



NEPAL

Sustainable Development Goals

Progress Assessment Report 2016–2019



GOVERNMENT OF NEPAL
NATIONAL PLANNING COMMISSION
KATHMANDU

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Nepal's Sustainable Development Goals
Progress Assessment Report 2016-2019

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Foreword

The 2030 Agenda for Sustainable Development is the United Nations introduced global development agenda. The 17 Sustainable Development Goals (SDGs) demand global prosperity focusing on peace and prosperity of all human kind and nature. Nepal with its firm commitment to this global development campaign, is progressing to achieve them through number of policy initiatives. The *Sustainable Development Goals: Status and Roadmap 2016-2030, SDGs Needs Assessment, Costing and Financing Strategy; Voluntary National Review Reports* of SDGs to the High-Level Political Forum of United Nations (UN-HLPF) are few of our attempts towards this noble endeavor. Nepal is also progressing in localization of SDGs at the sub-national level to fully mainstream the development aspirations of the SDGs in all tiers of the government. Four years after the adoption of this agenda, it gives me immense pleasure to bring forth the first *SDGs Progress Assessment Report 2016-2019* prepared through a collaborative effort engaging all relevant stakeholders.

The report reveals macroeconomic stability during the period with about 6.8 percent annual economic growth, reduced income poverty to 16.7 percent. This achievement is following the periodic plans that are focusing on promoting growth, employment, infrastructure, human development and resiliency. The 15th Plan (2019/20-2023/24) has been fully aligned with the SDGs and provides a clear roadmap towards prosperity over the next 25 years. The roadmap includes graduating from the least developed country status by 2022 and achieving SDGs by 2030 leading to realization of Nepal's long-term vision of a '*Prosperous Nepal, Happy Nepali*'.

The Government of Nepal is passionately internalizing the SDGs through its regular programs

and policies. The institutional mechanisms for steering the implementation of SDGs are functional at the Prime Minister-level (SDGs Steering Committee) below which is the Coordination and Implementation Committee under my leadership. The Parliamentary Committee and Thematic Committees led by the members of this commission are all working to create enabling environment. As a result of which the private sector, cooperatives and civil society are also equally contributing in promoting and ensuring the SDGs alignment in all development endeavors. We have also observed some challenges in the implementation of SDGs such as mainstreaming at subnational levels, resource mobilization, data management, coordination and monitoring & evaluation. Besides, the COVID-19 pandemic has also posed a grave challenge in achieving the SDGs. Nepal is looking at how SDGs can offer best options to refute the worst impacts of the COVID-19 and implement the recovery strategy.

The National Planning Commission would like to extend its appreciation and acknowledgement to all stakeholders namely the government ministries, provincial governments and planning/policy commissions, local governments, cooperatives, the private sectors, non-government organizations, development partners among others for their contributions, suggestions and feedback during the consultation process. We are also grateful to the UN agencies and their implementing organizations for their guidance and advice on achieving the SDGs so far.

Finally, the NPC takes this opportunity to invite all stakeholders to work together to accelerate the implementation of the SDGs in Nepal in the 'new normal' development context brought by the COVID-19 pandemic.

Prof. Dr. Pushpa Raj Kadel
Vice-Chair



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Preface

The Sustainable Development Goals is a global compact of peace and prosperity for people and the planet with the overarching goal of leaving no one behind. The goals seek to address complex and entrenched roots of social, economic and environmental problems globally. Nepal is one of the countries taking early initiatives to achieve this agenda through the implementation of SDGs and national strategic planning documents such as *Sustainable Development Goals (SDGs): Status and Roadmap 2016-2030* along with *SDGs Needs Assessment, Costing and Financing Strategy*. Nepal is also progressing in localizing SDGs at the sub-national levels to fully mainstream the development aspirations in all tiers of the government. Nepal has presented two Voluntary National Review Reports to the High-Level Political Forum of the United Nations (UN-HLPF). This SDGs Progress Assessment Report of the period 2016-2019, prepared in collaboration with all relevant stakeholders, is another milestone document to reflect Nepal's commitment to SDGs.

Nepal has achieved remarkable progress in the country's economic development with a high growth rate, and during this period poverty has reduced significantly leading to macroeconomic stability. Nepal has set an aspiration of a '*Prosperous Nepal, Happy Nepali*' with social justice in its long-term vision which includes graduating from the least developed country status by 2022 and achievement of the SDGs by 2030.

The current 15th Plan (2019/20-2023/24) is fully aligned with the SDGs and provides a clear roadmap towards prosperity. Other development instruments such as annual budgets, sectoral strategies and medium-term expenditure framework are also mainstreamed with the SDGs and are maintained by the planning, monitoring and evaluation guidelines. The SDGs steering committee chaired by Rt. Hon Prime Minister steer and guide for SDGs implementation where the public, private and cooperative sector, and civil societies are working together to promoting and ensuring the SDGs alignment in all development endeavors.

The COVID-19 pandemic has brought an unprecedented situation in the country's socio-economic front challenging the achievements of SDGs. Nepal is exploring ways to minimize its multifaceted impacts by implementing the recovery strategy with the help of SDGs.

I am confident that this progress report will help to exchange our home-grown efforts to achieve SDGs so far in a wider community extensively. I take this opportunity to thank the SDGs Progress Assessment Report Quality Circle and all stakeholders for their contribution to our national SDGs commitment and expect the fullest cooperation to accelerate the implementation of this in the COVID-19 era.

Min Bahadur Shahi
Member and Convener
SDGs Progress Report Quality Circle



Acknowledgement

This report presents a comprehensive analysis of Nepal's efforts during the first four years of Sustainable Development Goals (SDGs) implementation assessing the achievements against 169 targets and 479 indicators individually. Analyzing both macro and micro socio-economic situation, the report reveals Nepal is progressing towards right direction steadily in attaining them and improving environment for addressing many of the SDGs concerns in Nepal. The report has also identified some critical areas especially database and the institutional mechanisms to accelerate the implementation along with key issues and challenges faced and recommended key policies and strategies to steer the SDGs progress in the remaining years.

This report is prepared by the National Planning Commission of the Government of Nepal under the leadership of the Vice-Chair, Prof. Dr. Puspa Raj Kadel.

Member of the NPC Min Bahadur Shahi steered the preparatory phase leading the quality circle group which provided policy guidance, facilitated the participatory process of consultations, and provided technical inputs during preparation of this report. Similarly, other members of the commission Prof. Dr. Krishna Prasad Oli (energy, water resources and irrigation, forest and environment, law, justice and parliamentary affairs), Dr. Usha Jha (education, science and technology, health and population), Dr. Dil Bahadur Gurung (agriculture, land management and cooperatives, poverty alleviation, water supply and sanitation), Dr. Ram Kumar Phuyal (industry, commerce and supply, culture, tourism and civil aviation, labor, employment and social security, statistics) and then member Er. Sushil Bhatta (physical infrastructure and transport,

urban development, public private partnership, new projects/ project bank) provided their insightful guidance during the preparation of this report. Member-Secretary Kewal Prasad Bhandari contributed to materialize the progress by bringing together diverse representatives from all relevant government departments, the private sector and civil society.

Renowned professionals involved in preparing this report. Dr. Shiva Raj Adhikari led the team of professionals where Dr. Padma Prasad Khatiwada, Vijay Raj Paudel and Damodar Gnawali as sectors specialists drafted the preliminary report. Former vice chair of NPC Dr. Pitambar Sharma contributed to shape the report in this form and Dr. Swarnim Wagle provided feedback on this report as a peer reviewer.

The Joint Secretary Khomraj Koirala and program directors Yadu Nath Acharya, Dr. Chakra Pani Acharya, and Dr. Narayan Raj Poudel are highly acknowledged for their overall coordination and technical contributions. Joint secretaries Biju Kumar Shrestha, Dr. Kiran Rupakhetee, Kishor Joshi, Suman Raj Aryal and Dr. Basudev Sharma are acknowledged for their contributions. NPC gratefully recognizes the contributions of all secretaries, joint secretaries and other officials from the line ministries involved in the consultation process. Pushpa Lal Shakya, Padam Bhusal, Dr. Menuka Karki and Keshav Dawadi also contributed to bring the report in this shape.

NPC also acknowledges the generous contribution of UNDP and European Union country offices for their technical and financial assistance in the preparation of this report through the project "Accelerating Implementation of SDGs in Nepal" housed at NPC.

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Abbreviations and Acronyms

AHS	Annual Household Survey
CBS	Central Bureau of Statistics
CEDAW	Convention on the Elimination of all Forms of Discrimination against Women
CSO	Civil Society Organization
EMIS	Education Management Information System
EPR	Employment to Population Ratio
EvalNet	Evaluation Networking
FDI	Foreign Direct Investment
GDP	Gross Domestic Product
GESI	Gender Equity and Social Inclusion
GHG	Greenhouse Gas
GHI	Global Hunger Index
GNI	Gross National Income
GNDI	Gross National Disposable Income
GoN	Government of Nepal
HDI	Human Development Index
HDR	Human Development Report
HIV/AIDS	Human Immunodeficiency Virus/Acquired Immunnodeficiency Syndrome
HMIS	Health Management Information System
IMR	Infant Mortality Rate
INGO	International Non-governmental Organization
KISAN	Knowledge-based Integreted Sustainable Agriculture and Nutrition
KWh	Kilowatt-hour
LDC	Least Developed Country
LNOB	Leaving No One Behind
M&E	Monitoring and Evaluation
MDAC	Ministrial Development Action Committee
MDGs	Millennium Development Goals
MIS	Management Information System
MMR	Maternal Mortality Ratio
MOF	Ministry of Finance
MOWCSC	Ministry of Women, Children and Senior Citizens
MSME	Micro, Small and Medium Enterprise
MSNP	Multi-Sectoral Nutrition Plan
MTEF	Medium Term Expenditure Framework
MW	Mega Watt
NAP	National Adaptation Plan
NER	Net Enrolment Rate
NDHS	Nepal Demographic Health Survey
NDR	National Disaster Report
NGO	Non-governmental Organization

NHSS-IP	National Health Sector Strategy Implementation Plan
NLFS	Nepal Labour Force Survey
NMICS	Nepal Multiple Indicator Cluster Survey
NMPI	Nepal Multi-dimensional Poverty Index
NPC	National Planning Commission
NRs	Nepalese Rupees
NUDP	National Urban Development Strategy
ODA	Official Development Assistance
ODF	Open Defecation Free
PPP	Purchasing Power Parity
SABAL	Sustainable Action for Resilient and Food Security
SDGs	Sustainable Development Goals
SDG ICC	Sustainable Development Goal Implementation and Coordination Committee
UNDP	United Nations Development Programme
UNESCO	United Nations Educational, Scientific and Cultural Organization
USD	United States Dollar
VNR	Voluntary National Review
WASH	Water, Sanitation and Hygiene
WB	The World Bank

Executive Summary

1. The Sustainable Development Goals 2016-30 are a global call to action to end poverty, protect the planet and the environment, and ensure global peace and prosperity. Their 17 goals, 169 targets and 232 indicators seek to address not just the manifestations, but the complex and entrenched roots of the economic, social and environmental problems of the contemporary world. The SDGs represent the most ambitious compact ever undertaken by the global comity of nations.

2. Nepal was one of the countries that took an early lead in launching the national SDG roadmap. The SDG Status and Roadmap 2016-30, and the Needs Assessment, Costing and Financing Strategy set out goals, targets and indicators as well as the policy and financing strategies to achieve the SDG goals by 2030. The Constitution of Nepal 2015 incorporates many of the SDGs, and the vision of the 15th Plan (2019/20–2023/24) is built around the SDGs' gradual achievement. All major sectoral strategies are aligned to the SDGs.

3. A total of 494 indicators (479 without repetition) have been proposed for monitoring and evaluation of the SDGs in Nepal. Of these, only 35 percent of the indicator's data value are available on a regular, periodic basis, while another 55 percent is expected to be available through census, surveys and administrative records. Remaining 10% data value for tier three indicators are not available. For this assessment, data are

available for only 218 (or 44 percent) indicators. Major data gaps are with respect to Goal 2 (Hunger), Goal 6 (Water), Goal 9 (Industry, infrastructure), Goal 11 (Cities), Goal 12 (Consumption and production), Goal 13 (Climate) and Goal 17 (Partnership).

