to be useful in estimating activities, targets, and resources management over the next three years. Details of the long-term goals and destination indicators are presented in Table A2.1 and A2.2.

Table A2.1: Long-term Goals and Target Indicators of Prosperity

S. N.	Result Indicators	Unit	Base Year 2018/19	Targets			Sources of Information	Responsible Agency
				2023/24	2029/30	2043/44		
1. High and equitable national income								
1	Per capita national income	U.S. dollar	1,047	1,595	2,900	12,100	NA	CBS
2	Economic growth rate	Percent	6.8	10.3	10.3	10.5	NA	CBS
	Agriculture	Percent	4.8	5.8	5.8	5.9	NA	CBS
	Industry	Percent	12.2	14.6	14.9	14.9	NA	CBS
	Services	Percent	7.9	10.7	10.4	10.6	NA	CBS
3	Sectoral contribution to Economy							
	Agriculture	Percent	26.9	22.3	17.1	9.0	NA	CBS
	Industry	Percent	15.2	18.8	23.7	30.0	NA	CBS
	Services	Percent	57.8	58.9	59.2	61.0	NA	CBS
4	Ratio of national savings to GDP	Percent	52.4	47.5	46	44	NA	CBS
5	Ratio of investment to GDP	Percent	36.9	41.6	44	46	NA	CBS
6	Ratio of revenue to GDP	Percent	24.8	30	33	33	AR	MoF
7	Ratio of foreign direct investment to GDP	Percent	0.5	3	4	4	AR	MoF
8	Population under the poverty line (Absolute Poverty) *	Percent	18.7	9.5	4.9	0	NLSS	CBS

S. N.	Result Indicators	Unit	Base Year 2018/19	Targets			Sources of Information	Responsible Agency
				2023/24	2029/30	2043/44		
9	Income ratio of the richest 10 percent to the poorest 40 percent of the population (PALMA Ratio)	Ratio	1.31	1.25	1.17	1.10	NLSS	CBS
10	Consumption-based Gini coefficient	coefficient	0.30	0.27	0.25	0.24	HBS	NRB
11	Wealth-based Gini coefficient	coefficient	0.31	0.29	0.27	0.25	NDHS	MoHP
Note: Zero for people living below the poverty line means less than 1 percent poor*								
2. Development and full utilization of human capital potentials								
12	Life expectancy at birth *	Year	69.7	72	75	80	NDHS	NPC
13	Maternal mortality ratio (Per one hundred thousand live births)	Person	239	99	70	20	NDHS	MoHP
14	Under-five mortality rate (Per thousand live births)	Person	39	24	18	8	NDHS	MoHP
15	Total fertility rate	Per Woman	2.3	2.1	2.1	2.1	NDHS	MoHP
16	Adolescent fertility rate (below 19 years)	Percent	13	6	3	1	NDHS	MoHP
17	Population under health insurance coverage	Percent	7	60	85	95	AR	MoHP

S. N.	Result Indicators	Unit	Base Year 2018/19	Targets			Sources of Information	Responsible Agency
				2023/24	2029/30	2043/44		
18	Literacy rate (15 years and above)**	Percent	58	95	97	99	P.C.	CBS
19	Net enrolment rate at secondary level (9-12)	Percent	46	65	80	95	MIS	MoEST
20	Total enrolment rate in higher education	Percent	12	22	30	40	MIS	MoEST
21	Working-age population receiving technical education and vocational training	Percent	31	50	60	70	MIS	MoEST
22	Labour force participation rate (15 years and above)	Percent	38.5	49	59	72	NLFS	CBS
23	Share of the formal sector in employment	Percent	36.5	50	60	70	NLFS	CBS
*Note: *Estimation by NPC using data from NDHS. **Literacy rate is the value published in Population Census 2011*								
3. Accessible modern infrastructure and intensive connectivity								
24	Households with access to road transport within 30 minutes	Percent	82	95	97	99	NLSS	CBS
25	Road density	KM per Sq. KM	0.55	0.74	0.85	1	AR	MoPIT

S. N.	Result Indicators	Unit	Base Year 2018/19	Targets			Sources of Information	Responsible Agency
				2023/24	2029/30	2043/44		
26	National and provincial highways (up to two lanes)*	KM	7,794	20,200	25,000	33,000	AR	MoPIT
27	National highway (above two lanes, including Fast track)	KM	96	1,174	1,600	3,000	AR	MoPIT
28	Railway	KM	42	348	900	2,200	AR	MoPIT
29	Population with access to electricity	Percent	88	100	100	100	AR	MoEWRI
30	Population with access to the internet	Percent	65.9	80	95	100	AR	MoCIT
P.S.: *Black topped road								
4. High and sustainable production and productivity								
31	Labour productivity	Rs. (in thousand)	184.6	276	542	2,035	NLFS	CBS
32	Agricultural productivity (Major crops)	MT/Hectare	3.1	4.0	4.5	5.0	AR	MoALD
33	Productivity of agricultural labour	U.S. Dollar per worker	1,224	1,587	3,200	13,000	AR	MoALD
34	Seed replacement rate of major crops	Percent	16	25	35	55	AR	MoALD

S. N.	Result Indicators	Unit	Base Year 2018/19	Targets			Sources of Information	Responsible Agency
				2023/24	2029/30	2043/44		
35	Land with round-the-year irrigation facility among total irrigable land	Percent	33	50	80	85	AR	MoEWRI
36	Per capita electricity consumption	Kilowatt-hour	245	700	1,500	3,500	AR	MoEWRI
37	Electricity generation (installed capacity)	Mega-watt	1,250	5,820	15,000	35,000	AR	MoEWRI
38	Renewable energy (solar, wind micro-hydropower) installed capacity	Mega-watt	67.8	216.6	4,000	5,000	AR	MoEWRI
39	Export-Import ratio (goods and services)	Ratio	5.7	3.3	2.3	1	AR	Department of Customs
40	Average length of stay of foreign tourists	Day	12.7	15	18	21	AR	MoCTCA

Table A2.2: Long-term Goals and Target indicators of Happiness

S. N.	Result Indicator	Unit	Base Year 2018/19	Target			Sources of Information	Responsible agency
				2023/24	2029/30	2043/44		
5. Well-being and decent life								
1	Human development index	Index	0.579	0.624	0.68	0.76	HDR	UNDP
2	Population under multidimensional poverty	Percent	28.6	11.5	6	3	NMPR	NPC
3	Percentage of children under age 5 suffering from underweight (underweight prevalence)	Percent	27	15	9	2	NDHS	MoHP
4	Percentage of children under age 5 suffering from stunting (low height-for-age)	Percent	36	20	12	5	NDHS	MoHP
5	Household having access to health facility within 30 minutes	Percent	49.3	80	95	100	NDHS	MoHP
6	Population having access to improved drinking water	Percent	21	40	90	95	AR	MoWS
7	Population living in safe housing	Percent	40	60	80	99	AR	MoUD
8	Population with access to banking and financial services	Percent	60.9	80	90	97	AR	NRB

6. Safe, civilized, and just society								
9	Gender development index	Index	0.897	0.963	0.98	0.99	AR	MoWCSC
10	Gender inequality index	Index	0.476	0.39	0.31	0.25	HDR	MoWCSC
11	Ratio of the male to female wage rate	Percent	0.72	0.8	0.85	0.90	NLFS	CBS
12	Population covered by basic social protection schemes	Percent	17	60	75	100	AR	MoF
13	Social protection expenses in the national budget	Percent	11.7	13.7	15	17	AR	MoF
7. Healthy and balanced environment								
14	Ratio of renewable energy in total energy consumption	Percent	7	12	20	50	AR	MoEWRI
15	Air pollution (PPM 2.5)	Microgram per cubic metre	50	40	35	30	AR	MoFE
8. Good governance								
16	Rule of Law Index	Index	0.54	0.58	0.62	0.70	TI	OPMCM
17	Corruption Perceptions Index	Index	34	41	62	80	WBR	OPMCM
18	Global Competitiveness Index	Index	51.6	60	64	73	WBR	OPMCM
19	Doing Business Index	Index	63.2	68	73	80	WBR	OPMCM

20	Travel and Tourism Competitiveness Index	Index	3.3	3.8	4.3	5.1	AR	WEF
21	Ratio of unregistered establishments (informal) to total economic establishments	Percent	49.9	10	5	1	NEC	CBS
22	Ratio of registered economic establishments who maintain bookkeeping	Percent	52.0	70	85	95	NEC	CBS
9. Comprehensive democracy								
23	Voters' participation in elections	Percent	68.67	72	75	80	AR	EC
24	Women representation in the parliament	Percent	33.81	40	45	50	AR	EC
25	Women representation in the local level	Percent	40.75	41	42	50	AR	EC
26	Cases filed at judicial agencies (Per one hundred thousand population)	Number	896	762	533	299	AR	SC
27	Case verdict	Percent	56.5	60	80	95	AR	SC
28	Verdict Implementation	Percent	39	60	80	100	AR	SC
10. National unity, security and dignity								
29	Political stability/Elimination of	Index	-0.6	1.0	1.3	2	WBR	OPMCM

	violence-related Index							
30	Households with basic food security	Percent	48.2	80	95	100	AR	MoALD
31	Disaster affected households	Per thousand	17.1	9.8	7	5	AR	MoHA
32	Suicide rate (Per one hundred thousand population)	Number	10.0	5.0	3.0	0	AR	MoHA
33	Missing children (Per one hundred thousand population)	Number	5.9	3	2	1	AR	MoHA
34	Countries with bilateral diplomatic relations	Number	168	175	180	190	AR	MoFA
35	Countries providing visa on arrival to Nepali citizens	Number	35	60	80	95	AR	MoFA

2.6 Result Framework of the Fifteenth Plan

In the result framework of the fifteenth plan, the interrelationship between the goals and the strategies has been established. Similarly, the major result areas, outcomes and impacts of the plan have been identified and presented in the following Table A2.3, Table A2.4, and Table A2.5. Additionally, 10 key result areas have been fixed, and based on these, three tiers (outputs, outcomes and impacts) of result indicators and annual targets have been set.

Table A2.3: Interrelationship of goals and strategy of the Fifteenth Plan

Vision: Prosperous Nepal, Happy Nepali

Goal: To create a basis for upgrading Nepal to the status of a high-income country by transforming it into a socialism-oriented welfare state with a prosperous economy, social justice, and improved living standards.

Objectives:

1. To build the foundation for prosperity by constructing universally accessible, quality, and modern infrastructure, increasing productive and decent employment, achieving high, sustainable, and inclusive economic growth, and poverty alleviation.
2. To give the citizens the feeling of decent and dignified living standards by strengthening of federal governance system by maintaining quality health and education, a healthy and balanced environment, social justice, and accountable public services.
3. To protect the national interest, self-esteem, and freedom of the country through socio-economic transformation and by building a independent national economy.

S. N.	Key Result Areas	Strategies							
		1. Economic growth	2. Health and education	3. Connectivity and urban development	4. Production and productivity growth	5. Social security and protection	6. Just society	7. Natural resources and resilience	8. Good governance, provincial balance, and national unity
1	High and equitable national income	✓	✓	✓	✓			✓	✓
2	Development and full utilization of human capital		✓			✓	✓		

S. N.	Key Result Areas	Strategies							
		1. Economic growth	2. Health and education	3. Connectivity and urban development	4. Production and productivity growth	5. Social security and protection	6. Just society	7. Natural resources and resilience	8. Good governance, provincial balance, and national unity
	potentials								
3	Accessible modern infrastructure and intensive connectivity			✓					✓
4	High and sustainable production and productivity			✓	✓			✓	✓
5	Well-being and decent life	✓	✓	✓	✓	✓	✓		✓
6	Safe, civilized, and just society	✓				✓	✓		✓
7	Healthy and balanced environment			✓				✓	
8	Good governance	✓		✓			✓		✓
9	Comprehensive democracy		✓			✓	✓		✓
10	National unity, security, and dignity		✓	✓		✓	✓		✓

Table A2.4: Key Result Areas, Outcomes and Impacts

S.N.	Key Result Areas	Outcomes	Impacts
1.	High and equitable national income	• GDP will have been increased significantly due to the increase in savings and investment. • A strong financial structure will have been in place with the increase in revenues. • The ratio of Foreign Direct Investment to GDP will have been increased. • Financial access of ordinary people will have been increased. • The absolute poverty as well as income, consumption, and wealth-based inequalities will have been decreased.	• The per capita national income will have been increased. • Poverty and inequality will have been declined.
2.	Development and full utilization of human capital potentials	• Child and maternal mortality rates will have been declined due to an increase in access and quality of health services. • Net enrolment rate will have been increased significantly. • The number of people of working age group who have received technical education and vocational training will have been increased. • The share of the formal sector in employment and the labour productivity will have been increased.	• Life expectancy will have been increased. • The proportion of educated and skilled human resource will have been increased with the increase in literacy rate. • The rate of participation of labour force will have been increased and the unemployment rate will have been

S.N.	Key Result Areas	Outcomes	Impacts
			decreased.
3.	Accessible modern infrastructure and intensive connectivity	• Affordable, time-efficient, and quality transportation and communication services will have been expanded with the expansion of transportation and communication network. • Citizens' access to and consumption of clean energy will have been increased with the regular supply of energy. • Well-organized cities with modern infrastructure will have been developed.	• The contribution of the infrastructure sector to economic growth will have been increased significantly. • Citizens' access to infrastructure-related services will have been increased.
4.	High and sustainable production and productivity	• Area of irrigated agricultural land will have been increased. • Productivity of major crops will have been increased. • Expansion of industrial sector and increase in modern production will have led to an increased contribution to GDP. • The import of minerals-based energy will have been decreased with the increased energy production. • The arrivals, average stay days, and per person spending of the foreign tourists will have been increased.	• The production and productivity of agriculture, industry, and tourism sector will have been increased. • The contribution of the industry sector to economy relative to agriculture and service sectors will have been increased.
5.	Well-being and decent life	• The basic drinking water and sanitation services will have been	• Human Development Index will have been

S.N.	Key Result Areas	Outcomes	Impacts
		reached the entire population and the access to high medium-level drinking water facilities will have been increased significantly. • The share of population living in safe housing will have been increased. • The population living under multidimensional poverty will have been decreased significantly.	improved significantly.
6.	Safe, civilized, and just society	• Peace and security will have been strengthened and incidents of crimes including gender violence will have been decreased. • The social security programme will have been extended and the number of beneficiaries will have been increased. • Socio-cultural diversity will have been protected.	• Gender equality will have been improved significantly. • The scope of social security will have been expanded.
7.	Healthy and balanced environment	• The management of forest and conservation areas will have been more effective. • Air and water pollution will have been decreased. • Consumption of renewable energy will have been increased. • Erosion and fragmentation of land will have been decreased.	• Environmental cleanliness will have been maintained with further improvement in environment protection and ecology.
8.	Good governance	• Improvement will have been made in	• Quality and effective

S.N.	Key Result Areas	Outcomes	Impacts
		Corruption Perception Index, Competitiveness Index, and Doing Business Index. • Fiscal good governance will have been maintained. • With the increased use of electronic system in service delivery, a system of cost-effective and timely quality public service delivery will have been established. • A planning system at all three tiers of government will have been established.	service delivery will have been ensured and the Rule of Law index will have been improved. • Planned development system as per the federal structure will have been set up.
9.	Comprehensive democracy	• The federal system will have been strengthened with legal and institutional provisions, human resources mobilization, and ensured availability of resources. • There will have been an improvement in inclusive representation in politics and public service, participation in the periodic election, protection of human rights and judiciary system.	• There will have been an improvement in social, economic, and political empowerment which will have supported the building of a comprehensive democracy.
10.	National unity, security, and dignity	• Every citizen will have received the national identity card. • The scope of basic level food security will have been expanded. • There will have been a significant reduction in destruction by disasters. • Border Management and National	• National unity will have been strengthened and human security will have been improved significantly. • Self-reliance and

S.N.	Key Result Areas	Outcomes	Impacts
		Security System will have been further strengthened. • Foreign relations will have been strengthened resulting in increase in national dignity.	national dignity will have been enhanced.

