

# Nepal Civil Society Report on SDGs - 2023

Accelerating the recovery from the coronavirus disease (COVID-19) and the full implementation of the 2030 Agenda for Sustainable Development at all levels





**NGO Federation of Nepal** 

**NGO Federation of Nepal (NFN)** is an umbrella organization of NGOs working in various fields of social welfare and development in Nepal. Established in 1991 for the promotion and protection of social justice, human rights and pro-poor development, NFN has evolved as a national organization working for the entire NGO movement in Nepal. It is actively working to unite, organize and mobilize civil society to create a peaceful, democratic and just Nepal.

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NGO Federation of Nepal (Secretariat of Nepal SDGs Forum)

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# **Acknowledgements and Preface**



This report builds on and takes into account the multiple discussions, deliberations and dialogues coordinated and managed by NGO Federation of Nepal, Nepal SDGs Forum and the members of the Forum at different levels and at various times. Conveners, Co-conveners, issue-specific focal organizations under Nepal SDGs Forum; CSOs and experts have contributed directly and indirectly in building knowledge and position of the civil society on the SDGs. We appreciate the contribution of Sushila Regmi for SDG 1, Laxmi Gurung and Ashok Singh for SDG 2, Dr Jhabindra Bhandari for SDG 3, Ram Gaire for SDG 4, Shanta Laxmi Shrestha, Kalpana Rai and Nani Maya Thapa for SDG 5, Binod Sharma and Rajendra Aryal for SDG 6, Barsha Parajuli for SDG 7, Nani Maya Thapa for SDG 8, Naren Khatiwada

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We hope that this report will be useful to reflect on the perspective, interpretation and recommendations of the civil society rather than the facts and figures that this report contains. The aim was indeed to bring out the qualitative interpretation and perspective based on the available data and reports.

Ram Prasad Subedi President NGO Federation of Nepal

# ABBREVIATIONS

ADB	Asian Development Bank
ADS	Agriculture Development Strategy
ANC	Antenatal Care Coverage
APFSD	Asia-Pacific Forum on Sustainable Development
APG	Asia Pacific Group on Money Laundering
API	Anticipated Progress Index
BBC	Beyond Beijing Committee
CALSWSS	Climate Adaptive Large Scale Water Supply Schemes
CBS	Central Bureau of Statistics
CEDAW	Convention on the Elimination of All Forms of Discrimination against Women
CFLG	Child-Friendly Local Governance
CGD	Citizen Generated Data
CIAA	Commission for the Investigation of Abuse of Authority
CIB	Centre of Investigative Bauru
CIEDP	Commission of Investigation on Enforced Disappeared Persons
CPI	Corruption Perceptions Index
CSO	Civil Society Organization
CSOSI	Civil Society Organization Sustainability Index
CSR	Corporate Social Responsibility
DRR	Disaster Risk Reduction
DWSSM	Department of Water Supply and Sewerage Management
ECD	Early Childhood Development
ECOSOC	Economic and Social Council
EQND	Equality and non-discrimination
EVI	Economic Vulnerability Index
FATF	Financial Action Task Force
FDI	Foreign Direct Investment
FECOFUN	Federation of community Forestry Users Nepal
FEDO	Feminist Dalit Organization

FMIS	Financial Management Information System
FNCCI	Federation of Nepalese Chambers of Commerce and Industry
FSM	Fecal Sludge Management
GANHRI	Global Alliance of National Human Rights Institutions
GDP	Gross Domestic Product
GESI	Gender Equality And Social Inclusion
GNI	Gross National Income
GPEDC	Global Partnership for Effective Development Cooperation
GRB	Gender Responsive Budget
HIV	Human Immunodeficiency Virus
HLPF	High Level Political Forum
ICPD	International Conference on Population and Development
ICT	Information and Communications Technologies
IFC	International Finance Corporation
IRD	Inland Revenue Department
IWSSMS	Integrated Water Supply and Sewerage Management Scheme
LDC	Least Developed Countries
LDC LGOA	Least Developed Countries Local Government Operation Act
LGOA	Local Government Operation Act
LGOA LNOB	Local Government Operation Act Leave No One Behind
lgoa lnob lwa	Local Government Operation Act Leave No One Behind Local WASH Act
LGOA LNOB LWA MMR	Local Government Operation Act Leave No One Behind Local WASH Act Maternal Mortality Ratio
LGOA LNOB LWA MMR MSNP	Local Government Operation Act Leave No One Behind Local WASH Act Maternal Mortality Ratio Multi-Sector Nutrition Program
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LGOA LNOB LWA MMR MSNP NCE NDHS NEA NGO NHRC	Local Government Operation Act Leave No One Behind Local WASH Act Maternal Mortality Ratio Multi-Sector Nutrition Program National Campaign for Education Nepal Demographic and Health Survey Nepal Electricity Authority Non-Governmental Organization National Human Rights commission Nepal
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ODA	Official Development Assistance
ODF	Open Defecation Free
OECD	Organisation for Economic Co-operation and Development
PCGG	Provincial Centre for Good Governance
PLGSP	Provincial and Local Government Support Program
PTA	Parents Teachers Association
RTI	Right to Information
SCTS	Sewerage Construction and Treatment Scheme
SDG	Sustainable Development Goals
SESP	School Education Sector Plan
SIGI	Social Institutions and Gender Index
SMS	Sewerage Management Schemes
TRC	Truth and Reconciliation Commission
UHC	Universal Health Coverage
UN	United Nations
UNCTAD	United Nations Conference on Trade and Development
UNDROP	United Nations Declaration on the Rights of Peasants
VNR	Voluntary National Reviews
WGI	Worldwide Governance Indicators
WMG-SDN	Women Major Group for Sustainable Development in Nepal
WSSDO	Water Supply and Sanitation Division Offices
WSSERP	Water Supply Service Expansion and Rehabilitation Program
WTO	World Trade Organization

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# 1. BACKGROUND AND CONTEXT OF THE REPORT

The United Nations High-Level Political Forum on Sustainable Development (HLPF), under the auspices of the Economic and Social Council (ECOSOC), is the leading United Nations platform on sustainable development that has a central role in follow-up and review of the 2030 Agenda for Sustainable Development at the global level. A follow-up and review mechanism, Voluntary National Reviews (VNRs), are presented annually during the HLPF. The 2030 Agenda encourages member states to "conduct regular and inclusive reviews of progress at the national and sub-national levels, which are country-led and country-driven". Voluntary National Reviews (VNRs) are expected to serve as a basis for the regular reviews by the HLPF. VNRs are to be voluntary, state-led, undertaken by both developed and developing countries and shall provide a platform for partnerships, including through the participation of major groups and other relevant stakeholders.

The National Planning Commission (NPC) is the apex body that has the leadership role in institutionalizing a robust monitoring of SDGs and presenting VNRs. As of now, NPC presented its first VNR report in 2017 and the second in 2020 at the HLPF. The contributions of the civil society sector are recognized in both reports; however, their contribution can be further expanded and valued as they play a significant role in implementing SDGs and monitoring from the citizen side. Civil society plays an innovative role in complementing official reports and helping address the agenda of Leave No One Behind (LNOB). Civil Societies in Nepal are committed to supporting, contributing and enabling partnerships with the government to accelerate progress towards achieving the SDGs.

Nepal SDG Forum has played a continuous complementary role and is not limited to engaging only when the country presents VNR; instead, it creates a constant engagement platform and implements related initiatives. Since its establishment in 2016, Nepal SDG Forum has consistently worked on SDG implementation, localization and monitoring. This Forum brings the multiple stakeholders to one place and makes useful recommendations to the government and concerned stakeholders. In 2020, it prepared a specific report, CSOs' Voluntary National Review and submitted it to the government of Nepal. Furthermore, two CSO representatives joined the HLPF as official delegates. Nepal SDGs Forum prepared Nepal's Civil Society Perspective on the 2030 Agenda for Sustainable Development in 2022. This civil society report 2023 is a continuity of the civil society engagement in SDG review in Nepal, bringing perspectives through consultations. The report also brings a perspective of organisations with expertise in the specific goal or theme, highlighting the current situation and recommendations



Post HLPF review meeting held in Kathmandu

that can speed up meeting targets if duty bearers engage multi-stakeholders and adopt recommendations. The purpose of the analysis, findings and recommendations is not to solely criticize the current efforts but to appreciate the progress, showcase support and willingness from the CSOs for partnerships, compliment perspectives to strengthen government reporting, and further ensure that voices of the marginalized are heard, so that 'Leave No One Behind' is pursued and promoted.

# The 2030 Agenda for Sustainable Development

The 2030 Agenda for Sustainable Development, adopted by all United Nations member states in 2015, provides a shared blueprint for peace and prosperity for people and the planet, now and into the future. At its heart are the 17 SDGs, which are an urgent call for action by all countries -- developed and developing -- in a global partnership. They recognize that ending poverty and other deprivations must go handin-hand with strategies that improve health and education, reduce inequality, and spur economic growth - all while tackling climate change and working to preserve our oceans and forests (UN Office for Sustainable Development, 2022).

The SDGs are the result of decades of work by UN member countries and the UN. The Earth Summit in Rio de Janeiro, Brazil, in June 1992 adopted Agenda 21, a comprehensive plan of action to build a global partnership for sustainable development to improve human lives and protect the environment. The elaboration of eight Millennium Development Goals (MDGs) to reduce extreme poverty by 2015 is the significant declaration unanimously adopted by the Millennium Declaration at the Millennium Summit in September 2000 at the UN Headquarters in New York. At the United Nations Conference on Sustainable Development (Rio+20) in Rio de Janeiro, Brazil, in June 2012, Member States adopted the outcome document "The Future We Want", in which they decided, inter alia, to launch a process to develop a set of SDGs to build upon the MDGs and to establish the UN High-level Political Forum on Sustainable Development (UN Office for Sustainable Development, 2022).

2015 was a landmark year for multilateralism and international policy shaping, with the adoption of several major agreements and 17 SDGs. In January 2015, the General Assembly began the negotiation process on the post-2015 development agenda. The process culminated in the subsequent adoption of the 2030 Agenda for Sustainable Development, with 17 SDGs at its core, at the UN Sustainable Development Summit in September 2015.

### Leave No One Behind

Leaving no one behind is the central transformative promise of the 2030 Agenda, a rights-based framework that represents the unequivocal commitment of all United Nations member states to eradicate poverty in all its forms, end discrimination and exclusion, and reduce inequalities and vulnerabilities including theimpacts of climate change and environmental degradation (United Nations Sustainable Development Group, 2019). Identifying and reaching the LNOB requires disaggregated data and qualitative analysis to determine who is being excluded or discriminated against, how and why, and who is experiencing multiple and intersecting forms of discrimination and inequalities. lt entails identifying unjust, avoidable, or extreme disparities in outcomes and opportunities and patterns of discrimination in law, policies and practices. The aim to leave no one behind corrects a severe omission of the Millennium Development Goals: an understanding that focusing on averages when setting development goals can mask serious problems. LNOB is a priority in SDGs as they are not just an expansion of MDGs in terms of several goals and targets but they seek to address issues and challenges faced by marginalized groups. LNOB is both an absolute and a relational concept. Policymakers must consider absolute and relative deprivations in identifying the target group for intervention and measuring progress.

In the context of Nepal, overall and holistic progress and growth would not be enough and acceptable until 'leave no one behind' is realized at all levels. The marginalized, disadvantaged, and vulnerable people and communities must be identified and acknowledged. When focusing the furthest behind, Dalits and the people in extreme poverty must be considered for all the relevant targets. Children, women, youth, persons with disabilities, people living with HIV, senior citizens, indigenous peoples, refugees, internally displaced persons, and migrants need to be considered as target populations, and it is essential to make sure that they benefit more from the interventions.

#### HLPF 2023 and VNRs

The High-level Political Forum on Sustainable Development (HLPF) was held from 10-19 July 2023, under the auspices of the Economic and Social Council. This included the three-day ministerial segment of the forum from as part of the High-level Segment of the Council. The theme of the HLPF 2023 was "Accelerating the recovery from the coronavirus disease (COVID-19) and the full implementation of the 2030 Agenda for Sustainable Development at all levels". The HLPF 2023 seeks to discuss further the effective and inclusive recovery measures to address the impacts of the COVID-19 pandemic on the SDGs and explore actionable policy guidance for the full implementation of the 2030 Agenda and the SDGs at all levels.

The HLPF in 2023 reviewed in-depth Goals 6 on clean water and sanitation, 7 on affordable and clean energy, 9 on industry, innovation and infrastructure, 11 on sustainable cities and communities, and 17 on partnerships for the Goals. The HLPF in July also supported the midterm review of the implementation of the SDGs and the preparations for the SDG Summit 2023 (United Nations, 2023).

Thirty-nine countries and the European Union have presented VNR in 2023, with two presenters presenting for the first, 37 for the second, and 1 for the third time. Nepal was not a VNR reporting country for 2023 but presented VNRs in 2017 and 2020.

#### CSO Engagement and Nepal SDGs Forum

Nepal SDGs Forum was established in 2016 as a common platform of thematic federations and networks, CSOs, I/NGOs, private sector, cooperatives, media, UN agencies, bilateral and multilateral development partners and major groups and stakeholders that aspire to contribute to achieving SDGs. Now, more than 50 federations and alliances and over 500 organizations nationwide are members of this open forum. Nepal SDGs Forum is the civil society platform recognized by the National Steering Committee, Thematic Committees, and the Nepal Government's institutional mechanisms for implementing SDGs. It comprises organizations that have taken their responsibilities as Conveners, Co-Conveners, and Major Groups. In addition to the designated Conveners and Co-conveners for each goal, Nepal SDGs Forum has formed the civil society MajorGroups as well as cross-cutting or the matic areas that include Youths, Women, People with Disabilities, Senior Citizens, Children, Dalit, Indigenous Communities, LGBTIQ, Farmers, Development Partners, Cooperatives, Media, Trade Unions, Private Sectors, Science and Technology.

Nepal SDGs Forum aims to accelerate, localize and contribute to achieving the SDGs while guided by the principles of leaving no one behind, shared and sustained prosperity, and increased role and participation of civil society. It closely coordinates with the National Planning Commission (NPC) and other state and nonstate actors Nepal SDGs forum is also active at subnational level and works and coordinates with the Province Policy and Planning Comissions as well as the local governments. Various stakeholders aim to coordinate, collaborate, and build synergy by working under this Forum to influence and impact sustainable development.

Nepal SDGs Forum is scrupulous in bringing the voices of the marginalized groups to policymakers. Representatives of Nepal SDGs ForummetNepaligovernmentdelegatesleaving for the HLPF event in July 2023 and handed over CSO's demand and voices. The list of demands included in the CSOs' demand includes Nepal to present at least two more VNRs by 2030 and meaningfully engage multiple stakeholders, including the CSO Forum. Furthermore, a post-HLPF review and reflection meeting was also



Post HLPF review meeting held in Kathmandu

organized after the delegates returned to the country to discuss learning from the HLPF, takeaway for Nepal and recommendations for further stages. Nepal's participation in the HLPF included the government-nominated team comprising the chair of the Sustainable Development and Good Governance Committee of the National Assembly, MPs from the House of Representatives, Vice Chair of NPC, Member Secretary of NPC, Secretary of Federal Parliament and a few staff of NPC. Civil society participants were represented at some plenary and side events, including LDCs' issues. The representatives from NPC mainly took part in the formal HLPF general segments, and the vice chair of NPC delivered a speech in the ministerial segment on behalf of the Nepal Government and as a chair of the LDC group. The government delegates shared that coordination and collaboration on SDG acceleration from all the stakeholders needs improvement. Some lessons learned highlighted in sharing include the need to raise the role of the private sector, cooperatives and NGOs in achieving SDGs. It was also felt that there is a need for discussion on parliament forums and parliament (in three tiers), providing feedback on what the government is reporting on the SDG Summit. The need to organize at least one plenary session/side event about Nepal's success/failure in implementation was also a lesson learned. Strengthening the Sustainable Development and Coordination Committee to make the government more accountable to accelerate SDG execution was presented as a way forward from the government side.

Nepal SDGs Forum also organized multiple consultations focused on bringing various stakeholders on the discourse of SDGs implementation, its challenges and recommendations from the CSO side. Considering the Leave No One Behind approach, consultations were organized in different parts of the country on various themes and subthemes.

# Objectives, Methods, Scope and Limitations of the Report

This Nepal Civil Society Report on SDGs 2023 aims to supplement the government

progress report and bring the CSO or civil society perspective with relevant data and analysis. This report's findings, analysis, and recommendations are expected to be shared among relevant stakeholders in Nepal and the relevant forums in the country and beyond, including the Asia-Pacific Forum on Sustainable Development (APFSD), HLPF, SDG Weekend and SDG Summit in 2023. The specific objectives of this report are to:

- Develop a joint CSO's perspective on the progress of SDGs in Nepal;
- Analyze the institutional mechanism, progress, trend, and gaps in implementation; and
- Make recommendations to the government and other stakeholders to mitigate the challenges and accelerate the implementation of SDGs.

The methodology for preparing the report included literature reviews, organizing multistakeholder forums, consultations with relevant stakeholders, reviews of ongoing initiatives of the Nepal SDGs Forum, contribution from experts, organizations or thematic convenors and co-conveners and dialogues focused under this reporting framework. A wide range of participatory approaches were followed in preparing the content generation and analysis.

This report has a review of the implementation followed by recommendations of SDGs as a whole. The report primarily analyses the qualitative aspects following the Citizen Generated Data (CGD) method; therefore, it lacks the recent quantitative data analysis. Also, contributions for different goals were made by various stakeholders/thematic experts; some of the content and recommendations are repeated from one goal to another. Because of the diversity in reporting and limited time and resources, the reporting and analysis of the SDGs do not maintain uniformity and largely depended on the contributions. Subjective and qualitative analysis and perspective of the civil society is of the prime importance in this report.