4. Even with respect to available data, there are problems related to periodicity, disaggregation, standardization, reliability and quality assurance. Strengthening of the data base emerges as a major challenge in monitoring the SDGs. Formally, the institutional mechanisms for SDG implementation and monitoring are in place, but an effective periodic monitoring system does not seem to be functional. Summary assessment is made on the basis of progress in priority indicators, which are deemed significant in the achievement of the SDGs.

5. **SDG 1- End Poverty:** Nepal's progress in reducing poverty has been remarkable. Population living below USD1.9 is 15 percent. Per capita GDNI has increased well beyond expectations. The Multidimensional Poverty Index has dropped to 28.6 percent and the proportion of the population below the national poverty line stands at 18.6 percent. There has been a steady decline in levels of poverty nationwide, although regional and ethnic differences continue to exist. The population covered by a social protection system has more than doubled since 2015. But these achievements can easily be overtaken by the impact of Covid-19, as it is likely to push those in the

margins – and even above poverty – back below the poverty line. The structural roots of poverty need to be addressed through programmes to enhance the increased access and control of the poor over resources and assets.

6. **SDG 2- Zero Hunger:** Although progress in per capita food grain production has been satisfactory, the food security index shows a score of 46. The Global Hunger Index score for Nepal indicates a serious level of hunger. The malnutrition situation does not seem to be getting better, with the incidence of stunting, wasting, underweight, and anaemia among women as well as children under 5 remaining at precarious levels. The infrastructure for food production (agriculture and irrigated land, government expenditure on agriculture) does not show the level of expected development. Progress in SDG 2 has been slow, notwithstanding the fact that it is a high priority goal.

7. **SDG 3- Healthy Lives and Well-being:** Maternal mortality remains still high but the progress on proportion of births attended by skilled health personnel is satisfactory. The incidence of tuberculosis, malaria, kalaazar, dengue, and trachoma continue to remain high. The number of new HIV infections has declined. There have been some improvements, but overall the coverage of essential health services, including antenatal and postnatal protocols, delivery, vaccination, and screening, has not expanded at the rate it should have. Information of mortality from non-communicable diseases is scant and needs to be regularly collected and updated. The suicide rate is higher at 17.8/100,000 population, which indicates the extent of underlying mental health issues. Total health sector expenditure as a percentage of GDP remains low. Progress in SDG 3 remains much slower than expected and there is a need to review policy and programmes with respect

to institutions, human resources and logistics at different levels, outreach, and effective delivery of services.

8. **SDG 4- Inclusive Quality Education:** There has been progress in enrolments (primary 97.2 percent), ratio of girls to boys, and in primary completion rates (89.5 percent) and continuation rates but these achievements remain below expectations. Learning achievement outcomes remain extremely poor (Maths 35%, Nepali 34%, English 41%). Gross enrolment in ECD has also improved, but is short of expectations. There have been improvements in the ratio of girls' enrolment, and technical and vocational and tertiary education, but the coverage of vocational education itself is too limited. The proportion of the working age population with relevant skills for employment is improving, but remains low (31 percent). The Gender Parity Index for primary and secondary school enrolment is getting better, at 1.05 and 0.95 respectively. Data on literacy and numeracy in general is not available. Public spending in education is much lower than expected and needs to be improved. Overall, there has been important progress in SDG 4, but rapid improvements are needed – particularly in learning outcomes, quality of teaching, expansion of vocational education and general literacy and numeracy.

9. **SDG 5- Gender Equality:** While gender empowerment measures show improvement, inequality in wages continues. There has been little progress on violence against women and children. Cases of child marriages has been declining. The women's labour force participation rate remains much lower than that of men. There has been significant progress in women's representation in elected positions – from the national parliament to local governments and in public service decision-making. There has also been improvement in

women's participation in private sector decision-making (NEC, 2018). There has been a rise in women entrepreneurs and one third of women had secured ownership of property. The legal framework for gender equality has favoured women, but equality remains more elusive in the workplace.

10. **SDG 6- Clean Water and Sanitation:** Only 21 percent of the population has access to safe drinking water, although basic water supply coverage is 88 percent. There has been a significant improvement in sanitation, with 85 percent of the population using toilets. There is no sufficient data for important parameters on water quality, water use efficiency and protection of water-related ecosystems. On industrial waste water, there has been slow progress, as 95 percent of waste water remains untreated. In spite of much policy attention, progress in the WASH sector, it needs further improvements. Also, the sustainability of existing systems is an issue that needs to be addressed.

11. **SDG 7- Affordable and Clean Energy:** Proportion of population with access to electricity is now 88 percent, per capita energy consumption is 20 gg, electricity consumption overall has gone up to 260 KWh and installed hydro-electric capacity is 1,250 MW – all indicating that there continues to be progress in the right direction. But use of primary solid fuel and LPG continues to remain high and the share of renewable energy in final energy consumption remains a mere 5 percent. Clean energy generation and use is improving, but has to be reflected in expanded end usage in households and in the transport sectors.

12. **SDG 8- Decent Work and Economic Growth:** Annual growth rate of real GDP per capita has remained above 5.6 percent, but the problem of sustaining even a moderate level of growth in the next few

years seems an uphill task in view of the Covid-19 pandemic. Informal employment is over 81 percent in the agricultural sector. Youth underemployment seems to have decreased to around 21 percent but sectoral data is not available. There has been no improvement in the situation of child labour. The growth in the tourism sector in terms of arrivals, revenue, contribution in GDP and employment has been slower and the pandemic is likely to worsen the situation. However, the capacity of financial institutions has been considerably enhanced. On the key concerns of increased economic growth and employment growth, there is a clear need for concerted policy and programme attention.

13. **SDG 9- Industry, Innovation, Infrastructure:** The road density has been increasing but still low compared to other countries, and the infrastructure gap is huge. Industrial sector growth has remained slow. There has been no improvement in the industry's share in GDP and manufacturing value added. Research and development accounts for only 0.3 percent of the GDP and the level of innovation is extremely low. There has been progress in enrolment in science and technology. There is limited data on many important indicators including industrial infrastructure clean technologies etc. There is a clear need to strengthen the data base.

14. **SDG 10- Reduce Inequalities:** Major parameters on reducing inequalities show significant progress. The Gini coefficient of consumption inequality stands at 0.30. The share of the bottom 40 percent for consumption as well as income has improved, as have indicators of social, economic and political empowerment. Horizontal inequalities in primary education have also decreased, although not so much with respect to child health. Globally, financial soundness measured by Global Com-

petitive Index and Doing Business Index also have improved. In terms of reducing inequalities, progress has been steady and even strong.

15. **SDG 11- Sustainable Cities and Communities.** The share of squatter population remains low and households living in safe houses has improved. Those living under thatched roofs has declined. Parameters for urban air pollution show that the situation has worsened. The information base on sustainable cities is quite inadequate. There is no sufficient data on important indicators related to urban infrastructure and green spaces, planning and resilience. Comprehensive policy and strategies have been formulated in the urban sector and some initiatives are being translated into implementable programmes.

16. **SDG 12- Sustainable Consumption and Production:** On domestic material consumption, the use of fossil fuel as a percentage of total energy consumption has increased and remains at 15 percent. Consumption of wood per capita has also increased. There has been little or no progress on recycling and reuse of material. There are no data on food waste, post-harvest loss, sustainable production and procurement or strengthening of scientific and technological capacity. Policies for food safety and regulation of industrial production are in place, but follow up remains poor.

17. **SDG 13- Climate Action:** The adaptation plan (national, local and community level) preparation and implementation have been progressing well. Sixty-eight 68 local adaptation plans and 342 community level adaptation plans are under implementation. Overall, progress in integrating climate change into all development policies and programmes remains slow for lack of requisite awareness. The data base on climate change impacts has to be strengthened.

18. **SDG 15- Life on Land.** Forests comprise 44.7 percent of the land area, protected areas make up 23.4 percent, and nearly 43 percent of forests are under community management. Progress on ecosystem and forest management has been encouraging. The natural habitats of key flagship species have been improved, indicated by the increasing number of tigers and rhinos. There has been no progress on combating desertification and restoration of degraded land. Also, vulnerable ecosystems, such as the Chure, remain threatened due to encroachment and degradation.

19. **SDG 16- Peace, Justice and Strong Institutions.** There has been an overall reduction in violence, and the incidence of sexual violence shows a declining trend. Child trafficking has declined although aggression against children remains high. Transparency, accountability and good governance scores have not improved although people's perception of corruption has declined. The proportion of decision-making positions held by women in public institutions is gradually improving. The birth registration rate of children under five years remained 77.2 % with civil authority. There are three independent human rights institutions to oversee human rights issues. There are constitutional and legal provisions for ensuring justice and the rule of law. Swift access to justice and institutional capacity for fair dispensation of justice still requires more attention.

20. **SDG 17- Partnership for Sustainable Development.** Domestic resource mobilization capacity has improved as government revenue comprises 24.8 percent of the GDP and 74 percent of domestic budget is financed by domestic resources. Overseas Development Assistance has also improved, but not to the extent possible as absorptive capacity still remains low. FDI flow has improved, but remains low at only 6.2 percent of GDP. The economy's reliance

on remittances remains quite high, at 25.4 percent relative to the GDP. Outstanding debt makes up 30.3 percent of GDP and Nepal remains in a relatively comfortable position. Overall, the environment for partnership remains quite congenial.

21. On the basis the achievement in priority indicators for which data is available, the progress in SDGs can be grouped into four categories.

SDG 1 (ending poverty) and SDG 10 (reducing inequalities), progress has been quite satisfactory as poverty continues to decline and horizontal inequality in basic indicators tends to decline.

SDG 4 (inclusive quality education), SDG 5 (gender equality), SDG 7 (clean energy), SDG 15 (terrestrial system) and SDG 17 (partnership for sustainable development), progress has remained moderate, i.e., efforts are yielding some results.

The progress in seven goals – SDG 2 (zero hunger), SDG 3 (healthy lives and well-being), SDG 6 (water and sanitation), SDG 8 (decent work and economic growth), SDG 11 (sustainable cities), SDG 12 (climate action), and SDG 16 (peace and justice) – has remained slow and needs to be expedited.

Two goals – SDG 9 (industry and infrastructure) and SDG 12 (responsible consumption and production) – there has, in effect, been no progress at all.

22. Specific areas for priority action with respect to each goal have been identified and will be used as a guide for the next period of SDG implementation and monitoring. Overall, some critical areas have been identified to strengthen the database and the institutional mechanisms that have been put in place.

23. These include a comprehensive review of the database to revise, update the indicator list with assured data source. At present, there is data gap for 276 of the 479 indicators taken to monitor SDGs. In upcoming censuses and surveys will address the data gap.

24. SDG Implementation and Coordination Committee and respective Thematic Committees will proactively prepare periodic reports of SDG progress and present the reports to the Steering Committee chaired by the Prime Minister for policy guidelines, facilitating partnership and overseeing the financial, human and technical resources required for SDG implementation. This will help to put the SDG upfront in Nepal's development agenda and action.

25. Other areas that we need adequate consideration are a robust integration of the SDGs in sectoral plans, programmes and evaluation; localization of SDGs at provincial and local levels as a matter of priority attention; developing effective partnership with all relevant stakeholders, including United Nations agencies, development partners, private sector and CSOs by working together and defining the roles and responsibilities in more concrete terms with respect to each SDG, and ensuring that the costing and financing strategy of the SDG is adequately reflected in the annual budgets.

26. The COVID-19 Pandemic has the potential of not only delaying, but effectively reversing the positive trends in most SDGs, particularly SDG 1 (Ending Poverty), SDG 2 (Zero Hunger), SDG 3 (Healthy Lives), SDG 4 (Quality Education), SDG 8 (Decent Work and Economic Growth), SDG 10 (Reducing Inequalities), and SDG 17 (Partnership for Sustainable Development). It may therefore, be essential to realign strategies for the attainment of SDGs and fine-tune targets in the context of Nepal to reflect the new-normal.