Table A2.5: Result Areas, Thematic Sectors and Sub-sectors

S.N.	Result Area	Thematic Sectors	Sub-Sectors
1.	High and equitable national income	Real sector	Production, consumption, savings, and investment
		Public finance	Revenue, public expenditure, public debt, foreign aid,
		Financial sector	Banking, insurance, capital market
		Monetary sector	Price level, foreign exchange
		External sector	Balance of payment, foreign trade, remittance Foreign investment,
		Public, private and cooperative sector	Investment of public, private, and cooperative sectors, public private partnership, entrepreneurship development
2.	Development and full utilization of human capital potentials	Population	Population management
		Health	Health and nutrition
		Education	Early childhood development, technical, formal and informal education, human resource development
		Youth and sports	Youth, sports
		Labour and employment	Labour, employment
		Science and technology	Science and technology
3.	Accessible modern infrastructure and intensive connectivity	Energy	Hydropower and alternative energy
		Road, air, water transportation	Road, bridge, fast-track, airways, railways and water transport, transport management
		Urban development	Urban development
		Communication and information technology	Communication, information technology
		Reconstruction	Reconstruction
4.	High and sustainable	Agriculture and livestock development	Agriculture production and productivity, livestock development

S.N.	Result Area	Thematic Sectors	Sub-Sectors
	production and productivity	Irrigation Industry Commerce Tourism Energy Labour and employment	Irrigated areas Industry Trade/ commerce Touristic area, arrivals, stay Clean energy production, consumption, and energy efficiency Labour productivity
5.	Well-being and decent life	Civic sanitation and satisfaction Poverty alleviation Building and housing Insurance and capital market	Health and nutrition Sanitation Multidimensional poverty Safe and well-equipped housing Access to insurance and capital market
6.	Safe, civilized, and just society	Discrimination, violence and crime-free society Social security and protection Inclusion Socio-cultural diversity	Peace management and security Gender equality and empowerment Labour and employment Social security and protection Children and adolescent Senior citizens People with disabilities Human trafficking control Inclusion Socio-cultural diversity
7.	Healthy and balanced environment	Water Resource Land Forest and biodiversity Environment Climate change Disaster management	Water resource and watershed conservation and utilization Land management and utilization Forest and biodiversity conservation and utilization Environment Climate change Water and meteorology Disaster management

S.N.	Result Area	Thematic Sectors	Sub-Sectors
8.	Good governance	Rule of law Good governance Planning process	Justice system Corruption control Governance reform Administrative good governance Statistical system Plan formulation and implementation National Project Bank Monitoring and evaluation
9.	Comprehensive democracy	Electoral system Justice system Human rights	Electoral system Leadership development Justice system Human rights Community and non-governmental organizations
10.	National unity, security, and dignity	National unity and dignity Security Supply	National unity Federal governance system International economic-relations Defence Home administration Food security Self-reliance in essential goods

The result framework of fifteenth plan based on key result areas is presented as follows:

1. High and Equitable National Income

S. N.	Result Indicators	Unit	Base Year (2018/19)	Targets					Source of Information	Responsible Agency	Risks and Assumptions
				2019/20	2020/21	2021/22	2022/23	2023/24			
	Impacts										
1	Per capita national income	U.S. dollar	1,047	1,127	1,222	1,337	1,456	1,595	NA	CBS	
2	Economic Vulnerability Index	Index	27	26	25	24	23	22	HDR	NPC	
3	Human Asset Index	Index	72	74	75	76	77	78	HDR	NPC	
4	Economic growth rate	Percent	6.8	8.5	9.6	9.9	9.6	10.3	NA	CBS	
5	Population under the poverty line (absolute poverty)[1]	Percent	18.7	16.7	14.8	13.0	11.2	9.5	NLSS	CBS	
6	Consumption-based Gini coefficient	coefficient	0.3	0.29	0.29	0.28	0.28	0.27	NLSS	CBS	
7	Wealth-based Gini coefficient[2]	coefficient	0.31	0.31	0.30	0.30	0.29	0.29	N.P.H.S	MoHP	
	Outcomes										
8	GDP (at constant price of FY 2018/19)	NRs. (in Billion)	3,464.3	3,783.6	4,167.4	4,601.5	5,069.3	5,615.19	NA	CBS	

S. N.	Result Indicators	Unit	Base Year (2018/19)	Targets					Source of Information	Responsible Agency	Risks and Assumptions
				2019/20	2020/21	2021/22	2022/23	2023/24			
9	GDP (at current price)	NRs. (in Billion)	3,464.3	4,010.8	4,682.5	5,479.6	6,400.87	7,517.7	NA	CBS	
10	Sectoral economic growth rate										
	Agriculture	Percent	4.8	4.7	5.1	5.7	5.8	5.8	NA	CBS	
	Industry	Percent	12.2	15.1	15.6	14.8	13.2	14.6	NA	CBS	
	Service	Percent	7.9	8.7	10.0	10.3	10.0	10.7	NA	CBS	
11	Inflation rate	Percent	4.6	6.0	6.0	6.0	6.0	6.0	AR	NRB	
12	Investment (ratio to GDP)	Percent	36.9	35.8	39.4	40.7	39.9	41.6	NA	CBS	
	Government	Percent	8.0	14.1	15.1	16.1	15.6	16.1	NA	CBS	
	Private	Percent	29.0	19.8	22.2	22.4	22.1	23.3	NA	CBS	
	Cooperative	Percent	-	1.9	2.1	2.2	2.1	2.2	NA	CBS	
13	Gross National Savings (ratio to GDP)	Percent	52.4	51	50	49	48	47.5	NA	CBS	
14	Gross Domestic Savings (ratio to GDP)	Percent	20.5	20.5	21	21	21.5	22	NA	CBS	
15	Households with access to a financial institution within half an hour	Percent	81	85	88	91	93	95	SR[3]	NRB	

S. N.	Result Indicators	Unit	Base Year (2018/19)	Targets					Source of Information	Responsible Agency	Risks and Assumptions
				2019/20	2020/21	2021/22	2022/23	2023/24			
16	Population having access to banking and financial services	Percent	60.9	65	68	72	76	80	SR[3]	NRB	
17	Population covered by life insurance	Percent	19	28	34	39	42	45	AR	IB	
	Government finance										
18	National budget (ratio to GDP)	Percent	40.3	42.1	42.6	42.9	43.1	43.3	BS	MoF	
19	Revenue (ratio to GDP)	Percent	24.8	26	27	28	29	30	BS	MoF	
20	Deficit financing (ratio to GDP	Percent	9.7	10.6	10.5	10.3	10.1	10.0	BS	MoF	
	External sector										
21	Adequacy of foreign exchange reserve (period the reserve can cover the expense of imports of goods and services)	Month	7.8	7	7	7	7	7	AR[4]	NRB	
22	Foreign direct investment (ratio to GDP)	Percent	0.5	1.6	2.8	2.6	2.8	3.0	ES	MoF	
	Poverty alleviation and										

S. N.	Result Indicators	Unit	Base Year (2018/19)	Targets					Source of Information	Responsible Agency	Risks and Assumptions
				2019/20	2020/21	2021/22	2022/23	2023/24			
	inequality reduction										
23	Poverty – based on $1.9 per day (PPP value)	Percent	15.0	12.5	11.0	10.0	9.0	8.0	HDR	UNDP	
24	Income ratio of the richest 10 percent to the poorest 40 percent of the population (PALMA ratio)	Ratio	1.31	1.28	1.27	1.27	1.26	1.25	NLSS	NPC	
25	Population covered by basic social protection schemes	Percent	17	28	39	47	53	60	AR	MoF	
	Cooperative										
26	Additional employment creation from cooperatives	Number (in thousand)	-	15	16	17	17	18	AR	MoLMCPA	
27	Access to cooperatives (access of household within 30 minutes from home)	Percent	60	62	65	67	70	71	AR	MoLMCPA	
28	Credit issued by the	NRs. (in	333	345	356	367	378	393	AR	MoLMCPA	

S. N.	Result Indicators	Unit	Base Year (2018/19)	Targets					Source of Information	Responsible Agency	Risks and Assumptions
				2019/20	2020/21	2021/22	2022/23	2023/24			
	cooperatives	Billion)									
	Outputs										
	Macroeconomic sector										
29	Gross fixed capital investment (constant price of FY 2018/19	NRs. (in billion)	1,279.5	1,353.1	1,641.7	1,872.2	2,024.0	2,338.3	NA	CBS	
30	Investment										
	Government	NRs. (in billion)	275.9	532.6	629.3	738.6	793	904.9	NA	CBS	
	Private	Rs. (in billion)	1,003.6	747.9	924.1	1,032.3	1,122.4	1,307.4	NA	CBS	
	Cooperative	NRs. (in billion)	-	72.6	88.4	101.3	108.6	126.1	NA	CBS	
31	Broad money supply growth rate	Percent	15.8	17	17	17	17	17	AR[4]	NRB	
32	Bank and financial institution's deposit growth rate	Percent	18	20	21	21	20	21	AR[4]	NRB	
33	Private sector credit growth rate	Percent	19.4	20	21	21	20	21	AR[4]	NRB	

S. N.	Result Indicators	Unit	Base Year (2018/19)	Targets					Source of Information	Responsible Agency	Risks and Assumptions
				2019/20	2020/21	2021/22	2022/23	2023/24			
34	Ratio of credit issued to the priority sectors	Percent	17.2	25	25	25	25	25	AR[4]	NRB	
35	Foreign currency earnings from tourism	U.S. Dollar in ten million	52.8	89.9	132	176.4	247.8	350	AR[5]	MoCTCA	
36	Ratio of remittance to GDP	Percent	25.4	25	24	23	22.5	22	AR[4]	NRB	
37	Population per branch of bank and financial institution	Person	3,363	3,125	2,921	2,770	2,682	2,600	AR[4]	NRB	
38	Population per branch of insurance company	Person	14,021	11,959	10,198	8,752	7,621	6,634	AR	IB	
39	Farmers affiliated to agriculture insurance	Percent	1	4	6.5	8	9	10	AR	MoF	
	Government finance										
40	Ratio of recurrent expenditure to GDP	Percent	22.8	22.6	20.5	19.9	19.1	17.9	BS	MoF	
41	Ratio of capital expenditure to GDP	Percent	13.6	15.3	16.8	17.4	17.6	18.6	BS	MoF	
42	Ratio of financial	Percent	3.9	4.2	5.4	5.6	6.4	6.8	BS	MoF	

S. N.	Result Indicators	Unit	Base Year (2018/19)	Targets					Source of Information	Responsible Agency	Risks and Assumptions
				2019/20	2020/21	2021/22	2022/23	2023/24			
	provisions to GDP										
43	Ratio of income tax to GDP	Percent	5.6	7.2	7.7	8.5	9.3	10	AR	MoF	
	Inter-government finance										
44	Revenue sharing from the Federal Divisible Fund to province and local levels (ratio to GDP)	Percent	2.7	2.7	2.8	2.9	2.9	3	BS	MoF	
	Poverty alleviation and inequality reduction										
45	Ratio of national budget allocated for social protection to GDP	Percent	11.7	12	12.5	13	13.5	13.7	AR	MoF	
	Cooperative										
46	Share capital of cooperative organizations	NRs. (in billion)	77.0	79.0	81.0	83.0	84.5	86.0	AR	MoLMCPA	
47	Cooperatives operating COPOMIS system	Percent	20	35	51	67	84	100	AR	MoLMCPA	
48	Development of active	Number (in	-	2	3	3	3	3	AR	MoLCPA	

S. N.	Result Indicators	Unit	Base Year (2018/19)	Targets					Source of Information	Responsible Agency	Risks and Assumptions
				2019/20	2020/21	2021/22	2022/23	2023/24			
	cooperatives into the productive sector as model cooperatives	thousand)									
49	Establishment of cooperative market (annually)	Number	-	5	5	3	-	-	AR	MoLCPA	
50	Establishment of the cooperative cold store-processing and storage (annually)	Number	1	1	1	1	1	1	AR	MoLCPA	

Source: [1]Estimated based on Nepal Living Standards Survey, 2010/11, [2]Nepal Demographic and Health Survey, 2016, [3]Access to microfinance services in federal structure, 2018, [4]Current economic and financial situation of the country, [5]Nepal Tourism Statistics.

2. Development and Full Utilization of Human Capital Potentials

S. N.	Result Indicators	Unit	Base Year (2018/19)	Targets					Source of Information	Responsible Agency	Risk and Assumption
				2019/20	2020/21	2021/22	2022/23	2023/24			
	Impacts										
1	Life expectancy at birth	Year	69.7	71.0	71.2	71.5	72.0	72.0	NDHS[1]	NPC	
2	Literacy rate (5 years and above)	Percent	65.9	85	88	91	94	96	P.C.	CBS	
3	Literacy rate (15 years and above)	Percent	58.0	65	75	85	95	95	P.C.	CBS	

S. N.	Result Indicators	Unit	Base Year (2018/19)	Targets					Source of Information	Responsible Agency	Risk and Assumption
				2019/20	2020/21	2021/22	2022/23	2023/24			
4	Labour force participation rate (15 years and above)	Percent	38.5	42	44	45	47	49	NLFS	CBS	
	Outcomes										
	Health and population										
5	Ratio of health treatment expenses to personal expenses	Percent	53	45	44	43	42	40	NDHS	MoHP	
6	Maternal Mortality Ratio (per 100000 live birth)	Person	239	200	175	150	125	99	NDHS	MoHP	
7	Under-five mortality rate (per thousand live birth)	Person	39	35	31	28	26	24	NDHS	MoHP	
8	Infant mortality rate (per thousand live birth)	Person	21	18	17	16	15	14	NDHS	MoHP	
9	Total fertility rate	Per woman	2.3	2.3	2.2	2.2	2.1	2.1	NDHS	MoHP	
10	Adolescent fertility rate (women below 19 years)	Percent	13	12	10	9	8	6	NDHS	MoHP	
11	Successful treatment rate of tuberculosis identified patients	Percent	86	90	95	95	95	95	MIS	MoHP	
12	Mortality rate of people in the 30 -70 years age group having cardiovascular disease, cancer, diabetes	Per thousand	2.8	2.54	2.45	2.40	2.35	2.30	MIS	MoHP	