# 2. REVIEW OF THE IMPLEMENTATION OF THE SDGS

### SDG 1: No Poverty



#### SDG 1: End poverty in all its forms everywhere

Eradicating extreme poverty from all over the world is the first and pivotal goal of SDGs. It seems most challenging and difficult; while more than half of the population nevertheless lies beneath the poverty line and too many are struggling for basic human needs. The poverty grids are not uniform all over the world, more concentrated in South Asia and Sub-Saharan Africa, where more than 80 percent of the population resides below the poverty line. Conflict, climate change and population growth exacerbate extreme poverty. Bold commitment and steps are required to eradicate all forms and dimensions of poverty by 2030.

People who live below the poverty line are those who are left behind in terms of access to resources, services and opportunities. SDG 1 is the primary condition for leaving no one behind and removing barriers to a long, healthy, productive life.

The government of Nepal is undoubtedly working hard to achieve SDG 1 by 2030, and an improving trend on major indicators proves the government's effort. Two major upheavals, an earthquake in 2015 and the COVID-19 pandemic that outbroke at the end of 2019, limited growth, and recent economic inflation, have magnified the challenges of achieving the SDGs by 2030. However, the government is clear and confident with defined targets and indicators for achieving the goal by 2030.

Nepal has greatly improved human development and poverty reduction over the last two decades. According to the Nepal Living Standard Surveys, the poverty percentage has reduced from 41.76 percent in 1995/96 to 30.55 percent in 2003/04 and 25.16 percent in 2010/11, a drop of 17 percent during 15 years. According to the economic survey report 2022/23, 15.1 percent of the population lives below the national poverty line; most live in rural areas and belong to minority and marginalized communities. It is an improvement from 2018/19, with 17.9 percent population lying below the poverty line. The economic survey shows poverty is more concentrated in rural areas; where 28.4 percent of the population reside below the poverty line, almost double that of people living in urban areas, which is 12.3. However, there is no uniformity in the distribution of poverty ratio in terms of the provinces; Karnali province accounts for the highest poverty, where 39.5 percent population faces multidimensional poverty, whereas, in Bagmati province, only 7 percent population is faced with multi-dimensional poverty. Nepal's economy is estimated to modestly expand by 4.7 percent by 2023.

### Government's Policies and Plan on SDG 1

The Constitution of Nepal identifies the cause and consequences behind multidimensional poverty and guarantees the rights to food security, shelter, basic health services, education, employment and rights to social security for the socially and economically vulnerable through fundamental rights.

Long Term Vision and 15th plan was developed with the slogan of *Prosperous Nepal, Happy Nepali.* Nepal keeps an ambition to graduate from the label of a least developed country by 2026, eradicate multidimensional poverty, achieve SDGs and rise to a middle-income country by 2030. The 15th Plan lays the foundation for prosperity through inclusive economic growth, poverty alleviation, socioeconomic transformation and development of the independent national economy by adopting economic and employment growth.

With the aim of mainstreaming SDGs in the local planning process, the National Planning Commission has developed model planning guidelines for provincial and local levels and evaluation and monitoring guidelines for the province level. Local and provincial governments have integrated poverty alleviation as the major agenda of the planning process now, as seen in the program's budget and local and provincial government policies.

Local government must allocate a certain percentage of the development budget to poverty alleviation programs. The Social Security Fund (universal retirement fund) targets elderly people, single women, and those differently able. Introduced in 1999 and continued with increments in the amount appreciable, this social security scheme covers more than 17 percent of the population. It is recognized as one of the most successful and widely accepted programs by the people is able to fulfil the basic needs of poor senior citizens, single women and differently able populations. Policies and programs against all forms of discrimination would support poverty alleviation by encouraging women in the labour market.

# Non-governmental organizations on SDG 1

NGOs, CBOs, cooperatives, and the private sector play crucial roles in alleviating poverty. They work closely with communities and local governments through skill development and enhancement training, economic and livelihood support programs, awareness raising programs, health and education programs, promoting access to necessities like drinking water, sanitation and increased access to credit and saving through cooperatives. NGOs bridge between local government and the communities, especially the poor and underprivileged; they contribute to increasing community's access to resources, services and opportunities. They facilitate local governments and help in identifying community's issues. As CSOs encourage community participation in policy and plan formulation, their role is crucial in mainstreaming poverty alleviation.

# Challenges, Gaps and Recommendations

- Collective action to fight poverty: Although there are numerous ongoing initiatives by different stakeholders, there is still a lack of coordination between and among the various programs.
- Streamline the social security program: Social security programs must be streamlined to ensure that the target population is covered and has access to services and facilities.
- Update poverty baseline data: Updated and comprehensive data on the target population is essential to result-driven program intervention.
- Establishing the access of the target population on the resources, services and opportunities: Locally implemented initiatives that are tailored to the region must be developed to achieve this. CSOs struggle with limited resources and data challenges when advocating for the SDGs and raising public awareness.
- Measuring SDG impact and holding stakeholders accountable is hindered by data quality issues and the complexity of interconnected goals.

### SDG 2: Zero Hunger





# SDG 2: End hunger, achieve food security and improved nutrition and promote sustainable agriculture

### Policy provisions to implementation of SDGs 2

Nepal adopted the United Nations Declaration on the Rights of Peasants (UNDROP) in December 2018, which was a great achievement of civil society movements on the right to food and food sovereignty. Government of Nepal also formulated and implemented the Zero Hunger Challenge Plan of Action (2016-25) and is implementing to eliminate hunger within the set timeframe. However, the implementation status is relatively weak as it approaches the year 2025.

The government of Nepal has formulated several policy provisions in line with SDGs 2; however implementation status is not satisfactory. The Constitution of Nepal has granted the rights related to food, food security and food sovereignty as fundamental rights (article 36); Nepal Government formulated the Right to Food and Food Sovereignty Act 2075 BS, Right to Food and Food Sovereignty Regulation is also expected soon. Other relevant policies include National Agriculture Policy 2061 BS, National Food Safety Policy 2075 BS, National Agriculture-Forest Policy 2076 BS, National Fertilizer Policy, National Tea Policy 2057 BS, Land Utilization Policy 2069 BS, Agriculture Extension Programme Operational and Norms, 2075 BS, Agriculture Development Strategy – ADS 2015-2035, Zero Hunger Challenge National Action Plan 2016 – 2025, Fifteenth Five Year Plan are some existing policy frameworks. Likewise, there are SDGs focal desks in the National Planning Commission – NPC to implement the SDGs through localizing at a grassroots level. However, localization and implementation of the policies mentioned above are very low. Local government authorities also lack the capacity to implement the mentioned policy provisions.

#### Reliability between policy provisions and national SDG framework

There is some alignment between the SDGs and national policy frameworks. For instance, the Right to Food and Food Sovereignty Act 2075 BC ensures people's rights to food. The act also secures the rights of ultra poor people, providing them with a poverty identity card and identifying vulnerable/poor peoples and providing them with a poverty identity card. It also offers the identification of farmers' categorization, formulation of food councils at the federal and province level and food coordination committee at the local level. The vision, mission, goal, objective, policies and actions of National Food Safety Policy 2075 BC are also in line with SDGs 2 and are near to meeting the targets of SDGs 2.

### Governance mechanisms to implementation of SDG 2

Multiplegovernmentministriesanddepartments are responsible for the implementation of SDGs. However, the Ministry of Agriculture and Livestock Development (MoALD) is a focal ministry to implement the SDG 2, and other sectoral ministries such as Ministry of Health, Ministry of Education, Ministry of Forest and Environment, Ministry of Women, Children and Senior Citizens, Ministry of Drinking Water are also responsible for implementing the SDGs which are cross-cutting with food security, hunger and poverty. Likewise, NPC is also responsible for formulating the periodic plan and policies to implement the SDGs by localizing it in coordinating with the province level Ministries and Commission. However, functional mechanisms of SDGs 2 are missing at the subnational level. For example, the Ministry of MoALD is the focal ministry of SDGs 2, but there is no focal person in the Ministry to look after the implementation of Goal 2. Likewise, Province Level Ministries, especially the Ministry of Land Management, Agriculture and Cooperative, have not yet allocated specific technical, human and financial resources to implement SDG 2.

Further, local governments have limited information, resources and capacity to implement SDG 2. Nepal Government formulated Zero Hunger Challenge Plan of Action 2016-2025 and implemented it to zero hunger till 2025. Nepal Government also allocates the budget to implement the SDGs 2, and it covers the SDGs defined Major Groups – smallholder farmers.

### Underlying gaps and challenges

There are several challenges and gaps in the implementation of SDG 2. National Review of Sustainable Development Goals<sup>1</sup> indicated that Nepal faces challenges in achieving Goal 2. The food security and nutrition situation has not progressed due to COVID-19, crop damage from

army worms, and natural disasters – flooding, landslide, drought, snowfall, and hailstorm. Agrcultural inputs and chemical fertilizers are not supplied on time. The situation of nutrition among children is alarming<sup>2</sup> compounded by the low production, loss of employment and livelihood caused by the COVID-19 pandemic.

#### Leaving no one behind

National legal frameworks/strategies are quite supportive of ultra-poor, vulnerable communities and groups in terms of food security. However, there is a huge lack of practices and proper implementation of all these strategies to improve the situation of the needy, ultra-poor and vulnerable communities. Right to Food and Food Sovereignty Regulation is not yet approved by the Government. SDGs localization is insufficient in mainstreaming the province and local level action plan and strategy because there are no mechanisms to implement the right to food-related acts and policies envisioned by the constitution and Right to Food and Food Sovereignty Act, 2075.

### Conclusion

Food security and agriculture productionrelated issues are interlinked and need more coordination among MoALD and other sectoral ministers, such as the Ministry of Health, Ministry of Education to respond to the food security needs of communities. Development activities and several extractive industries in Nepal, such as stone/sand mining, cement factory, coal mining, brick kilns and their behaviour towards the environment is hazardous regarding food security, agriculture production, livestock farming, irrigation and drinking water. There is no robust monitoring and decisive regulatory actions against terrible behaviours of extractive industries. So, it is causing food insecurity for the poorest of the poor, resulting in extreme landslide, flooding, environmental pollution, dust pollution and water pollution.

#### Recommendations

• The government should conduct frequent

<sup>1</sup> National Planning Commission, National Review of Sustainable Development Goals, June 2020, page 31 <sup>2</sup> Nepal's hunger hotspots are Far Western Province where 41% of children are stunted, and in Province

2 where 34% of children have low height due to lack of food. A survey in May by Sharecast Initiative and UNICEF shows that one in five families across Nepal reduced the quantity of meal their children ate during the lockdown. https://www.nepalitimes.com/editorial/hunger-for-governance/

public awareness actions and enhance local government authorities' capacity to implement SDGs 2 and other goals by coordinating with CSOs, UN agencies and other like-minded agencies.

- The government must prepare, produce and disseminate the information, education and communication (IEC) materials and distribute/disseminate at all levels to make all the stakeholders, including CSOs, concerning SDGs 2.
- Government must interact and consult with major groups and receive feedback on effective implementation of the SDGs 2.
- Government must materialize the principle

of 'leave no one behind' regarding implemention of SDGs from the grassroots to federal levels.

- Encourage community-led efforts to combat hunger and promote sustainable agriculture, while advocating for policy reforms that support equitable access to resources.
- Collaborate with governments to monitor progress, raise awareness, and build capacity among small-scale farmers for sustainable food systems, emphasizing partnerships and research.





### SDG 3: Ensure healthy lives and promote well-being for all at all ages

#### **Background and Context**

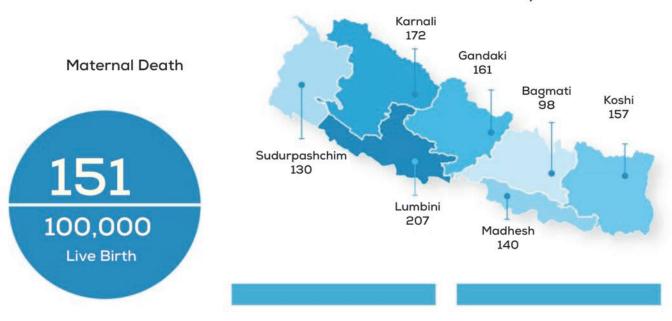
Nepal is among the countries taking an early lead in launching the national SDGs roadmap and adapting the global targets. The Constitution of Nepal, 2015 guarantees the right to health as one of the fundamental rights of every citizen. The constitution mandates the government at all levels to invest in the health sector to ensure accessible, affordable and quality health services and assure the health and well-being of the population. Accordingly, the federal government is responsible for formulating health policies, programmes and services and monitoring and ensuring the overall quality of health services. Provinces are responsible for policies and services at the provincial level, and the local level service delivery is the responsibility of the local governments.

Nepal's Health Policy 2019 and Nepal Health Sector Strategic Plan (2023-2030) emphasize multi-sector engagement and partnerships for better health outcomes. There is also a clear focus on advancing Universal Health Coverage (UHC) and localization of the health-related SDGs. However, the implementation is still slow, with limited progress.

With the support from development partners (UN agencies, bilateral, I/NGOs and other foundations/private sector), civil society organizations (CSOs) provide community health and development services at the grassroots level. The role of CSOs has been crucial in implementing community-based health promotion and out-reach health care services for people who are poor, socially marginalized and vulnerable in the communities.

#### Progress of key health targets:

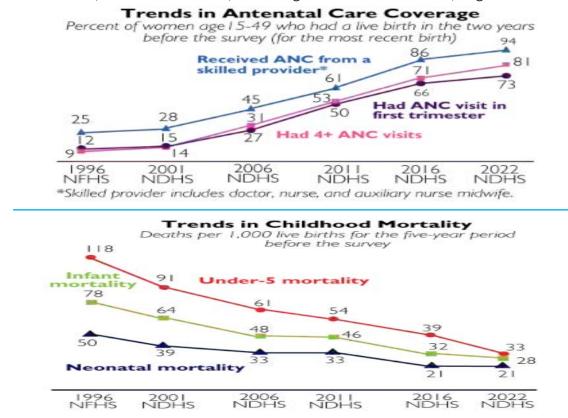
Maternal Mortality Ratio (MMR) is still very high (151 per 100,000 live births). More importantly, the progress is uneven and slow across the provinces. For example, Lumbini has the highest MMR (207 per 100,000 live births) compared to national MMR (151 per 100,000 live births) as well as across the provinces.



#### Provincial Maternal Mortality Ratio

### The ANC and child mortality

There is good progress in antenatal care coverage (ANC). However, child mortality (under 5 as well as neonatal mortality) is not consistently declining as desired, and slow progress is observed.



#### Gaps and challenges

- Federalized health structure has policy and health systems governance challenges in terms of new structure, role, coordination of human resources, financing, supply chain and management, monitoring and evaluation, etc.
- Inadequate provision of health infrastructure and trained human resources in rural, remote areas.
- Limited health interventions on reaching the unreached populations (e.g. poor and socially marginalized groups, ethnic/indigenous communities, people with disabilities, sexual and gender minorities, etc.)
- There are critical gaps in terms of progress in achieving the health targets across the provinces.
- Implementation of basic health service packages and other national health programs at the local level suffers from the limited capacity of local governments and health facilities.
- There is still limited space for CSOs to engage in local health policies, strategies and service delivery.

- The universal health coverage index is still low (53).
- High out-of-pocket expenditure.

#### **Recommendations**

- Promote universal access and social protection in health.
- Promote equitable access to quality health services.
- Strengthen resilient and inclusive health systems as well as community systems.
- Promote multi-sectoral coordination, collaboration and partnerships to ensure health in all policies.
- Scale up targeted approach to reach marginalized and vulnerable populations.
- Build ublic-private partnerships to improve investments and resource mobilization.
- Build the capacity of local governments and CSOs in delivering health services, including disaster and pandemic preparedness and response.
- Reduce inequity in health services.



# Nepal's Progress on SDG4: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

Nepal has made slow progress in regard to achieving the SDG4 since its last VNR. Despite commitments made in national and international platforms to allocate 20% of its annual budget towards education, Nepal has continuously underfunded education. Research by NCE Nepal shows that the budget for education has been declining. The recent 2023/24 budget has allocated 11.26% to education. While it is an increase from last year's 10.98%, the allocated amount has just increased by NRP 0.4 billion. The percentage is still significantly less as education requires more than twice the present amount to fully realise the constitutional mandate of free and compulsory education. The budget has also been impacted by Nepal's minimal GDP growth rate of 2.13%. The impact of low budget in education is visible in Nepal's primary and secondary schools. Public schools are constitutionally obliged to provide unconditional free education, yet they charge fees to students. Underfunding of education and the impact of COVID-19 has negatively impacted the education of marginalised communities and Nepal's overall education scenario. Compared to the 2019 data, the proportion of Dalit and Janajati students has decreased. Significantly, Dalit and Janajati girls' access has been impacted with GPI of only 0.97 and 0.95, respectively. But female students are faring well in secondary education. The overall students' primary and secondary level NER has also decreased to 96.1 and 57.4 respectively.

Similarly, the learning achievement of grade 5 students in the subjects Maths, Nepali, and English have decreased to an average of 45.8 from the baseline's average 56.3. Similarly, only 76.2% of the population is literate, and the female literacy rate is 69.4% compared to 83.6% of males and 76.9% of girls are victims of child marriage.. Nepal's nonformal education has also not seen improvement in meeting literacy and education needs. Additionally, with a shortage of around 65,000 teachers and a

high student-teacher ratio, the proportion of female teachers is just 37.1%.