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Chapter I

Background and Context

1.1 Introduction

Some 193 countries came together in September 2015 to agree on a global development agenda - Agenda 2030 Sustainable Development Goals (SDGs)- for the period 2016–2030. It was a call to action to end poverty, protect the planet and the environment and ensure global peace and prosperity. SDGs were conceived as a pathway to global prosperity that is socio-economically inclusive, economically and financially robust, environmentally sound, and politically achievable. It is based on the belief that a sustainable future for human being is possible only with a global commitment to the elimination of poverty and deprivation, the fostering of social cohesion and mobility, the reduction of inequalities, the end of all forms of discrimination within and across societies, and the recognition of a moral obligation to preserve the planet's environment and ecosystem in order to ensure the survival and sustenance of our species.

The SDGs are a logical follow-up to the Millennium Development Goals (MDGs). The MDGs were implemented between 2001 and 2015 and were a global compact with thematically specific, time-bound, monitorable and quantified targets. Nepal's MDGs Final Status Report reveals that full or substantive achievements were made with respect to Goal 1 (reduce extreme poverty and hunger), Goal 3 (gender equality), Goal 4 (reduce child mortality), Goal 6 (com-

bat HIV/AIDS, malaria, tuberculosis) and Goal 7 (environmental sustainability), and partial achievements were made with respect to Goal 2 (universal primary education). Globally, the MDGs were successful in bringing the global community together and in making substantive progress in the achievement of targets within and among countries.

While building on the MDGs, the SDGs expand both the scope and comprehensiveness of the goals and targets. The SDGs define 17 goals and 169 targets to attain those goals, and 232 indicators to measure the achievement of targets. The SDGs seek to address not just the manifestations but also the complex and entrenched roots of the economic, social and environmental problems of the contemporary world. In that sense, the SDGs represent the most ambitious compact ever undertaken among nations and societies. The ambition of the SDGs is to leave no one behind globally and in each country, region and community.

Most goals and targets of Agenda 2030 are neither new nor novel. Many countries, including Nepal, have been pursuing policies intended to achieve those goals. What makes the SDGs unique is the integrated nature of the agenda and the interdependence of goals where progress in one has implications for the attainment of others. These relationships across goals and targets demand a compre-

Nepal was one of the countries that took an early lead in launching the national SDG roadmap. The SDG Status and Roadmap 2016-30, and the Needs Assessment, Costing and Financing Strategy set out goals, targets and indicators as well as the policy and financing strategies to achieve the SDG goals by 2030.

Sustainable Development Goals

1. End poverty in all its forms everywhere
2. End hunger, achieve food security and improved nutrition and promote sustainable agriculture
3. Ensure healthy lives and promote well-being for all at all ages
4. Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all
5. Achieve gender equality and empower all women and girls
6. Ensure availability and sustainable management of water and sanitation for all
7. Ensure access to affordable, reliable, sustainable and modern energy for all
8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all
9. Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation
10. Reduce inequality within and among countries
11. Make cities and human settlements inclusive, safe, resilient and sustainable
12. Ensure sustainable consumption and production patterns
13. Take urgent action to combat climate change and its impacts
14. Conserve and sustainably use the oceans, seas and marine resources for sustainable development
15. Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss
16. Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels
17. Strengthen the means of implementation and revitalise the global partnership for sustainable development.

hensive and coordinated institutional approach to their achievement.

SDGs are interlinked, but five broad thematic concerns can be discerned. Goals 1, 2, 6 and 7 revolve around issues of **poverty and deprivation (basic mark of civilization)**. Basic **social services (exercise of human capabilities and agency)**, mainly health and education, are incorporated in Goals 3 and 4. Concerns of **equality, inclusion and justice (higher human aspiration)** are reflected in Goals 5, 10 and 16. Overarching issues of **economic growth, employment, infrastructure and patterns of consumption and production (means of sustained progress)** are mirrored in Goals 8, 9, 11 and 12. And Goals 13, 14 and 15 deal with broader national as well as global concerns of **environment, cli-**

mate change (threats for future prosperity), Goal 17 concerns strengthening the means of implementation without which sustainable development cannot be achieved. All the goals with the exception of Goal 14 (Oceans and marine resources) are of direct relevance to Nepal. The goals elucidate the social (Goals 1, 2, 3, 4, 5), economic (8, 9, 10, 12, 17), environmental (6, 7, 11, 13, 14, 15) as well as the governance, peace, justice and security (Goal 16) dimensions of the SDGs.

I.2. Nepal's Engagement with SDGs

Nepal is among the countries taking an early lead in launching the national SDGs road map and adapting the global targets in the

country context. The NPC report, *Sustainable Development Goals, Status and Roadmap 2016-2030*, takes stock of the status of Nepal with respect to the SDGs and presents a roadmap for the achievement of SDGs by 2030. Tentative targets by indicators were set for the phase-wise achievement of the SDGs for the years 2019, 2022, 2025 and 2030. The intermediate milestones coincide with the end of the 14th Plan (2019), Nepal's expected graduation from LDC status (2022), and the long-term vision of a trajectory of accelerated economic growth (2025) over time. The report makes a preliminary identification of 494 indicators (479 indicator without repetitions) at the national level and notes the paucity of data with respect to some essential indicators.

The roadmap identifies priorities with respect to the goals, outlines broad policy instruments for intervention, project investment requirements, and lays down the institutional infrastructures required for implementation. It also highlights issues with respect to data availability, disaggregation and standardization as well as the prioritization of goals. It recommended SDGs needs assessment for costing and financing strategies, incorporation of SDGs in federal, provincial and local level plans, and resource mobilization & partnership among different stakeholders for achieving targets of the SDGs.

The *Needs Assessment, Costing and Financing Strategy for Sustainable Development Goals* was prepared by the NPC in 2017. The document has identified specific interventions required for the implementation of SDG targets; estimated financial requirements in major SDG areas; outlined an SDG financing strategy; and identified policies and institutions necessary for the implementation of SDGs. For purposes of costing, the SDGs were grouped into 13 clusters (poverty; agriculture; health;

education; gender water/sanitation; electricity; labour and tourism; transport, industry, information & communication technology; urban infrastructure; climate change, forest and governance system) that broadly coincided with the operational sectoral agencies of the government aligned with specific SDG targets and indicators.

1.2.1 Constitution of Nepal 2015

The endorsement of SDGs in the development agenda of Nepal corresponded with the promulgation of the new Constitution of Nepal in 2015. The Constitution marks Nepal's transition from a unitary state to a federal republic and brought a fundamental paradigm shift in the systems, structures and functioning of subnational governance. It devolves substantive development and service delivery responsibilities to province and local governments. The constitution envisages a non-hierarchical relationship of the federal, province and local governments based on the principles of coordination, cooperation and coexistence.

The Constitution of Nepal enshrines several SDGs as fundamental rights of citizens or as directive principles of state policies. For instance, basic and secondary education, basic health, clean water and sanitation, food, clean energy and housing are stated as fundamental constitutional rights; they also form the core of the SDGs. Several of these constitutional rights fall under the jurisdictions of provincial and local governments as their exclusive domain or as concurrent responsibilities of federal, provincial, and local governments. SDGs also provide a framework for planning within the different levels of government. This makes localization of SDGs at province and local levels of fundamental and critical importance for universal, equitable and inclusive outcomes to ensure that *no one is left behind*.

1.3. Mainstreaming SDGs in Planning Process

1.3.1 The 14th Plan

The launch of the 14th Plan (2016/17–2018/19) also marked the first year of the SDGs' internalization in the development planning process. SDGs were taken into consideration in prioritizing programmes and projects and in allocating resources in the 14th Plan. The five priority development strategies of the Plan – infrastructure (Goals 6,7,9,11), social sector (Goal 3, 4), economic sectors (Goals 1, 2, 8, 9, 10, 12), governance (Goals 16, 17) and cross-cutting issues (Goals 5, 13, 15) – were broadly tied to specific SDGs. SDGs codes were assigned to projects and programmes in the budget as a means of internalizing the SDGs in the planning process. The medium-term expenditure framework for the plan accorded high priority to programmes and projects that contributed to the speedy periodic achievement of the SDGs. A more comprehensive and consistent correspondence of the outcome of proposed programmes to the needs of the SDGs is expected in the 15th Plan.

1.3.2 Long-term Vision and the 15th Plan

The 15th Plan (2019/20–2023/24) is anchored on a long-term development vision reflected in the slogan *Prosperous Nepal, Happy Nepali*. The vision is to graduate from the least developed country status by 2022, eradicate multidimensional poverty, attain the SDGs, reach the level of a middle-income country by 2030, and achieve all round prosperity and happiness by 2043.

The vision for *prosperity* includes four goals viz. accessible modern infrastructure, full utilization of human capital potential, high and sustainable production and productivity and high and equitable national income.

Similarly, *Happiness* includes six goals viz. well-being and decent life; safe, civilized and just society; balanced environment; good governance; strengthened democracy and national unity; and security and dignity. Strategies for the attainment of prosperity and happiness have also been spelled out in the long-term vision.

The 15th Plan is expected to lay the foundations for *prosperity* through (i) provision of accessible, quality infrastructure, employment growth, sustainable and inclusive economic growth and alleviation of poverty; (ii) provision of quality health and education, balanced environment, social justice and accountable public services to enhance the life and livelihood of citizens; and (iii) protection of the national interest through social-economic transformation, and development of an independent national economy. Strategies for (a) economic and employment growth; (b) accessible and quality education and health; (c) connectivity and sustainable urbanization; (d) increase production and productivity; (e) comprehensive and productive social security and protection; (f) creation of a just society through poverty alleviation and promoting social-economic equity; (g) conservation and mobilization of natural resources; and (h) strengthening of public services, regional balance and national unity, have also been spelled out.

Strategies related to economic growth and employment, resilient infrastructure, industrialization, sustainable urbanization and sustainable consumption and production address SDGs 8, 9, 11 and 12. SDGs 5, 10 and 16 are addressed by strategies related to gender equality, good governance, and social protection. SDGs 1, 2, 6 and 7 are the focus of strategies to end poverty and hunger, ensure WASH and clean modern energy. SDGs 3 and 4 are addressed by strategies on accessible quality health and education.

SDGs 13 and 15 are addressed by strategies dealing with protection of nature and the environment. The intent of SDG 17 is reflected in the partnership between all the stakeholders including the international development partners and the global community at large.

Major target and indicators of *prosperity* expected to be attained by the end of the 15th Plan include annual economic growth rate of 10.3 percent, per capita income of USD1595, reduction of poverty level to 9.5 percent, asset ownership based Gini-Coefficient of 0.29, average life expectancy of 72 years, maternal mortality ratio of 99 per 100,000 live births, literacy rate of 90 percent, net primary level enrolment of 99.5 percent, 95 percent accessibility to road, 99 percent accessibility to electricity, basic drinking water availability for 99 percent, 5,000MW of hydropower installed capacity, among others.

Major targets and indicators for *happiness* expected to be attained by 2024 include HDI of 0.624, reduced MPI of 13 percent (incidence), 89 percent of households having own houses, GDI of 0.963, Social security budget 13.7 percent of national budget and increased rule of law index to 0.58, among others. This Plan captures the overall aspiration of ‘leave no one behind’ through various strategies and policies as well as replicating the SDGs indicators in its result framework.

1.3.3 Alignment of Long-term Sectoral Plans and Strategies with SDGs

An important aspect of mainstreaming the SDGs in the planning process is the alignment of SDGs with ongoing long-term sectoral plans and strategies. During 2016/17, under an initiative of NPC, a total of 11 specific long-term sectoral plans/strategies – including agriculture development, school sector development, health sector strategy, zero hunger action plan, forest sector

strategy, national conservation framework, WASH sector development plan, road plan and strategy, national tourism strategy, national energy strategy and climate change policies – have been aligned with SDGs and their targets.

1.3.4 Mainstreaming SDGs in Sub-national Plans and Programmes

Meanwhile, the NPC has prepared model planning guidelines for the provincial and local level and monitoring and evaluation guidelines for the provincial level. Localization and mainstreaming of the national SDGs at the provincial and local levels is a challenging task in view of the new institutional structures at these levels and problems related to data availability and quality. As a first step, the national SDG targets will be mainstreamed and localized in the context of each province. This will facilitate the localization of SDGs in terms of plans and programmes and will also engage provincial governments in local SDG implementation. To date, preliminary baseline reports have been prepared for two provinces.