S. N.	Result Indicators	Unit	Base Year (2018/19)	Targets					Source of Information	Responsible Agency	Risk and Assumption
				2019/20	2020/21	2021/22	2022/23	2023/24			
	or chronic respiratory problems										
	Education										
13	Youth literacy rate (15-24 years)	Percent	92	92	94	94	98	99	P.C.	CBS	
14	Early childhood care and education/ Gross enrolment rate of pre-primary education	Percent	85	88	90	92	94	100	MIS	MoEST	
15	Net enrolment rate										
	Basic level (1-8)	Percent	93	96	98	99	99	99	MIS	MoEST	
	Secondary level (9-12)	Percent	46	47	53	57	60	65	MIS	MoEST	
16	Gross enrolment rate of higher education	Percent	12	14	16	18	20	22	MIS	MoEST	
17	School dropout rate										
	Basic level (1-8)	Percent	3.8	3.4	2.9	2.5	1.5	1.0	MIS	MoEST	
	Secondary level (9-12)	Percent	2.6	2.1	1.8	1.5	1.0	0.5	MIS	MoEST	
18	Learning achievement of class 8 (average)										
	Mathematics	Score	35	42	55	57	60	63	MIS	MoEST	
	Nepali	Score	48	51	57	60	62	66	MIS	MoEST	

S. N.	Result Indicators	Unit	Base Year (2018/19)	Targets					Source of Information	Responsible Agency	Risk and Assumption
				2019/20	2020/21	2021/22	2022/23	2023/24			
	English	Score	41	48	55	57	60	63	MIS	MoEST	
	Science	Score	49	52	55	58	60	63	MIS	MoEST	
19	Working age population who have received technical education and vocational training	Percent	31	35	38	42	45	50	MIS	MoEST	
	Research, science and technology										
20	Ratio of research and development expenditure to GDP	Percent	0.3	0.4	0.5	0.7	0.9	1	AR	MoEST	
	Youth										
21	Youth employed in a business operated through self-employment loan	Person (in thousands)	_	12	24	36	48	60	AR	MoYS	
22	Youth participation in disaster management and volunteer work	Person (in thousands)	_	10	20	30	40	50	AR	MoYS	
	Labour and employment										
23	Employment creation (annual)	Person (in thousands)	0	400	450	500	550	600	MIS	MoLESS	
24	Share of formal sector in employment	Percent	36.5	41	43	46	47.5	50.0	NLFS	CBS	

S. N.	Result Indicators	Unit	Base Year (2018/19)	Targets					Source of Information	Responsible Agency	Risk and Assumption
				2019/20	2020/21	2021/22	2022/23	2023/24			
25	Forced labour (15 years or above)	Per thousand	1.2	1.0	0.7	0.4	0.2	0	NLFS	CBS	
26	Foreign employment cost per worker (Borne by labour)	US Dollar	1,000	900	850	775	700	667	MIS	MoLESS	
	Outputs										
	Health and population										
27	Districts with negative population growth rate	District	27	20	15	11	9	7	P.C.	CBS	
28	Population covered by health insurance	Percent	7	40	50	60	60	60	AR	MoHP	
29	Number of health worker per one hundred thousand population	Number	1,050	4,450	4,450	4,450	4,450	4,450	HMIS	MoHP	
30	Number of doctors per one hundred thousand population	Number	78	80	85	90	95	100	HMIS	MoHP	
31	Contraceptive prevalence rate (modern method)	Percent	43	52	52	52	53	53	NDHS	MoHP	
32	Women taking maternity service from health institution	Percent	57	65	69	72	74	76	NDHS	MoHP	
33	Births attended by the	Percent	52	69	70	71	73	79	HMIS	MoHP	

S. N.	Result Indicators	Unit	Base Year (2018/19)	Targets					Source of Information	Responsible Agency	Risk and Assumption
				2019/20	2020/21	2021/22	2022/23	2023/24			
	skilled health worker (in live births)										
34	Women who receive 4 prenatal check-ups as per the protocol	Percent	50	71	72	73	75	81	HMIS	MoHP	
35	Women who receive 3 postnatal services as per the protocol	Percent	15	50	55	60	65	70	HMIS	MoHP	
36	Pregnant women receiving vitamin A	Percent	74	75	76	77	80	85	HMIS	MoHP	
37	Children receiving all the vaccines as stipulated	Percent	70	90	93	95	95	95	HMIS	MoHP	
38	Children receiving DPT-HepB third vaccine	Percent	90	91	92	93	94	95	HMIS	MoHP	
39	Children receiving the measles vaccine	Percent	90	91	92	93	94	95	HMIS	MoHP	
40	Person infected by malaria (indigenous infections only)	Number	359	200	100	50	25	0	HMIS	MoHP	
41	Newly infected persons by HIV	Per one hundred thousand	30	22	22	19	18	17	HMIS	MoHP	
42	Pregnant women	Percent	70	75	80	85	90	95	HMIS	MoHP	

S. N.	Result Indicators	Unit	Base Year (2018/19)	Targets					Source of Information	Responsible Agency	Risk and Assumption
				2019/20	2020/21	2021/22	2022/23	2023/24			
	receiving PMTCT service										
43	Tuberculosis incidence rate	Per one hundred thousand population	158	85	79	72	67	64	HMIS	MoHP	
44	Person infected by Kala-azar (Visceral leishmaniasis)	Per one thousand population	0.08	0	0	0	0	0	HMIS	MoHP	
45	Lymphatic filariasis prevalence rate	Per one hundred thousand population	3.21	0	0	0	0	0	HMIS	MoHP	
46	Malaria fever	Per thousand population	0.04	0.05	0.04	0.04	0.04	0.02	HMIS	MoHP	
47	Dengue	Number	985	455	425	395	364	325	HMIS	MoHP	
48	Active trachoma	Number	136	85	81	77	73	69	HMIS	MoHP	
49	Tobacco/ smoking intake rate for people of age 14 years or above	Percent	30.8	26.2	26.0	25.0	24.3	21.6	HMIS	MoHP	
	Education										
50	Government expenditure per student										

S. N.	Result Indicators	Unit	Base Year (2018/19)	Targets					Source of Information	Responsible Agency	Risk and Assumption
				2019/20	2020/21	2021/22	2022/23	2023/24			
	Basic level (1-8)	Rs. (in thousand)	12	15	18	21	24	24	EMIS	MoEST	
	Secondary level (9 - 12)	Rs. (in thousand)	7	9	11	13	15	17	EMIS	MoEST	
51	Teacher-student ratio										
	Basic level (1-8)	Ratio	1:33	1:32	1:31	1:30	1:30	1:30	EMIS	MoEST	
	Secondary level (9 - 12)	Ratio	1:41	1:39	1:35	1:32	1:30	1:30	EMIS	MoEST	
52	Teachers with professional training										
	Basic level (1-8)	Percent	76.6	81	86	91	97	99	EMIS	MoEST	
	Secondary level (9 - 12)	Percent	77.1	81	86	91	97	99	EMIS	MoEST	
53	Students of secondary level (9 -12) receiving scholarship	Percent	18	20	22	24	25	25	EMIS	MoEST	
54	Quality assured and accredited campuses	Number	30	60	90	120	160	210	EMIS	MoEST	
55	School with drinking water and sanitation including toilet facility	Percent	59	65	72	79	85	92	EMIS	MoEST	
56	School with the internet facility	Percent	28	40	55	70	80	95	EMIS	MoEST	

S. N.	Result Indicators	Unit	Base Year (2018/19)	Targets					Source of Information	Responsible Agency	Risk and Assumption
				2019/20	2020/21	2021/22	2022/23	2023/24			
	Research, science and technology										
57	Ratio of students pursuing technical subjects in higher education	Percent	23	25	27	29	31	33	EMIS	MoEST	
58	Ratio of students pursuing technical subjects in secondary education	Percent	10	15	16	17	22	30	EMIS	MoEST	
59	Establishment of science study centres (annual)	Number	0	1	0	2	1	3	EMIS	MoEST	
60	Sectoral scientific study/ research	Number	1,000	1,050	1,100	1,200	1,250	1,400	EMIS	MoEST	
61	DNA database	Number	900	940	965	1,000	1,025	1,050	EMIS	MoEST	
62	Availability of research fellowship	Number	100	110	120	135	150	170	EMIS	MoEST	
	Youth										
63	Innovation centres (annual)	Number	0	1	1	1	1	1	AR	MoYS	
64	Youth receiving training from innovation centres	Number	0	0	500	750	1000	1250	AR	MoYS	
65	Youth exercising leadership through youth clubs	Number (thousands)	18	37	55	73	91	110	AR	MoYS	

S. N.	Result Indicators	Unit	Base Year (2018/19)	Targets					Source of Information	Responsible Agency	Risk and Assumption
				2019/20	2020/21	2021/22	2022/23	2023/24			
66	Youth employed in the business operated through self-employment loan	Number (thousands)	68	80	92	102	116	128	AR	MoYS	
67	Youth employed in the construction of infrastructure related to youth and sports sector	Number (thousands)	0.6	3.0	5.7	8.7	12.2	16.2	AR	MoYS	
	Labour and employment										
68	Sectoral additional employment creation (annual)										
	Public	Number (thousands)	-	33	33	33	33	33	AR	MoLESS	
	Private	Number (thousands)	-	350	350	350	350	350	AR	MoLESS	
	Cooperative	Number (thousands)	-	17	17	17	17	17	AR	MoLESS	
69	Self-employment creation (annual)	Number (thousands)	-	100	100	100	100	100	AR	MoLESS	
70	Upgrading and establishment of skill development training centres (annual)	Number	-	3	3	3	3	3	AR	MoLESS	

S. N.	Result Indicators	Unit	Base Year (2018/19)	Targets					Source of Information	Responsible Agency	Risk and Assumption
				2019/20	2020/21	2021/22	2022/23	2023/24			
71	Establishment and operation of the immigrant resource centres	District	22	39	39	39	39	39	AR	MoLESS	
72	Operation of shelter house by the embassy in the foreign employment destination country	Number	5	7	9	11	13	15	AR	MoLESS	
73	People who have received vocational skills training for foreign employment	Number (thousands)	4	8	20	50	65	70	AR	MoLESS	
74	People who have received employment orientation training for foreign employment	Number (thousands)	-	50	75	100	125	150	AR	MoLESS	
75	Establishments inspected for child labour	Number	200	500	1,000	2,000	3,500	5,000	AR	MoLESS	

Source: Based on the child mortality rate in Nepal Demographic and Health Survey, 2016

3. Accessible Modern Infrastructure and Intensive Connectivity

S. N.	Result Indicators	Units	Base Year (2018/19)	Targets					Source of Information	Responsible Agency	Risks and Assumptions
				2019/20	2020/21	2021/22	2022/23	2023/24			
	Impacts										
1	Contribution of transportation sector to GDP	Percent	5.1	5.2	5.0	5.0	4.9	4.9	NA	CBS	
2	Contribution of communication and information technology sector to GDP	Percent	0.80	0.9	1.1	1.3	1.5	1.6	NA	CBS	
3	Households with access to transport within 30 minutes	Percent	82	86	91	92	94	95	NLSS	CBS	
4	Road density	KM per Sq. KM	0.55	0.59	0.62	0.68	0.69	0.74	AR	MoPIT	
5	Population with access to internet	Percent	65.9	68	71	74	77	80	AR	MoCIT	
	Outcomes										
6	E-governance Development Index	Index	0.47	0.52	0.58	0.61	0.65	0.68	AR	MoCIT	

S. N.	Result Indicators	Units	Base Year (2018/19)	Targets					Source of Information	Responsible Agency	Risks and Assumptions
				2019/20	2020/21	2021/22	2022/23	2023/24			
	Transportation infrastructure										
7	Population with access to transport service within 1 hour in the Tarai and 2 hours in the hills	Percent	65	68	72	77	85	90	NLSS	CBS	
8	National highways (up to two lanes, blacktopped)	KM	5,994	7,194	8,494	9,794	11,094	12,300	MIS	MoPIT	
9	National highways (over two-lanes, including Fast-Track)	KM	96	155	225	345	745	1,174	MIS	MoPIT	
10	National highways (new track construction)	KM (annual)	260	350	350	400	400	300	MIS	MoPIT	
11	Restoration and reconstruction of national highways (annual)	KM	182	200	225	225	250	250	MIS	MoPIT	
12	Periodic maintenance of national highways (annual)	KM	320	300	729	750	775	800	MIS	MoPIT	
13	Regular maintenance of national highways	KM	9,155	8,411	7,187	7,200	7,225	7,250	MIS	MoPIT	

S. N.	Result Indicators	Units	Base Year (2018/19)	Targets					Source of Information	Responsible Agency	Risks and Assumptions
				2019/20	2020/21	2021/22	2022/23	2023/24			
	(annual)										
14	Provincial highways (blacktopped)	KM	1,800	2,900	4,100	5,300	6,600	7,900	MIS	MoPIT	
15	Railways (upgrade /new track)	KM	42	65	115	190	260	348	MIS	MoPIT	
16	Passengers using domestic air transportation	Number (in one hundred thousand)	28.48	31.33	34.46	37.90	41.69	45.99	AR	MOCTCA	
17	Passengers using international air transportation	Number (in one hundred thousand)	43.53	47.89	52.68	57.94	63.74	69.54	AR	MOCTCA	
	Outputs										
	Energy										
18	Population with access to electricity	Percent	88.0	92	96	98	100	100	AR	MoEWRI	
	Communication										
19	Employment creation from the communication sector	Number (thousands)	200	240	288	344	414	500	AR	MoCIT	

S. N.	Result Indicators	Units	Base Year (2018/19)	Targets					Source of Information	Responsible Agency	Risks and Assumptions
				2019/20	2020/21	2021/22	2022/23	2023/24			
20	Telephone (all types) density	Percent	137	139	140	140	115	98	AR	MoCIT	
21	Population with access to broadcasting										
	Radio	Percent	86	90	92	96	98	100	AR	MoCIT	
	Modern television	Percent	72	76	82	88	94	100	AR	MoCIT	
22	Government service delivery through online (types)	Number	20	30	35	42	50	55	AR	MOFAGA	
	Urban development										
23	Greater urban area development (Megacity)	Number	3	3	3	3	3	3	AR	MoUD	
24	City development in mountainous region	Number	5	5	5	5	5	5	AR	MoUD	
25	New City construction	Number	27	27	27	27	27	27	AR	MoUD	
	Local infrastructure										
26	Local level's headquarters with road access	Number	711	719	753	753	753	753	AR	MOFAGA	
	Outcomes										
	Energy										

S. N.	Result Indicators	Units	Base Year (2018/19)	Targets					Source of Information	Responsible Agency	Risks and Assumptions
				2019/20	2020/21	2021/22	2022/23	2023/24			
27	Construction of transmission and distribution lines										
	Transmission line (66 kV and above)	Circuit Kilometre	3,990	4,430	5,430	5,930	6,430	8,000	AR	MoEWRI	
	Distribution line (33 kV)	Circuit Kilometre	4,905	5,500	6,100	6,500	7,100	7,300	AR	MoEWRI	
	Transportation infrastructure										
28	New road construction	KM	1,100	1,450	1,800	2,200	2,600	2,900	AR	MoPIT	
29	Road bridge construction	Number	300	600	900	1,200	1,550	1,900	AR	MoPIT	
30	Periodic maintenance of national highways	KM	300	729	750	775	800	825	AR	MoPIT	
31	Regular maintenance of national highways	KM	8,411	7,187	7,200	7,225	7,250	7,300	AR	MoPIT	
32	Countries with bilateral air service agreement	Number	39	40	41	42	44	46	AR	MOCTCA	
33	International and regional airport	Number	1	3	3	3	3	4	AR	MOCTCA	
34	Upgrade of domestic	Number	32	34	37	39	41	42	AR	MOCTCA	