### SDG4's Interlinkage

Nepal's schools also lack vital necessities such as clean drinking water and sanitation. At early childhood development, primary, and secondary levels only 67.2%, 78.4%, 79.7% have access to clean drinking water, and only 73.4%, 78.4%, 83.1% have sanitation facilities, respectively. Insufficient WASH facilities lead to high absenteeism and dropout rates among girls. The Nepal government is implementing a 10-year School Sector Education Plan (SESP) to reform the education sector to ameliorate the situation. The plan has given a particular focus on equity and inclusion in schools. However, the plan cannot be effectively operationalized without the Federal Education Act. To implement the SESP, the Nepal government has partnered with Norway, Finland, USA, EU, UNICEF, ADB, and World Bank under the SWAP consortium. Under it, monthly and annual meetings are held to assess the education sector's progress, address challenges, review the budget, and monitor overall advancement. However, CSOs face difficulties in advocating for and monitoring education policies as the government's digital communication of policy and data is severely lacking.

#### SDG 4 at Local Level

The local level's education policies are more inclusive towards the marginalised population than the federal government. However, local governments lack the technical knowledge to make comprehensive education plans and policies. Furthermore, local levels are reluctant to fully utilise their decision-making power due to fear of their policy being rendered null by the court as they align with federal policies.

#### **Conclusion and Recommendations**

Nepal has significant challenges in achieving SDG4 and reforming the education sector. The inadequate funding, COVID-19 pandemic, and lack of vital legislation have severely impacted the education sector as indicators are seen declining. Further, local government which has been given charge of managing education are not fully capacitated to oversee the sector effectively.

The Federal Education Act should be promptly passed to address inconsistencies in educational policies and practices and improve coordination among the three tiers of government.

- 20% budgetary allocation for education is essential to meet the demands of quality education, recover from the pandemic's impact, and achieve SDG4. The government should strengthen domestic resource mobilization and implement progressive taxation to fund education initiatives directly.
- The government should ensure free and compulsory education as committed in the Constitution. Private institutions in education should be regulated and well-monitored.
- Infrastructure and resource gaps must be

addressed to create conducive learning environments and effective monitoring and evaluation mechanisms.

- Mechanisms to improve the availability and accessibility of regular and valid education data and policy should be established.
- Local governments should be empowered and capacitated to formulate their education policies without undue influence.
- A learning platform should be created to share best practices and lessons learnt on SDG localization and implementation across all tires of the government and external partner agencies.
- The government should expand the participation with CSOs and its partners in policy formulations, program design, and budget development beyond periodic meetings.
- Prioritize comprehensive teacher training and professional development to enhance teaching quality and effectiveness.
- Regularly review and update the curriculum to ensure its relevance and alignment with the evolving needs of students and the job market.



Consultation and review meeting in Biratnagar



#### Achieve gender equality and empower all women and girls

Year 2023 has reached the midpoint of the implementation of the global 2030 agenda of SDGs. According to the pace of progress since 2015, none of the goals is on track to be achieved globally by 2030.<sup>3</sup> It has been estimated that only 12% of the SDG targets are on track and can be achieved by 2030. According to the SDG dashboard index, SDG 5 is seen to be moderately progressing globally.

"Gender equality is growing more distant. On the current track, UN Women puts it 300 years away" mentioned by Antonio Guterres in his opening statement of the 67th session of the Commission on the Status of Women. In the case of Nepal, it may take more than that. The Current Status Index (CSI)<sup>4</sup> developed for the SDGs acceleration workshop revealed that Nepal has only achieved 14.29% target of SDG 5 and regressed 19.05%. The Dashboard's Anticipated Progress Index (API) indicated the need for acceleration.

Besides the CSI, the SDG Report 2023 shows that the SDG 5 in Nepal is moderately increasing. Nepal has achieved the 99<sup>th</sup> rank and scored 66.5 on the SDG index<sup>5</sup>. There is progress in gender equality in Nepal shown by other indexes as well. For example, the Global Gender Gap Index and The Social Institutions and Gender Index (SIGI).

The Global Gender Gap Report 2023 places Nepal at the 116<sup>th</sup> position with 0.659 scores among 146 countries<sup>6</sup>; in 2022, it was ranked 96 with 0.692 scores<sup>7</sup>. Subindex-wise, Nepal's rank and score of the Global Gender Gap's framework are presented below.

Nepal's rank and score in the Global Gender Gap Report <sup>8</sup>								
Economic Participation & Opportunity	Education Attainment	Health & Survival	Political Empower- ment					
136th position	• 127th position	82nd Position	54th Position					
• 0.476 score	• 0.918 score	• 0.969 score	• 0.247 score					

It shows that Nepal has more ways to achieve gender parity. Nepal is ahead in two pillars, Political Empowerment, and Health and Survival, while the other are Economic Participation and Opportunity, and Education Attainment. For improving in these aareas, the government needs much more investment and effort.

The Social Institutions and Gender Index (SIGI) developed by the OECD Development Centre also indicates progress. It has placed Nepal in the medium level of discrimination category in 2023 having 30.6 Percent SIGI Value. In 2014, Nepal was placed in the high

<sup>&</sup>lt;sup>3</sup> https://dashboards.sdgindex.org/chapters/part-2-the-sdg-index-and-dashboards

<sup>&</sup>lt;sup>4</sup> https://public.tableau.com/app/profile/aniruddha.bonnerjee/viz/SDGsNepalAccelerationWorkshop-Dashboard/SDGAccelerationDashboard

<sup>&</sup>lt;sup>5</sup> https://dashboards.sdgindex.org/

<sup>&</sup>lt;sup>6</sup> https://www3.weforum.org/docs/WEF\_GGGR\_2023.pdf?\_gl=1\*kcvnz9\*\_up\*MQ..&gclid=CjwKCAjwloyn-BhBbEiwAGY25dF7l29T9J-X8sQOAwE2LRnXn5MLHVPMf2UV-RMdXoDJLDFNokBac\_hoCLoEQAvD\_BwE

<sup>&</sup>lt;sup>7</sup> https://www3.weforum.org/docs/WEF\_GGGR\_2022.pdf?\_gl=1\*gngbk4\*\_up\*MQ..&gclid=CjwKCAjwloyn-BhBbEiwAGY25dA5cpT135Jk0RA2eMMMSSc1ZG3ejiEu32Bs\_wPh8DvPuQMkaQZNVqRoCbTYQAvD\_BwE
<sup>8</sup> World Economic Forum Global Gender Gap Report 2023

category.<sup>9</sup> The SIGI measures four dimensions of discriminatory social institutions, as shown in the table below. Lower values indicate lower levels of discrimination in social institutions: the SIGI ranges from 0% for no discrimination to 100% for very high discrimination.

The Social Institutions and Gender Index (SIGI) 2023 <sup>10</sup>								
SIGI Category		Discrimination in the family	Restricted physical integrity	Restricted access to productive and financial resources	Restricted civil liberties			
Medium	30.6%	40%	14.4%	15.8%	47.9%			

Collectively, the above indices indicate that although progress has been made, many more challenges exist. To address the challenges and end discrimination and inequalities, gender equality and empowerment of women and girls must be accelerated by the government and all stakeholders, including the private sector, UN agencies, I/NGOs, and other CSOs and individuals. Women CSOs, along with other CSOs, have been voicing loudly for mainstreaming gender equality throughout the SDGs implementation processes in all spheres of government and dedicating rightful space of Women Major Group in the SDGs for the realization of the women's fundamental rights enshrined in the constitution of the Federal Democratic Republic of Nepal which was promulgated on September 16, 2015, before the onset of the SDGs.

Women's rights and Gender justice are enshrined in the 2015 constitution. As an affirmative action towards equality, 33% reservation for women's participation in every sphere has been provisioned.

### Status of the Targets & Indicators

There are 9 targets and 14 indicators in SDG 5

 5.1: There are 3 indicators under 5.1 End all forms of discrimination against all women and girls everywhere. On i) wage equality for similar work Nepal has set a target to reach 0.8 in 2022. However, no monitoring data was available on this. According to the study done among the informal sector's women workers, it was found that women workers are not getting minimum wage provisioned by the government. It raises the question of wage equality.

- 5.2 indicator is about eliminating all forms of violence against women and girls in the public and private spheres, including trafficking and sexual and other types of exploitation. According to National Women Commission's annual report, in Fiscal Year 2078/79 a total of 1464 cases of genderbased violence were registered. The report further states that there is increasing number of different forms of violence.<sup>11</sup> Nepal Police report states 2380 cases of rape, 314 cases of child sexual abuse, 17000 cases of domestic violence and 140 cases of human trafficking were reported. In today's digital era, women, girls and people of sexual and gender minorities are more prone to the various forms of violence and abuse in both online and offline spaces.
- 5.3 talks about eliminating all harmful practices, such as child, early and forced marriage and female genital mutilation. According to Nepal police report 2022, the reported cases of child marriage was 64 and witchcraft allegation was 37. While 15 cases of caste-based discrimination were reported. There are still many unreported cases of such harmful practices in Nepalese societies.
- 5.4 is related to recognizing and value of unpaid care work and domestic work. According to the study done by BBC Nepal, women spend 6-8 hours in domestic chores every day.<sup>12</sup> The study has emphasized that the household chores burden is on the shoulders of women and girls while men

<sup>&</sup>lt;sup>9</sup> Shrestha, S.L. (2017). Country report- Status of implementation of the 2030 agenda and sustainable development goals in Nepal: women CSOs perspectives. Kathmandu: BBC-Nepal & WMG-SDN.

<sup>&</sup>lt;sup>10</sup> https://stats.oecd.org/Index.aspx?DataSetCode=SIGI2023

<sup>&</sup>lt;sup>11</sup> https://nwc.gov.np/wp-content/uploads/2022/10/Inner\_NWC\_Annual\_Book\_Ashoj\_2079\_CTP\_Done. pdf

<sup>&</sup>lt;sup>12</sup> National Monitoring on SDGs from Feminist Development Justice Perspective 2021

in the family tend to not support due to patriarchal mindset and prevalent gender roles. Similarly, the government also does not recognize the unpaid domestic work done by women and girls as work in the national database.

- 5.5 is related to ensuring women's full and effective participation and equal opportunities for leadership at all levels for decision making in political, economic and public life. Women's rights and gender justice are enshrined in the constitution and 33% reservation for women's participation in every sphere has been provisioned. As per the UN Women Nepal's report, out of 14000 elected women from the local, federal and provincial elections, women hold only 2 percent of mayoral or chairperson positions while 91 percent women hold deputy positions.<sup>13</sup> In 2022, the number of elected women representatives has increased in the local level election. The data shows out of the 35,041 representatives elected from the 2017 local level polls, close to 40.95 percent (14,352) were women while in the latest election the number has slightly increased to 41.21 percent; 14407 out of the 34,953.14 Despite these progress and achievements, women's participation and meaningful representation in decision making level, in both political and bureaucratic positions remains low.
- 5.6 target is related to ensuring universal access to sexual and reproductive health and reproductive rights as agreed in accordance with the Programme of Action of the International Conference on Population and Development and the Beijing Platform for Action and the outcome documents of their review conferences. It focuses on the ratio of women and girls who make their own informed decision about the sexual relations and reproductive health rights, contraceptives use. Due to social stigma and taboos women and girls are not getting proper knowledge about the sexual and reproductive health and rights and due to unintended pregnancy, many women and girls are forced to do unsafe abortion.
- 5.a. This target is a means of implementation (MOI) of goal 5. It is related to ensuring economic resources including land to women

to enjoy equal rights. Nepal government has reformed its various acts including the Financial Act, 2015 resulting in increment in women's ownership in land, enterprises and property. However, the situation of women's entitlement, equal access in decisionmaking and rights to land and property is still far from achieving.

- 5.b The second MOI for achieving Goal 5 is to enhance the use of ICT to promote the empowerment of women and girls. There must be tremendous progress made in this field with mobile penetration exceeding 100% and Internet penetration reaching 60% as mentioned already in the MOCIT's 2018 Digital Nepal Framework. The NDHS 2016 also found that the majority of women and men own a mobile phone (73% and 89%, respectively) in Nepal. However, use of it as a means of empowerment is a big question to ponder.
- 5.c This target is related with adoption and strengthening sound policies and legislation forwomen and girls' equality and is measured by the indicator 5.c.1 'proportion of countries with systems to track and make public allocations for gender equality and women's empowerment. Nepal has introduced the Gender Responsive Budget (GRB) System since 2008 and the percentage of directly responsive Gender Responsive Budget (GRB) has reached 38.17 already in FY 2019/2020. However, NPC has not reported this indicator in the 2nd VNR in 2020. The monitoring of this indicator is essential for effective, efficient and equitable financing on gender equality and in attracting Official Development Assistance (ODA) as it is one of the indicators of the Global Partnership for Effective Development Cooperation (GPEDC). Thus, there is an urgent need to set a comprehensive system of conducting public expenditure tracking surveys to track the proportion of the national budget that is invested in gender equality and to implement the GRB effectively at all levels of government, as well as in non-government and private sector.

To summarize, Nepal has made some significant progress towards achieving gender equality and empowerment of women and girls, particularly in reducing de jure discrimination in line with

 <sup>&</sup>lt;sup>13</sup> https://kathmandupost.com/sponsored-content/2023/06/13/unleashing-the-potential-of-women-through-empowerment-for-sustainable-development
 <sup>14</sup> https://tkpo.st/38pSwn8

the CEDAW, Beijing Declaration and Platform for Action, ICPD POA, the Global Acceleration Plan 2026 of Generation Equality and with the promulgation of the new constitution in 2015 and enactment of over 16 Acts related to 'Fundamental Rights' of Citizens as enshrined in the constitution. However, realising substantive equality and rights by ending de facto discrimination against women and girls is very far. The key barrier to this is the patriarchal and feudal mindset limiting women's potential to develop and exercise voice, agency and leadership.<sup>15</sup>

### Challenges

- Harmful norms and values in the name of religion and culture.
- Patriarchal attitude and practice of policy makers.
- Lack of political will and commitment to policy implementation.
- Resource gaps for gender equality and women's empowerment and leadership
- Lack of gender equality act to bind all for equality and non-discrimination.
- Lack of gender disaggregated data.
- Lack of inclusive stakeholder engagement in the national government's SDG mechanisms.
- Lack of a conducive environment for strengthening the feminist movement and leadership.
- Gender-based violence is a significant issue in Nepal, with high rates of domestic violence and sexual harassment, compounded by social stigma and limited support services.
- Women and girls in Nepal still face obstacles in accessing quality education and meaningful job opportunities due to early marriage, traditional roles, and economic disparities, hindering their empowerment.

### Recommendations and Conclusion

We urge the government to:

• Recognize and establish women and girls in all their diversity at the centre of the

SDGs planning, implementation, review and monitoring process. Only then can the SDGs be achieved locally, nationally and globally.

- Recognize Women Major Group for Sustainable Development in Nepal (WMG-SDN) at the national level and ensure their meaningful engagement in the current institutional mechanisms of SDGs (steering committee, thematic committee and other government committees) so that the diverse local women and girls' voices can reach up to the national SDGs mechanism.
- Include a representative of WMG-SDN in the government delegation during regional and global SDGs monitoring and review spaces such as APFSD & HLPF.
- Enable the WMG-SDN to extend Local WMG-SDN in all 753 local government units to localize SDGs implementation and initiate Local VNR annually to accelerate SDGs implementation in the remaining years.
- Develop the 16th Periodic Plan of Nepal in a gender-transformative manner by engaging women CSOs in the process.
- Provide technical support and funding for women-led CSOs in the gender transformative implementation of the 2030 Agenda.
- Collect gender-disaggregated data at input, output and outcome level to ensure efforts towards substantive equality.
- Integrate gender-responsive budgeting into the public financial management and financial management information system (FMIS) to ensure performance on gender equality and empowerment of women and girls, transparency and accountability in public funds.
- Ensure gender-sensitive education, eliminating discrimination and promoting equal access for girls.
- Support women's entrepreneurship with training, credit access, and business opportunities.

<sup>&</sup>lt;sup>15</sup> Beyond Beijing Committee Nepal (2020). Country Report Status of the 2030 Agenda and the SDGs implementation in Nepal: Women CSOs Perspectives.

### SDG 6: Clean Water and Sanitation





#### Ensure availability and sustainable management of water and sanitation for all

Safe water and sanitation have been recognized as constitutional rights by the constitution of Nepal. As one of the signatories of the Sustainable Development Goal (SDG), the Government must integrate the SDG into the national, provincial, and local level planning and budgeting. The Constitution of Nepal and the Local Government Operation Act (LGOA) have kept Water, Sanitation and Hygiene (WASH) under the concurrent jurisdiction of all the governments and the local government's single jurisdiction. Therefore, it can be concluded that the responsibility of basic water supply and sanitation comes under the jurisdiction of the local government, mid-level service under the provincial government and high-level service and WASH infrastructures come under the jurisdiction of the federal government.

### General overview of progress trend on indicators

Basic water supply coverage is 94.93 percent, and system water coverage is only 57 percent. As per the report of DWSSM, high and mid level water supply coverage is only 24.84 percent. Almost 42 thousand water supply systems have been constructed. Out of it, more than 92 percent of systems are in hill and high hill areas. Only 28.13 percent of systems are fully functional, and 23.79 percent of systems are to be reconstructed and restored and are not functional.

Questions have been raised on the water quality of the system water as well, time and again. Recent reports reveal that at least 33 percent of system water is contaminated, especially the gravity flow schemes.

As per the census report, almost five percent of households do not have a toilet. But, surveys show that some Palikas do have very low sanitation coverage. NWASH data shows that the Bishnupur Rural Municipality of Saptari has less than 50 percent household sanitation coverage.