1.3.5 SDG Indicators and Data Gaps

The SDG status and roadmap report proposed a preliminary list of 494 (479 without repetition) indicators for monitoring and evaluation of SDGs including 237 (with repetition) global indicators. The report also noted that not all global indicators were applicable to Nepal, and that to measure SDGs achievements in the country context, additional indicators will be necessary. In the process of mainstreaming SDGs at the province and local level additional indicators are necessary to meaningfully monitor and measure SDGs targets. The number of indicators by goals is presented in Table 1. The classification of these indicators by the availability of data in terms of the tier 1 (clarity, standard methodology, regularly produced);

tier 2 (clarity, standard methodology, not regularly produced); and tier 3 (no standard methodology, being developed, no data) is presented in Table 2. The table shows that out of the total number of indicators only 35 percent were available on a regular periodic basis, 55 percent were available through surveys, etc, but were not regularly produced, and that no data are currently available for the remaining 10 percent of indicators.

The SDGs' essence lies in the ability to establish baseline status for indicators, and monitor these periodically. The SDG Status and Roadmap Report noted significant data gaps for the baseline period, no data were available for nearly 100 of the initial 232 global indicators. Major data gaps were seen with respect to Goals 2 (hunger), 9 (industry, infrastructure), 12 (responsible consumption and production), 13 (climate action) and 15 (life on land). Periodicity

Table 1. Nepal: Indicators of Sustainable Development Goals, 2019

	Goals	Target	Indicators		
			Global	Added by Nepal	Total
1	End poverty (End poverty in all its forms everywhere)	7	13	17	30
2	Zero hunger (End hunger, achieve food security and improved nutrition and promote sustainable agriculture)	8	14	18	32
3	Healthy lives and well-being (Ensure healthy lives and promote well-being for all at all ages)	13	28	32	60
4	Inclusive and quality education (Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all)	10	12	32	44
5	Gender Equality (Achieve gender equality and empower all women and girls)	9	14	22	36
6	Clean water and sanitation (Ensure availability and sustainable management of water and sanitation for all)	8	11	14	25
7	Affordable and clean energy (Ensure access to affordable, reliable, sustainable and modern energy for all)	5	6	9	15
8	Decent work and economic growth (Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all)	12	16	14	30
9	Industry, innovation and infrastructure (Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation)	8	12	8	20
10	Reduced inequalities (Reduce inequality within and among countries)	10	14	13	27
11	Sustainable cities and communities (Make cities and human settlements inclusive, safe, resilient and sustainable)	10	14	16	30
12	Responsible consumption and production (Ensure sustainable consumption and production patterns)	11	13	14	27
13	Climate action (Take urgent action to combat climate change and its impacts)	5	8	16	24
14	Life below water (Conserve and sustainably use the oceans, seas and marine resources for sustainable development)	10	Not relevant for Nepal		
15	Life on land (Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss)	12	14	17	31
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)	12	24	7	31
17	Partnership for sustainable development (Strengthen the means of implementation and revitalize the global partnership for sustainable development)	19	24	8	32
Total		169	237	257	494 (...)

Table 2. SDGs by Goals, Targets and the Nature of Data Availability 2019

	Goals	Target	Indicators			
			Tier I	Tier II	Tier III	Total
1	End poverty (End poverty in all its forms everywhere)	7	11	18	1	30
2	Zero hunger (End hunger, achieve food security and improved nutrition and promote sustainable agriculture)	8	12	16	4	32
3	Healthy lives and well-being (Ensure healthy lives and promote well-being for all at all ages)	13	31	25	4	60
4	Inclusive and quality education (Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all)	10	23	19	2	44
5	Gender Equality (Achieve gender equality and empower all women and girls)	9	17	19	0	36
6	Clean water and sanitation (Ensure availability and sustainable management of water and sanitation for all)	8	9	14	2	25
7	Affordable and clean energy (Ensure access to affordable, reliable, sustainable and modern energy for all)	5	9	6	0	15
8	Decent work and economic growth (Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all)	12	11	16	3	30
9	Industry, innovation and infrastructure (Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation)	8	11	8	1	20
10	Reduced inequalities (Reduce inequality within and among countries)	10	4	22	1	27
11	Sustainable cities and communities (Make cities and human settlements inclusive, safe, resilient and sustainable)	10	6	21	3	30
12	Responsible consumption and production (Ensure sustainable consumption and production patterns)	11	7	7	13	27
13	Climate action (Take urgent action to combat climate change and its impacts)	5	1	18	5	24
14	Life below water (Conserve and sustainably use the oceans, seas and marine resources for sustainable development)	10	-	-	-	-
15	Life on land (Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss)	12	7	21	3	31
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)	12	3	26	2	31
17	Partnership for sustainable development (Strengthen the means of implementation and revitalize the global partnership for sustainable development)	19	12	13	7	32
Total (Including Goal 14)		169	174	269	51	494

Three different tiers of indicators according to UN classification are:

- o **Tier I:** Indicator is conceptually clear, has an internationally established methodology and standards are available, and data is regularly produced by countries.
- o **Tier II:** Indicator is conceptually clear, has an internationally established methodology and standards are available, but data is not regularly produced by countries.
- o **Tier III:** No internationally established methodology or standards are available yet for the indicator, but methodology/standards are being developed.

(frequency and timeliness), disaggregation (by sex, age, ethnicity, administrative unit, location, income group) standardization (definition, measurement, methodology) reliability and quality assurance are problems associated with available data. For example, the population census (demographic and household facilities data), agriculture census (holding size, crop production, productivity), labour force survey (labour force, employment), household budget survey (household consumption, price index) takes place every 10 years. Industrial census (industry and manufacturing inventory, investment, output), Living Standard Survey (economic, social characteristics, poverty), demographic health survey (demographic and reproductive health) is undertaken every five years or so. Much of the information on health and education have to be gleaned through respective MIS flash reports. In addition, there are data generated by various agencies, both national and international, the reliability and relevance of which need to be established. For purposes of consistent data usage, the CBS has been designated as the final arbiter whenever a conflict arises in data derived from different sources.

Lack of data altogether *or* paucity of appropriately disaggregated relevant data *or* lack of up-to-date data impose limitations on SDGs tracking and monitoring. The 2021 population census will be closely aligned with the SDGs and will address specific issues related to SDGs data generation, disaggregation and existing data gaps. Meanwhile, planned and proposed periodic surveys will be used to address SDGs data gaps.

1.3.6 SDGs Monitoring

The Central Bureau of Statistics (CBS) is the country's apex statistical agency for the collection, standardization, and quality assurance of data. The monitoring and evaluation of national projects and initiatives is a basic function of the National Planning Commis-

sion. The National Development Action Committee chaired by the Prime Minister addresses problems of coordination and project bottlenecks at the highest levels and has paid special attention to initiatives that influence achievement of the SDGs.

A national strategy designed to address the issues of data collection, reliability and standardization of the statistical system has been formulated and implemented. A new Statistics Act has also been drafted and is under approval. NPC has prepared M&E guidelines for the monitoring and evaluation of provincial SDGs targets, which will track progress, identify problems and issues and help solve the problems of implementation as they arise. The guidelines are designed to solicit and strengthen the partnership of all stakeholders in the M&E process.

1.3.7 SDGs Financing Strategy

The SDGs costing exercise estimated an annual investment requirement of NRs 2,025 billion. Of this, NRs1,111 billion (about 55 percent) was allocated to the public sector, NRs739 billion (or about 36 percent) to the private sector and NRs 87 billion (approx.4 percent) to the cooperative and the non-governmental sector. It is estimated that around 4 percent will be financed by individual households. The estimated shortfall, or investment gap, of NRs 585 billion is expected to be generated through strengthening public-private partnership, domestic progressive taxation and other fiscal policies and instruments. Efficient mobilization and management of development aid and foreign investment in productive sectors is also part of the strategy.

It was estimated that 55 percent of the annual investment requirement would be borne by the public sector. Overall, the financing gap in public sector for 2016-30 is expected

to be the highest in poverty alleviation and infrastructure development sectors. Of the total financing gap, about 59 percent would be in the infrastructure sector with 31 percent in the social sectors – poverty, health, education, gender, etc. The sectors in which public investment would be the lowest are expected to be tourism, energy, industry and urban infrastructure (mainly housing). About 60 percent of investment in industry and tourism is expected from the private sector.

A partnership strategy aligned to the costing and financing strategy advocates bringing on board all the relevant stakeholders in the implementation and monitoring of SDGs, namely the provincial and local governments, the private sector, cooperatives and the NGO sector, civil society organizations and external development partners. The partnership with subnational governments is critical, because SDG implementation, monitoring and achievements would depend on initiatives and activities undertaken by local governments. The role of the private sector with respect to each of the SDGs has been highlighted to show the pivotal significance of this sector in the implementation of SDGs.

The public sector financing gap would be 24.8 percent of the investment requirement until 2020-22 and is expected to decline to 13.5 percent during 2026-30. The average public sector SDG investment financing gap throughout 2016-30 would be 5.9 percent of GDP.

The federal budget audit of FY 2016/17 reveals that approximately two-thirds (65 percent) of the budget was spent on three SDGs areas namely, SDG 7 (energy), 9 (infrastructure) and 11 (urban). Eighteen per-

cent went to social sectors like education, health, water supply and sanitation; and 13 percent went to directly address poverty and hunger (SDGs 1 and 2), and the rest to other goals.¹ The picture would change only slightly if the provincial and local level budgets are taken into account. The gap between required investment and budgetary allocation is evident. Table 3 shows that the budget allocation in priority SDGs areas such as poverty, hunger, health and education as a percent of total allocation declines between 2016/17 and 2019/20. This elucidates the divergence between the financial requirement for meeting SDGs targets indicated in costing and financing strategy and the actual financial outlays proposed for the initial periods.

I.4. Institutional Mechanisms for SDG Implementation and Monitoring

For effective implementation and management of the SDGs, a number of initiatives have been undertaken and some institutional structures have been put in place.

At the apex level, a Steering Committee for Implementation and Monitoring of the SDGs has been established under the chairmanship of the Rt. Hon. Prime Minister. The Committee provides policy directives, facilitates partnerships and oversees the financial, human and technical resources required for the implementation of SDGs.

Below Steering Committee, there is SDG Implementation and Monitoring Committee. This is chaired by the Vice-chair of the NPC and provides guidance to the federal ministries, province and local levels for im-

1 Nepal's Sustainable Development Goals, Baseline Report, 2017. Government of Nepal, National Planning Commission, Kathmandu, Nepal

Table 3: Allocated Budget for SDGs

(in Rs. Billion)²

Goal	SDGs	2016/17	percent	2017/18	percent	2018/19	percent	2019/20	percent
1	No poverty	202.88	19.3	204.4	16.0	74.16	6.1	98.65	6.4
2	Zero hunger	65.2	6.2	60.74	4.7	48.29	4.0	60.96	4.0
3	Good health and well being	42.6	4.1	32.73	2.6	32.57	2.7	43.72	2.9
4	Quality education	118.21	11.3	67.85	5.3	49.39	4.1	67.81	4.4
5	Gender equality	2.22	0.2	1.99	0.2	3.14	0.3	4.86	0.3
6	Clean water and sanitation	33.98	3.2	33.15	2.6	24.51	2.0	37.37	2.4
7	Affordable and clean energy	54.15	5.2	69.32	5.4	73.56	6.1	71.47	4.7
8	Decent work and economic growth	10.85	1.0	9.31	0.7	15.34	1.3	24	1.6
9	Industry, innovation and infrastructure	170.82	16.3	159.35	12.5	144.57	12.0	219.75	14.3
10	Reduced inequalities	4.41	0.4	3.46	0.3	41.19	3.4	64.57	4.2
11	Sustainable cities and communities	209.08	19.9	240.98	18.8	186.14	15.4	217.81	14.2
12	Responsible consumption and production	0.08	0.0	0.09	0.0	5.15	0.4	7.02	0.5
13	Climate action	2.79	0.3	3.8	0.3	2.94	0.2	5.21	0.3
14	Life below water	0	0.0	0	0.0	0	0.0	0	0.0
15	Life on land	15.24	1.5	16.31	1.3	14.27	1.2	15.85	1.0
16	Peace, justice and strong institutions	109.65	10.5	367.9	28.8	132.09	10.9	159.48	10.4
17	Partnerships for sustainable development	6.77	0.6	7.61	0.6	5.97	0.5	7.22	0.5
	Non-coded	0	0.0	0	0.0	355.08	29.4	427.21	27.9
	Total	1048.92	100.0	1278.99	100.0	1208.37	100.0	1532.97	100.0

plementing and mainstreaming the SDGs in their plans and policies.. The committee facilitates inter-ministry coordination in the mobilization of resources. It also monitors and evaluates the achievement of SDGs targets on an annual basis and prepares the periodic national SDGs reports and reports to the Steering Committee.