S. N.	Result Indicators	Units	Base Year (2018/19)	Targets					Source of Information	Responsible Agency	Risks and Assumptions
				2019/20	2020/21	2021/22	2022/23	2023/24			
	airports										
	Information and communication										
35	Media village	Number	-	1	1	1	1	7	AR	MoCIT	
36	Government data centre	Number	2	2	2	3	5	5	AR	MoCIT	
37	Expansion of optical fibres	Circuit KM	9,320	10,370	12,620	19,170	25,720	25,720	AR	MoCIT	
38	Countries connected with Nepal from the Express Mail Service Network	Number	39	42	44	46	48	51	AR	MoCIT	
39	Security press establishment and operation	Number	-	-	-	1	1	1	AR	MoCIT	
40	Expansion of 4G/ L.T.E. service (users)	Percent	9.1	20	40	50	60	65	AR	MoCIT	
41	Expansion of fixed broadband service	Percent	14.2	18	22	28	35	43	AR	MoCIT	
42	Expansion of mobile broadband service	Percent	51.6	53	54	55	56	57	AR	MoCIT	
43	Expansion of domestic	District	60	64	68	72	74	77	AR	MoCIT	

S. N.	Result Indicators	Units	Base Year (2018/19)	Targets					Source of Information	Responsible Agency	Risks and Assumptions
				2019/20	2020/21	2021/22	2022/23	2023/24			
	express mail service										
44	Digital literacy	Percent	40	55	68	75	80	100	AR	MoCIT	
45	Industries related to information technology	Number	2,796	2,935	3,081	3,235	3,396	3,565	AR	MoCIT	
46	Establishment of national knowledge park	Number	-	-	-	7	7	7	AR	MoCIT	
	Urban development										
47	Integrated urban development plan of the municipalities	Number	185	185	185	185	185	293	AR	MoUD	
48	Urban road upgrade (annual)	KM	150	250	250	250	250	250	AR	MoUD	
49	Surface drainage construction (annual)	KM	250	250	250	250	250	250	AR	MoUD	
50	Buspark construction	Number	25	35	45	55	65	75	AR	MoUD	
51	Assembly hall and convention centre construction	Number	5	7	7	7	7	7	AR	MoUD	
	Local infrastructure										
52	Blacktopped rural roads	KM	3,946	4,256	5,256	6,256	7,256	7,756	AR	MOFAGA	

S. N.	Result Indicators	Units	Base Year (2018/19)	Targets					Source of Information	Responsible Agency	Risks and Assumptions
				2019/20	2020/21	2021/22	2022/23	2023/24			
53	Gravelled rural roads	KM	13,151	14,651	15,651	16,651	17,151	19,151	AR	MoFAGA	
54	Unpaved rural roads	KM	43,066	44,066	44,966	49,766	46,466	47,066	AR	MoFAGA	
55	Local road bridge construction	Number	416	476	556	636	706	766	AR	MoFAGA	
56	Suspension bridge construction	Number	8,035	8,635	9,435	10,435	10,685	10,935	AR	MoFAGA	

4. High and Sustainable Production and Productivity

S. N.	Result Indicators	Unit	Base Year (2018/19)	Targets					Source of Information	Responsible Agency	Risks and Assumptions
				2019/20	2020/21	2021/22	2022/23	2023/24			
	Impacts										
1	Sectoral contribution to Economy										
	Primary sector	Percent	27.6	26.6	25.8	24.7	24.0	23.0	NA	CBS	
	Secondary sector	Percent	14.6	15.4	16.1	16.9	17.4	18.1	NA	CBS	
	Tertiary sector	Percent	57.8	57.9	58.1	58.4	58.6	58.9	NA	CBS	
2	Sectoral contribution to Economy										
	Manufacturing	Percent	5.6	5.7	5.9	6.1	6.2	6.5	NA	CBS	

S. N.	Result Indicators	Unit	Base Year (2018/19)	Targets					Source of Information	Responsible Agency	Risks and Assumptions
				2019/20	2020/21	2021/22	2022/23	2023/24			
	Construction	Percent	7.8	8.0	8.2	8.4	8.4	8.6	NA	CBS	
	Energy	Percent	1.0	1.1	1.2	1.3	1.4	1.5	NA	CBS	
	Tourism	Percent	2.7	5.0	6.0	7.0	8.5	10.0	NA	CBS	
3	Labour productivity	NRs. (in thousand)	184.6	215.1	230.3	245.5	260.0	276.0	NLFS	CBS	
4	Productivity of agriculture (major crops)	MT per hectare	3.1	3.3	3.5	3.7	3.9	4.0	AR	MoALD	
5	Per capita electricity consumption	Kilowatt-hour	245	325	450	600	650	700	AR	MoEWRI	
	Outcomes										
	Agriculture and forest										
6	Agricultural labour productivity (U.S. dollar)	Per capita per hectare	549	590	630	670	695	715	AR[1]	MoALD	
7	Cultivable land productivity	U.S. dollar per hectare	3,134	3,347	3,575	3,818	4,077	4,348	AR[1]	MoALD	
8	Productivity of major agricultural crops and produces										
	Paddy	MT per hectare	3.76	3.90	4.16	4.30	4.40	4.50	AR[1]	MoALD	

S. N.	Result Indicators	Unit	Base Year (2018/19)	Targets					Source of Information	Responsible Agency	Risks and Assumptions
				2019/20	2020/21	2021/22	2022/23	2023/24			
	Maize	MT per hectare	2.81	3.20	3.55	3.80	3.90	4.00	AR[1]	MoALD	
	Wheat	MT per hectare	3.0	3.2	3.3	3.4	3.5	3.5	AR[1]	MoALD	
	Millet	MT per hectare	1.2	1.2	1.3	1.3	1.3	1.3	AR[1]	MoALD	
	Buckwheat	MT per hectare	1.1	1.1	1.2	1.2	1.2	1.2	AR[1]	MoALD	
	Vegetables	MT per hectare	14.1	15.6	17.1	19.1	19.6	20.0	AR[1]	MoALD	
	Potato	MT per hectare	16.4	17.8	19.2	20.6	21.2	22.0	AR[1]	MoALD	
	Pulses	MT per hectare	1.2	1.2	1.2	1.3	1.3	1.3	AR[1]	MoALD	
	Oil	MT per hectare	1.1	1.2	1.2	1.2	1.2	1.3	AR[1]	MoALD	
	Fruits	MT per hectare	9.8	10.5	11.2	11.7	11.9	12.0	AR[1]	MoALD	
	Fish	MT per hectare	4.9	5.0	5.0	5.0	5.5	6.0	AR[1]	MoALD	

S. N.	Result Indicators	Unit	Base Year (2018/19)	Targets					Source of Information	Responsible Agency	Risks and Assumptions
				2019/20	2020/21	2021/22	2022/23	2023/24			
	Milk	Litre per lactation cycle Dairy cattle	1,050	1,100	1,200	1,300	1,400	1,487	AR[1]	MoALD	
	Meat	Kg Per slaughtered animal	75	77	79	81	83	85	AR[1]	MoALD	
	Eggs	Piece per bird	245	250	252	255	258	260	AR[1]	MoALD	
9	Seed replacement rate of major crops	Percent	16	18	20	22	24	25	AR[1]	MoALD	
10	Amount of soil organic matter	Percent	1.96	2.00	2.1	2.2	2.3	2.4	AR[1]	MoALD	
	Forest										
11	Estimated revenue from the forest sector	Rs. in billion	3.0	3.1	4.0	4.5	5.0	6.0	AR	MoFE	
12	Timber production	Cubic feet (one hundred thousand)	194	200	225	250	275	300	AR	MoFE	
	Irrigation										

S. N.	Result Indicators	Unit	Base Year (2018/19)	Targets					Source of Information	Responsible Agency	Risks and Assumptions
				2019/20	2020/21	2021/22	2022/23	2023/24			
13	Land with round-the-year irrigation facility out of the total irrigable land	Percent	33	34	36	39	44	50	AR	MoEWRI	
14	Total irrigated area	Hectare (in thousand)	1,473	1,493	1,535	1,590	1,675	1,773	AR	MoEWRI	
15	Land with access to new technology irrigation facility	Hectare (in thousand)	2.4	2.2	4.6	6.8	8.5	7.0	AR	MoEWRI	
16	Area with access to small irrigation facility	Hectare (in thousand)	22.0	25.5	29.5	34.5	39.5	45.0	AR	MoEWRI	
	Industry										
17	Industrial investment (at the constant price of FY 2018/19)	NRs. (in billion)	-	493	584	651	706	810	AR	MoICS	
18	Share of large industry in industrial sector employment	Percent	7.1	7.5	8.5	9.5	10	10.9	AR	MoICS	
19	Additional employment creation by the micro, cottage and small industries	Number (in thousand)	139	180	185	190	200	200	AR	MoICS	

S. N.	Result Indicators	Unit	Base Year (2018/19)	Targets					Source of Information	Responsible Agency	Risks and Assumptions
				2019/20	2020/21	2021/22	2022/23	2023/24			
	Commerce										
20	Ratio of exports of goods and services to the GDP	Percent	9.0	10.1	11.3	12.6	14.1	15.7	AR	MoICS	
21	Ratio of imports of goods and services to the GDP	Percent	50.8	50.9	50.9	50.9	51.0	51.0	AR	MoICS	
22	Ratio of trade deficit to the GDP (goods and services)	Percent	41.8	40.8	39.6	38.3	36.9	35.3	AR	MoICS	
23	Trade margin of internal trade	Percent	13.0	12.5	12.0	11.5	11.0	10.0	DTSN	CBS	
	Energy										
24	Electricity production (installed capacity)	Mega-watt	1,250	2,219	3,179	3,699	4,133	5,270	AR	MoEWRI	
	Hydropower	Mega-watt	1,128	2,076	3,010	3,500	3,900	5,000	AR	MoEWRI	
	Thermal plant	Mega-watt	53.4	53.4	53.4	53.4	53.4	53.4	AR	MoEWRI	
	Renewable energy	Mega-watt	67.8	89.8	115.3	145.8	179.3	216.6	AR	MoEWRI	
	Solar energy (private sector promoted)	Mega-watt	-	10	100	250	400	550	AR	MoEWRI	
25	Electricity leakage (in production)	Percent	15.32	14.30	13.80	13.30	12.80	12.32	AR	MoEWRI	

S. N.	Result Indicators	Unit	Base Year (2018/19)	Targets					Source of Information	Responsible Agency	Risks and Assumptions
				2019/20	2020/21	2021/22	2022/23	2023/24			
26	Share of the electric vehicles in the transportation	Percent	-	5.0	15.0	25.0	30.0	35.0	AR	MoEWRI	
27	Households using electricity (mainly) for cooking purpose	Percent	0.9	3.0	7.0	10.0	15.0	20.0	AR	MoEWRI	
	Tourism and civil aviation										
28	Arrival of foreign tourists	Number (in thousand)	1,197	1,550	2,000	2,450	2,950	3,500	AR	MOCTCA	
29	Average stay of foreign tourists	Day	12.7	13.0	13.5	14.0	14.4	15.0	AR	MOCTCA	
30	Per tourist expenditure (per day)	US Dollar	48	56	61	63	85	100	AR	MOCTCA	
31	Additional direct employment creation in the tourism sector	Number (in thousand)	200	58	75	75	83	91	AR	MOCTCA	
	Outputs										
	Agriculture										
32	Agriculture Orientation Index	Index	-	0.3	0.3	0.3	0.3	0.3	AR[1]	MoALD	

S. N.	Result Indicators	Unit	Base Year (2018/19)	Targets					Source of Information	Responsible Agency	Risks and Assumptions
				2019/20	2020/21	2021/22	2022/23	2023/24			
33	Commercial agriculture firms	Number (in thousand)	24.2	26	28	30	33	35	NEC	CBS	
34	Fertilizer supply (chemical/organic)	MT (in thousands)	364	386	500	550	600	600	AR[1]	MoALD	
35	Improved breed seed production	MT (in thousands)	34.6	36.4	39.2	41.9	43.7	45.5	AR[1]	MoALD	
36	Vaccine service for livestock (animals)	Number (in hundred thousand)	94	95	103	110	118	124	AR[1]	MoALD	
37	Vaccine service for livestock (birds)	Number (in hundred thousand)	300	315	342	362	400	450	AR[1]	MoALD	
38	Production of vaccine for livestock (animals)	Number (in hundred thousand)	94	95	103	110	118	244	AR	MoALD	
39	Production of vaccine for livestock (birds)	Number (in hundred thousand)	300	315	342	362	400	450	AR	MoALD	
40	Artificial insemination (for breed improvement)	Number	622	655	689	724	759	795	AR[1]	MoALD	
41	Grass seed production	MT	783	886	989	1,092	1,196	1,300	AR[1]	MoALD	

S. N.	Result Indicators	Unit	Base Year (2018/19)	Targets					Source of Information	Responsible Agency	Risks and Assumptions
				2019/20	2020/21	2021/22	2022/23	2023/24			
	Forest										
42	Plantation area	Hectare (in thousand)	4	7	10	15	20	30	AR	MoFE	
43	Plant/sapling production (annual)	Number (in ten million)	20.5	22	25	25	30	30	AR	MoFE	
44	Wildlife rearing	Species	-	2	2	2	2	2	AR	MoFE	
45	Development and promotion of forest-based enterprises	Number	2,000	2,000	2,000	2,000	2,000	2,000	AR	MoFE	
46	Area with scientific forest management	Hectare (thousands)	84	90	95	100	110	120	AR	MoFE	
47	Registered private forest development	Hectare (thousands)	2.36	2.5	3.0	3.5	4.0	5.0	AR	MoFE	
48	Area with commercial farming of non-timber forest products	Hectare	-	400	400	400	400	400	DPR	MoFE	
	Irrigation										
49	Expansion of irrigated area										
	Surface irrigation	Hectare	3,365	3,950	9,600	21,300	26,140	19,170	AR	MoEWRI	

S. N.	Result Indicators	Unit	Base Year (2018/19)	Targets					Source of Information	Responsible Agency	Risks and Assumptions
				2019/20	2020/21	2021/22	2022/23	2023/24			
	Underground irrigation	Hectare	340	1,000	2,000	13,000	13,000	13,000	AR	MoEWRI	
	Irrigation based on new technology	Hectare	200	2,200	4,640	6,800	8,480	7,000	AR	MoEWRI	
50	Area irrigated by rehabilitated irrigation canals	Hectare	237	237	237	237	237	237	AR	MoEWRI	
	Industry										
51	Registration of industries (annual)										
	Large enterprises	Number	303	450	500	550	600	650	AR	MoICS	
	Medium enterprises	Number	55	80	90	100	110	120	AR	MoICS	
	Micro, cottage and small enterprises	Number (thousands)	32	33	34	35	36	37	AR	MoICS	
52	Registered patents	Number	2	10	15	20	25	25	AR	MoICS	
53	Scale up of micro entrepreneurs	Person (thousands)	32.0	25.5	35.6	45.7	47.0	50.0	AR	MoICS	
54	Micro entrepreneurs	Person (thousands)	27	30	30	30	35	40	AR	MoICS	
55	Industrial Area	Number	10	11	12	13	14	15	AR	MoICS	