Safe sanitation coverage is only 46 percent. Adequate users' friendly WASH facilities are found only on 19.75 percent institutions. Only 3 percent of schools have achieved the status of 'three stars' in school WASH.

WASH is listed under the concurrent jurisdiction of three tiers of government, and essential water and sanitation comes under the responsibility of local government. Local government must prepare necessary acts, policies and plans for effective execution. Only 14 percent of local governments have endorsed and enacted the Local WASH Act. The practice of water reuse has increased by 13 percent this year. Only 11 percent of Palikas have initiated integrated water resource management schemes.

The wetland and catchment areas are decreasing remarkably, and the latest data on Fewa Lake also shows it. A few Palikas have initiated water table recharge in the hill area.

Only 73 local governments have prepared a Municipal WASH Plan using NWASH software developed by the Federal Ministry of Water Supply. 180 local governments have completed data collection, 203 have initiated data collection, and 297 have not started the WASH plan preparation process. 116 waste water treatment and sewerage systems are being constructed and functional in Nepal, which covers only 3% population of Nepal, which is to reach 50 percent by 2030.

Federal and provincial acts support WASH promotion. Still, due to delays in formulating the Federal WASH Act, the legislative process by the provincial and local governments has been delayed for five years.

Due to a lack of clear guidelines for the formulation of a municipality and ward-level WASH Coordination Committees (WASH-CCs), there is no uniformity in the formation of WASH-CCs, and it has hampered the localization of issues and involvement of CSOs.

#### Governance and policy framework

The status of the key components of Municipal, provincial and federal WASH governance are different. There are some key aspects of WASH governance and the status of the indicators is given below:

Structures have been arranged at the federal, provincial and local levels. A separate WASH section has been provisioned under the Social Development Division in the LGs. WASH-CCs have been formulated at the Municipality level in almost 500 Palikas, where the WASH plan has been prepared and is under preparation.

Due to the lack of human resource management in the WASH section, there is no more administrative clarity at a local level. Very few municipalities have managed WASH technicians, and there are no designated human resources for WASH in municipalities. As per the shared information with the provincial government by the LGs, 380 municipalities have prepared laws for addressing WASH issues. However, there is a massive gap in publication participation during the preparation of WASHrelated legislatives.

Citizen engagement is very poor in WASH-CCs, legislative and plan formulation process. An aspect of GESI, EQND and LNOB is missing in the existing provisions prepared by the local government.

Planning status is also very poor at both provincial and local levels. There are no clearcut plans on provincial and local level. There is no plan on fulfilling the shed-back of household sanitation.

Budget allocation for WASH promotion at the local level is quite insufficient. The federal government generally allocates a 1.75 percent budget to the Ministry of Water Supply; the status in the local government is also the same. The local government needs to increase the WASH budget by at least tenfold. Provincial governments rarely seem sensitive to WASH issues.

The monitoring mechanism is satisfactory at the federal level but not at the provincial level. Provincial WASH clusters (where CSOs and development partners are contributing to WASH) are also almost passive.

# National development plans, strategies and budget

The Constitution of Nepal and the Local Government Operation Act (LGOA) have kept WASH under the governments' concurrent jurisdiction. Therefore, provincial and local governments regulations, prepare acts, directives and guidelines based on the federal provisions. It has been committed in Article 47 of the Constitution of Nepal that the state will formulate necessary laws and policies to assure constitutional rights within three years of the enactment of the Constitution. However, the federal government of Nepal has rectified and enacted the Water Supply and Sanitation Act on 2079 BS, and the regulation is in the process of finalization in larger public participation.

Issues in the city and rural areas are different. Therefore, WASH is taken as the multidimensional and multi-aspect theme of social development. The governments have made some efforts on plan, strategies and budget, which are given below in short:

- WASH Sector Development Plan (SDP) was formulated in 2014 but has not been endorsed yet.
- Water Quality Standard 2079 B.S. is backed up by Implementation and Monitoring Directive 2079 B.S. Likewise, the Water Safety Plan 2013, National Urban Water Supply and Sanitation Sector Policy, Rural Water Supply and Sanitation National Policy 2004 and Rural Water Supply and Sanitation National Strategy 2004, and National Water Supply and Sanitation Policy 2014 (Draft) are still the guiding Document.
- Nepal Water Supply Corporation Act 2046 B.S., Solid Waste Management Act 2068 B.S., School Water, Sanitation and Hygiene Procedure 2074 B.S., Water Resource Act 2049 B.S., Water Resources Rules 2050 B.S., Water Supply Regulations 2055 B.S., and Water Supply Management Board Act 2063 B.S. need amendment.
- Urban Development Fund (Nagar Bikash Kosh) has extended its budget and service area, which has planned to increase reach to five lakhs additional households this year through the increased budget. Similarly, it has planned to provide membership to the local governments for sustainability and assurance of water supply, sanitation and other physical infrastructures.

#### Institutions with Clear Mandate

government and The non-government institutions have equal responsibilities for supporting the achievement of SDG 6. The institutions at the federal level seem intact with a clear mandate. NSHCC. National WASH Cluster. Ministry, Department, Directive Committee, Steering Committee, Division of sections in the DWSSM, Water Supply Boards, etc., have clear mandates. But, these seem very weak at the provincial and local level. There is not any precise and uniform government mechanism at the provincial or local levels. Municipal WASH Coordination Committees also have not been formed in the municipalities.

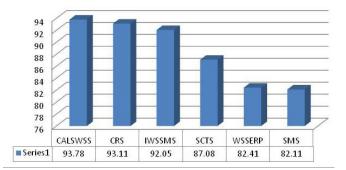
Although the WASH section has been

mentioned in the Palika organogram in the O&M report, human resource has not been managed in more than 70 percent of Palikas. D-WASH-CC has not become functional, and Provincial WASH Coordination Committees have also not been formed in some provinces like Koshi. There is no clear guiding document for the activation of R/M-WASH-CC and W-WASH-CCs. Therefore, duality has been seen in the formulation of WASH-CCs, participation of civil society representatives in the CCs, planning and mobilization.

# Implementation at the National and Sub-National Level

The Ministry of Water Supply and Department of Water Supply and Sewerage Management's overall progress seems better at the national level than other ministries and sectors. As per the recent report published by DWSSM, the overall progress of the four schemes is more than 90 percent. Climate Adaptive Large Scale Water Supply Schemes (CALSWSS) has achieved 93.78 percent, Central Water Supply Scheme (CWSS) does have 93.44 percent, COVID Response Scheme (CRS) 93.01 percent and Integrated Water Supply Sewerage Management and Scheme

#### Progress of the Schemes (Federal Government)

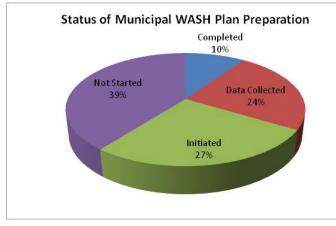


(IWSSMS) has achieved 92.5 percent progress.

Similarly, the overall progress of the Sewerage Construction and Treatment Scheme (SCTS), Water Supply Service Expansion and Rehabilitation Program (WSSERP) and Federal Drinking Water and Sewerage Management Schemes (SMS) has achieved more than 80 percent progress, which is 87.08, 82.41 and 82.11 percent respectively.

The overall progress of the provincial government in the WASH sector seems to be less than 70%. As per the information shared by the Water Supply and Sanitation Division Offices (WSSDO) under the provincial government,

insufficient budget for the multi-year schemes is hampering achieving the targeted progress.



The annual policy, plan and budget of 22 provinces' municipalities have been assessed during the report preparation. It shows that only 7% of municipalities in the Terai area have allocated budget for Over Head Tank (OHT) system, and the rest of the municipalities have allocated for hand pump, repair and maintenance of the existing systems.

The preparation and implementation of the municipal Water, Sanitation and Hygiene Plan (WASH Plan) is a dream project of the federal government, especially the National Information Management Project under DWSSM. The department had planned to complete the WASH plan preparation process within FY 2079/80.

Status of the implementation of the WASH plan is also not satisfactory. The local governments mention that they cannot implement the municipal WASH plan without enough financial support from provincial and federal government and development partners.

To date, 73 municipalities have completed and endorsed the municipal WASH plan, data collection has been accomplished for WASH plan preparation in 180 municipalities, data collection has been initiated by 203, and the other municipalities have not initiated.

The data shows that only 19 percent of local governments have completed WASH plan preparation; 24% have collected primary data for the plan, 27% have initiated the data collection, and 39 % of Palikas haven't yet started WASH plan preparation.

# Public awareness and capacity development

Triggering approach for sanitation and hygiene behaviour promotion was one of the exemplary practices of Nepal in the WASH sector. Almost 40 percent of HHs have constructed toilets in their investment and nominal external cost sharing through triggering. Similarly, sector triggering was one of Nepal's innovations like School Led Total Sanitation (SLTS). Both approaches are still taken as replicable aspects in the sector. However, the capacity enhancement of the stakeholders and local communities has been shadowed after the Open Defecation Free (ODF) declaration.

### Multi-stakeholder Partnerships

The trend of multi-stakeholder partnerships has shifted from the mass mobilization approach to the government partnership model. Some programs and projects like the Multi-Sector Nutrition Program (MSNP), Child-Friendly Local Governance (CFLG), Environment-Friendly Local Governance (EFLG) and WASH SDG platforms are some examples of multistakeholder partnerships in WASH promotion.

Similarly, it can be seen in School WASH, shelter-cum WASH management, CFLG and MHHM, YFLG and Solid Waste Management (SWM), CWIS, Start Fund and Start Network (for addressing disasters) are also contributing to WASH and WASH in emergency, which can be taken as the multi-stakeholder partnership initiatives.

A partnership of the development agencies based on issues seems satisfactory. Collaborative efforts can be seen for City Wide Sanitation, Urban Sanitation, School WASH and Fecal Sludge Management (FSM), GESI in WASH, Menstrual Health and Hygiene Management (MHHM), Inclusive WASH and WASH in Emergency (WiE).

### **Civil society participation**

Water Supply Act 2079 and Regulation 2079 (Draft, under intensive discussion for endorsement and rectification) don't spell anything about the formulation and structure of WASH Coordination Committees. R/M-WASH-CCs are formulated based on the National Sanitation and Hygiene Master Plan (NSHMP) 2068 and the Local WASH Act (LWA) developed by the Palikas.

Total Sanitation Guideline (TSG) formulated in 2073 (and amended in 2078) also has not envisioned the participation of civil society in the broader range in the R/M-WASH-CCs. Similarly, it is silent about the formulation of W-WASH-CC, which was the key player for accelerating the ODF campaign. CSOs can play a vital role in total sanitation behaviour promotion for achieving WASH SDG through local-level empowerment and mobilization.

Delay in formulation and implementation of the School WASH Procedure by the palikas has hindered the formation of School Water, Sanitation and Hygiene Coordination (S-WASH-CC), Committees where participation of child clubs, especially the girls, Parents Teachers Association (PTA), School Management Committee (SMC) and selected teachers was obligatory. Similarly, delay in formulation of RM/M/W-WASH-CCs has kept the local stakeholders like youth clubs, mothers/ women's groups, ward and Palika level child networks, CBOs, Forest Users, Water and Sanitation Users, Local Security Force, Schools, local levels financial institutions like cooperatives and micro-finances, thematic projects and Tole Lane Organizations (TLOs) out of the ring.

# Additional cross-cutting areas like Equality and LNOB

After assuring WASH as a fundamental right by the Constitution of Nepal and the Water Supply and Sanitation Act, the operational mechanism seems to be focused to equality and non-discrimination and leaving no one behind (LNOB). However, the problem of meter connection, an extension of pipe from the main distribution line to the tap, representation of women, Dalit and excluded groups in the users' groups, upgrading the improved sanitation into safe sanitation in the excluded cluster, management of safe sanitation and household sanitation in the marginalized slum clusters, access to the system water, menstrual health and hygiene management are the grey areas in addressing the excluded segments.

WASH is interconnected with shelter, disaster and economic status as well. Therefore, inclusive WASH strategies must be developed by all the rural/municipalities that have not been initiated. Inclusive institutional WASH and public place WASH are also issues in cases of equality and non-discrimination.

#### Contribution by Civil Society Organizations

Role of civil society organizations (CSOs) is crucial for achieving SDG 6. It is almost impossible to capacitate the citizens, citizen involvement in the WASH promotion, inclusive WASH, local-level resource identification and mobilization, inclusion in WASH, sustainability of achievements and participatory monitoring and evaluation without the proactive role of CSOs and citizens.

However, due to the lack of an umbrella policy and plan for achieving WASH SDG (like NSHMP), institutional involvement of CSOs in the WASH-CCs is almost nil at the Palika and provincial levels. CSOs contribute to WASH by implementing the projects and capacitating the citizen and local level mobilization. Role of CSOs has been clearly seen during the pandemic and emergencies, which are also the areas to address for assuring WASH SDG.

### Strengths

Nepal's progress in the sanitation sector is the first in South Asia and second in the world, whereas Cambodia has secured the first position to make progress in the overall sanitation sector after 2015. Nepal has completed 22 percent progress in basic sanitation nationwide. Nepal has been declared ODF and a total sanitationinitiated nation after declaring all the local levels (Palikas) ODF, which is the most remarkable aspect after 2015.

WASH has been assured as a fundamental right by the constitution, which has been boosted up by the WASH Act in 2022 (2079 BS), and its regulation is under endorsement process. It has clarified various ambiguous issues. The federal government has made necessary structural arrangements for securing WASH. Urban sanitation, Fecal Sludge Management (FSM), LNOB in WASH, institutional WASH promotion, and Star Approach in School WASH are some other good aspects of the WASH sector of the nation.

There was a huge gap between the water supply and sanitation coverage until 2011. Now,

it has been narrowed down. Basic sanitation coverage is 95.5 percent, and basic water supply coverage is 94 percent. Likewise, CFLG, EFLG and MSNP have supported mainstreaming the WASH issues with children, environment, child and mother's safety and nutrition.

Municipal WASH Plan preparation and initiation and cost sharing by the Palikas is also one example of inter-government partnership and multi-stakeholder partnership where development partners, CSOs, and local and federal government are making proportional efforts for assessing the integrated WASH status at the local level, and prepare the detailed WASH plan to complete within 2030.

The initiation of wastewater treatment and management projects by DWSSM is also exemplary work initiated by the federal government under DWSSM. The federal government has planned to establish WASH Bank in the local level for resource management, which is also one of the strategic ways government applies.

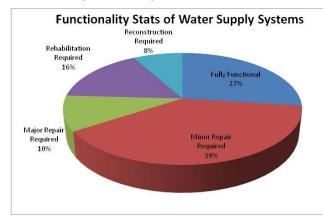
#### Areas of Improvement

Besides the abovementioned strengths, some key issues must be addressed to ensure SDG 6.

- There is a huge resource gap for assuring WASH as the fundamental right directed by the constitution. A municipal WASH plan needs to be prepared and implemented as soon as possible to build WASH foundation.
- Municipality and ward-level WASH-CCs are almost passive where these have been formulated. Similarly, WASH-CCs have not been formulated in more than 35 percent of Palikas.
- Institutional WASH is another critical issue. The federal government has initiated a star approach for school WASH, but almost 70 percent of Palikas have not initiated/ localized it.
- The construction period of large-scale water supply projects in the Terai area is also one of the key problems. Some schemes have not been completed until 18 years.
- Another critical issue is access to system water in the Terai area, especially in Madhesh Province. Currently, access to system water is almost 22 percent in Madhesh province, out of which almost 20 percent of systems

have become useless before the service started.

• As per the report by DWSSM, 69 percent of HHs depend on public taps where system water is accessible, and only 31 percent of HHs have private taps.



- As per the report of DWSSM, almost 44 thousand water supply systems are registered, out of which nearly 95 percent are in hill and mountain regions. Out of it, only 27 percent are fully functional, where 16 percent of systems require rehabilitation, 8 percent require reconstruction, and 10 percent need a major repair. It means 34 percent HHs in the hill and mountain region, which fall under the service area of systems, are out of reach of the system water. Therefore, it is a great challenge to ensure full functionality of the systems.
- Inclusion, equality, non-discrimination, leaving no one behind, MHHM, institutional WASH, inclusive citywide sanitation, faecal sludge management, sewerage system management in the urban area, wastewater treatment are still challenging.
- Regular increases in the WASH budget are essential for achieving WASH SDG. As per the reports, 29 percent WASH budget should be increased annually to ensure it, but it is between 1 to 2 percent.
- 89 percent of the country's population relies on an on-site sanitation system, while only 11 percent comprises a sewered sanitation system.

#### Recommendations

Based on the areas of improvement, the following recommendations have been made:

• WASH budget needs to be increased by

29 percent annually to achieve SDG 6, but the increasing ratio is almost 1 to 2 percent, which is extremely insufficient.

- Percent of access to safe drinking water is decreasing per year. It is due to a delay in the repair and maintenance of the water supply systems. Therefore, it is necessary to prepare special strategy nationally for proper repair and maintenance of the systems.
- Local government investments are rarely made in water supply system establishment and operation. Therefore, local government should clearly demarcate and regulate investment in sustainable and safe water supply systems, especially in the Terai area.
- NRs 86000 million is required annually for faecal sludge management to achieve the SDG 6. Therefore, the involvement of the private sector is obligatory for it. The federal government need to make a special plan and strategy for it.
- After federal restructuring, citizen

involvement, participation and active role has been significantly minimized in WASH coordination committees. Therefore, the federal government should formulate clear and uniform regulations to ensure institutional involvement of the CSOs and in/formal groups in the WASH-CCs.