Below the Implementation and Monitoring Committee are seven thematic committees each coordinated by a member of the NPC. These Committees are expected to facilitate the preparation of plans, programmes and budgets as well as following up and monitoring SDGs activities and programmes

at more substantive levels. The Thematic Committees are expected to provide tri-mester reports to the Implementation and Coordination Committee. The seven Thematic Committees with specific focus on SDGs are:

1. Coordination Committee (Goal 17)
2. Economic Development Committee (Goals 8, 10 and 12)
3. Agriculture Development and Drinking Water Committee (Goals 1, 2 and 6)
4. Social Development Committee (Goals 3 and 4)
5. Infrastructure Development Committee (Goals 9 and 11)

² Sources: For first two years: 2016/17 and 2017/18 for Redbook, MOF, and for last two years: 2018/19 and 2019/20 from MTEF, NPC, 2019

6. Energy Development and Climate Change Committee (Goals 7, 13 and 15)
7. Governance and Gender Empowerment Committee (Goals 5 and 16), and

issues and challenges in the effective implementation, monitoring and achievement of the SDGs, and (iii) to arrive at policy recommendations for effective implementation and monitoring.

1.4.1 Engaging the Legislators and Parliament

SDGs are not just development goals; they have to be continuously and innovatively woven into the fabric of various legislation that is debated, reviewed and enacted by parliament. It is therefore imperative that the legislators in parliament remain at the forefront of the monitoring, and review regulatory processes that have a bearing on the achievement of the SDGs. To raise awareness with respect to the SDGs and promote oversight, a 14-member parliamentary committee on SDGs and governance has been constituted.

The *Sustainable Development Goals: Status and Roadmap 2016-2030 Report* has been used to inform the baseline status of the SDGs. All SDGs-related reports, plan documents at national, subnational and international levels were reviewed to glean basic information on the context of SDGs implementation in Nepal. Of particular relevance have been the 14th Plan and the 15th Plan as well as the Medium-Term Expenditure Framework documents that provide perspectives on SDGs alignment in the planning process.

1.5 Purpose, Process and Limitations of the Report

The purpose of the report is (i) to track and assess the progress made in the implementation of SDGs in Nepal with respect to the set targets and indicators, (ii) to identify the

1.6 Key Steps in the Study Process

The progress report relies heavily on secondary sources of information. With the exception of Goal 14, Nepal has adopted all 169 of the global targets. Of the 479 indicators taken for Nepal, only 218 indicators could be tracked. Not all of the data pertains to 2019 and not all baseline data is

Figure 1

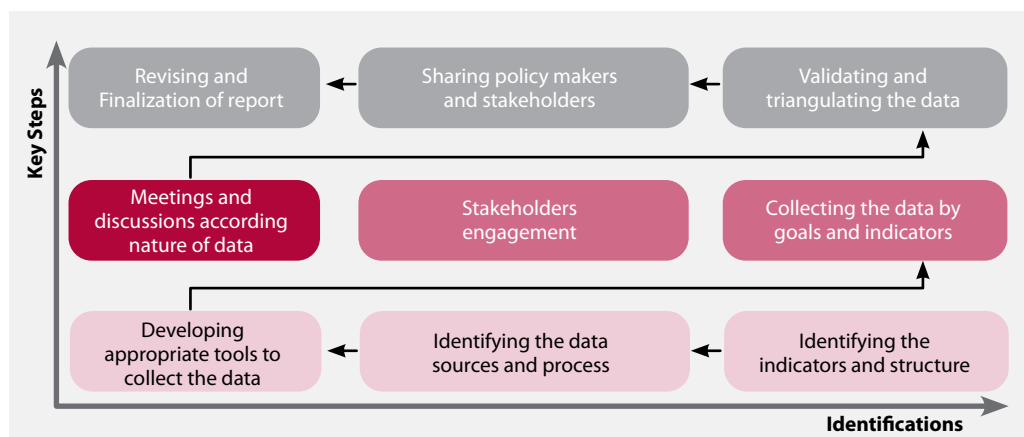


Table 4. SDG Indicators by Goal and Availability of Indicator Data 2019

Goals	Number of Targets	Total number of Indicators	Indicators for which data is available	Percent
1 End poverty (End poverty in all its forms everywhere)	7	30	12	40.0
2 Zero hunger (End hunger, achieve food security and improved nutrition and promote sustainable agriculture)	8	32	11	34.4
3 Healthy lives and well-being] {(Ensure healthy lives and promote well-being for all at all ages)	13	60	34	56.7
4 Inclusive and quality education (Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all)	10	44	24	54.5
5 Gender Equality (Achieve gender equality and empower all women and girls)	9	36	21	58.3
6 Clean water and sanitation (Ensure availability and sustainable management of water and sanitation for all)	8	25	7	28.0
7 Affordable and clean energy (Ensure access to affordable, reliable, sustainable and modern energy for all)	5	15	7	46.7
8 Decent work and economic growth (Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all)	12	30	17	56.7
9 Industry, innovation and infrastructure (Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation)	8	20	8	40.0
10 Reduced inequalities (Reduce inequality within and among countries)	10	27	17	63.0
11 Sustainable cities and communities (Make cities and human settlements inclusive, safe, resilient and sustainable)	10	30	9	30.0
12 Responsible consumption and production (Ensure sustainable consumption and production patterns)	11	27	6	22.3
13 Climate action (Take urgent action to combat climate change and its impacts)	5	24	5	20.8
14 Life below water (Conserve and sustainably use the oceans, seas and marine resources for sustainable development)	10	Not relevant for Nepal		
15 Life on land (Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss)	12	31	12	38.7
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)	12	31	17	54.8
17 Partnership for sustainable development (Strengthen the means of implementation and revitalize the global partnership for sustainable development)	19	32	11	34.4
Total	169	494	218	44.1

available. The 218 indicators also include proximate data for some indicators.

The table 4 reveals that for six goals – SDGs 3 (health), 4 (education), 5 (gender equality), 8 (economic growth), 10 (inequality) and 16 (peace and justice) – over 50 percent of indicator data was available. For SDGs 12 (consumption and production), and 13 (climate action), less than 25 percent of the designated indicator data was available. For the other eight SDGs, the availability ranged from 25 to 50 percent. Overall, there are data for only for 44.1 percent of indicators. Out of the proposed 479 indicators data is lacking for 276 indicators. This underscores the urgent need to address data availability issues.

Most of the data are derived from surveys. However, only a few national representative surveys were conducted between 2016 and 2019. Limitations of data range from unavailability of data altogether to unavailability of relevant baseline data, and unavailability of required disaggregation

in data. There are also additional problems related to data quality, including data conflicts, problems of bias and reliability etc.

I.7 Organization of the Report

The report is organized into three substantive chapters. This chapter introduces the relevance of SDGs and Nepal's engagement with the adaptation of the SDGs, and their internalization, implementation and monitoring in the overall context of development planning. The next chapter specifically focuses on tracking the progress that Nepal has made with respect to the achievement of targets set for 2019. Government policy and programme initiatives and facilitation in the implementation of SDGs are presented to show the national commitment to the achievement of 2030 Agenda and targets. The final chapter takes stock of the situation and summarizes the key findings and recommendations.



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Chapter 2

Assessing Progress in SDGs

2.1 Comparative Perspective

The macroeconomic and social indicators presented in the Economic Survey 2018/19 show a historically encouraging picture. The economic growth rate for 2018/19 was 6.8 percent. Per capita income is expected to reach \$1,034. However, the Economic Survey of 2019/20 revealed that the growth rate will be reduced down to 2.27% due to COVID-19 effect. And per capita income has increased to \$1,034. The population under absolute poverty remains at 16.7 percent, as does multi-dimensional poverty rate at 28.6 percent. Property based Gini coefficient is 0.3. Unemployment rate remains at 11.4 percent and life expectancy at birth is 70.5 years. Local road network totalled over 61,395 km and hydro-energy installed capacity stood at 1355 MW.³

A comparative perspective illustrates Nepal's situation in the regional context. The Global Human Development Report shows that between 2015 and 2018, the HDI value increased from 0.568 to 0.579 but this is below the value for South Asia as a whole (0.642). For 2018, the inequality adjusted HDI for Nepal is 0.430 – lower than that for South Asia (0.476). Nepal's life expectancy of 70.5 years is slightly higher than South Asia as a whole, but mean years of schooling in

Nepal (4.9 years) is substantially lower than that for South Asia (6.5 years). On the Gender Development Index, the value for Nepal is 0.897 compared to 0.828 for South Asia. Nepal's standing in the Gender Inequality Index (0.476) is better than for South Asia (0.510) generally. On the economic front, however, Nepal with a per capita income (PPP) of \$2,748 lags far behind South Asia (PPP\$ 6,794).⁴

In the 2019 Corruption Perception Index (the higher the index the cleaner the government), Nepal's score is 34, better than Bangladesh, Pakistan and Afghanistan, but lower than Bhutan (68) or India (41), and Sri Lanka (38).⁵ Rules of Law which captures perceptions of the rules of society, quality of contract enforcements, property rights, police courts etc for Nepal has a score of -0.48 (in a range of 2.5 strong to -2.5 weak).⁶ Similar score for Voice and Accountability for Nepal is -0.13 for 2018. Nepal's progress in both these scores has been steady.

The Doing Business Index for Nepal shows a slow but positive trend with a value of 63.2 in 2020.⁷ In the World Economic Forum's Global Competitiveness Reports Nepal's ranking has improved from 117 (of 148 economies) in 2013/14 to 88 (of 137 economies) in 2017/18. Nepal ranked 109 out of 129 countries in the Global Innovation Index in 2019.⁸

³ Economic Survey 2018/19, Ministry of Finance, GoN

⁴ <http://hdr.undp.org/sites/default/files/hdr2019.pdf>

⁵ <https://www.transparency.org/country/>

⁶ www.govindicators.org

⁷ <https://www.doingbusiness.org/en/data/doing-business-score>

⁸ https://wipo.int/edocs/pubdocs/en/wipo_pub_gii_2019.pdf

There has been a steady decline in levels of poverty nationwide, although regional and ethnic differences continue to exist.

This broad picture suggests a slow but steadily improving environment for addressing many of the SDG concerns. While the Covid-19 crisis will inevitably influence progress in SDGs in the future and could reverse some of the gains already made, the following sections track the progress made with respect to each goal, targets and indicator on the basis of available data.

2.2 SDG 1: End Poverty

End poverty in all its forms everywhere

Poverty in a world that has the potential to eradicate it completely has been the great tragedy and contradiction of modern times. Poverty has many correlates: people who live below the poverty line are those who are left behind in terms of access to resources, opportunities, services and facilities not only at the present but also most likely in the future. SDG 1 is the primary condition for *leaving no one behind* and removing barriers to a long, healthy and productive life. The goal of ending poverty has five main targets: (i) eradicate, by 2030, extreme poverty for all people everywhere; (ii) reduce by at least half the proportion of men, women and children of all ages living in pover-

ty as nationally defined; (iii) implement appropriate social protection systems and measures for all; (iv) ensure that all men and women have equal rights to economic resources, natural resources, and technology as well as access to basic services; and (v) build the resilience of the poor and the vulnerable people to economic, social and environmental shocks, disasters, and climate-related extreme events.