S. N.	Result Indicators	Unit	Base Year (2018/19)	Targets					Source of Information	Responsible Agency	Risks and Assumptions
				2019/20	2020/21	2021/22	2022/23	2023/24			
56	Special Economic Zone	Number	1	3	3	4	4	5	AR	MoICS	
57	Industrial village	Number	1	71	141	211	281	351	AR	MoICS	
58	Quality laboratory	Number	10	11	12	13	14	15	AR	MoICS	
59	Business Incubation Centres	Number	-	276	276	753	753	753	AR	MoICS	
60	Area of mine exploration	Square km (thousands)	43.2	44.5	45.7	46.9	48.1	49.3	AR	MoICS	
	Commerce										
61	Exports of Goods (Merchandised export)	NRs. (in Billion)	97	115	138	165	198	238	AR	MoICS	
62	Share of industrial production in exports of goods	Percent	11.4	12.4	13.4	14.5	15.7	17.0	AR	MoICS	
	Tourism and civil aviation										
63	Seat availability in international flights for foreign visitors	Number (hundred thousand)	80	90	120	130	140	150	AR	MOCTCA	
64	Tourism-standard hotels and beds										

S. N.	Result Indicators	Unit	Base Year (2018/19)	Targets					Source of Information	Responsible Agency	Risks and Assumptions
				2019/20	2020/21	2021/22	2022/23	2023/24			
	5-star hotel	Number of hotels	15	18	21	24	26	30	AR	MOCTCA	
		Number of beds	3,146	3,756	4,365	4,900	5,300	6,120	AR	MOCTCA	
	1-4-star hotel	Number of hotels	124	159	195	225	250	275	AR	MOCTCA	
		Number of beds	10,697	13,515	16,575	19,125	21,250	23,375	AR	MOCTCA	
	Other hotels	Number of hotels	977	1,237	1,497	1,747	1,997	2,150	AR	MOCTCA	
		Number of beds	29,136	37,110	44,910	52,410	59,910	64,500	AR	MOCTCA	
	Homestay capacity	Number	256	302	359	386	449	490	AR	MOCTCA	
		Number of beds	948	1,210	1,440	1,544	1,805	1,960	AR	MOCTCA	
65	Trekking trail	KM	188	368	556	746	941	1,146	AR	MOCTCA	
66	Identified and developed tourism destinations	Number	192	192	208	220	226	230	AR	MOCTCA	
67	Skilled human resources produced in the tourism	Number	10,000	13,000	15,000	15,500	15,690	16,110	AR	MOCTCA	

S. N.	Result Indicators	Unit	Base Year (2018/19)	Targets					Source of Information	Responsible Agency	Risks and Assumptions
				2019/20	2020/21	2021/22	2022/23	2023/24			
	sector										
	Economic and financial sector										
68	Crop insurance premium subsidy	Hectare	525	683	887	1,153	1,499	1,949	AR	MoF	
69	Agriculture and livestock interest subsidy	NRs. (in Billion)	2.0	5.0	5.5	6.0	6.8	7.7	AR	MoF	
70	Micro insurance (livestock insurance)	Number (thousands)	366	421	477	522	679	950	AR	MoF	
71	Credit insurance (microfinance and deprived group, technical education and educated unemployed, agriculture and export loan)	Number (thousands)	346	400	500	600	750	900	AR	MoF	

[1] *Statistical information on Nepali Agriculture.*

5. Well-being and Decent Life

S. N.	Result Indicators	Unit	Base Year (2018/19)	Targets					Source of Information	Responsible Agency	Risks and Assumptions
				2019/20	2020/21	2021/22	2022/23	2023/24			
	Impacts										
1	Human Development Index	Index	0.579	0.591	0.602	0.611	0.618	0.624	NHDR	NPC	
2	Population under multi-dimensional poverty	Percent	28.6	19.5	17.5	15.5	13.5	11.5	NHDR	NPC	
3	Life Satisfaction Index	Index	4.7	4.8	4.8	4.9	5.0	5.1	NHDR	NPC	
	Outcomes										
4	Women living under the national poverty line	Percent	25.34	22.5	19.6	16.7	13.9	11.0	NLSS	CBS	
5	Children below five years of age under the national poverty line	Percent	35.35	31.3	27.3	23.3	19.3	15.3	NLSS	CBS	
6	Households with access to a health institution within a travel distance of 30 minutes	Percent	49.3	69	70	73	75	80	NDHS	MoHP	
7	Children under 5 years suffering from stunting	Percent	36	32	30	27	24	20	NDHS	MoHP	

S. N.	Result Indicators	Unit	Base Year (2018/19)	Targets					Source of Information	Responsible Agency	Risks and Assumptions
				2019/20	2020/21	2021/22	2022/23	2023/24			
	(low- height for age)										
8	Children under five years suffering from underweight (Prevalence of underweight)	Percent	27	20	20	19	18	15	NDHS	MoHP	
	Drinking water and sanitation										
9	Population with basic drinking water coverage	Percent	89	92	94	96	98	99	AR	MoWS	
10	Population with improved drinking water service	Percent	21	25	29	33	36	40	AR	MoWS	
11	Population having access to fully operated drinking water system	Percent	62	70	80	88	94	99	AR	MoWS	
12	Households with access to improved sanitation (single use)	Percent	64.6	72	79	86	93	100	NDHS	MoHP	
13	Families with access to basic sanitation	Percent	99	100	100	100	100	100	AR	MoWS	
14	Treatment of waste water discharged from	Percent	-	3	7	11	15	20	AR	MoWS	

S. N.	Result Indicators	Unit	Base Year (2018/19)	Targets					Source of Information	Responsible Agency	Risks and Assumptions
				2019/20	2020/21	2021/22	2022/23	2023/24			
	household purposes (safely treated waste water ratio)										
	Settlement, housing and urban development										
15	Households living in own houses	Percent	85.3	87	87	88	88	89	PC	CBS	
16	Population living in safe housing	Percent	40	45	50	54	57	60	AR	MoUD	
	Outputs										
17	Population with access to banking and financial services	Percent	60.9	65	69	73	77	80	Periodic Report	NRB	
18	Population with investment in public securities	Percent	4.4	6	8	11	16	20	AR	SEBON	
	Health and nutrition										
19	Population covered by health insurance	Percent	7	40	50	60	60	60	Health Insurance Board	MoHP	

S. N.	Result Indicators	Unit	Base Year (2018/19)	Targets					Source of Information	Responsible Agency	Risks and Assumptions
				2019/20	2020/21	2021/22	2022/23	2023/24			
20	Anaemia among women of reproductive age	Percent	40.8	26	26	25	24	23	NDHS	MoHP	
21	Women of reproductive age receiving all vaccines	Percent	73	83	93	95	98	99	HMIS	MoHP	
22	Children receiving all vaccines	Percent	70	90	93	95	98	99	HMIS	MoHP	
23	Children breastfed within 1 hour of birth	Percent	54.9	64	73	82	91	99	NDHS	MoHP	
	Sports										
24	Athletes receiving basic sports training	Person (in thousands)	75	77	77	78	78	80	AR	MoYS	
25	Athletes receiving training at national and international levels	Person (in thousands)	7	14	22	32	42	54	AR	MoYS	
26	International sports complex	Number	1	2	3	4	5	6	AR	MoYS	
27	Province stadium (with international level facilities)	Number	-	1	2	3	4	7	AR	MoYS	
28	Cricket stadium (Annual)	Number	1	1	1	1	2	4	AR	MoYS	

S. N.	Result Indicators	Unit	Base Year (2018/19)	Targets					Source of Information	Responsible Agency	Risks and Assumptions
				2019/20	2020/21	2021/22	2022/23	2023/24			
29	Highland sports training centre	Number	2	2	2	2	2	2	AR	MoYS	
30	Sports village	Number	-	50	75	80	80	120	AR	MoYS	
	Drinking water										
31	Drinking water programme supported by advanced technologies (annual)	Number	3,235	3,000	2,500	2,000	1,000	500	AR	MoWS	
32	Climate adapted comprehensive drinking water project/ drinking water with reservoir project (annual)	Number	177	46	80	100	150	200	AR	MoWS	
33	Drinking water quality improvement program	Number	60	78	342	376	435	590	AR	MoWS, Province Government	
34	Conservation of natural sources of water and springs, rehabilitation of underground water	Number	20	60	100	150	200	300	AR	MoWS	
35	Conservation and	Number	7	20	50	100	150	200	AR	MoWS	

S. N.	Result Indicators	Unit	Base Year (2018/19)	Targets					Source of Information	Responsible Agency	Risks and Assumptions
				2019/20	2020/21	2021/22	2022/23	2023/24			
	beautification of lakes including the improvement of the quality of water from rivers and streams										
36	Laboratory related to drinking water quality test (annual)	Number	5	7	7	5	7	3	AR	MoWS	
	Settlement, housing and urban development										
37	Safe civil housing construction	Number (thousands)	10	15	20	25	30	35	AR	MoUD	
38	Integrated settlement development	Number	20	40	60	75	90	110	AR	MoUD	
39	Integrated settlement development with infrastructure for settlement relocation	Number	8	16	28	43	60	75	AR	MoUD	

6. Safe, Civilized and Just Society

S. N.	Result Indicators	Unit	Base Year (2018/19)	Targets					Source of Information	Responsible Agency	Risks and Assumptions
				2019/20	2020/21	2021/22	2022/23	2023/24			
	Impacts										
1	Gender Development Index	Index	0.897	0.937	0.943	0.951	0.957	0.963	AR	MoWCSC	
2	Population covered by basic social protection schemes	Percent	17	31	39	47	54	60	AR	MoHA	
	Outcomes										
3	Cultural heritage sites listed in the world heritage site list	Number	10	10	11	11	12	12	AR	MOCTCA	
	Human security										
4	Mortality from road accidents	Number	2,789	2,000	1,600	1,300	1,100	900	AR	MoHA	Availability of necessary resources and infrastructure and joint effort of the stakeholders
5	People injured by road	Number	14,736	12,000	10,000	8,000	6,500	5,000	AR	MoHA	"

S. N.	Result Indicators	Unit	Base Year (2018/19)	Targets					Source of Information	Responsible Agency	Risks and Assumptions
				2019/20	2020/21	2021/22	2022/23	2023/24			
	accident										
6	Public - police ratio	Ratio	395	380	295	284	280	280	AR	MoHA	
7	Ratio of crimes investigated to registered crimes including gender violence related crimes	Percent	88.9	91.1	93.3	95	95	100	AR	MoHA	
	Gender equality and empowerment										
8	Gender Empowerment Index	Index	0.57	0.6	0.61	0.62	0.63	0.64	HDR	MoWCSC	
9	Gender Inequality Index	Index	0.476	0.45	0.44	0.43	0.41	0.39	HDR	MoWCSC	
10	Ratio of female and male labour force participation rate	Percent	0.49	0.97	0.95	0.96	0.97	0.98	NLFS	CBS	
11	Ratio of female wages to male wages	Percent	0.72	0.74	0.76	0.78	0.79	0.8	NLFS	CBS	
12	Households with house and land registered in women's name	Percent	26	27	28	29	30	33	NDHS	MoHP	
13	Women who have victimized lifetime	Percent	24.4	22.2	20	17.8	16	13	NDHS	MoHP	

S. N.	Result Indicators	Unit	Base Year (2018/19)	Targets					Source of Information	Responsible Agency	Risks and Assumptions
				2019/20	2020/21	2021/22	2022/23	2023/24			
	physical, mental or sexual violence										
14	Women who have faced physical, mental or sexual violence in the last 12 months	Percent	13.5	11	9.5	8	7	6	NDHS	MoHP	
	Social security and protection										
15	Social protection expenditure in the national budget	Percent	11.7	12.1	12.5	12.9	13.3	13.7	AR	MoF	
16	Establishments' labors enrolled in the contribution-based social security scheme	Percent	7	30	50	70	80	90	AR	MoLESS	
	Outputs										
	Human security										
17	Population drinking alcohol to the detriment of their health (15 years or above age	Percent	2.0	2.0	1.8	1.5	1.5	1.5	AR	MoHA	

S. N.	Result Indicators	Unit	Base Year (2018/19)	Targets					Source of Information	Responsible Agency	Risks and Assumptions
				2019/20	2020/21	2021/22	2022/23	2023/24			
	group)										
18	Local levels where preventive programmes have been implemented for the prohibition of drugs and regulation of sales and distribution of alcohol	Number	-	200	500	753	753	753	AR	MoHA	
19	Prisoners staying in prisons with minimum facilities for a human being (physical infrastructure capacity)	Percent	68	74	80	85	87	90	AR	MoHA	
20	Establishment of biometrics-based crime and criminal record system	District	26	51	77	77	77	77	AR	MoHA	Availability of necessary resource
21	Crime survey (annual)	Number	-	-	-	1	-	-	AR	MoLJPA	
22	Establishment of provincial level forensic laboratory	Number	-	2	4	6	7	7	AR	MoEST	
	Gender equality and empowerment										

S. N.	Result Indicators	Unit	Base Year (2018/19)	Targets					Source of Information	Responsible Agency	Risks and Assumptions
				2019/20	2020/21	2021/22	2022/23	2023/24			
23	Women of age 15 to 19 years who are married or in marital union	Percent	27	18	15	13	11	8	AR	MoWCSC	
24	Ratio of women exercising their reproductive health rights (15 to 49 age group)	Percent	59.5	68	71	74	77	80	AR	MoWCSC	
25	Women-owned enterprises (ratio of total enterprises)	Percent	26	29	32	35	38	40	NEC	CBS	
	Sociocultural diversity										
26	Schools with mother tongue as a medium of instruction	Number	270	280	290	300	312	324	AR	MoEST	
27	Digitization of cultural heritage	Number	15,500	20,000	14,500	25,000	25,000	25,000	AR	MOCTCA	
28	Copyright protection	Number	1,734	2,000	2,300	2,650	3,000	3,000	AR	MOCTCA	
	Social security and protection										
29	Number of enterprises/ employers enrolled in the social security plan	Number (in thousand)	2.6	25	50	85	115	150	AR	MoLESS	
30	Senior Citizens Day-care	Number	87	200	350	500	625	753	AR	MoWCSC	

S. N.	Result Indicators	Unit	Base Year (2018/19)	Targets					Source of Information	Responsible Agency	Risks and Assumptions
				2019/20	2020/21	2021/22	2022/23	2023/24			
	centre and reunification centre										
31	District operating rehabilitation centres for the survivors of human trafficking	Number	10	11	13	14	15	16	AR	MoWCSC	

7. Healthy and Balanced Environment

S. N.	Result Indicators	Unit	Base Year (2018/19)	Target					Source of Information	Responsible Agency	Risks and Assumptions
				2019/20	2020/21	2021/22	2022/23	2023/24			
	Impacts										
1	Contribution of forest sector in GDP	Percent	1.77	1.80	1.90	2.00	2.05	2.10	NA	CBS	
2	Ratio of renewable energy to total energy consumption	Percent	7	8	9	10	11	12	AR	MoEWRI	
	Oucomes										
	Forest, biodiversity and watershed										
3	Area covered by protected area	Percent	23.39	23.39	23.39	23.39	23.39	23.50	AR	MoFE	
4	Forest density	Trees per	430	430	440	440	440	450	AR	MoFE	