- Preparation of the municipal WASH plan should be completed this year so that actual required resources can be calculated for implementation of the plan.
- The new technologies and best practices need to be replicated by the local governments for WASH promotion.
- Role of WASH Users Committees have been minimized and captured by some palikas after the water supply management board was formed in the municipality board. WASH and SDG 6 can't be achieved without active participation of users, citizens and civil society organizations. Therefore, the federal government need to prepare strategic policy for addressing this issue.



Consultation meeting on SDG 6



#### Ensure access to affordable, reliable, sustainable and modern energy for all

### General overview of progress trend on indicators

Despite the impacts of COVID 19 and Ukraine war leading to energy crisis, Nepal energy targets are in line with the 2030 goals.

The number of HHs connecting to national grid electricity is increasing, meeting the targets for HH with electricity access which in turn is exacerbating the trends of the micro-hydro power plants being abandoned. However, the efficient and reliable (electricity) access is still something that will need more efforts.

Similarly, decentralization in electricity sector is missing (Debundling of NEA : generation and distribution plus). The compensatory mechanism is inadequate which is raising issues of compensation during land acquisitions for hydro-power plant establishment and expansion of transmission lines. Similarly the electricity trade off mechanism is not based on fair trade.

#### Governance and policy framework

National Renewable Energy Framework 2017 is an umbrella mechanism for Alternative Energy Promotion Center (AEPC) to coalesce and coordinate policies and programmes in the renewable sector, covering four objectives (i.e., governance, demand, supply and financing) with activities in capacity building, knowledge management, gender and social inclusion, and monitoring in a cross-cutting manner. AEPC is also adopting climate change through Green Climate Fund (GCF).

Several plan and strategies have been developed emphasizing improved energy access, share of renewable energy in the mix and energy efficiency. Some of the policy documents addressing SDG 7 are:

1. Renewable Energy Subsidy Policy 2016

details the subsidy mechanism for various renewable energy technologies with a long-term goal of achieving universal access to clean, reliable and affordable renewable energy solutions by 2030.

- 2. Biomass Energy Strategy 2017 aims to increase the access to biomass energy and hence contribute to environment conservation by transforming biomass energy use into modern, sustainable and clean energy.
- 3. White paper 2018 (MoEWRI) announcing 'Electric stove in every house' campaign
- 4. Nepal Energy Efficiency Strategy 2019 promotes energy efficiency by effectively implementing energy efficiency programmes through establishing policy, legal and institutional frameworks.
- 5. National Climate Change Policy 2019 provides policy guidance to various sectors and thematic areas (i.e. agriculture and food security, water resources and energy), in order to contribute to socioeconomic prosperity of the nation by building a climate resilient society.
- 6. 15th National Plan (2019/20-2023/24) of Nepal was formulated with the aim of graduating Nepal from a least developed country to a developing country by 2026, and achieving the SDGs by 2030.
- 7. NDC II 2020 NDC commitments are included in the current policy scenario in the bid to reduce Green House Gas (GHG) emissions. It encapsulates:
  (a) Raise the renewable capacity by another 15,000 MW by 2030, of which 5-10 per cent of the capacity will be

from renewable technologies exclusive of large hydropower; (b) To produce 15 per cent of the total electricity demand from renewable sources (not including large hydropower); (c) Raise the market sales of electric vehicles for private 2and 4-wheelers and public 4-wheelers; (d) Increase the share of electric stoves to 25 per cent and disseminate an additional of 500,000 ICS and 200,000 household-scale biogas plants.

Despite significant developments in Nepal's hydro-power and energy sector over the past years, the Electricity Act has remained largely unaltered. The Electricity Bill that has been introduced in the parliament for ratification, is still pending which is restricting the engagement of private sectors. Similar is the case with Energy Efficiency Act and Low Carbon Strategy. Further, taxation policy subjected to change with the changing governments is posing challenge with the adoption of electric vehicles.

### National development plans, strategies and budget

Although much work has been done to place issues and address challenges in framing these policies, gap-analysis still seems to have been inefficient because of limiting coverage of stakeholders.

- 1. Renewable Energy Subsidy Policy 2016
- 2. Biomass Energy Strategy 2017
- 3. Nepal Energy Efficiency Strategy 2019
- 4. National Climate Change Policy 2019
- 5. 15th National Development Plan (2019/20-2023/24) of Nepal
- 6. NDC II 2020 Conditional budgeting for activities

There exists gaps on national Plans and policies, production and consumption as well as the budgetary framework for the execution of plans and policies. Further, the policy measures are more focused on private investors (in case of hydros) and other renewables (non-hydros) get less priority.

#### Institutions with clear mandate

There are limited institutions and agencies directly working on the SDGs as well as monitoring the implementation. Further, NPC has not been able to mobilize its allies in advocating the agendas and and flowing the information to the concerned agencies.

At the federal level, there are AEPC, NEA and Nepal Oil Cooperation (NOC). The inter institutional coordination is very poor. NEA and NOC seem to be working independently, that makes it difficult to bring balance on the energy mix. At the provincial and local level, there exist capacity gap brought about by the lack of technical backstopping and information flow that further hinders the mandatory reporting on SDG progress and limits it to just a mere process.

#### Implementation at National and Subnational Level

Priorities have mostly been to political agendas but speeding up has taken place to some extent at the central level. In terms of the annual targets, they have been overlooked. There are cases where the market system is said to be distorted by the government's ambitious movements like giving away the renewable energy technologies for free.

Although15th Plan mandates local governments to develop their renewable energy plans, the weak coordination with in the central and local governments, especially in proportionating the budget is lacking. Framework of the governance should be institutionalized at the sub-national or local level. The reason may be lack of skilled human resources to take up responsibilities and priorities.

### Public awareness and capacity development

Some development partners are working hard to produce and disseminate information in Nepali language. Not much has been allocated by governments for research and innovation in SDGs, particularly SDG 7. Only handful of CSO have been implementing energy access and energy efficiency programs at the local level which is especially due to funding restrictions on reaching communities. Regarding clean cooking, not only adoption but sustained use is also a challenge due to the prevailing safety and aftermaths capacity. On electric mobility, enabling policies measures with subsidies for public vehicles will be needed.

NPC or any other public agency mandated to implement the agenda needs to clearly keep record of the public, private organisation (irrespective of area they function or the physical age of an organisation) or/and individual expertise which might be an important asset.

#### Monitoring and reporting mechanisms

Reporting and monitoring mechanisms seem to be in place but is limited to the apex bodies. This needs to be rolled down to the local levels which actually need sound understanding of the process itself to provide data. Existing progress does not meet the expectations.

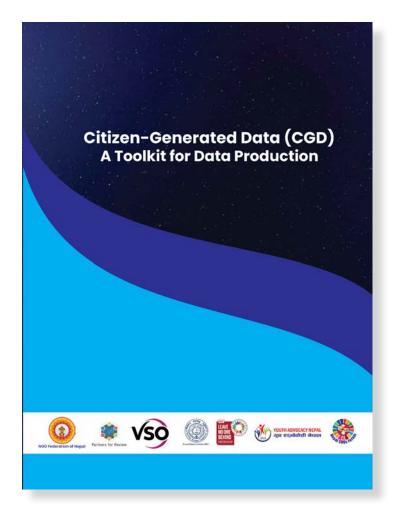
Further, the data that has been generated by the academic institutions still remain inaccessible to the communities and agencies as they lack the technical know how. Moreover, these academic institutions put very less efforts in disseminating the information through the knowledge products that can articulate the findings that are easy to be soaked up at the grassroots level.

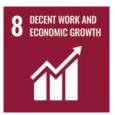
Few experts and organisations are collecting data and reporting voluntarily; but much more is yet to be done from the apex to get things monitored and evaluated rightfully.

### Transparency, accountability and partnership

Transparency and accountability is lacking. Data could be traced but they exist as block data which are not easily available under the public domains (eg. power purchase agreement). Also, there is a need of allies that could ensure timely updates of the existing data from various sources.

Government mechanisms' call for participation doesn't reach out to larger groups. Broader participation and inclusion are missing at all levels. Very few multi-stakeholder partnership platforms exist.





### Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

#### **Progress Assessment**

Nepal has announced itself as a pathfinder country in SDG 8.7, which focuses on improving laws related to child labour, forced labour, modern slavery, and human trafficking, as well as implementing national action plans or policies for development, adoption and enforcement in this regard.

The laws related to child rights and child labour are in place. Procedures for announcing and implementing child labour-free municipalities and provinces are being prepared. 104 out of 753 local governments have submitted proposals to declare themselves child labourfree municipalities. Amendments to foreign employment-related laws have been made include explicit provisions regarding to labour and the prevention of exploitation. There has been an increase in the minimum wage for workers in the formal sector. The establishment of a social security fund is completed and being implemented. The formation and operationalization of human trafficking and exploitation committees in rural and urban municipalities are underway. The law amendment process in order to stop and eliminate child labour is also ongoing. The drafting process for a unified law on forced labour is in the discussion phase. Exploration and regulation of the informal labour and entertainment sectors have begun. Labour courts are in place and functioning.

#### Challenges

The implementation of SDG 8 faces many challenges in Nepal. Despite having certain policies and institutional arrangements at the central level, expected actions may not always materialize at the local and regional levels. Nepal's constitution has placed significant rights and resources at the lower levels, but planning and coordination still remain challenging. This also poses difficulties in raising the necessary investments. Furthermore, the lack of sufficient and accurate data poses a challenge for monitoring and evaluation.

To address these challenges, it is imperative to enhance the capacity and capability of local governments, integrate the SDGs into all levels of budgeting and programming, promote job creation and production for economic prosperity, and effectively manage the received development cooperation. Furthermore, limited resources and the use of traditional agriculture or not converting to modern agriculture are ongoing challenges.

#### Recommendations

- Improvements and investments are required in various dimensions of issues arising from disasters and situations created by COVID-19.
- Labour inspectors must be mobilized, and respectful working environment must be created.
- Inclusion of formal and informal sector workers in the social security fund should be mandatory.
- Effective enforcement of labour law and eradication of all forms of child labour is required.
- Social and economic rehabilitation based on social justice is essential for freed Haliyas, Kamaiyas, Kamalaris, and Haruwa-Charuwa.



### Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation

#### Analysis

Industrialization, the process of transitioning from agriculture to manufacturing goods and services, is considered a pivotal element for economic development and prosperity worldwide. While western countries embraced rapid industrialization in the 18th century following the advent of the steam engine, Nepal embarked on this process with only a few initiatives after the first democratic revolution in 1949. Several policies and institutions were introduced, including the Industrial Policy in 1957 and the Nepal Industrial Development Corporation in 1959, aimed at promoting an industrial-friendly environment in Nepal. However, the industrialization process was halted by the coup d'état orchestrated by the erstwhile King Mahendra Shah in 1960. During the Panchayat regime (1960-1990), Nepal focused inwardly on a protectionist industrial policy, which failed to attract foreign direct investment and stimulate domestic private capital in the industrial sector. With the establishment of a new democratic government after the restoration of democratic rule in 1990, Nepal adopted a liberalization, capitalization, and market-led economic model, creating an environment for national and international investors in the industrial sector. Various laws and policies, including the Privatization Act of 1994 and the Industrial Policy of 1992 (amended in 2010), were adopted to institutionalise these changes. On one hand, these policies contributed to an increase in the number of industries, employment generation, and revenue accumulation for the state. On the other hand, they exacerbated various forms of inequality in Nepal due to unregulated and unchecked market practices and the vested nexus between businesspersons and policymakers.

Nepal still lacks adequate and resilient physical infrastructure. This hampers sustainable

innovation. industrialization and stifles the Department of Local According to Infrastructure, the total length of the road network reached 64,617 km, with 32,388 km at the local level as of 2022. Out of these, 32,229 km of roads are at the provincial level. Only 7 percent of the total road network is represented by blacktopped roads. According to FNCCI and the International Finance Corporation (IFC), Nepal's private sector provided jobs for around 4.98 million persons in 2021/22. Of the total jobs, micro and small enterprises accounted for 4.56 million, small and medium enterprises accounted for 333,077, and large industries accounted for 41,449 jobs. According to Nepal Rastra Bank, the share of the industry in GDP stood at 14.29 percent in the fiscal year 2021/22. Despite some endeavours, the Government of Nepal has not given sufficient attention to scientific research and innovation, deemed crucial elements for the economy's overall health.

#### Challenges and gaps

Various challenges and gaps are experienced in Nepal in terms of building resilient infrastructure, promoting inclusive and sustainable industrialization and fostering innovation. Some of these are illustrated below in bullet points.

- Insufficient physical and social infrastructure
- Lack of corporate culture and institutions
- Lack of political stability and willpower
- A vicious circle of poverty and inequality
- Socio-cultural constraints
- Market flaws
- Low competitive power and human resource development

- Challenging geographical location
- Lack of good governance
- Vested connections between businesspersons and policymakers
- Lack of research and development
- Poor relations between workers and investors
- Lack of adequate policies and laws and weak implementation of existing policies

#### Recommendations

- Invest in developing transportation networks, including roads and bridges, to facilitate industrial growth.
- Enhance access to reliable electricity and water supply to support industrial activities.
- Increase investments in healthcare, education, and social services to improve workers' and citizens' overall quality of life.
- Establish and promote programs that encourage entrepreneurship and innovation.
- Develop partnerships between universities, research institutions, and industries to foster a culture of research and development.
- Promote the rule of law, accountability and good governance by engaging the stakeholders.
- Implement targeted poverty alleviation programs that address the root causes

of poverty and provide opportunities for upward mobility.

- Develop policies that promote equitable distribution of resources and opportunities.
- Enhance market regulations and oversight to ensure fair competition and prevent monopolistic practices.
- Establish consumer protection laws to safeguard the interests of consumers.
- Invest in vocational training and skill development programs to enhance the workforce's capabilities.
- Foster partnerships between industries and educational institutions to align curriculum with industry needs.
- Develop specialized economic zones in strategically advantageous locations to attract investment.
- Establish independent regulatory bodies (Ombudsman) to oversee various sectors and ensure accountability.
- Enforce strict conflict of interest regulations for policymakers and businesspersons
- Execute fair labor practices and provide mechanisms for resolving disputes.
- Conduct thorough reviews of existing policies and update them to address current challenges.
- Strengthen enforcement mechanisms to ensure policies are effectively implemented.



#### Reduce inequality within and among countries

SDGs are a call to action to end poverty and inequality, protect the planet and ensure inclusive society and peace. It sets the motto that leaves no one behind and brings together the marginalized community worldwide. Nepal initiated mainstreaming the SDGs in national policy, plan and program as a part of SDGs.

SDG 10 is one of the main goals for Nepal's discriminated and excluded groups. It aims to progressively achieve income growth of 40 percent at a rate higher than national average, empower and promote social, economic and political inclusion, ensure equal opportunities and reduced inequalities in outcome and legal provisions, improve share of GDP in social protection transfers, improve regulation and monitoring of global financial market, enhance representation and voice of developing countries in international economic and financial institutions and to facilitate orderly, safe, regular and responsible migration.

After the declaration of SDGs in 2015, marginalized people watched closely and waited for the effective implementation of SDG 10. They believe that if this goal meets the target, they would be free from discrimination and exclusion and get equality in the country. We can find different forms of inequality worldwide based on wealth, assets, opportunity, and participation in decision-making. In the context of Nepal, we can find inequality based on caste-based discrimination and untouchability, ethnicity, gender, geography, language, religion, etc.

#### Mainstreaming SDGs in Policy Framework

After the declaration of SDGs, Nepal prepared the roadmap and adopted the SDGs in the Nepali context. After that, National Planning Commission (NPC) set the targets and indicators in the Nepali context and started aligning the goal in the national plan, such as the 14<sup>th</sup> and 15<sup>th</sup> periodic plans, vision paper, government policy, program, and budget. According to the NPC progress report 2016-2019, the government internalizes the SDGs in the 14<sup>th</sup> and 15<sup>th</sup> plans. The 14<sup>th</sup> plan keeps priority of infrastructure, social sector, economic sector and governance related to different SDGs. The government also started to code in programs and budgets.

The 15th plan and long-term vision prepare the slogan Prosperous Nepal, Happy Nepali, and keep priority to attain the SDGs. The vision is to graduate from LDC and reach a middle-income country by 2030. SDGs progress assessment report claimed that the government committed to reducing inequality through poverty reduction, increasing access to basic education and health, expanding social security, and ensuring representation of women and Dalits. There is also mentioned that the constitution of Nepal pledges to create an egalitarian society based on the principle of proportional inclusion and participation to ensure equitable economy, prosperity and social justice.

We could not find specific indicators and budgets to reduce different types of inequality in Nepali society. If we analyse government policy, program and budget, we can see that government has prioritised physical infrastructure over social development. There is no specific policy, program or budget to end discrimination, exclusion and injustice. In this regard, it doesn't seem easy to achieve SDG 10 by 2030.

#### **Progress on SDG 10**

 Government claims good progress on SDG 10. According to the progress assessment report, target 10.1 has five indicators to measure the progress. Three indicators for income inequality measured by the Gini Coefficient, the share of the bottom 40 percent in total consumption, and income show that the target for 2019 has been achieved. The Gini coefficient is 0.32 when the target is 4. In this target, we could not find what kind of progress has been seen in women and most marginalised communities.