Out of a total of 28 indicators to monitor the progress of SDG 1, data for only 12 indicators are available. This highlights the urgency to generate relevant data for a comprehensive monitoring of the progress in SDG 1 indicators.

2.2.1 Progress in SDG 1

Over the last two decades Nepal has made significant progress in poverty reduction and human development. Poverty headcount based on Nepal Living Standard Surveys has declined from 41.76 percent in 1995/96 to 30.55 percent in 2003/04 and 25.16 percent in 2010/11, i.e. a decline of 17 percent in 15 years. Based on the data from Nepal Living Standard Surveys 2003/04 and 2010/11, Nepal is one of the best performers globally on shared prosperity.

Target 1.1 By 2030, eradicate extreme poverty for all people everywhere, currently measured as people living on less than \$1.25 a day

	Targets and Indicators	2015	Target 2019	Progress 2019	Source	Ref. year	Target 2022	Target 2030
1.1.1	Proportion of population below the international poverty line, by sex, age, employment status and geographical location (urban/rural)							
1	Population below \$1.25 per day (ppp value) (percent)	23.7 ^a	17	NA			13.7	4.9
2	Poverty \$1.9 per day (ppp value)	36 ^c	28.5	15	HDR 2019	2018	22.9	8
3	Per capita Gross National Income (GNI) (US\$)	766 ^d	821	1097	National Accounts 2020	2019	1647	2500

Target 1.2 By 2030, reduce at least by half the proportion of men, women and children of all ages living in poverty in all its dimensions according to national definitions

	Targets and Indicators	2015	Target 2019	Progress 2019	Source	Ref. year	Target 2022	Target 2030
1.2.1	Proportion of population living below the national poverty line, by sex and age	21.6 ^b	17.1	16.7	E.S.	2018/19	13.8	4.9
1	Women of all ages below national poverty line (percent)			NA				
1.2.2	Proportion of men, women and children of all ages living in poverty in all its dimensions according to national definitions							
1	Multidimensional Poverty Index (MPI)	44.2 ^h	35.1	28.6	NMPI 2018	2016/17	28.2	10
2	Children below national poverty line (under 5 years of age, percent)	36 ^e	27.7				21.5	5

SDG 1: End poverty in all its forms everywhere

Target 1.1 Between 2015 and 2019 there has been remarkable progress in reducing poverty and in raising per capita income. Poverty measured by \$1.9 per day at PPP value has dropped from 36 to 15, and per capita GNI has increased to \$1,097. In both instances the targets set for 2019 have been surpassed.

Target 1.2 The proportion of people living under the national poverty line remains at 16.7 when the target for 2019 was 17.1. It should be noted that this is implications of the increase in remittances and the expansion of local level services as part of the government's poverty alleviation poli-

cies. The multidimensional poverty index, however, shows considerable progress with 28.6 in 2018 when the target was 35.1. Multidimensional poverty is measured by three dimensions and 10 indicators comprising aspects of education, health and living standard. Data related to poverty by sex and age are not available.

Target 1.3 Proportion of population covered by social protection was 8.1 in 2015 and now stands at 17. This is lower than the target of 27.3 for 2019 and yet the progress is very encouraging. There has also been increase in social protection budget from 11 to 11.7 percent although it remains lower than the target for 2019.

Target 1.3 Implement nationally appropriate social protection systems and measures for all, including floors, and by 2030 achieve substantial coverage of the poor and the vulnerable

	Targets and Indicators	2015	Target 2019	Progress 2019	Source	Ref. year	Target 2022	Target 2030
1.3.1	Proportion of population covered by social protection floors/ systems, by sex, distinguishing children, unemployed persons, older persons, persons with disabilities, pregnant women, newborns, work-injury victims and the poor and the vulnerable	8.1	27.3	17	15th Plan	2018	41.7	80
1	Social protection expenditure in total budget (percent)	11 ^d	12.1	11.7	Annual Report	2018	12.9	15
2	Employed people living below \$1.25 per day in total employment (percent)	22 ^b	16.4				12.2	1

Target 1.4 By 2030, ensure that all men and women, in particular the poor and the vulnerable, have equal rights to economic resources, as well as access to basic services, ownership and control over land and other forms of property, inheritance, natural resources, appropriate new technology and financial services, including microfinance

	Targets and Indicators	2015	Target 2019	Progress 2019	Source	Ref. year	Target 2022	Target 2030
1.4.1	Proportion of population living in households with access to basic services							
1	Households having access to market centre within 30 min walk (percent of total)	45 ⁱ	57	44.7	15th Plan	2018	66	90
2	Households covered by formal financial services (percent of total)	40 ⁱ	50.7				58.7	80
1.4.2	Proportion of total adult population with secure tenure rights to land, with legally recognized documentation and who perceive their rights to land as secure, by sex and by type of tenure							
1	Share of bottom quintile in national consumption (percent)	7.6 ⁱ	8.8	12.05	HBS	2016	9.7	12
2	Households having property/tangible assets in women's name (percent of total)	19.7 ^f	25.1	26	NDHS	2016	29.2	40

Target 1.4 deals with access to services by the poor and the vulnerable and ownership and control over resources. Households with access to market centres within 30 minutes' walk in 2018 was 44.7 percent. This is lower than the target of 57 percent set for 2019.

There has been considerable progress in the area of secured rights to property. The share of the bottom quintile in national consumption is 12.05 percent compared to the 2019 target of 8.8. Similarly, households with assets in the name of women is 26 per-

cent slightly higher than the target of 25.1 for 2019.

Target 1.5 relates to exposure and vulnerability to natural disasters. Although the target does not meet, there has been notable progress in this regard. Direct economic loss due to disasters is estimated at 2.5 percent of GDP in 2019. The proportion of local governments with local disaster risk reduction strategies stands at 28.8 percent which is an encouraging sign and can be expected to increase in the coming years.

Target 1.5 By 2030, build the resilience of the poor and those in vulnerable situations and reduce their exposure and vulnerability to climate-related extreme events and other economic, social and environmental shocks and disasters

	Targets and Indicators	2015	Target 2019	Progress 2019	Source	Ref. year	Target 2022	Target 2025	Target 2030
1.5.1	Number of deaths, missing persons and directly affected persons attributed to disasters per 100,000 population								
1	Loss of lives from disaster (number)	8891 ⁱ	331	968	NDR	2019	268	205	100
2	Missing persons and persons affected by disaster per 100,000 (number)	415 ^j	402	NA			392	382	50
1.5.2	Direct economic loss attributed to disasters in relation to global gross domestic product (GDP)								
1	Direct economic loss attributed to disasters in relation to national gross domestic product (GDP) percent	-	-	2.5	15th Plan	2018/19	-	-	-
1.5.3	Number of countries that adopt and implement national disaster risk reduction strategies in line with the Sendai Framework for Disaster Risk Reduction 2015-2030								
1.5.4	Proportion of local governments that adopt and implement local disaster risk reduction strategies in line with national disaster risk reduction strategies	-	-	28.8	15th Plan	2018/19	-	-	-

2.2.2 SDG 1 – Government Policies and Plans

The constitution of Nepal addresses the roots of poverty and deprivation by guaranteeing the right to food security, right to shelter, right to basic health services, education and employment and the right to social security for the economically and socially vulnerable. Successive plan documents since the 9th Plan have explicitly strived for inclusive growth and the alleviation of poverty for sustained social and economic transformation. At the federal level, a number of government initiatives and over 50 programmes specifically focused on the poor are operational in the country. Provincial and local governments have prioritized poverty alleviation in their annual programmes to complement efforts being made by the federal government.

It is mandatory for local governments to spend a fixed percentage of their development budget on poverty alleviation programmes. A universal pension scheme for the elderly, single women and disabled was introduced in the 1990s. Nepal is ahead of many South Asian countries in terms of access to social protection programmes, which now cover roughly 17 percent of the population. In 2018, social security scheme accounted for 11.3 percent of the national budget. Remittances to households from labour migration has been identified as a key contributor of economic growth and transformation of less well-off households. Policies and programmes to reduce gender disparity is expected to contribute to poverty alleviation through more women entering the labour market, and equality in wages. The adoption of the Multidimensional Poverty Index will complement income poverty and provide a broader perspective on poverty and deprivation in the spirit of SDG 1.

The Poverty Alleviation Policy 2019 has the targets of reducing poverty to 5 percent by 2030. The policy is designed to facilitate co-ordination between different levels of government, private sector, cooperatives and NGOs in poverty alleviation programmes. Major policy initiatives include identification of the poor, expansion of employment and self-employment opportunities for the poor, enhanced access of the poor to resources, promote participation of the poor in poverty alleviation programmes, expand decent livelihood opportunities of the poor through skill development and fulfilment of basic human needs, and facilitate access to finance and other resources. Ending discrimination against the poor is a major thrust of the policy.

Major initiatives undertaken by the government are:

- Identification and distribution of identity cards for the poor households to access targeted programmes for basic and essential goods and services.
- Targeted programmes for skill development tied to employment opportunities.
- Special targeted programmes on nutrition education, safe motherhood etc
- Incentives for the underprivileged and vulnerable groups in education and skill enhancement.
- Income enhancement, and asset generation programmes for the poor and vulnerable groups through the Poverty Alleviation Fund.
- Social assistance schemes to ensure security and social protection (pension for the aged, single women, disability allowance, child protection grant, caste-based school stipend, birthing grant etc.)
- Social Security Act 2018 provides various social insurance schemes.

2.2.3 Stakeholder Partnership

NGOs/INGOs, cooperatives, CSOs and the private sector have continued to contribute to poverty alleviation efforts at the local level through various programmes and initiatives. These include income generation programmes to support poor households, capacity building and skill enhancement tied to local resource use and employment, promoting access to basic facilities such as drinking water and sanitation, and access to credit through micro-finance facilities. NGOs representing women, Dalits and disadvantaged groups have been engaged in policy dialogue to better define their space in poverty alleviation efforts. Complementarity between government programmes and those of other partners needs to be strengthened to take advantage of the synergy and promote sustainability.

2.2.4 Challenges

- Adopting the coordinated approach to poverty alleviation. A number of projects/initiatives are underway but the coordination between and among programmes remains poor.
- Establishing poverty data base. A comprehensive and updated data base of the poor and vulnerable households at the local level is the key to targeted interventions and result-oriented programmes.
- Streamlining social security programmes. Social security programmes need to be streamlined to ensure that the target population is covered and have access to services and facilities.
- Ensuring the comprehensive and institutionalised access of the poor to assets, skill enhancement, employment and finance. In doing so geographical region-specific programmes need to be tailored and implemented through local efforts.

2.2.5 Way Forward: Priority Areas of Action

- Comprehensive poverty alleviation policy that takes a 'whole of government' approach. Poverty alleviation has to be addressed by all relevant sectoral policies and programmes. Guidelines need to be developed to monitor relevant sectoral policies and programmes. Asset creation and financing should remain important concerns.
- Job creation in labour-intensive sectors such as agriculture, primary processing, infrastructure and construction as well as low skill manufacturing and electronics etc.
- Economically remunerative safe labour migration in quasi- and semi-skilled areas. While labour migration has increased the access of the poor to such migration has been limited because of the high costs involved.
- Expansion of technical and vocational education, and skill development programmes for the poor and vulnerable households.
- A broad national social security strategy incorporating social protection of vulnerable groups, preventing and mitigating shocks to vulnerable households, and employment generation for the poor such as minimum employment guarantee.
- Data base and tracking progress at the local level. Progress in achieving Goal 1 is possible only when a robust system of identifying and monitoring the status of poor and vulnerable households at the local level (*Palikas*, wards and settlements) is institutionalized. Poverty data base at the local level should be the basis of such a system.

2.3 SDG 2: Zero Hunger End hunger, achieve food security and improved nutrition and promote sustainable agriculture

SDG 1 and SDG 2 are interrelated, because hunger is a manifestation of poverty. But SDG 2 goes beyond poverty by seeking to ensure sustainable increase in agricultural production and productivity, food security, nutrition and concomitant infrastructure and investment requirements.