S. N.	Result Indicators	Unit	Base Year (2018/19)	Target					Source of Information	Responsible Agency	Risks and Assumptions
				2019/20	2020/21	2021/22	2022/23	2023/24			
		hectare									
	Environment and climate change										
5	Air pollution (ppm 2.5)	Microgram per cubic metre	50	48	46	44	42	40	AR	MoFE	
6	Concentration of suspension particulate matter in the air(average of 24 hours)	Microgram per cubic metre	230	210	190	175	160	153.3	AR	MoFE	
7	Ratio of safe treatment of waste water	Percent	5	10	15	20	25	30	AR	MoFE	
8	Ratio of untreated industrial waste water	Percent	95	90	85	80	75	70	AR	MoFE	
9	Local levels with climate adaptation plan	Number	217	280	350	430	450	460	AR	MoFE	
	Renewable energy										
10	Micro hydropower	Mega-watt	34	36	38	41	44	47	AR	MoEWRI	
11	Solar energy	Mega-watt	33	53	75	100	128	160	AR	MoEWRI	
12	Household biogas plant	Number (thousands)	426	461	501	546	586	626	AR	MoEWRI	
13	Community and institutional as well as	Number	247	347	467	587	707	747	AR	MoEWRI	

S. N.	Result Indicators	Unit	Base Year (2018/19)	Target					Source of Information	Responsible Agency	Risks and Assumptions
				2019/20	2020/21	2021/22	2022/23	2023/24			
	urban and commercial biogas plant installation										
	Land management										
14	Ratio of degraded land to total agricultural land	Percent	1.5	1.3	1.1	0.9	0.7	0.5	AR	MoLMCPA	
15	Minimization of land fragmentation rate	Percent	3.07	2.24	2.22	2.15	2.10	2.0	AR	MoLMCPA	
	Outputs										
	Forest, biodiversity and watershed										
16	Timber production	cubic metre (one hundred thousands)	194	200	225	250	275	300	``	MoFE	
17	Firewood production	Number of logs	4,000	4,200	4,500	4,800	5,000	5,200	AR	MoFE	
18	Development and promotion of forest-based enterprises	Number	2,000	2,000	2,000	2,000	2,000	2,000	AR	MoFE	
19	Protected genetic resources of food and agricultural plants	Number	12,000	12,500	13,500	14,500	15,500	16,500	AR	MoALD	
20	Water source, pond	Number	213	117	200	225	250	275	AR	MoFE	

S. N.	Result Indicators	Unit	Base Year (2018/19)	Target					Source of Information	Responsible Agency	Risks and Assumptions
				2019/20	2020/21	2021/22	2022/23	2023/24			
	conservation and wetland area management										
21	Protection of settlements and markets	Number	13	27	50	80	120	140	AR	MoFE	
22	Bioengineered area	Hectare	27	15	40	50	60	70	AR	MoFE	
	Environment and climate change										
23	Air quality measurement stations	Number	17	24	30	36	42	47	AR	MoFE	
24	Waste processing plants	Number	2	6	8	10	12	14	AR	MoFE	
25	Use of plastic	Per capita, per day, in gram	2	2	2	1	1	0.5	AR	MoFE	
26	Industry producing final goods by reprocessing of plastic	Percent	25	38	45	55	62	68.2	AR	MoFE	
27	Industry producing final goods by reprocessing of glass and metallic products	Percent	7.2	20.0	40.0	60.0	80.0	92.4	AR	MoFE	
28	Preparation and implementation of climate change adaptation plan by local levels	Number	217	226	500	550	600	650	AR	MoFE	

S. N.	Result Indicators	Unit	Base Year (2018/19)	Target					Source of Information	Responsible Agency	Risks and Assumptions
				2019/20	2020/21	2021/22	2022/23	2023/24			
	Renewable energy										
29	Household solar system	Number (in thousand)	911	986	1,036	1,086	1,136	1,186	AR	MoEWRI	
30	Solar mini-grid	Number	12	300	600	900	1,200	1,500	AR	MoEWRI	
31	Installation of solar drinking water and irrigation pump	Number	1,364	1,464	1,564	1,664	1,764	1,864	AR	MoEWRI	
32	Wind energy	Percent	0.76	1.76	3.26	5.76	8.26	10.76	AR	MoEWRI	
33	Electric stoves	Number (in thousand)	86	186	286	386	486	586	AR	MoEWRI	
34	Community and institutional as well as urban and commercial biogas installations	Number	1,993	2,093	2,193	2,293	2,393	2,493	AR	MoEWRI	
35	Improved iron stove	Number (thousands)	86	186	286	386	486	586	AR	MoEWRI	
	Water resources, climate and weather										
36	Embankment in large and medium-sized rivers	KM	54	20	50	80	110	150	AR	MoEWRI	
37	Establishment and operation of the automatic water monitoring stations	Number	90	112	130	180	160	500	AR	MoEWRI	

S. N.	Result Indicators	Unit	Base Year (2018/19)	Target					Source of Information	Responsible Agency	Risks and Assumptions
				2019/20	2020/21	2021/22	2022/23	2023/24			
38	Establishment and operation of radiosonde stations	Number	1	1	2	3	3	3	AR	MoEWRI	
39	Flood warning system	Number	19	21	23	25	27	27	AR	MoEWRI	
	Land management										
40	Preparation of land use map/data of local levels	Local level	369	532	753	753	753	753	AR	MoLMCPA	
41	Topographic map update using remote sensing method	Sheet	201	451	607	672	672	672	AR	MoLMCPA	
42	LiDAR survey and mapping	Square km (in thousand)	-	20	42	62	84	104	AR	MoLMCPA	
43	Geodetic survey	KM	7,000	7,110	7,225	7,345	7,470	7,600	AR	MoLMCPA	

8. Good Governance

S. N.	Result Indicators	Unit	Base Year (2018/19)	Target					Source of Information	Responsible Agency	Risks and Assumptions
				2019/20	2020/21	2021/22	2022/23	2023/24			
	Impacts										
1	Rule of Law Index	Index	0.54	0.55	0.56	0.56	0.57	0.58	WBR	OPMCM	
2	Corruption Perception Index	Index	34	34	36	38	40	41	TI	OPMCM	

S. N.	Result Indicators	Unit	Base Year (2018/19)	Target					Source of Information	Responsible Agency	Risks and Assumptions
				2019/20	2020/21	2021/22	2022/23	2023/24			
3	Global Competitive Index	Index	51.6	53.0	55.0	57.0	59.0	60.0	WBR	OPMCM	
4	Doing Business Index	Index	63	64	65	66	67	68	WBR	OPMCM	
5	Travel and Tourism Competitiveness Index	Index	3.3	3.4	3.5	3.6	3.7	3.8	AR	WEF	
	Outcomes										
6	Voice and Accountability	Index	-0.13	0.00	0.20	0.40	0.70	1	WBR	OPMCM	
7	Control of Corruption	Index	-0.67	-0.37	0.00	0.35	0.70	1	WBR	OPMCM	
8	Political Stability/Absence of Violence	Index	-0.63	-0.33	-0.03	0.35	0.70	1	WBR	OPMCM	
9	Regulatory Quality	Index	-0.75	-0.40	-0.05	0.33	0.65	1	WBR	OPMCM	
10	Government Effectiveness	Index	-0.90	-0.45	-0.05	0.35	0.72	1	WBR	OPMCM	
11	Ratio of unregistered (informal) establishments to total economic establishments	Percent	49.9	41	33	25	17	10	NEC	CBS	
12	Ratio of registered economic establishments maintaining books and accounts	Percent	52	56	60	64	67	70	NEC	CBS	
13	Success rate in government	Percent	72	74	76	78	80	82	AR	OPMCM	

S. N.	Result Indicators	Unit	Base Year (2018/19)	Target					Source of Information	Responsible Agency	Risks and Assumptions
				2019/20	2020/21	2021/22	2022/23	2023/24			
	prosecutions										
	Outputs										
	Governance reform										
14	Settlement of grievances received by "Hello Sarkar"	Percent	48.93	59	69	78	88	98	AR	OPMCM	
15	Actual capital expenditure	Percent	75	80	85	90	94	97	AR	MoF	
	Corruption control										
16	Success rate in cases filed by the CIAA	Percent	75	76	77	78	79	80	AR	CIAA	
17	Settlement of complaints received at the CIAA	Percent	71	73	75	76	77	78	AR	CIAA	
18	Capacity development of the CIAA	Person per year	342	350	350	350	350	350	AR	CIAA	
	Audit										
19	Share of financial irregularity in total expenditure	Percent	13	11	10	8	7	5	AR	OAG	
20	Revenue arrears (as the ratio of total revenue)	Percent	11.6	10	9	8	6	5	AR	OAG	
21	Ratio of regularization to	Percent	4.4	9	13	17	21	25	AR	OAG	

S. N.	Result Indicators	Unit	Base Year (2018/19)	Target					Source of Information	Responsible Agency	Risks and Assumptions
				2019/20	2020/21	2021/22	2022/23	2023/24			
	total irregular expenses										
	Administrative capacity development										
22	Researches on financial irregularity (annual)	Number	10	10	10	15	15	15	AR	OAG	
23	Local levels with less than 2.5 percent of financial irregularity	Number	-	300	400	500	600	753	AR	MOFAGA	
24	Management audit (annual)	Number	25	10	10	10	10	10	AR	MOFAGA	
25	Local levels providing digital services	Number	75	76	78	100	200	753	AR	MOFAGA	
	Planning and Statistics										
26	Provinces that have formulated their periodic plan	Number	2	7	7	7	7	7	AR	NPC	
27	Local levels that have formulated their periodic plan	Number	-	293	753	753	753	753	AR	NPC	
28	Provinces that have formulated Medium-Term	Number	2	7	7	7	7	7	AR	NPC	

S. N.	Result Indicators	Unit	Base Year (2018/19)	Target					Source of Information	Responsible Agency	Risks and Assumptions
				2019/20	2020/21	2021/22	2022/23	2023/24			
	Expenditure Framework										
29	Local levels that have formulated Medium-Term Expenditure Framework	Number	-	753	753	753	753	753	AR	NPC	
30	Local levels reporting on the SDGs	Number	-	293	753	753	753	753	AR	NPC	
31	Provinces that have established Project Banks	Number	-	2	4	7	7	7	AR	OPMCM	
32	Third-party evaluation (annual)	Number	3	4	5	6	7	8	AR	NPC	
33	National level censuses (annual)	Number	1	-	1	1	-	1	AR	NPC	
34	National level surveys (annual)	Number	2	3	4	3	3	3	AR	NPC	
	Land management										
35	Survey offices developed as high-tech offices	Number	-	5	12	19	26	33	AR	MoLMCPA	
36	Development of land reform and land revenue offices as high-tech offices	Number	1	16	36	61	91	124	AR	MoLMCPA	

S. N.	Result Indicators	Unit	Base Year (2018/19)	Target					Source of Information	Responsible Agency	Risks and Assumptions
				2019/20	2020/21	2021/22	2022/23	2023/24			
37	Digitization of records in land reform and land revenue offices	Sheets (in hundred thousand)	6	136	286	486	686	886	AR	MoLMCPA	
38	Land reform and land revenue offices with online service delivery	Number	75	115	131	131	131	131	AR	MoLMCPA	
39	Land reform and revenue offices that have implemented public access model	Office	1	16	41	71	101	126	AR	MoLMCPA	
40	Land measurement, mapping, and management training	Person	225	250	500	500	500	500	AR	MoLCPA	
	Transportation management										
41	Driving license (smart card) distribution	Number (in hundred thousand)	4	12	12	13	15	18	AR	MoPIT	
	Information technology										
42	Government agencies	Number	10	13	16	20	25	30	AR	MoCIT	

S. N.	Result Indicators	Unit	Base Year (2018/19)	Target					Source of Information	Responsible Agency	Risks and Assumptions
				2019/20	2020/21	2021/22	2022/23	2023/24			
	providing online services										
43	Post office with counter automation/ Postal service with the online tracking system	District	75	75	77	77	77	77	AR	MoCIT	
44	Digitization of company registration (annual)	Number (in thousand)	24	26	28	30	30	30	AR	MoCIT	
	Construction of government and public buildings										
45	Construction of government office buildings (annual)	Number	10	12	15	15	15	15	AR	MoUD	
46	Construction of integrated government office buildings (annual)	Number	8	7	7	5	5	5	AR	MoUD	
47	Construction of special housing (housing for the prime minister, chief justice, highly distinguished and	Number	16	16	15	15	15	15	AR	MoUD	

S. N.	Result Indicators	Unit	Base Year (2018/19)	Target					Source of Information	Responsible Agency	Risks and Assumptions
				2019/20	2020/21	2021/22	2022/23	2023/24			
	distinguished position holders)										
48	Construction of building for the office of the government attorneys	Number	13	23	33	43	53	53	AR	MoUD	
49	Construction of court buildings	Number	22	25	20	20	-	-	AR	MoUD	

9. Comprehensive Democracy

S. N.	Result Indicators	Unit	Base Year (2018/19)	Target					Source of Information	Responsible Agency	Risks and Assumptions
				2019/20	2020/21	2021/22	2022/23	2023/24			
	Impacts										
1	Political Empowerment Index	Index	0.71	0.72	0.74	0.75	0.76	0.78	HDR	OPMCM	
2	Economic Empowerment Index	Index	0.45	0.48	0.51	0.57	0.63	0.7	HDR	OPMCM	
3	Social Empowerment Index	Index	0.5	0.52	0.54	0.59	0.64	0.7	HDR	OPMCM	
	Outcomes										
4	Voter's participation in	Percent	68.67	68.67	68.67	68.67	72	72	AR	EC	

S. N.	Result Indicators	Unit	Base Year (2018/19)	Target					Source of Information	Responsible Agency	Risks and Assumptions
				2019/20	2020/21	2021/22	2022/23	2023/24			
	elections										
5	Ratio of invalid ballots to total votes cast	Percent	4.23	4.23	4.23	3.21	1.14	1.14	AR	EC	
	Federal parliament	Percent	5.17	5.17	5.17	5.17	1	1	AR	EC	
	Province assembly	Percent	4.26	4.26	4.26	4.26	1	1	AR	EC	
	Local level	Percent	3.44	3.44	3.44	1.5	1.5	1.5	AR	EC	
6	Women representation										
	Federal parliament	Percent	32.72	32.72	32.72	32.72	40	40	AR	EC	
	Province assembly	Percent	34.36	34.36	34.36	34.36	40	40	AR	EC	
	Local level	Percent	40.75	40.75	40.75	41	41	41	AR	EC	
7	Female representation in public service	Percent	24.7	26	28	30	32	34	AR	PSC	
	Outputs										
	Election system										
8	Election management expenses per voter	Rupees	506	506	506	506	500	400	AR	EC	
9	Voter name collection and registration (update)	Person (in one hundred thousand)	5	6	6	7	5	4	AR	EC	

S. N.	Result Indicators	Unit	Base Year (2018/19)	Target					Source of Information	Responsible Agency	Risks and Assumptions
				2019/20	2020/21	2021/22	2022/23	2023/24			
10	Training on election education	Person	3500	4000	4500	5000	5500	5600	AR	EC	
11	Capacity development training for employees (including bridge course)	Person	350	380	450	520	540	550	AR	EC	
12	Training of social studies teachers	Person	168	450	500	550	600	625	AR	EC	
	Human rights										
13	Settlement of complaints about human rights violation	Percent	-	80	83	87	93	100	AR	NHRC	
14	Promotional activities related to human rights (annual)	Number	273	58	300	350	375	400	AR	OPMCM	
	Judicial system										
15	Litigation cases registered with judicial authorities	Number (Per one hundred thousand population)	896	868	839	811	788	762	AR	SC	
16	Case verdict	Percent	56.5	60	60	60	60	60	AR	SC	
17	Implementation of court	Percent	39	60	60	60	60	60	AR	SC	