- Target 10.2 has 3 indicators. The government report shows all indicators of progress achieved. The social empowerment index is 0.5 against the target of 0.48, the economic empowerment index is 0.45 against 0.43, and the political empowerment index is 0.71 against the target of 0.7 in 2019. We can see the progress in these 3 indicators but could not find which community have more benefited.
- Target 10.3 is about equal opportunity and reduce inequality of outcome, including by eliminating discriminatory laws, policies, and practices and promoting appropriate legislation. In the government report, data are available for two indicators. Primary school completion ratio of the richest to poorest quintile has been good. The ratio of richest to poorest quintiles with respect to stunting the target is in progress. In this target, discrimination-related indicators are there. But data are not available. So, how can we measure the level of discrimination which is rampant nowadays? The government is not serious about these issues and does not take any initiative to eliminate discriminatory laws and policies. This might be a big challenge in the coming days to reduce inequality.
- Target 10.4 has some regression, target 10.5 has some improvement, and progress in target 10.6 and 10.7 have not been achieved as per the target.

Here, we can find that the government is doing good overall, but not focused on most marginalised groups to address their issues. As mentioned above, the government should address the issues of inequality based on caste-based discrimination and untouchability, ethnicity, gender, geography, language, and religion. The government did not find the most marginalised group to keep in first priority as the motto of Leave No One Behind.

#### Gaps and challenges

 Overall, all SDGs, including Goal 10, are not localised as expected. According to the report published by Feminist Dalit Organization (FEDO), very few people know about SDGs at the local level. Neither could they manage institutional arrangements nor internalize the SDGs in their policy and program. It indicates the very poor implementation of SDGs at the subnational level. So, it creates some barriers to achieving the SDGs, including goal 10.

- Government and other stakeholders could not make the people aware and could not develop and capacitate human resources to engage with SDGs at the national, province and local levels.
- Political parties and other government authorities are not serious about implementing SDGs, including goal 10. Verbally, they commit to reducing different levels of inequality, but in practice, they never work systematically. They do not have the proper vision and willpower to reduce inequality.
- Lately, the government is going to develop the Leave No One Behind Framework. NPC should consult with stakeholders and is not aware of how it will cover the issues of inequality.
- Nepali society is still guided by systematic discrimination and exclusion, which started from Barnasram and the caste system. It creates obstacles to the transformation of society.

### Role of Stakeholders in Mainstreaming SDG 10

In the context of Nepal, mainstreaming the SDGs in national policy and program, the stakeholder role seems good. Government, CSOs, private sector and development partners are engaged in implementing the SDGs. However, they are not serious about mainstreaming goal 10 as their policy and program's main and prime issues. They tend to talk about inequality but do not discuss its overall element and dynamics.

#### Recommendations

- Inequality is not only a significant issue in Nepal but also at the global level. It might be a significant barrier to prosperity, peace and an egalitarian society. If we do not address the problems on time, it will also be a big challenge. So, every country and people should be aware of how to reduce societal inequality.
- Three levels of governments should develop

a special strategy with budget to reduce inequality based on caste, class, ethnicity, gender, geography, and religion. CSOs and development partners should develop a special strategy address with inequality. There should be skilled human resources to engage in SDGs mainstreaming process, including goal 10.

- The government should effectively implement the constitution and eliminate all forms of discrimination and exclusion.
- Leave No One Behind Framework should be developed soon and consider the marginalised community issues. This

framework should also find the country's most marginalised community and give first priority in every sector.

- Disaggregated data should be generated so that we can measure the inequality in a proper way.
- Strengthen programs to support marginalized groups and reduce income disparities.
- Support job creation and income opportunities for vulnerable communities through small -medium-enterprises and skills training.



Consultation meeting



#### Make cities and human settlements inclusive, safe, resilient and sustainable

#### **Progress Analysis**

The Nepal Census for 2021 reveals that the population of Nepal has reached 29,164,578, with a gender distribution of 48.87% male and 51.13% female. The country counts 7,552,066 buildings, of which 88.2% are residential. These residential buildings exhibit diverse construction materials, i.e 33% mud-bonded bricks or stones, 30% cement-bonded bricks or stones, 22% reinforced concrete, 14% feature wooden pillars, and 1% are made from other construction materials. A majority of these buildings are constructed without permits and engineering involvement.

On the other hand, urbanization in Nepal is characterized by unplanned and rapid growth, driven by rural-to-urban migration, leading to spatial urban expansion growth with the emergence of informal settlement. 293 municipalities out of a total of 753 local governments still retain rural characteristics and face basic infrastructure deficiencies. Residents hesitate to embrace municipal status due to increased taxes without corresponding service improvements. These unsafe buildings and unplanned settlements contribute to developing unsafe, fragile, and unsustainable cities.

#### Recommendations

To address these challenges, the government initiated the National Urban Policy in 2007, which aims for balanced urban development. The National Shelter Plan 2013/14 highlighted the need for 900,000 new constructions by 2023, with post-2015 Earthquake recovery efforts focusing on resilient housing. The National Urban Development Strategy (NUDS), an integrated development strategy developed in 2017, aligns with SDG 11, which focuses on sustainable cities and communities, providing a comprehensive urban development roadmap. The 15th Periodic Plan adopts NUDS recommendations, envisioning the development of new towns, smart cities, and safer housing through publicprivate partnerships. Key elements such as a clear municipal vision, robust implementation, policy autonomy, and awareness of global goals are vital for achieving sustainable urban development in Nepal. Despite these efforts, there is a need for a comprehensive and multifaceted approach to realize the vision of safe, resilient, and sustainable cities.

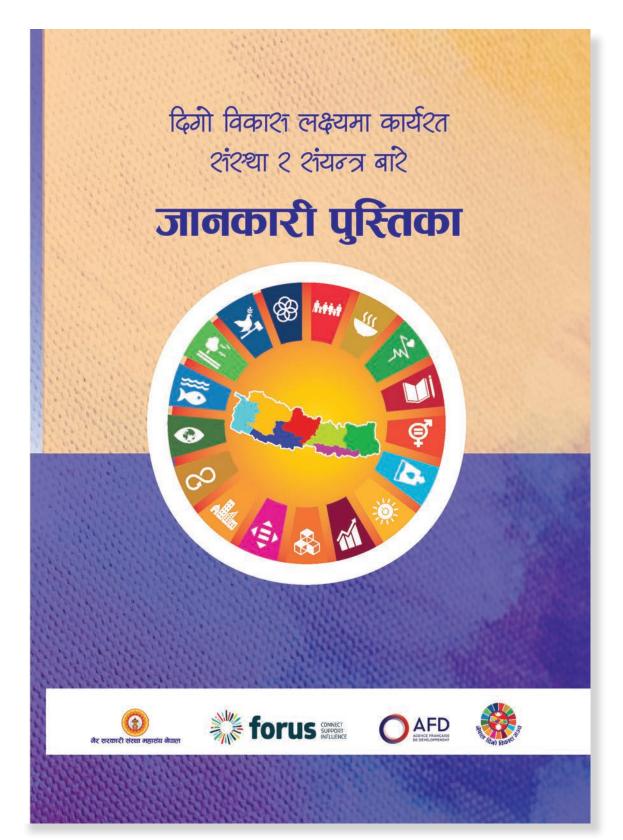
First, a clear vision and mission are essential for guiding the development of the municipalities. Each municipality should formulate its unique plan and ensure robust implementation across various agendas, including infrastructure development, human resources, heritage protection, livelihood enhancement, service provision, planned urban settlements, and essential utilities like drinking water and sanitation facilities.

Furthermore, collaboration with various stakeholders is crucial. This entails engaging communities in activities such as maintaining neighbourhood roads, managing householdlevel sewerage and solid waste, and promoting sanitation. Community participation levels vary among urban areas and communities. Notably, over the past decade, significant success has been achieved in involving local communities through public-private partnerships, particularly in road construction and urban poverty alleviation projects. While some government-led land pooling initiatives have begun, they remain limited, presenting opportunities for replication.

Lastly, it is vital to empower municipalities to make policy decisions tailored to their specific local contexts. Presently, limitations on their authority over local public land usage hinder effective planning and vision, which, in turn, obstructs the practical implementation of policies.

Additionally, there is a pressing need to raise

awareness among local authorities about SDGs and related international agendas. Despite Nepal's commitment to those global commitments through international agreements, many local officials lack the knowledge and capacity to align their efforts with the SDG agenda. Bridging these knowledge gaps and enhancing local capacity are essential steps to foster sustainable development in the municipalities of Nepal.





Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss

#### **Progress Assessment and Challenges**

Terrestrial ecosystems play a crucial role in sustaining human life, comprising more than half of the global GDP and holding significant cultural, spiritual, and economic significance. The escalating trends of deforestation, land degradation, and species extinction pose severe threats to our planet and its inhabitants. Although there has been progress in sustainable forest management, the establishment of protected areas, and the adoption of national biodiversity goals and natural resource accounting, the overall improvements in these areas have been modest (The Sustainable Development Goals Report, 2023). Goal 15 will not be met without a dramatic shift in our relationship with our natural environment (UN SDGs, 2023).

The total forest cover comprises 41.69%, including 3.57% other wooded land, while forest land consists 45.26 % of the country's total land area. However, community-based forest management has decreased to 37.5 % of the forest areas in Nepal from 42.7% (2019). Nepal's community forestry program has successfully safeguarded forests, promoted sustainable resource utilization with community ownership, and ensured equitable sharing of benefits.

Despite Nepal's relatively small global land area (0.1%), the country is home to a remarkable 3.2% of the world's known flora and 1.1% of its fauna. This includes 5.2% of known mammal species, 9.5% of bird species, 5.1% of gymnosperms, and 8.2% of bryophytes. Nepal boasts a total of 118 identified ecosystems. The government is deeply committed to conserving this rich flora and fauna, with strong support from local communities. Efforts have been made through the National Biodiversity Strategy and Action Plan (2014-2020), with collaboration from various stakeholders, both nationally and

internationally. (National Review of Sustainable Development Goals).

In an effort to conserve biodiversity, 24% of the total land area, including forests, has been declared protected. There has been an increase in the number of wild tigers (355 as of now, nearly triple compared to the 2010 baseline) and rhinos (752) due to community-led antipoaching efforts, which drastically decreased illegal killings.

#### Gaps and Challenges

The COVID-19 pandemic has caused unprecedented multiplier effects on biodiversity, threatening the country's biological, social and economic sectors. Unplanned urbanization and haphazard development process, improper sewage and drainage management, land degradation, weak monitoring system and documentation, lack of policy implementation on the ground, difficulty in aligning national policies with SDGs goals, human-wildlife conflict, natural hazards like flash floods, forest fire and landslides are the key factors that are hindering to achieve the targets of SDG 15. Difficulty in balancing conservation efforts with the needs of communities is one of the major challenges in achieving SDG 15. Inadequate data on biodiversity and land use changes make it difficult to assess progress accurately and formulate evidence-based policies.

#### Recommendations

- CSOs can advocate for policies and practices that support biodiversity conservation, sustainable forest management, and land use. They can also raise awareness among the public about the importance of SDG 15.
- Governments can develop and implement

policies and regulations that align with SDG 15 targets, including laws related to forest conservation, land-use planning, and biodiversity protection.

- Integration of DRR and climate change adaptation plan in strong coordination with local government and community-based organizations.
- Government should invest in biodiversity conservation, human-wildlife conflict mitigation and forest fire control.
- Implementation of forest fire insurance mechanism and insurance mechanism for human-wildlife conflict.
- The government should invest in COVID-19 support for the communities.
- Strong coordination among various government agencies, as well as between governments and non-governmental organizations for conservation efforts.
- Prioritize, promote and focus on sustainable approaches regarding forest management, tourism and agricultural practices.
- Adoption of site-specific and speciesspecific sustainable forest management principles.
- Reforestation on barren lands to promote soil conservation and enhance water retention.
- Develop species-specific action plans for all flora and fauna, ensuring effective implementation, budget allocation, and integration of these plans into national park management strategies, securing community rights.
- Execute an intensive community-based

awareness program focused on biodiversity conservation.

- Establish a gene bank, collect original genetic seeds, and conserve the species through orchid establishment.
- Implement an umbrella approach to conserve endangered species, involving cross-boundary management plan development and the creation of habitat linkages through corridor management.
- Set up quarantine facilities at entry points of districts and national borders to prevent the spread of invasive species. Utilize satellite imagery to identify and eradicate populations of invasive species.
- Identify, regularly monitor, and implement preventive measures in areas highly susceptible to lake burst incidents caused by climate change.
- Connect biodiversity conservation and protected area management with livelihood promotion to achieve sustainable conservation objectives.
- Strong and robust data management, monitoring, verification and documentation should be developed. Government and CSOs can collect and report data on land use changes, forest cover, and biodiversity status to track progress toward SDG 15 targets.
- Promotion of indigenous knowledge and culture. Civil society organizations can engage local communities, indigenous peoples, and stakeholders in conservation and sustainable land management initiatives. This involvement ensures that local knowledge and needs are considered in decision-making processes.

### SDG 16: Peace, Justice and Strong Institutions



# Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels

Nepal has been facing continued political unrest and financial crisis, but it has confronted both challenges with relative success. Nepal dived into economic recession and political instability in 2023 for the first time in six decades. Mainly hit by a reduction in industrial production, lower investment, liquidity crisis, high interest rates, trade deficit, lower capital expenditure, and a decline in revenue collection in 2023. In April 2023, ADB Outlook (flagship economic publication) reported that Nepal's economic growth was estimated to moderate to 4.1% in FY 2023, down from an estimated growth of 5.8% in FY 2022.

Due to political fragility and the financial crisis in Nepal, it continued to create challenges, and people have not realized the 'inner peace'. The government continued to restrict civic space, imposing unrealistic VAT/Tax through existing laws, directives, and bureaucratic hurdles in CSO renewal and project approval. CSOs have been restricted from merging with like-minded CSOs and selling their property as the laws provisioned. The shifting of donor priorities continued to threaten CSO sustainability.

The government also acknowledged the CSO's contribution and referenced the CSO contribution to the VNR report during the first VNR process. The NPC has invited CSO representatives during the planning, monitoring and reporting process. A CSO representative was also invited to the High-Level Steering Committee chaired by the Prime Minister. However, Nepalese CSOs have demanded to be onboard as permanent members of the Committee.

Promisingly, Nepal is one of the first countries in the world to develop the Sustainable Development Goals Roadmap for 2016-2030. <u>The government of Nepal has also internalized</u> and mainstreamed the SDGs through 15<sup>th</sup> Plan, 2019-24 and envisaged the vision of 'Prosperous Nepal-Happy Nepali' with 10 national goals. The NPC is designated as a coordinating body with all the stakeholders. Noticeably, the Government of Nepal has added 7 national targets to the 24 global targets totalling 31 targets and committed to fulfill all the globally accepted targets under SDG 16. Notably, the SDG Global Index 2022 revealed that Nepal was ranked 99, scoring 66.47 out of 166 countries.<sup>16</sup>

However, due to the lack of integrated quantitative data availability relating to SDG 16, it has been challenging to reflect on the targets and indicators as expected. Though the successive governments have claimed that SDGs have been integrated in the 15th Plan, coverage of all the indicators and ways to allocate resources in a calculated way to visibly measure the progress has not been realized.

On this backdrop, SDG 16 has been extremely important in addressing human rights concerns, better governance, credible election, rule of law, freedom of association and speech, and independence of oversight agencies to ensure transparency and accountability for good governance. It is also important to ensure people's access to health, education, water and sanitation, and livelihood opportunities to improve the country's quality of life.

Nepal Human Development Report, 2020 highlighted the growing concerns that 'social protection has become an increasingly prominent public policy in Nepal over the past two decades with a wide range of objectives, from increasing income and food security to overcoming social exclusion'.<sup>17</sup>

<sup>16</sup> https://dashboards.sdgindex.org/rankings

<sup>17</sup> Nepal Human Development Report 2020, National Planning Commission, Government of Nepal, pp108.

### Institutionalization of Federalism in Nepal

Nepal has shifted to a federal state with the promulgation of the Constitution in 2015. Two five-year tenure elections in 2017 and 2022 for federal, provincial, and local governance have fundamentally changed the political landscape. The establishment of Provincial and Local Governments offers an opportunity to enhance citizen's engagement in political processes and is ultimately expected to improve transparency and accountability.

However, Nepal has been experiencing continued political turmoil. Still, it has taken great paces to institutionalize the federal political system with successful elections in the local election on 13 May, the federal election on 20 November and the Provincial Election on 25 December 2022. From the election result, Nepali Congress has become the single largest party, followed by CPN-UML and Maoist Centre. In this election, 49 percent of voters were between 26-40 years. However, more than 42 percent of youth's issues have not yet been addressed. A young population showed frustration over tried and tested leaders who failed to meet their expectations.

Evidently, '43 new faces entered the federal parliament, and 385 independent candidates rose to political office in Nepal's local election. A couple of new parties and independent candidates have produced a more progressive agenda'- emphasizing job, development, anticorruption, expanded access to health care, education, women's rights, tourism, climate change, etc. Their results have shown that capitalizing on dissatisfaction with existing parties resonated with the Nepali voice.<sup>18</sup>

However, the country has been facing challenges of rampant corruption, transitional federal structure, societal inequalities, persistent public grievances, impunity, and bureaucratized and impeded development work.

#### Some Notable Progress

• Nepal has been elected as a Member of the Peacebuilding Commission at the 56th meeting of the UN General Assembly for two years beginning from 1st January 2023.<sup>19</sup>

- Government has initiated drafting the Whistle Blower Protection Bill, Prevention of Corruption Bill, CIAA Bill, and Special Court Bill. Civil society organizations have continuously raised their voices to bring a robust whistleblower protection bill to protect informants and expose corruption in public institutions. The citizen's voice resulted in the Government of Nepal initiating the draft of the Whistleblower Protection Bill in 2023.
- Federal Parliament has amended the longawaited Citizenship Bill. This bill has cleared the way to citizenship for up to 400,000 people deprived of their constitutional rights and had remained stateless in their own country.
- Remittance from migrant workers now make up about a fourth of Nepal's gross domestic product (GDP), making it the single largest source of foreign exchange. However, it is also to be noted that the latest report of the NHRC on the 'Human Rights Situation of Migrant Workers' suggests that human trafficking and human smuggling in foreign employment are rampant.
- As per the Election Act 2017, the Election Commission(EC)Nepalhasfined(NRs15,000 to each candidate) 1,037 parliamentary and 1,398 provincial assembly candidates who failed to submit the election expenses details to the EC on time. EC's bold decisions can be considered to promote election fairness, candidate accountability, and transparency.