Major targets of this goal include ending hunger and ensuring access by all people to safe, nutritious and sufficient food, ending all forms of malnutrition, doubling the agricultural productivity and incomes of small-scale food producers, ensuring sustainable food production systems, increasing investment to enhance agricultural productive capacity among other. This requires much greater support and increased investment in infrastructure and technology for promoting sustainable agriculture ensuring access to productive resources to all small and marginal farmers.

SDG 2 incorporates 8 targets and 14 global indicators. Nepal has an additional 18 indicators to better reflect the country's context, bringing the total number of indicators to 32. Out of this total, baseline data is available for only 11 indicators.

2.3.1 Progress in SDG 2

With a score of 20.8 in the Global Hunger Index,⁹ Nepal suffers from a level of hunger that is serious. The GHI score incorporates four component indicators: undernourishment, child wasting, child stunting, and child mortality. But GHI for Nepal has considerably declined from 36.8 in 2000 to 20.8 in 2019.

Nepal has been facing problems of poor nutrition and food insecurity. In some areas like child stunting Nepal's progress in the past has been remarkable.

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

Target 2.1 Complete data for 2019 are available for only three indicators. Nepal's progress in the reduction of undernourishment has been phenomenal – a decline from 36.1 in 2015 to 8.7 in 2019 much lower than what was targeted for 2019. The target has been met for per capita food grain production. But the progress in the global food security index has not been encouraging. While the target for 2019 was 57 the progress was only 46, a slight increase from 2015. The new data for food insecurity experience scale suggests that 7.8 percent of the population has moderate to severe food insecurity.

Progress in per capita food grain production has been satisfactory, the food security index shows a score of 46. The Global Hunger Index score for Nepal indicates a serious level of hunger.

Target 2.1 By 2030, end hunger and ensure access by all people, in particular the poor and people in vulnerable situations, including infants, to safe, nutritious and sufficient food all year round

Targets and Indicators		2015	2019			2022	2030	
		Actual	Target	Progress	Data source			Ref. Year
2.1.1	Prevalence of undernourishment	36.1 ^a	27.3	8.7		2018	20.6	3
2.1.2	Prevalence of moderate or severe food insecurity in the population, based on the Food Insecurity Experience Scale (FIES) percent	-	-	7.8	NDHS	2016		
1	Population spending more than two-third of total consumption on food (percent)	20 ^b	15.5	NA			12.1	3
2	Per capita food grain production (kg)	320 ^c	376	376	Annual Report	2018/19	418	530
3	Global Food Security Index (score)	42.8	57	46	15th Plan	2076/77	66	90

⁹ <https://reliefweb.int/sites/reliefweb.int/files/resources/2019%20Global%20Hunger%20Index.pdf>

Target 2.2 By 2030, end all forms of malnutrition, including achieving, by 2025, the internationally agreed targets on stunting and wasting in children under 5 years of age, and address the nutritional needs of adolescent girls, pregnant and lactating women and older persons

Targets and Indicators		2015	2019			2022	2030	
		Actual	Target	Progress	Data source			Ref. Year
2.2.1	Prevalence of stunting (height for age <-2 standard deviation from the median of the World Health Organization (WHO) Child Growth Standards) among children under 5 years of age	36 ^c	32	31.6	NMICS 2018	2016	28.6	15
2.2.2	Prevalence of malnutrition (weight for height >+2 or <-2 standard deviation from the median of the WHO Child Growth Standards) among children under 5 years of age, by type (wasting and overweight)	11.3	8	10	NDHS	2017	7	4
1	Percentage of children under age 5 years who are underweight (-2SD)*	30.1	20	24.3	NMICS 2018	2018	18	9
2	Prevalence of anaemia among women of reproductive age*	35	26	40.8	NDHS	2018	24	10
3	Prevalence of anaemia among children under 5 years *	46	33	52.7	NDHS	2018	28	10

Target 2.2 relates to malnutrition. The indicators for 2019 show that there has been significant progress with respect to prevalence of stunting since 2015. The progress in prevalence of malnutrition has remained slow (10 as against the target of 8 for 2019). Similar has been the case with respect to under 5 children who are underweight (24.3 percent as against the target of 20 for 2019). The prevalence of anaemia both among women of reproductive age and among children under 5 has increased. There has basically been no progress in reducing malnutrition in general. This calls for a thorough review of the strategies pursued to deal with malnutrition.

Target 2.3 includes indicators for agricultural productivity and incomes but no data is available at present.

Target 2.4 concerns the production and sustainability of agriculture. There has been no change in average land under agriculture. The target for round the year irrigated land was 40 percent for 2019. It is only 33 percent in 2018 indicating a slower rate of progress. There is no data for the critical indicator of soil organic matter in crop land.

Target 2.5 is related to genetic diversity in seeds, plants and endangered animals. Data for the indicators are not available.

Target 2.4 By 2030, ensure sustainable food production systems and implement resilient agricultural practices that increase productivity and production, that help maintain ecosystems, that strengthen capacity for adaptation to climate change, extreme weather, drought, flooding and other disasters and that progressively improve land and soil quality

Targets and Indicators		2015	2019			2022	2030	
		Actual	Target	Progress	Data source			Ref. Year
2.4.1	Proportion of agricultural area under productive and sustainable agriculture							
1	Agricultural land at the present level (000 hectare)	2641	2641	2641	MIS		2641	2641
2	Degraded land including forest (000 hectare)							
3	Round the year irrigated land in total arable land (percent)	25.2	40	33	MIS	2018/19	50.5	80
4	Soil organic matter (SOM in crop land, percent)	1.96	2.79				3.37	4

Target 2.a Increase investment, including through enhanced international cooperation, in rural infrastructure, agricultural research and extension services, technology development and plant and livestock gene banks in order to enhance agricultural productive capacity in developing countries, in particular least developed countries and policies to end poverty in all its dimensions

Targets and Indicators		2015	2019			2022	2030	
		Actual	Target	Progress	Data source			Ref. Year
2.a.1	The agriculture orientation index for government expenditures	0.14	0.21				0.26	0.38
2.a.1	Government expenditure in agriculture (percent of total budget)	3.3 ^c	-	2.21	MIS	2017/18		
2.a.2	Total official flows (official development assistance plus other official flows) to the agriculture sector	0.8 ^b						

Target 2.a Government expenditure on agriculture was 2.21 percent (Agriculture and Livestock) of the total budget in 2017/18 which is much lower an allocation than expected for sustainable and productive agriculture sector. However, data are not available for other indicators and also for Target 2.b and 2c.

Overall, the Nepal's progress in the achievement of SDG 2 has not been very encouraging particularly with respect to malnutrition and agricultural production and productivity in general.

2.3.2 SDG 2 – Government Policies and Plans

Food sovereignty is established as a fundamental right in the Constitution of Nepal. Laws have been enacted for its implementation in order to ensure the food safety and nutrition of every citizen. Government policies and programmes in the 14th Plan included achieving an agricultural sector growth rate of over 4.7 percent and bringing an additional 130,000 ha under irrigation. Over 80 percent of the targets set were met and as a result per capita food availability saw substantial increase. Food Security Index reached 46 in 2018. Child mortality under 5 years remained at 39 per thousand live births and maternal mortality ratio at 239 per 100,000 live births.

Government policies and programmes aim to identify communities and regions with food security risks with appropriate interventions. The Right to Food and Food Sovereignty Act 2075 was legislated to ensure that every citizen shall have the right to food and right to food security including regular access without discrimination, adequate, nutritious and quality. Agricultural Development Strategy seeks to increase food production to ensure food security and nutrition. Under the new federal structure activities related to food and nutritional security – Agri-extension, agricultural production and basic health and sanitation services – come under the purview of local governments. Policies are designed to strengthen local capabilities in addressing issues of local biodiversity, technologies to mitigate the effects of climate change and to address the problems of the small and marginal farmers in production, marketing etc. Food production, storage and distribution networks are being created to ensure a system is established that properly monitors and regulates food quality.

A national land use policy has been formulated and will be followed by a Land Use Act. The implementation of the land use plans at the local level is expected to promote the scientific use of land based on capability and appropriateness. As per the constitutional mandate policies to ensure access and right to land by landless and marginalized groups are being formulated.

2.3.3 Stakeholder Partnership

Food production and distribution and ensuring food and nutrition security involves not only the government agencies but also individual farming households, food marketing networks and groups, cooperatives etc. Without a strong partnership of the, public and private sector including civil society organizations, and NGOs food and nutritional security cannot be ensured. A major aim of this partnership is to ensure the necessary investment into public sector and more effective public resources management; ensure higher quality and timely provision of public services, and ensure private sectors experience and expertise are utilized, for inclusive growth. To this end creation of an environment to facilitate increased investment in agriculture from the public and private sector is of critical importance for growing more food, particularly staple crops to address hunger.

Major programmes in the agriculture sector related to SDG 2 and benefiting from international cooperation and public-private partnership in some cases are:

- Agriculture and Food Security Project (2014–2018)
 - Food and Nutrition Security Enhancement Project (2019–2023)
 - KISAN II, and SABAL project
 - MUS- Multi use water system
 - PAHAL - Promoting Agriculture, Health and Alternative Livelihoods (2014–19),
 - NAMDP - Nepal Agricultural Markets Development Programme,
 - NASDP - Nepal Agricultural Services Development Programme-
 - Cooperative Market Development Programme (2018–2023)
 - Value Chain Development of Fruit and Vegetables in Nepal (2018–2022)
- MEDEP -Micro-Enterprise Development Programme: Phase I: 1998–2003, Phase II: 2004–March 2008, Phase III: March 2008–July 2013, and Phase IV: August 2013–July 2018.

2.3.4 Challenges

- Sustained increase in food production through increase in irrigation facilities and modern inputs. Food security cannot be achieved without sustained increase in domestic production.
- Mitigation and adaptation to effects of climate change on agricultural production and productivity. Policies are framed but need to be translated into action in each eco-zone.
- Ensuring year-round food availability in far-flung and remote regions and communities through better storage networks. This has to be accompanied by an institutionalized public distribution system.
- Reaching the 8.7 percent population that has less than the daily nutritional requirement. Participatory approaches involving local government, NGOs and civil society, and target communities have to be evolved to address these concerns.
- Inadequate data collection and reporting system in agriculture for monitoring of SDG 2 interventions/indicators (from local level to Federal/central level).
- Data base to monitor SDG 2 is weak. Baseline data and standardized methodology does not exist for some indicators.
- Monitoring food quality and assurance in view of the increasing use of chemical pesticides etc. The monitoring capability remains extremely weak and sporadic.
- Ensuring the access to inputs, credit and marketing for the small and marginal farmers. Major agricultural development programmes are often indifferent to these groups.

- Formulation and implementation of land use plans for proper and scientific use of land resources. A national land use policy has been formulated but has not been backed by location-specific and workable land use plans.

2.3.5 Way Forward: Priority Areas of Action

- Identifying communities, areas and regions with risks of food and nutrition security for the development of context specific interventions. Such identification should orient programmes for intervention.
- Food and nutrition education including safe food production practices. Intensive awareness campaigns at the household level is necessary.
- Increased and prioritized investment on irrigation and indigenous crops in potential areas with food security risks.
- Adaptation of smart, climate sensitive agricultural production practices. This has become urgent in view of the impacts of climate change on agricultural production systems.
- Strengthening local level agricultural and livestock development agencies to target agri-extension, planning and support services (including storage) in accordance with local potentials. Local level agricultural agencies need to be strengthened in line with regional agricultural potentials.
- Promoting land pooling, cooperative and community farming, and use of fallow agricultural land through the development of local land management practices. Legal and institutional basis for cooperative and community farming need to be established.
- Establishment/Strengthening of Institutionalized data collection and reporting system related to agriculture and

SDG 2 (i.e from municipal/field level to federal/central level).

2.4 SDG 3: Healthy Lives and Well-being

Ensure healthy lives and promote well-being for all at all ages.

SDG 3 in many ways builds on the progress achieved through the MDGs and takes on the challenges to resolve the unfinished health related issues of improving maternal and child health, fighting HIV/AIDs, malaria, and other diseases. The goal has thirteen exclusive targets. Main targets pertain to (i) the reduction of the morbidity and mortality of vulnerable groups (mothers, new-borns, the elderly and children); (ii) the reduction of communicable and non-communicable diseases; (iii) the reduction of risk factors (tobacco, substance abuse, chemical hazards and pollution etc); (iv) providing universal health coverage; and (v) strengthening the health sector.