S. N.	Result Indicators	Unit	Base Year (2018/19)	Target					Source of Information	Responsible Agency	Risks and Assumptions
				2019/20	2020/21	2021/22	2022/23	2023/24			
	verdicts										
18	Specialized government attorney (trained)	Person	30	80	130	180	230	280	AR	OPMCM (OAtG)	
19	People benefited from community-police-government attorney program	Person (thousands)	-	40	40	40	40	40	AR	OPMCM (OAtG)	
20	Legal education and awareness program (annual)	Number	47	55	55	55	55	55	AR	MoLJPA	
	Federal governance system										
21	Local bodies with their own administrative buildings	Number	75	210	450	600	625	753	AR	MOFAGA	
22	Capacity development of local level employees (Training)	Person (thousands)	-	15	20	20	20	20	AR	MOFAGA	
23	Capacity development of local level officials (Training)	Person (thousands)	37	37	37	37	37	37	AR	MOFAGA	

10. National Unity, Security and Dignity

S. N.	Result Indicators	Unit	Base Year (2018/19)	Target					Source of Information	Responsible Agency	Risks and Assumptions
				2019/20	2020/21	2021/22	2022/23	2023/24			
	Impact										
1	Nepali citizens receiving national identity card	Percent	-	17	33	50	75	100	AR	MoHA	
2	Households with basic food security	Percent	48.2	56	63	70	75	80	NDHS	MoHP	
3	GDP Loss due to disaster incidents	Percent	2.5	2.25	2	1.8	1.75	1.5	AR	MoHA	Baseline data will be obtained by conducting a survey in next FY
4	Number of deaths in disaster incidents	Person (in hundred thousand)	1.7	1.5	1.3	1.3	1.0	1.0	AR	MoHA	Availability of necessary sources and infrastructure
5	No. of households affected by disaster incidents	Per thousand	17.1	14.7	12.3	11.2	10.5	9.8	AR	MoHA	
	Outcomes										
	National unity										

S. N.	Result Indicators	Unit	Base Year (2018/19)	Target					Source of Information	Responsible Agency	Risks and Assumptions
				2019/20	2020/21	2021/22	2022/23	2023/24			
6	Birth registration of children of age under five	Percent	63	75	84	90	95	100	NDHS	MoHP	
	Food security										
7	Global Food Security Index	Index	46	50	53	56	61	66	AR	MoALD	
8	Food Consumer Price Index	Index	3.1	3.3	3.5	3.8	3.9	4.2	AR	NRB	
9	Households with severe food insecurity	Percent	7.8	6.6	5.5	4.3	3.2	2.0	WFSI	MoALD	
10	Share of the essential goods (agro-products, livestock and food) to total imports	Percent	14.4	13	11	9	7	5	AR	DoC	
	National dignity										
11	Countries providing on-arrival visa for Nepali citizens	Number	35	40	45	50	55	60	AR	MoFA	
12	Countries with bilateral diplomatic relations	Number	168	170	171	173	174	175	AR	MoFA	
	Outputs										

S. N.	Result Indicators	Unit	Base Year (2018/19)	Target					Source of Information	Responsible Agency	Risks and Assumptions
				2019/20	2020/21	2021/22	2022/23	2023/24			
	Defence										
13	Construction of physical infrastructure from bunker to barracks (annual)	Number	169	121	150	175	180	200	AR	MoD	
14	Enhancement of the road transport capacity of the Nepal Army	Number	95	163	385	409	410	420	AR	MoD	
15	Enhancement of the air transport capacity of the Nepal Army	Number	-	1	1	1	1	1	AR	MoD	
16	National Cadet Corps training (annual)	Person (in thousands)	44	7.7	11	12	13	15	AR	MoD	
	Human security										
17	Districts implementing national identity card	Number	15	40	76	77	77	77	AR	MoHA	
18	Countries with bilateral labour agreements or MOUs	Country	8	12	14	14	14	14	AR	MoLESS	
19	Trafficking of children in foreign countries	Reported Cases	23	18	12	7	3	0	AR	MoHA	
20	Missing children (Per one	Number	5.9	5.3	4.7	4.1	3.5	3	AR	MoWCSC	

S. N.	Result Indicators	Unit	Base Year (2018/19)	Target					Source of Information	Responsible Agency	Risks and Assumptions
				2019/20	2020/21	2021/22	2022/23	2023/24			
	hundred thousand population)										
	Peace and security										
21	Immigration offices with the system of biometric record-keeping for arrival and departure of foreigners in Nepal	Number	-	2	7	7	7	7	AR	MoHA	
	Food security										
22	Household spending more than two-thirds of total household expenditure on food consumption	Percent	44	41	38	36	33	30	NLSS	CBS	
	Supplies										
23	Food storage depot	Number	17,539	19,292	21,222	23,344	23,344	23,344	AR	MoICS	
24	Transportation of foods in the selected remote districts	Metric tons (in thousand)	14,000	25,000	25,000	25,000	25,000	25,000	AR	MoICS	
25	Transportation of iodized salt in the selected remote districts	Quintal (in thousands)	71	71.6	71.6	71.6	71.6	71.6	AR	MoICS	

S. N.	Result Indicators	Unit	Base Year (2018/19)	Target					Source of Information	Responsible Agency	Risks and Assumptions
				2019/20	2020/21	2021/22	2022/23	2023/24			
	Disaster management and reconstruction										
26	Human resources receiving training on disaster risk reduction and management	Number	2211	2500	2700	2900	3000	3100	AR	MoHA	
	Foreign affairs										
27	Establishment and meeting of bilateral consultation mechanisms	Number	12	16	12	16	15	16	AR	MoFA	
28	Candidacy and representation at the executive level of the international organizations	Number	2	2	2	2	3	3	AR	MoFA	
29	Operation of economic diplomacy programmes	Times	130	130	130	130	140	150	AR	MoFA	

2.7 Provincial Goals and Targets

The majority of provincial governments and some local levels formed under the federal structure have prepared and are implementing periodic plans whereas some other provinces and local levels are in the process of plan formulation. As the provincial plans affect the achievements of the national plan, this aspect needs to be given special consideration while preparing the provincial result indicators. The expected results of the fifteenth plan have been integrated with the expected results of the implementation of the projects and programmes included in the province-level plans, Medium-Term Expenditure Framework, and annual development programmes and a provincially segregated indicators framework has been prepared. In this framework, based on the provincial standard of the base year (2018/19) of the Fifteenth Plan, the value of the target achievement indicators to be achieved by the province by the end year of the plan FY 2023/24 has been determined and included with the relevant units. The framework has base year and end year values including national values. Similarly, the data source of the indicator value and the official responsible agency for providing data has been ascertained. The value of provincial goals is based on plan document, approach paper, and the result framework prepared by the provinces.

By reviewing the existing regional disparities in development, based on the provincial goals and destination indicators, it is expected to help operate targeted programmes for balanced development. In addition, the contribution of all provinces will be required to achieve the national goals, the quantitative targets to be achieved by each province by FY 2023/24 are included in this framework which will help in allocating the required budget by deciding on annual programmes at the provincial level and take decisions on the basis for fiscal transfers. Also, the use of this framework is expected to help determine the quantitative targets of the plan to be formulated at the province level. The provincial goals and destination indicators of prosperity and happiness are presented in the table A2.6 and A2.7.

Table A2.6: Provincial Goals and Targets of Prosperity

S. N.	Goal, destination and indicator	Unit	Actual figure of fiscal year 2018/19								Target of fiscal year 2023/24								Source of information	Responsible agency
			Nepal	Province No. 1	Province No. 2	Bagmati Province	Gandaki Province	Province No. 5	Karnali Province	Sudurpaschim Province	Nepal	Province No. 1	Province No. 2	Bagmati Province	Gandaki Province	Province No. 5	Karnali Province	Sudurpaschim Province		
1. High and Equitable National Income																				
1	Average economic growth rate*	Percent	6.8	6.5	6.5	7.0	6.5	7.4	6.5	6.2	9.6	10.4	11.0	10.6	10.2	10.5	15.0	11.7	NA	CBS
2	Per capita gross national income*	US dollar	1047	919	645	1917	1192	803	597	683	1595	1620	1000	3087	1956	1600	1147	1269	NA	CBS
3	**Sectorial contribution to the economy**																			
3.1	Primary sector (Agriculture and forestry, fishery, mining and quarrying)	Percent	27.6	38.2	41.4	14.7	31.8	32.6	33.8	39.3	23	26.9	35.0	11.0	23.7	27.4	28.4	29.1	NA	CBS
3.2	Secondary sector (Industry, electricity, gas and water, construction)	Percent	14.6	19.0	12.9	13.0	18.0	17.4	13.4	15.4	18.1	23.0	15.5	14.7	22.4	23.2	28.0	18.8	NA	CBS
3.3	Tertiary Sector (Services)	Percent	57.8	45.3	47.7	80.2	53.7	53.1	53.9	46.8	58.9	50.1	49.5	74.3	53.9	52.4	43.6	52.0	NA	CBS
4	Income ratio of the richest 10 percent to the poorest 40 percent of the population	Ratio	1.31	1.01	1.12	1.45	1.41	1.28	0.93	1.13	1.25	1.00	1.08	1.37	1.10	1.23	0.89	1.09	PSDG	NPC

S. N.	Goal, destination and indicator	Unit	Actual figure of fiscal year 2018/19								Target of fiscal year 2023/24								Source of information	Responsible agency
			Nepal	Province No. 1	Province No. 2	Bagmati Province	Gandaki Province	Province No. 5	Karnali Province	Sudurpaschim Province	Nepal	Province No. 1	Province No. 2	Bagmati Province	Gandaki Province	Province No. 5	Karnali Province	Sudurpaschim Province		
5	Wealth-based Gini coefficient	Coefficient	0.31	0.35	0.22	0.25	0.37	0.31	0.42	0.33	0.29	0.32	0.21	0.23	0.26	0.29	0.39	0.31	NDHS	MoHP
6	Share of the poorest 40 percent population in total consumption	Percent	18.5	20.9	19.5	16.2	18.9	20.3	21.4	21.0	25	26	24	22	25	26	27	27	PSDG	NPC
7	Ratio of capital allocation to current allocation in the budget	Ratio	1:1.9	1:1.3	1:0.9	1:1.1	1:0.5	1:0.7	1:0.6	1:0.9	1:0.96	1:0.7	1:0.8	1:1	1:0.7	1:0.7	1:0.7	1:0.8	AR	MoEAP
8	Population per branch of bank and financial institutions	Person	3363	3481	4938	2770	2257	2951	4958	4409	2500	2600	4000	2100	1500	2000	3000	2800	AR	MoEAP
** Annual economic growth rate of goal is taken an average of plan period; Except for Sudurpashchim province, economic growth rate and per capita income goals are taken from respective periodic plans of provinces and other goals are taken as far as possible from respective plans.*																				
2. Development and Full Utilization of Human Capital Potential																				
9	Life expectancy (at birth)	Year	69.7	70.7	68.9	72.0	73.3	68.8	67.0	66.3	72	73.1	71.2	74.4	75.7	72.0	70.0	68.5	P.C.	CBS
10	Under-5 mortality rate (Per thousand live births)	Person	39	36	52	36	27	45	58	69	24	22	32	18	22	30	35	40	NDHS	CBS
11	Adolescent fertility (below 19 years)	Percent	13.0	16.0	27.0	10.0	14.0	13.0	19.0	16.0	6.0	4.0	15.0	4.0	5.0	3.0	7.0	5.0	NDHS	MoHP
12	Women taking maternity services from the health institution	Percent	57.4	62.2	44.6	70.7	68.3	59.4	35.6	66.4	76	82	64	88	88	84	72	86	NDHS	MoHP

S. N.	Goal, destination and indicator	Unit	Actual figure of fiscal year 2018/19								Target of fiscal year 2023/24								Source of information	Responsible agency
			Nepal	Province No. 1	Province No. 2	Bagmati Province	Gandaki Province	Province No. 5	Karnali Province	Sudurpaschim Province	Nepal	Province No. 1	Province No. 2	Bagmati Province	Gandaki Province	Province No. 5	Karnali Province	Sudurpaschim Province		
13	Households with access to a health institution within 30-minutes of travel distance	Percent	49.3	50.5	69.1	50.6	46.5	45.3	23.6	28.7	80.0	82.0	95.0	83.0	77.4	76.0	60.0	65.0	NDHS	MoHP
14	Districts with negative population growth rate (with high out-migration rate)	Number	27	9	0	7	8	3	0	0	7	4	0	0	3	0	0	0	P.C.	CBS
15	Literacy rate (15 years and above)	Percent	58	64	40	69	67	58	52	54	95	90	75	95	95	90	80	85	P.C.	CBS
16	Youth literacy rate (15-24 years)	Percent	92	91	63	93	95	85	82	85	99	99	97	100	99	97	99	99	P.C.	CBS
17	Net enrolment rate in basic level (1-8)	Percent	93	94.7	79.2	94.8	94.8	91.2	93.2	94.8	99	100	100	100	99	97	99	100	AR	MoEST
18	Net enrolment rate in secondary level (9-12)	Percent	46	46	37.9	48.2	44.7	40.5	42	44.7	65	67	59	75	60	55	65	64	AR	MoEST
19	Total enrolment rate in higher education	Percent	12	15.6	3.9	22.7	8.3	7.7	6.1	7.1	22	20	14	32	21	18	19	18	AR	MoEST
20	Number of out-of-school children of basic school age	Percent	22.9	17.1	35.2	8.7	9.6	26.0	16.8	20.6	1	3	2	1	1	1	0	1	AR	MoEST
21	New entrants to grade 1 with Early Childhood Care and Pre-primary	Percent	66.3	65.5	72.2	65.7	59.8	64.3	62.4	68.4	90	89	96	95	90	88	83	94	AR	MoEST

S. N.	Goal, destination and indicator	Unit	Actual figure of fiscal year 2018/19								Target of fiscal year 2023/24								Source of information	Responsible agency
			Nepal	Province No. 1	Province No. 2	Bagmati Province	Gandaki Province	Province No. 5	Karnali Province	Sudurpaschim Province	Nepal	Province No. 1	Province No. 2	Bagmati Province	Gandaki Province	Province No. 5	Karnali Province	Sudurpaschim Province		
	Education Experience																			
22	Teacher-student ratio in the school education (1-12)	Ratio	24.1	45.3	17.0	16.4	22.4	30.0	29.4	23.0	20	25	17	17	20	24	21	20	AR	MoEST
23	Labour force participation rate (Above 15 years)	Percent	38.5	37.8	39.7	47.1	35.7	37.3	27.5	27.3	49	60	50	58	50	47	36	36	NLFS	CBS
24	Share of formal Sector in Employment	Percent	37.8	36.7	21.5	47.1	39.7	34.7	43.8	32.3	50	50	35	60	55	48	60	50	NLFS	CBS
3. Accessible Modern Infrastructure and Intensive Connectivity																				
25	Provincial highway (blacktopped, up to 2 lanes)	KM	1800	-	-	-	-	-	-	-	7900	1,150	1,050	1450	1,050	1,100	1,050	1,050	AR	MoPIT
26	Local roads	KM (in thousand)	60.2	12.1	5.8	15.1	9.98	8.7	2.7	4.7	74.0	13.6	7.8	18.2	14.1	10.7	3.8	5.8	AR	MoPIT
27	Population with access to the internet	Percent	65.9	49.8	42.3	71.2	61.2	53.4	49.1	50.1	80	80	70	90	80	85	70	74	AR	MoCIT
4. High and Sustainable Production and Productivity																				
28	Productivity of major agricultural crops (paddy, maize, buckwheat, millet, barley and wheat)	MT per Hectare	3.1	2.9	3.3	2.9	2.7	3.2	2.2	2.7	4.0	4.1	4.2	4.0	3.8	4.1	3.1	3.6	AR	MoALD