Despite several pressing issues the country faces, some positive development has been observed. Two successful elections in all tiers of government in 2017 and 2022 have demonstrated people's commitment to the democratic process. Similarly, vibrant media and civil society have played an essential role in holding the government accountable and promoting democratic culture.

#### **Governance Problem in Nepal**

The governance problem in Nepal refers to the challenges and issues faced in the country's system of governance. Some key problems include political instability, corruption, lack of transparency and functional autonomy, trade

 <sup>&</sup>lt;sup>18</sup> www.southasianvoices.org/nepal-in-2022-ayounger-generation-raises-its-voice.
 <sup>19</sup> The Kathmandu Post, 22 December 2022.

unionism, weak rule of law, inadequate service delivery and lack of capital expenditures. These issues have hindered Nepal's progress in development, and efforts are being made to address them and improve the governance system. Ironically, the Government has issued 19 identity cards to the people and has not yet realized the 'misuse' of government resources. Similarly, the government has recruited many permanent 'subordinate staff' in Nepalese bureaucracy, which has been misused by senior officers as home workers. Frequent transfer of staff in the local governments has hampered their public services. The government has formed dozens of committees and boards without proper homework and mandates. For example, Dalit, including Badi Bikash Samitis, are in a coma; they are spending resources without proper functions.

Capital expenditure has been an ongoing problem in Nepal. Every year, Nepal Government struggles to spend the planned budget within the financial year. But it has not been improved as expected. The following tables show that two metropolitan, two municipalities and one rural municipality within the Federal Capital, Kathmandu Valley, could not spend their allocated budget within the fiscal year.

Similarly, the World Bank annually published its research-based data on Worldwide Governance Indicators (WGI), summarizing the views on the quality of governance covering more than 200 countries. The data are gathered from several survey institutes, think tanks, CSOs, INGOs, and private sector firms. Mainly, Nepal-related data cover six dimensions of governance, as follows:

	Dimension of Governance (Nepal Score & Rank)											
Years	Voice & Ac- countability		Political stability & abuse of violence/ terrorism		Governance effectiveness		Regulatory quality		Rule of Iaw		Control of corruption	
	Score	Rank	Score	Rank	Score	Rank	Score	Rank	Score	Rank	Score	Rank
2019	47.83	39	43.40	28	27.40	13	37.50	25	45.19	32	38.94	27
2020	22.17	42	52.36	41	34.13	17	38.94	26	45.67	33	43.75	29
2021	51.69	43	49.53	38	35.10	17	41.83	30	46.63	34	47.60	33
Source: Worldwide Governance Indicators, 2022 update, World Bank – <u>www.govindicators.org</u>												

**Delayed Transitional Justice:** Despite receiving over 60 thousand complaints of abuses committed during conflict, it has not been settled till this reporting period. It is mainly the Bill amendment, including the appointment of the officials in Truth and Reconciliation Commission (TRC) and the Commission of Investigation on Enforced Disappeared Persons (CIEDP), has remained 'ineffective and controversial'. Human Rights Watch reported in 2021 that 'impunity for human rights abuses extends to ongoing violations, undermining the principles of accountability and the rule of law in the postconflict Nepal. A pervasive culture of impunity continues to undermine fundamental human rights in the country. The government has provided a 'conflict victim identify card', but their fundamental issues have not been addressed, and they are further victimized.

Also, the Global Alliance of National Human Rights Institutions (GANHRI) has recommended downgrading NHRC's status to B grade. The Constitutional Council of Nepal mainly failed to comply with existing laws while appointing NHRC officials.<sup>20</sup>

Mitigation of corruption: Mal-governance and corruption largely impact the delivery of basic services and enjoyment of human rights, particularly socio-economic rights. While corruption plagues the whole society, it disproportionately affects certain groups exposed to discrimination, namely women, girls, youths, children, ethnic minorities, Dalits, persons with disabilities, sexual and gender minorities and other excluded and vulnerable groups. The effects of corruption on women and ethnic minorities, for instance, are often exacerbated by their marginalization due to historic and contemporary patterns of discrimination.<sup>21</sup>

<sup>&</sup>lt;sup>20</sup>www.hrw.org/world-report/2022/country-chapters/nepal.

<sup>&</sup>lt;sup>21</sup> https://www.transparency.org/en/blog/corruption-and-discrimination-two-sides-of-the-same-coin

Year	Score and rank of Nepal in Yearly TI's Corruption Perception Index				
	Score	Rank			
2022	34	110			
2021	33	117			
2020	33	117			
2019	34	113			
2018	31	124			
Source: Transparency International					

The level of corruption remains almost the same, reflecting Nepal as one of the world's most corruption-prone countries. Despite repeated promises and efforts from the government to tackle corruption, the situation has not improved. Subsequent CPI annual reports highlight the lack of political will and the absence of accountability mechanisms. This also reflects the constitutional and executive anti-corruption bodies' effectiveness in ending rampant corruption in the country. So, move beyond false promises and take decisive steps to combat corruption to improve governance.

**FATF Evaluation**: Nepal has been struggling to address several legal deficiencies to comply with a global anti-money laundering and terrorist financing watchdog agency, the Financial Action Task Force (FATF). This is mainly due to a lack of strong laws to combat terrorist funding and money laundering (ML/TF). Nepal will likely fall on the grey list of FATF and Asia Pacific Group on Money Laundering (APG). The National Risk Assessment Report, 2020 of ML/TF identifies major corruption threats, tax evasion, rampant financial crimes, and banking offences in Nepal.

Earlier, Nepal was on the grey list of the FATF from 2008-2014. After a series of progress made on the Anti-money Laundering Act, 2008 and combat terror funding, FATF removed Nepal from the grey list. Again, alarmingly, a second round of ongoing FATF review has been at high risk of being listed in the grey list due to delays in formulating strong anti money laundering laws amid political instability.

In early January 2023, a delegation of the APG conducted the mutual evaluation (peer

<sup>22</sup> The Himalayan Time-Flashback 2022, 31 December 2022.

review) of Nepal reviewed compliance with a number of standards set by the FATF. APG reports revealed that Nepal is again vulnerable and liable to fall under the grey list. However, Nepalese concerned authorities have lobbied to avoid the risk. To protect falling under the grey list, a team of high-level government officials met FATF evaluators based in Canada in the second week of July 2023 and was able to extend till the end of October 2023 to fulfil the compliance.

In the meantime, the government of Nepal has initiated to amend more than 15 laws to address deficiencies in compliance with the FATF's anti-money laundering and terrorist financing standards.

Tackling Organized Crime: In early 2023, Nepal was shaken by a fake Bhutanese refugee scam and 'Mega Lalita Niwas' land scam, which have outraged Nepali society.

Crime status of Nepal				
Fiscal Year	Total crime			
2021/22	46,902			
2020/21	40,120			
2019/20	41,898			
2018/19	43,051			
2017/18	39,315			
Source: Nepal Police				

The Nepal Police has revealed that the overall crime rate has been increasing trend in each fiscal year:<sup>22</sup>

This report also tried to reflect on SDG-16, particularly on sub-thematic indicators, as follows:

Some reflections of	n SDG-16 Sub-indicators and progress realized
Sub-Indicators	Reflections
Violence	Domestic violence was reported 1,355 in the period 16 Jul 2010-15 Jul 2011 but increased to 14,232 reported cases in 10 years (July 16, 2020 – July 15, 2021)
Human trafficking	The most widespread forms of human trafficking in Nepal are forced labor, domestic servitude, organ extraction and prostitution or sexual exploitation. National Human Rights Commission estimated that 1.5 million Nepalis are vulnerable to human trafficking.
Corruption	Transparency International's 2022 Corruption Perceptions Index, covering 180 countries, gave Nepal a score of 34 and ranked 110.
Access to justice	One of the major obstacles in accessing justice is the cost of legal advice and representation. Poor citizen representing from marginalized section mostly victimized in getting legal aid. Nepalese citizens have been facing big challenges of corruption, inflation, high taxes, the country's deteriorating economic situation, and limited access to health care.
Access to information	Article 27 of Nepal's Constitution guaranteed right to seek and receive information on matters of their interest including public interest. However, RTI Act incorporated several limitations to free access to information by requiring the requesters to state a reason for their information request. Also, government authorities do not encourage proactive dissemination of public information.
Inclusive decision- making	The Constitution of Nepal clearly envisions Nepal as an inclusive state and guarantees the right to equality, social justice and freedom from discrimination to all. The Constitution has been considered as a significant milestone for promotion of GESI to ensure equal rights for women, the poor, persons with disabilities, gender and sexual minorities, people living in geographically remote areas and people from other excluded or vulnerable groups. The GoN has also taken steps toward realizing the constitutional commitment of federalism and promoting GESI. The 15th Plan also reinforces the GoN's commitment to implement the constitutional provisions and have strong commitments for GESI. However, till this reporting period, the compliance of the constitutional mandate has nominal effect in practice.
Legal identity	The citizenship card is the primary legal identity document in Nepal. Without the certificate, individuals cannot obtain passport, voter registration, opening bank account, permanent account number (PAN), driving license including mobile phone SIM card etc. Government has initiated National ID Card but not yet fully operational. In June 2023, Federal Parliament of Nepal has endorsed long awaited Citizenship (First Amendment) Act, 2079 after long controversy. Now more than four hundred thousand Nepalese citizens will be able to obtain Nepalese Citizenship Card.

**Civic Space:** The Civil Society Organization Sustainability Index (CSOSI) gauzes the civic space in South Asia and Southeast Asian countries and publishes annual reports. The 2017 to 2021 report shows that Nepal has not been improving in ranking.

CSOSI Index						
(Score rating: 1 good and 7 bad)						
Year Achieved Rank Achieved Score Countries						
2021	5	4.2	8			
2020	5	4.3	8			
2019	5	4.3	9			
2018	4	4.3	9			
2017	5	4.3	9			
Source: Civil Society Organization Sustainability Index, FHI350, USA						

#### Challenges of Nepal to Achieve SDG 16

SDG 16 is a crucial goal for the countries to achieve overall goals by the target period. However, Nepal has not made expected progress even after seven years of the implementation of SDGs. It has been estimated that NRs 600 billion is be be invested every year to carry out activities to achieve the SDGs. But no such particular policy has been adopted to arrange resources till the reporting period. Some of the notable challenges are as follows:

- Nepal does not have separate SDG-related budget allocation and actual expenditure by the Ministry of Finance in its budget;
- Ineffective implementation of existing law enforcement;
- Lack of harmonization on the policy of the state and practical application of those policies;
- Politicization of the civil service and trade union interference;
- Mismanagement of the political appointments and rampant corruption in politics and bureaucracy create gaps in the service delivery to the public;
- Poor budget absorbing capacity of line ministries, including province and local government;
- Lack of willpower in political leadership and bureaucracy impedes the implementation of the country's long-term development vision and agenda;
- Poor capital expenditure annually, 2022/23 is the fourth consecutive year that the country's budget has been revised downward;

- Ineffectiveness of the oversight agencies (CIAA, OAGN, IRD, DMI, NVC, including Judiciary);
- Growing concern about shrinking civic space to voice and protest against the wrongdoing of the government;
- Local governments are apathetic in the legislative process due to lack of capacity and different priorities;
- Unavailability of reliabile governance data under SDG 16, lack of political will, weak capacity and technical expertise and access to financial resources;
- Nepal's diversity poses challenges in ensuring equal justice and governance access across various ethnic groups and regions, potentially leading to conflicts.
- Insufficient training and expertise among government officials, law enforcement, and judiciary personnel hinder effective SDG-16 implementation.

Administrative Red Tape: Nepalese bureaucracy has many weaknesses. Among them, low levels of motivation, unnecessary expansion of government agencies, multiple layers of decision-making process and weak accountability are major hurdles. Also, trade unionism is another alarming hurdle. Lengthy and process-oriented administrative function has been obstructing public service delivery and decision process. The lack of predictability in government mechanisms has also hindered national business as well as investors looking to invest in Nepal.

#### Conclusion

After the promulgation of the federal constitution, Nepalese people are impatient with the old governance system, which is not meeting their expectations. The overwhelming majority of people perceive government employees as insensitive and unfriendly and view the overall administrative system as corrupt with no 'work culture.' Therefore, the governance system requires a paradigm shift, where citizens are the 'centre' and are 'consulted at various stages of formulating and implementing various policies. To achieve this objective, provincial and local governments need an efficient public service delivery system that is innovative, accessible, capable, and forward-looking. The traditional role of public service has to shift from 'regulator' to 'facilitator' towards making governance more 'citizen-centric.'

A survey on public service delivery revealed a gap between service delivery and service access, which ultimately leads to corrupt practices in the name of quick service. Similarly, the respondent perceived service delivery from different offices negatively. 'The existing service delivery mechanisms were not meeting respondents' demands in terms of its quality and effectiveness. Most of the respondents answered an emphatic 'NO' to the question of 'whether the offices delivered services according to the needs of the respondents or not, indicating that service delivery had a low level of performance. And most respondents were apathetic about the incomplete work. This apathy has become part of our bureaucratic culture.<sup>23</sup> It is to be noted that the situation has not been improved till this reporting period.

Today, delivering public services to citizens with higher satisfaction is a significant challenge faced by the provincial government of Nepal. As a universal rule, once elected, provincial and local governments have to be responsive to the claims and demands of their voters for public services.

The best example of democracy is where the general public can directly interact with their federal government. Thus, 'Hello Sarkar' was implemented to increase accountability and reduce the distance between citizens and the government. Understandably, grievances continue to rise because of the 'high level' of systemic tolerance for the dilly-dallies, poor work quality, and absence of proper monitoring and periodic appraisal of frontline service provider staff. Failure to timely redress the complaint makes a mainly poor and marginalized segment of people frustrated with the overall government system.

The single most obvious conclusion about the state of corruption in Nepal has been uniformly stated as 'corruption is endemic and institutionalized'.<sup>24</sup> Despite international study findings, regular media reporting and public shouting, the situation has not been improved. But, over the years, mega corruption scams, organized crime and collusion have been appearing with political protection.



 <sup>&</sup>lt;sup>23</sup> A Survey on Public Service Delivery (2015), Transparency International Nepal (pp18).
 <sup>24</sup> Business Anti-corruption Portal, 2008, Nepal Country Profile, Copenhagen.

Business Anti-corruption Portal, 2006, Nepar Country Prome, Co

Major hurdles, risk and vulnerabilities in achieving SDG-16 by 2030						
Capability	Laws and en- forcement	Policies, procedures, con- trols, rules and regulations	Political consider- ations			
<ul> <li>Lack of capacity of federal, provincial and local bodies with respect to combating corruption</li> <li>Low capacity of agencies in procurement at all levels</li> <li>Lack of capacity of local levels in all aspects of budget execution, including managing their finances</li> <li>Lack of capacity of relevant federal government agencies in maintaining accountability</li> <li>Lack of willingness of governments to localize SDG-16.</li> </ul>	<ul> <li>Absence of whistleblower protection act</li> <li>Gaps in public procurement</li> <li>Politicization of oversight agen- cies</li> <li>Traditional socio-cultural and religious mindset of the enactment agencies still persistent.</li> <li>Prejudiced mind of dominant groups holding powerful posi- tions</li> </ul>	<ul> <li>Weaknesses in audit provisions</li> <li>Little quality control system and performance evaluation for procurement works, including weak monitoring protocol</li> <li>Collusion in procurement</li> <li>Fiscal transparency low at all level</li> <li>Ineffective internal controls, audit, monitoring and evaluation system</li> <li>No institutional presence at local government level</li> </ul>	<ul> <li>Political interreference in public administration</li> <li>Political interference in procurement</li> <li>Lack of political will to sustain focus on mitigating corruption.</li> </ul>			

Finally, the highest political and administrative level must initiate reforms to enact appropriate laws and policies to tactfully address public grievances, provide hassle-free services to citizens through systemic change, and minimize grievances in the government system. It is possible by reviewing laws, rules, and procedures to simplify the process, making administration more accountable, transparent, and citizen-friendly. Once electronic response systems are introduced, the grievance redress system also needs a fundamental change. They need proper monitoring, application of technology, accurate reporting, delegation of power, typical workflow shifts and change in the attitudes of public officials is vital. Thus, ICT should be employed in reengineering all tires of the governmental process to improve efficiency and effectiveness and ensure accountability.

### SDG 17: Partnerships for the Goals





### Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development

#### Overview

In 2023, halfway to 2030, SDGs are at a critical point as only 12% of the 140 SDG targets globally are on track. Nepal, however, has fared better where Nepal has achieved 7% of targets and 2% are progressing well; 39% have some progress. But 18% of targets are regressing, whereas 26% have limited and 36% have missing values. Even amidst the COVID-19 pandemic, the country met the criteria for the third time for graduation from LDC status and is set to graduate by 2026. Poverty and maternal mortality ratios have declined. The country has made significant progress on birth registration and certification, school enrolment and completion, life expectancy, and women's political representation.

Despite such progress, the country still faces the challenges induced by the impacts of COVID-19, the economic impacts of the Ukraine war, and geopolitical dynamics. Nepal's estimated growth for FY 2023-24 is 2.16%; unmet revenue targets pose challenges to financing development, including the SDGs, which are crucial considering the funding implications of LDC graduation. Hence, revisiting development practices and renewing the vision and policies to rescue people and the planet becomes

#### imperative.

Nepal is scheduled to upgrade from a least developed country to a developing country in 2026. The target is to achieve a minimum average economic growth of 9.4 per cent per annum, but the scenario differs. As per the analysis, after four years of the 15<sup>th</sup> development plan, the economic growth is only 2.16%; therefore, it will be challenging for Nepal to upgrade and reach all targets. Accelerating efforts during the transition phase is essential, and support from the global community is vital in this journey. All sectors are equally significant to engage towards achieving SDGs; without energizing the private sector and developing a constructive engagement, it is difficult to conceive of progress towards the set targets.

#### **Progress Assessment and Challenges**

There are 28 indicators to monitor progress in SDG 17, of which 25 are global, and three are added in the context of Nepal. Most of the indicators are related to global actions. Data are available for 11 indicators only. Realization of the high and broad-ranging aspirations of the SDGs is possible only through an open, transparent and strengthened global partnership where the developed, developing and less developed countries play the parts expected of them.

There are 19 targets associated with implementing and monitoring global partnerships in meeting SDGs. These concern four dimensions of global partnership – mobilizing resources for developing countries, promoting and transferring technologies, facilitating trade, enhancing partnerships and cooperation, and ensuring policy coherence and macro stability.

Total government revenue as a proportion of GDP is 24.8%, better than expected for 2019, which is 22%. The proportion of the budget funded by domestic taxes has decreased to 73.9% in 2019, which is lower than the base year value 76%. The target of 2019, 77.1%, is not met. Similarly, official development assistance as a proportion of the total domestic budget target is also not met, reaching 11.2% in 2019 despite the target of 15.8%. The volume of remittances (in \$) as a proportion of total GDP reached 25.4 in 2019 compared to the target of 30.7. The remittance inflow in the country was high during the COVID-19 pandemic, as shown in the Economic Survey of 2020-21, which is not consistent after the country is settling from COVID-19 in late 2021 and 2022. The outstanding debt to GDP ratio is satisfactory, 30.3% in 2019, higher than a target 28.8%.

The COVID-19 pandemic further hit the multilateral and international partnerships that were already shaky. The UNCTAD World Investment Report 2022 shows that FDI inflows in Nepal decreased by 31.62%, from USD 185 million in 2019 to USD 126.5 million in 2020. The FDI in 2021 has reached USD 196 million, higher than in 2019. On the Official Development Assistance (ODA), "disbursements in Nepal in 2019/20 increased by 26.9% compared to the previous year, jumping from USD 1,578.5 million to USD 2,002.8 million. However, the contribution of ODA to the national budget has declined to 23.3% from the level of 24.7% in 2018/19. Conversely, INGO contributions have notably decreased, from USD 215.3 million in 2018/19 to USD 131.8 million in 2019/20" (Government of Nepal, Ministry of Finance, 2021). Notably, USD 512.9 million out of the total USD 2,002.8 million ODA was disbursed in Nepal in 2019/20 was explicitly paid for COVID-19 response and recovery. The support comes from mostly new projects designed for the pandemic context, with only USD 48.6 million reallocated from existing projects.

#### Recommendation

- It is essential to increase the absorptive capacity of foreign aid, considering the increased need for allocation to the health sector and returning to the momentum of the pre-COVID-19 situation.
- The trade deficit is a chronic issue in Nepal; export capacity is required to expand exportable trade diversification.
- A foreign direct investment-friendly environment must be created with policies to transfer technology and enhance domestic capacity.
- In the long run, the dependence on remittance needs to be minimized with accelerated employment and income generation programs in the country.
- Pro-poor and inclusive macroeconomic policies must be adopted to ensure no one is left behind. Macroeconomic policies need to be revisited to make them coherent with the financing needs of the SDGs.
- Although the government has SDG policy provisions, subnational levels' implementation aspects have challenges. A strengthened, effective and accelerated mechanism for localization of the SDGs is essential.
- Nepal government has to work strategically to properly utilize CSR of the private sector in SDG achievement as the private sector is one of the key pillars/partners for SDG implementation.
- Cooperatives are now in crisis; many small and medium entrepreneurs/enterprises have been dependent on financial cooperatives. As a result, either enterprises are closed or in trauma; therefore, the government has to have a rescue policy.
- The costing and financing strategy of the SDGs, and budget coding at the federal level needs also to be complemented by similar efforts at the provincial and local levels.
- The Covid-19 pandemic has the potential to reverse the trends in most of the SDGs, particularly SDG 1 (ending poverty), SDG 2 (zero hunger), SDG 8 (decent work and economic growth), SDG 10 (reduce inequalities), SDG 13 (climate action)

and SDG 17 (partnership for goals). It is, therefore, essential to realign strategies for the attainment of SDGs and fine-tune targets to reflect the new normal.

• It is required to strengthen the partnership at various levels. The collaboration within the country as well as at regional and global levels by the government institutions and the non-governmental sector must be further strengthened.

#### Way Forward

Progress in SDGs can be assured only through an effective partnership with all stakeholders - the private sector, cooperatives, NGOs and CSOs, and external development partners. However, concrete strategies for mobilizing and facilitating the multiple stakeholders in achieving specific SDG targets seem to be lacking. SDG considerations increasingly orient the mobilization, coordination and management of development cooperation. Also, external development assistance plays a significant role in key social and economic development and governance areas. The government's external development cooperation strategy needs to be oriented by government priorities with respect to SDGs.

The role of the private sector in achieving all SDGs and, more particularly, SDG 2 (zero hunger), SDG 7 (energy), SDG 8 (economic growth and employment), SDG 9 (industry, infrastructure), SDG 11 (sustainable cities) and SDG12 (responsible consumption, production) is of such significance that without energizing the private sector and developing a constructive engagement it is difficult to conceive of progress towards the set targets. SDGs call for a delicate balance between economic growth strategies, inequalities reduction and broader sharing of benefits and safeguards to protect the environment and enhance its regenerative capacity. The partnership with the private sector has to hinge on this balance.

NGOs and cooperatives have a far and wideranging reach in areas and communities where they work. Their role is most effective with regard to SDG 1 (end poverty), SDG 3 (health and well-being), SDG 4 (education), SDG 5 (gender equality), SDG 6 (water and sanitation), SDG 10 (reduce inequalities), SDG 13 (climate action) and SDG 15 (terrestrial systems). Partnerships should build on the strength of non-government and nonstate actors in creating awareness, mobilizing resources and communities, and ensuring transparency and accountability. Partnerships should build on complementarity between the government and the non-governmental sector.

Nepal's federal structure of governance rests on the principles of cooperation, coordination and coexistence between the three tiers of government. It requires that an equal and effective commitment at provincial and local levels complement the commitment and ownership of SDGs at the federal level.

The strengthened global partnership is a key to achieving the targets of SDGs. International investments and support are needed to ensure innovative technological development, fair trade and market access, especially for developing countries.

#### Conclusion

Domestic resource mobilization, the flow of development assistance, foreign direct investment, and debt sustainability are important indicators related to partnership. Domestic resource mobilization capacity has improved, as government revenue comprises 24.8 percent of the GDP, and taxes finance 74 percent of the domestic budget. Official development assistance (ODA) has also improved, but not to the extent possible, as absorptive capacity remains low. FDI flow has improved but remains low, at only 0.59 percent of GDP. The economy's reliance on remittances remains high, at 25.4 percent of GDP. Outstanding debt makes up 28.3 percent of GDP, and Nepal remains relatively comfortable. Overall, the environment for partnership remains congenial.

# **3. CONCLUSION**

#### **Overall recommendations**

- Nepal follows a federal democratic system which, in principle and practice, requires an enabling environment for CSOs to recognize the active role of CSOs and consider them as a pivotal partner in SDG implementation. However, the civic space is shrinking. It is essential that the government provide an enabling environment for CSOs in the implementation of the SDGs. CSOs led by NGO Federation of Nepal had to organize a series of events, advocate for demanding an enabling environment for NGOs in recent years, and demand regulatory bodies to facilitate rather than control. CSOs demand to eliminate such management and lengthy processes, multiple requirements by wards, Palikas, District Administration Offices, tax offices, Social Welfare Council, etc. The motive is clearly the control rather than facilitation.
- The Voluntary National Review (VNR) reports of 2017 and 2020 were largely silent on the issue of shrinking civic space for the civil society of Nepal. CSOs demand to present VNR at least two times between 2024 and 2030 and engage CSOs both in the process of VNR and on an ongoing basis. Two CSO representatives joined the HLPF as official delegates in 2020 virtually; this needs to be continued in the upcoming VNR presentations, ensuring diversified representation of marginalized communities.
- We ask for commitment to implement SDGs in coordination and harmony among all three tiers of the government to achieve a more sustainable, resilient, and inclusive recovery and address the adverse impacts of the COVID-19 pandemic and the ongoing economic crisis.
- We reaffirm the importance of accelerating the development and adopting policies to transition towards low-emission energy consumption, promoting the nationwide increased electrification standards that can facilitate declining dependency on petroleum products.
- Youths play a critical role in the implementation of the SDGs; their presence is also equally
  important in the social, economic, and political development. On the contrary, the migration
  of youth for employment in Middle Eastern countries eying for potential remittances in Nepal
  needs to be reduced in the long term, together with introducing policies and programs to
  promote other means of foreign currency income. Furthermore, increased youth migration to
  Western countries in the name of education needs to be addressed, ensuring quality education
  and employment opportunities in the country without compromising individual's freedom to
  pursue higher education abroad.
- Allocate more resources towards enhancing the quality and accessibility of healthcare facilities and ensure universal health coverage. This must include upgrading and expanding existing service sites and improving their infrastructure capacity to ensure that healthcare reaches every corner of the population, prioritizing marginalized groups on top. Moreover, it is crucial to guarantee the availability of skilled healthcare professionals, necessary equipment, and essential supplies at all primary healthcare centres.
- Nepal's Health Policy 2019 and Nepal Health Sector Strategic Plan (2023-2030) emphasize multi-sector engagement and partnerships for better health outcomes. There is also a clear focus on advancing Universal Health Coverage (UHC) and localization of the health-related SDGs. However, the implementation is still slow with limited progress; we demand to accelerate implementation, promoting multi-sectoral coordination, collaboration and partnerships.
- Despite commitments made in national and international platforms to allocate 20% of the annual budget towards education, Nepal has continuously underfunded education. We demand to revisit the budget and increase drastically to reach commitments made in national and international forums.

- The local governments should be empowered and capacitated to make their own education policies without undue influence. Furthermore, the government should expand the participation of CSOs and civil society in policy formulations, program design, and budget development beyond periodic meetings.
- Women are underrepresented in leadership positions, and their rights and priorities are often not explicitly addressed. Therefore, taking immediate action to increase women's representation in leadership is essential.
- Meaningful participation at all levels of the government must be ensured; this includes the local, provincial and federal governments. There is a massive disbalance between male and female leaders in leadership positions such as Mayor/Chair, Deputy Mayor/Vice-chair and Ward Chairs. The result of the local election 2022 shows that women's representation in terms of leadership is in a declining trend despite the increase in number. An increased number of women at leadership positions must be ensured at the election nomination phase. Capacity building of women representatives is essential to translate representation to empowerment.
- Disaggregated data should be systematically collected, processed and used to identify those who will possibly be left behind, to make focused and targeted interventions, and ensure that 'leave no one behind' is achieved.
- The government should focus on providing quality of potable water and sanitation facility to all and high consideration to marginalized population. Also, ground water level of land is decreasing due to haphazard urbanization and not considering water recharge system by households and community. Policies needs to be introduced and strictly followed to promote ground water recharging at household to community level.
- CSOs demand government to increase the continuity and reliability of electricity supply, increase demand of electricity within country by making electricity not only means of lighting but diversification of use including the massive industrial use. Furthermore, the rise of the use of electric vehicles is showing positive signal, however such use should not be limited to personal use; but should be promoted to passenger vehicle, mass transportation and industrial use.
- There is a high dependency on government data while preparing progress report on SDGs. CSOs in Nepal are systematically collecting Citizen Generated Data (CGDs) as part of the SDG monitoring from the perspective of CSOs. The CGD collected by the CSOs need to be recognized and considered as supplementary to official data.
- To address the underrepresentation of women in leadership positions, immediate action is needed to increase women's participation at all levels of government. This includes not only increasing the number of women in leadership roles but also providing capacity-building programs for women representatives to empower them effectively.
- Nepal should systematically collect, process, and utilize disaggregated data to verify progress and inclusion in government programs and overall SDG achievement. This data will help in identifying disparities and ensuring that policies and initiatives are effectively addressing gender, social inclusion, disability, and other marginalized communities' issues.

### List of Contributors to Civil Society Report on SDGs 2023

SDGs and Themes	Contributor		
Goal 1: No Poverty	Support Nepal		
Goal 2: Zero Hunger	FIAN Nepal		
Goal 3: Good Health and Well-Being	Dr Jhabindra Bhandari		
Goal 4: Quality Education	NCE Nepal		
Goal 5: Gender Equality	Beyond Beijing Committee (BBC) Nepal		
Goal 6: Clean Water and Sanitation	Binod Sharma and FEDWASUN		
Goal 7: Affordable and Clean Energy	Clean Energy Nepal		
Goal 8: Decent Work and Economic Growth	NGO Federation of Nepal		
Goal 9: Industry, Innovation and Infrastructure	Youth Advocacy Nepal		
Goal 10: Reduced Inequalities	Dalit NGO Federation		
Goal 11: Sustainable Cities and Communities	NSET		
Goal 15: Life on Land	FECOFUN		
Goal 16: Peace, Justice and Strong Institutions	GoGo Foundation		
Goal 17: Partnerships for the Goals	NGO Federation of Nepal		
Overall compilation	Suran Maharjan		

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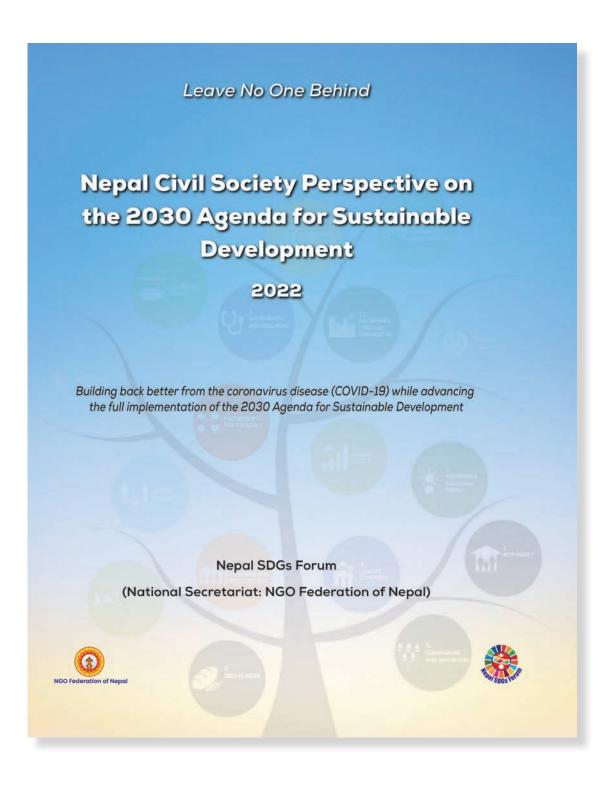
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Nepal SDGs Forum was established in 2016 as a common platform of thematic federations and networks, CSOs, I/NGOs, private sector, cooperatives, media, UN agencies, bilateral and multilateral development partners and major groups and stakeholders which aspire to contribute to achieving Sustainable Development Goals (SDGs). Nepal SDGs Forum is the only civil society platform recognized by High-Level SDG Steering Committee, Thematic Committees as well as Nepal Government's institutional mechanisms set up for implementation of SDGs. Now, more than 50 federations and alliances and over 500 organizations from across the country are the members of this Forum. This Forum comprises of organizations which have taken their specific responsibilities as Conveners, Co-Conveners, and Major Groups. In addition to the designated Conveners and Co-conveners for each goals, Nepal SDGs Forum has formed the civil society Major Groups as well as cross-cutting or thematic areas that include Youth, Women, People with Disabilities, Senior Citizens, Children, Dalit, Indigenous Communities, LGBTIQ, Farmers, Development Partners, Cooperatives, Media, Trade Unions, Private Sectors, Science and Technology. As an open forum, Nepal SDGs Forum welcomes everyone interested in SDGs to join this forum. INGOs working in Nepal are part of this forum as advisors.

Nepal SDGs Forum aims to accelerate, localize and contribute to achieving SDGs while guided by the principles of 'leaving on one behind', shared and sustained prosperity, and increased role and participation of civil society. It works in close coordination with National Planning Commission (NPC) and other state and non-state actors. By working under this Forum, various stakeholders aim to coordinate, collaborate and build synergy in influencing and impacting sustainable development. Although different organizations have their own priorities and actions, they come together under this Forum so as to impact and influence policy, coherence, harmonization as well as to create a common understanding and voice at the national and international level. They share their activities, lessons learned, priorities and way forward by meeting regularly.

NGO Federation of Nepal (NFN) facilitates in the functioning of Nepal SDGs Forum at central and province levels. Its secretariat is located at NFN at Buddhanagar, Kathmandu. As a host organization of Nepal SDGs Forum as well as the leading CSO network of Nepal, NFN functionalizes this forum, coordinates and builds synergy among CSOs, NGOs, INGOs, and establishes linkage with Government of Nepal. This has made it possible to localize the SDGs at grassroots level, while engaging with national, provincial and local level state and non-state actors and stakeholders for The 2030 Agenda for Sustainable Development.

For more information, visit: www.nepalsdgforum.org

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