S. N.	Goal, destination and indicator	Unit	Actual figure of fiscal year 2018/19								Target of fiscal year 2023/24								Source of information	Responsible agency
			Nepal	Province No. 1	Province No. 2	Bagmati Province	Gandaki Province	Province No. 5	Karnali Province	Sudurpaschim Province	Nepal	Province No. 1	Province No. 2	Bagmati Province	Gandaki Province	Province No. 5	Karnali Province	Sudurpaschim Province		
29	Labour Productivity	Rs. (in thousand)	184.6	189.5	188.0	205.9	188.4	193.4	161.4	165.5	276	283	281	329	282	289	241	248	NLFS	CBS
30	Farmer households with access to the market to sell agricultural produce within 30 minute of travel distance	Percent	29.7	31.7	37.3	32.6	24.9	29.1	16.7	22.7	51.7	53.7	59.3	54.5	46.9	51.1	38.7	44.7	NLSS	CBS
31	Irrigated Land	Percent	45.0	39.0	66.3	43.0	27.4	40.3	22.9	65.4	65.5	45.0	76.0	60.0	43.0	70.0	33.0	75.0	AR	MoALD
32	Share of land with the round-the-year irrigation to total irrigable land	Percent	33.0	27.3	42.7	28.4	12.7	24.3	15.5	38.3	50	44	75	48	25	35	33	58	AR	MoALD
33	Per capita electricity consumption	Kilowatt-Hour	245	-	-	-	190	-	-	-	700	700	700	900	750	700	600	650	AR	MoEWRI
34	Share of the industry sector in GDP	Percent	5.6	8.0	6.2	5.9	3.3	6.7	1.0	4.4	6.5	8.8	8.1	6.0	3.6	9.2	3.0	5.3	NA	CBS
35	Share of industrial establishments to total economic establishments	Percent	11.3	11.5	10.8	11.6	10.9	10.9	10.3	12.3	12.3	12.5	12.8	12.6	11.9	11.9	11.3	13.3	NEC	CBS
36	Registered industrial establishments to total industrial	Percent	48.6	56.8	45.2	44.4	53.0	56.9	31.6	37.8	90	98	88	85	100	97	75	80	NEC	CBS

S. N.	Goal, destination and indicator	Unit	Actual figure of fiscal year 2018/19								Target of fiscal year 2023/24								Source of information	Responsible agency
			Nepal	Province No. 1	Province No. 2	Bagmati Province	Gandaki Province	Province No. 5	Karnali Province	Sudurpaschim Province	Nepal	Province No. 1	Province No. 2	Bagmati Province	Gandaki Province	Province No. 5	Karnali Province	Sudurpaschim Province		
	establishments																			

Table A2.7: Provincial Goals and Targets of Happiness

S. N.	Goal, Targets and Indicator	Unit	Actual figure of fiscal year 2018/19								Target of fiscal year 2023/24								Source of information	Responsible agency
			Nepal	Province No. 1	Province No. 2	Bagmati Province	Gandaki Province	Province No. 5	Karnali Province	Sudurpaschim Province	Nepal	Province No. 1	Province No. 2	Bagmati Province	Gandaki Province	Province No. 5	Karnali Province	Sudurpaschim Province		
5. Well-being and Decent Life																				
1	Human Development Index	Index	0.579	0.598	0.497	0.641	0.590	0.553	0.504	0.509	0.624	0.601	0.513	0.671	0.650	0.630	0.507	0.621	NHDR	NPC
2	Population living in multi-dimensional poverty	Percent	28.6	19.7	47.9	12.2	14.2	29.9	51.2	33.6	11.5	13.0	18.0	9.0	7.3	14.0	22.0	14.0	NMPR	NPC
3	Population living in safe housing	Percent	40	-	-	-	26.2	-	-	-	60	65	55	70	37	60	50	55	AR	MoUD
4	Households with access to the safe drinking water services	Percent	21	-	-	-	20	-	-	-	40	50	45	65	50	40	35	40	AR	MoWS
5	Households with access to improved sanitation facilities (single use)	Percent	64.6	70.2	42.4	64.0	73.6	73.5	77.7	74.6	100	100	100	100	100	100	100	100	PSDG	NPC
6	Ratio of rural-to-urban population	Ratio	1:1.6	1:2.8	1:0.8	1:6.7	1:6.9	1:1.8	1:3.2	1:2.8	1:2	1:1.6	1:1	1:3	1:3	1:1.3	1:2.1	1:2	P.C.	CBS

S. N.	Goal, Targets and Indicator	Unit	Actual figure of fiscal year 2018/19								Target of fiscal year 2023/24								Source of information	Responsible agency
			Nepal	Province No. 1	Province No. 2	Bagmati Province	Gandaki Province	Province No. 5	Karnali Province	Sudurpaschim Province	Nepal	Province No. 1	Province No. 2	Bagmati Province	Gandaki Province	Province No. 5	Karnali Province	Sudurpaschim Province		
	density																			
7	Underweight children below five years	Percent	27.0	24.4	36.8	13.3	14.9	27.2	35.6	28.1	15	14	20	7	8	15	20	16	NDHS	MoHP
8	Children under 5 years of age suffering from nderweight children below five years	Percent	9.7	11.8	14.4	4.2	5.8	7.6	7.5	9.3	5	6	7	2	1	4	4	5	NDHS	MoHP
9	Stunting in children below five years	Percent	36.0	32.6	37.0	29.4	28.9	38.8	54.5	35.9	20	18	21	10	17	22	34	20	NDHS	MoHP
10	Anaemia in women of reproductive age group	Percent	40.8	43.3	57.8	29.0	28.2	43.5	34.9	39.3	23	24	30	24	17	24	18	22	NDHS	MoHP
6. Safe, Civilized and Just Society																				
11	Population covered by basic social protection schemes	Percent	17	15	13	41	23	13	5	6	60	58	56	75	66	56	48	50	NLFS	MoHA
12	Women (15-49 years) with ownership to house and land	Percent	16.7	22.2	18.0	16.8	19.9	15.0	13.4	5.9	25	30	26	25	28	23	22	20	NDHS	MoHP
13	Gender ratio of managers in enterprises	Men to per hundred wome	237.3	192.2	677.7	194.9	155.7	275.4	221.0	385.9	150	150	300	130	115	150	125	140	NEC	CBS

S. N.	Goal, Targets and Indicator	Unit	Actual figure of fiscal year 2018/19								Target of fiscal year 2023/24								Source of information	Responsible agency
			Nepal	Province No. 1	Province No. 2	Bagmati Province	Gandaki Province	Province No. 5	Karnali Province	Sudurpaschim Province	Nepal	Province No. 1	Province No. 2	Bagmati Province	Gandaki Province	Province No. 5	Karnali Province	Sudurpaschim Province		
		n																		
14	Women who have faced physical, mental or sexual violence in last 12 months	Percent	13.5	9.9	17.4	15.1	7.7	15.3	11.8	11.3	6	5	7	7	3	7	5	5	NDHS	MoHP
7. Environment and Disaster Management																				
15	Local levels that have prepared and implemented climate change adaptation plans	Number	217	-	-	-	-	-	-	-	460	84	82	83	43	68	46	54	MIS	MoFE
16	Households using solid cooking fuel (firewood, dung, etc.)	Percent	69.3	70.3	84.0	38.8	58.9	65.3	89.5	82.9	50	55	68	21	43	48	70	65	PSDG	CBS
8. Good Governance																				
17	Local-levels that have formulated their periodic plan	Number	-	-	-	-	19	-	-	-	753	137	136	119	85	109	79	88	AR	OCMCM
18	Local levels that have prepared Medium-Term Expenditure Framework (MTEF)	Number	-	-	-	-	2	-	-	-	753	137	136	119	85	109	79	88	AR	OCMCM
19	Local-levels that have set up online	Number	-	-	-	-	29	-	-	-	753	137	136	119	85	109	79	88	AR	OCMCM

S. N.	Goal, Targets and Indicator	Unit	Actual figure of fiscal year 2018/19								Target of fiscal year 2023/24								Source of information	Responsible agency
			Nepal	Province No. 1	Province No. 2	Bagmati Province	Gandaki Province	Province No. 5	Karnali Province	Sudurpaschim Province	Nepal	Province No. 1	Province No. 2	Bagmati Province	Gandaki Province	Province No. 5	Karnali Province	Sudurpaschim Province		
	reporting system																			
20	Ratio of irregular expenditures to total expenditure at local level	Percent	4.22	4.02	6.95	3.73	2.70	3.53	5.31	3.16	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	AR	MoHA
21	Ratio of registered establishments to total establishment	Percent	50.1	53.5	35.3	50.2	55.5	52.4	48.8	55.2	90	90	80	100	100	85	83	90	NEC	CBS
22	Ratio of establishments maintaining books and accounts to total establishment	Percent	47.4	45.6	38.0	45.0	61.2	48.6	44.9	57.9	70	70	70	70	75	70	70	75	NEC	CBS
9. Comprehensive Democracy																				
23	Share of capital allocation in total budget of local levels	Percent	41.3	39.2	40.5	41.5	43.1	42.7	43.1	40.0	46.3	44.2	45.5	44.0	48.1	47.7	48.1	45.0	AR	MoEAP
24	Share of internal revenue in total budget of local levels	Percent	87.2	85.2	88.2	83.4	89.5	83.7	95.2	91.5	82.2	80.2	83.2	81.0	84.5	78.7	90.2	86.5	AR	MoF
10. National Unity, Security and Dignity																				
25	Population covered by health insurance	Percent	7	5.5	0.2	4.8	7.0	0.5	6.5	4.3	60	61	56	62	64	57	70	60	AR	MoHP
26	Birth registration of children below five	Percent	63.0	69.1	50.6	71.7	68.4	63.9	73.0	61.2	100	100	100	100	100	100	100	100	NDHS	MoHA

S. N.	Goal, Targets and Indicator	Unit	Actual figure of fiscal year 2018/19								Target of fiscal year 2023/24								Source of information	Responsible agency
			Nepal	Province No. 1	Province No. 2	Bagmati Province	Gandaki Province	Province No. 5	Karnali Province	Sudurpaschim Province	Nepal	Province No. 1	Province No. 2	Bagmati Province	Gandaki Province	Province No. 5	Karnali Province	Sudurpaschim Province		
	years of age																			
27	Households with basic food security	Percent	48.2	52.6	43.1	55.0	56.0	48.4	22.5	37.7	80	80	70	85	83	75	45	62	NDHS	MoHP
28	Per capita food production	Kilogram	197.5	256.2	161.9	111.7	234.0	220.3	185.7	192.1	250	280	225	200	400	270	225	235	AR	MoALD

Annex 3: The Fifteenth Plan Formulation Process

The Fifteenth Plan with its long-term vision has been formulated on the foundation of the political stability achieved after the promulgation of the Constitution of Nepal. The fundamental rights enshrined in the constitution, the directive principles and policies of the state, the SDGs, the priorities and commitments of the government, the international scenario, and the federal system of government served as the bases in formulating the plan. Emphasis has been given on the implementation, monitoring, and evaluation of most of the projects of national pride, transformational projects, and major programmes to be completed within the planning period while ensuring the availability of the required resources. To achieve the long-term vision mentioned in the plan, 10 national goals that includes 4 for prosperity and 6 for happiness and 8 national strategies have been set. Additionally, 9 major drivers of transformation and 8 supporting sectors have been identified and thus Special priority has been given to infrastructure construction, information technology, agriculture, industry, education, and health sectors accordingly. The plan, moreover, has given emphasis to capital formation focussing on capacity-building, coordination, and facilitation at the provincial and local level. Necessary strategies have been adopted to mobilize foreign aid and foreign investment in productive sectors.

The following process has been pursued while preparing this plan.

Development of the concept of a long-term vision

To realize the roadmap of development specified by the Constitution of Nepal as well as the vision of 'Prosperous Nepal, Happy Nepali', the concept of a 25-year long-term vision has been embraced in the Fifteenth Plan. The long-term vision aims at creating ~~to create~~ a prosperous nation with a progressive, independent, and socialism-oriented economy by 2043, with all citizens enjoying good health, education, dignity, and a high standard of living. This plan has been formulated as a 'base plan' to help realize the aforementioned national vision as well as to guide the long-term vision and periodic plans of the provincial and local levels.

Preparation of the approach paper

The approach paper was approved before the preparation of the original document of the Fifteenth Plan with its long-term vision. Based on that concept paper, a preliminary draft of the approach paper was prepared in collaboration with the concerned ministries and agencies. To formulate this plan in a participatory manner, opinions and suggestions were obtained through discussions and interactions with the people's representatives and office bearers at the national and provincial level, members of the federal parliament and provincial assemblies, and representatives of private, cooperative, and community sectors. Likewise, discussions and interactions were held with about 4,500 stakeholders including representatives of major political parties, academics and thematic experts, key officials of various ministries and agencies of the Government of Nepal and provincial and local governments, development partners and intellectuals, women, *Dalits*, *Janajatis*, *Madhesis*, Muslims, and individuals with disabilities. Similarly, to make the plan even more participatory and increase the ownership of the citizens, suggestions were collected on the draft of the approach-paper through the website and email of the Commission. Suggestions were also collected from non-resident Nepali community.

Directives from the National Development Council and approval from the Council of Ministers

The National Development Council was reorganized to include political parties, dignitaries who have made significant contributions to national life, intellectuals, women, *Madhesis*, *Dalits*, *Janajatis*, individuals with disabilities, social workers, and university officials. The draft approach paper prepared incorporating the suggestions received during the discussions held at various stages was submitted to the National Development Council for approval. After extensive and interactive discussions, the council meeting (held in Kathmandu from March 6 to 7, 2019 provided guidance to finalize the draft of the approach paper. The revised approach paper that included the suggestions and instructions received from that meeting, was approved by the Council of Ministers on April 30, 2019 and was published in May 2019.

Drafting and publication of the main document

In order to develop the approach paper to a comprehensive plan document, following the bases of discussions held at various stages, the concerned ministries and agencies were asked to prepare an outcome framework with details of national pride projects, game changer projects, major programmes, and annual targets. Game changer projects, major national and provincial programmes, and major public-private partnership projects have been planned to achieve the overall sectoral goals set in the plan while continuing with the projects of national pride that are under operation/implementation. Additionally, 10 national goals have been adopted as key outcome areas and respective impact, effect, and outcome level indicators, and annual quantitative targets have been set accordingly. Similarly, provincial goals and expected achievements have been outlined and quantitative targets have been defined. After a detailed analysis of all above aspects, a comprehensive document has been approved by the NPC on March 2, 2020 and published.

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