A total of 60 indicators have been adopted in Nepal, of which 28 are global and 32 indicators have been added to reflect the context of Nepal. However, information is available only for 34 indicators.

2.4.1 Progress in SDG 3

Target 3.1 The target was to reduce the MMR (maternal deaths per 100,000 live births) from 258 to 125 between 2015 and 2019. There were 239 maternal deaths per 100,000 live births estimated in 2016. This indicates some progress, but the target for 2019 is difficult to be met. The average annual reduction of MMR between 1996 and 2006 was about 26 maternal deaths per 100,000 live births, while the reduction rate had slowed down considerably to four maternal deaths per 100,000 live births per year between 2006 and 2016. Comprehensive efforts are needed to improve maternal health across all groups of women.

Progress in SDG 3 remains much slower than expected and there is a need to review policy and programmes with respect to institutions, human resources and logistics at different levels, outreach, and effective delivery of services.

3.1 By 2030, reduce the global maternal mortality ratio to less than 70 per 100,000 live births

SDG Target and Indicators	2015	2019				2022	2030
		Target	Progress	Data source	Ref. Year		
3.1.1 Maternal mortality ratio	258	125	239	NDHS	2016	116	70
3.1.2 Proportion of births attended by skilled health personnel	55.6	69	79.3	NMICS	2018	73	90

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

The proportion of births attended by skilled health personnel in 2019 has been reached to 79.3 which is much higher than the target. Maternal mortality ratio has reached to 239 against the target of 125.

Target 3.2 For every 1,000 live births, 28 children died before their fifth birthday in 2019. The target of 2019 has met.

Neonatal mortality is the probability of dying of infants within 28 days of birth. Defined as the number of deaths of infants per 1,000 live births

the target was to reduce the neonatal mortality from 23 to 18 between 2015 and 2019. The neonatal mortality was found to be 16 in 2019. Clearly, both the indicators of Target 3.2 show remarkable progress on the child mortality front.

Target 3.3 concerns the prevalence of epidemics and communicable diseases. Of the nine indicators for which data is available, the 2019 targets for HIV infections, leprosy, and filariasis and the percentage of children under five with diarrhoea in the preceding two weeks have been met. Although the data are for 2017, the targets for tuberculosis, malaria, kala-azar, dengue, and trachoma are not likely to be met by 2019. More concerted efforts are called for in combating these diseases.

3.2 By 2030, end preventable deaths of newborns and children under 5 years of age, with all countries aiming to reduce neonatal mortality to at least as low as 12 per 1,000 live births and under-5 mortality to at least as low as 25 per 1,000 live births

Target and Indicators	2015	2019				2022	2030
		Target	Progress	Data source	Ref. Year		
3.2.1 Under-five mortality rate	38	28	28	NMICS	2019	27	20
3.2.2 Neonatal mortality rate	23	18	16	NMICS	2019	16	12

3.3 By 2030, end the epidemics of AIDS, tuberculosis, malaria and neglected tropical diseases and combat hepatitis, water-borne diseases and other communicable diseases

Target and Indicators	2015	2019				2022	2030
	Actual	Target	Progress	Data source	Ref. Year		
3.3.1 Number of new HIV infections per 1,000 uninfected population, by sex, age and key populations							
a. Number of new HIV infections among adults 15–49 years old (per 1000 uninfected population)	0.03	0.022	0.015	Fact Sheet	2017	0.018	0.014
3.3.2 Tuberculosis incidence (per 100,000 population)	158	85	111	HMIS	2017	67	20
3.3.3 Malaria incidence (per 1,000 population)	0.1	0.05	0.1	HMIS	2017	0.04	0.01
3.3.4 Hepatitis B prevalence (per 100,000 population)	2654	2654				2654	2566

Target and Indicators		2015	2019			2022	2030	
		Actual	Target	Progress	Data source			Ref. Year
Number of people requiring interventions against neglected tropical diseases								
3.3.5	a. Leprosy cases	2271	1693	1019	HMIS	2018	1370	0
	b. Kala-azar (Leishmaniasis) cases*	325	203	239	HMIS	2017	163	0
	c. Lymphatic Filariasis cases	30,000	25,100	6,500	HMIS	2017	21,000	14,000
	d. Dengue cases	728	455	698	HMIS	2018	364	0
	e. Active Trachoma cases	136	85	136	HMIS	2017	73	49
	a. percent of children under age 5 with diarrhoea in the last 2 weeks	12	8	8	NDHS	2016	6	1
	b. Number of laboratory confirmed cases of Influenza (H1N1)	204	128		HMIS	2017	113	83

Target 3.4 Data for only two indicators – mortality attributed to cardiovascular diseases, cancer diabetes or chronic respiratory diseases, mortality rate are not available. The mortality from specified diseases in 2017 was 2.8 compared to the target of 2.54 for 2019. The suicide mortality rate (an indicator of mental health and well-being) was 17.8 in 2018 compared to the target of 14.5. Both targets are unlikely to be met by 2019.

Target 3.5 deals with prevention of substance and drug and alcohol abuse. Data for only one indicator – percentage of people aged 15 and over with harmful usage of alcohol – are available. It shows that the situation in 2019 is likely to remain the same as in 2015. There has been no progress on this front.

3.4 By 2030, reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being

Target and Indicators		2015	2019			2022	2030	
		Actual	Target	Progress	Data source			Ref. Year
Mortality rate attributed to cardiovascular disease, cancer, diabetes or chronic respiratory disease								
3.4.1	a. Mortality between 30 and 70 years of age from Cardiovascular disease, Cancer, Diabetes or Chronic respiratory disease (per 1000 population)	2.8	2.54	2.8	HMIS	2017	2.35	1.96
	a. Cardiovascular disease	1.44	1.31				1.21	1.01
	b. Cancer	0.67	0.61				0.56	0.47
	c. Diabetes	0.27	0.25				0.23	0.19
	d. Chronic respiratory disease	0.8	0.73				0.67	0.56
3.4.2	Suicide mortality rate (per 100,000 population)	16.5	14.5	17.8	Annual Report	2018	9.7	4.7

3.5 Strengthen the prevention and treatment of substance abuse, including narcotic drug abuse and harmful use of alcohol

Target and Indicators		2015	2019			2022	2030
		Actual	Target	Progress	Data source		
3.5.1	Coverage of treatment interventions (pharmacological, psychosocial and rehabilitation and aftercare services) for substance use disorders						
	percent of hard drug users who ever visited Rehabilitation Centres for comprehensive services	40	50				55

Target and Indicators		2015	2019				2022	2030
		Actual	Target	Progress	Data source	Ref. Year		
3.5.2	Harmful use of alcohol, defined according to the national context as alcohol per capita consumption (aged 15 years and older) within a calendar year in litres of pure alcohol	6.5						
	percent of people aged 15 years and older having harmful use of alcohol (defined according to the national context)	2	1.9	2	15th Plan	2076/77	1.9	1.8

Target 3.6 concerns deaths and injuries from road traffic accidents. The rate remains quite high (15.92) compared to the target of 9.93. There has been some progress since 2015 but the pace is quite sluggish.

Target 3.7 is related to access to sexual and reproductive health services. Of the four indicators, two – the proportion of women of reproductive age whose family planning needs are satisfied with modern methods, and the contraceptive prevalence rate – were below the base year 2015 in 2016 and is unlikely to be met by 2019. The target of

total fertility rate of 2.1 per woman of reproductive age is achieved in 2019 (2.0 per woman). The adolescent birth rate target is also near to the target. In 2019, the rate was 63 compared to a target of 56. The progress in Target 3.7 is steady, but slow.

Target 3.8 All the seven indicators for which data are available show that the 2019 targets are not likely to be achieved. In some cases, such as antenatal care, PNC protocol, hepatitis B vaccine and 30-minute travel time to health facility, the situation seems worse than the estimates for the base year

3.6 By 2020, halve the number of global deaths and injuries from road traffic accidents

Target and Indicators		2015	2019				2022	2030
		Actual	Target	Progress	Data source	Ref. Year		
3.6.1	Death rate due to road traffic injuries	19.86	9.93	15.92	15th Plan	2076/77	8.94	4.96

3.7 By 2030, ensure universal access to sexual and reproductive health-care services, including for family planning, information and education, and the integration of reproductive health into national strategies and programmes

Target and Indicators		2015	2019				2022	2030
		Actual	Target	Progress	Data source	Ref. Year		
3.7.1	Proportion of women of reproductive age (aged 15–49 years) who have their need for family planning satisfied with modern methods	66	71	56	NDHS	2016	74	80
	a. Contraceptive prevalence rate (modern methods) (percent)	47	52	43	NDHS	2016	53	60
	b. Total Fertility Rate (TFR) (births per women aged 15–49 years)	2.3	2.1	2.0	NMICS	2019	2.1	2.1
3.7.2	Adolescent birth rate (aged 10–14 years; aged 15–19 years) per 1,000 women in that age group	170	56	63	NMICS	2019	51	30

3.8 Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all

Target and Indicators		2015	2019			2022	2030	
		Actual	Target	Progress	Data source			Ref. Year
Coverage of essential health services (defined as the average coverage of essential services based on tracer interventions that include reproductive, maternal, new born and child health, infectious diseases, non-communicable diseases and service capacity and access, among the general and the most disadvantaged population)								
3.8.1	a. percent of women having 4 antenatal care visits as per protocol (among live births)	60	71	56.2	HMIS	2018	75	90
	b. percent of institutional delivery	55.2	70	77.5	NMICS	2019	74	90
	c. percent of women attending three PNC as per protocol	20	50	16.4	HMIS	2018	65	90
	d. percent of infants receiving 3 doses of Hepatitis B vaccine	88	90	86.4	HMIS	2018	93	95
	e. percent of women aged 30-49 years screened for cervical cancer	16.6	36				47	90
	f. percent of people living with HIV receiving Antiretroviral combination therapy	39.9	90	75	Fact Sheet	112	92	95
	g. percent of population aged 15 years and above with raised blood pressure who are currently taking medication	11.7	31	19.8	NDHS	2016	39	60
	h. percent of population aged 15 years and above with raised blood glucose who are currently taking medication	25	33				38	60
	i. percent of households within 30 minutes travel time to health facility	61.8	69.3	49.3	NDHS	2016	75	90
	j. percent of poor people enrolled in health insurance	0	20				50	100
3.8.2	Proportion of population with large household expenditures on health as a share of total household expenditure or income	10.7	7.5				6	2
	percent of out of pocket expenditure in total health expenditure	53	45				42	35

2015. There has been some progress with respect to institutional delivery, HIV patients receiving antiretroviral drugs and percent of 15+ population with blood pressure currently under medication, but the progress is slower than expected.

Target 3.9 is related to the reduction in number of deaths and illnesses from hazardous chemicals, air pollution and contamination. Data are not available for any of the five indicators.

Target 3a relates to tobacco control under the WHO framework. 2016 data show the prevalence of current tobacco use to be much lower (16.5 percent) than the expectation for 2019.

Target 3b Data for only two of the four indicators are available. Proportion of target population covered by vaccines has gone down to 42.6 percent in 2016 compared to 88 percent in the base year 2015. There has been some progress with respect to per-

3a Strengthen the implementation of the World Health Organization Framework Convention on Tobacco Control in all countries, as appropriate

Target and Indicators		2015	2019			2022	2030	
		Actual	Target	Progress	Data source			Ref. Year
3a.1	Age-standardized prevalence of current tobacco use among persons aged 15 years and older	30.8	26.18	16.5	NDHS	2016	24.332	15.09

3b Support the research and development of vaccines and medicines for the communicable and non-communicable diseases that primarily affect developing countries, provide access to affordable essential medicines and vaccines, in accordance with the Doha Declaration on the TRIPS Agreement and Public Health, which affirms the right of developing countries to use to the full the provisions in the Agreement on Trade-Related Aspects of Intellectual Property Rights regarding flexibilities to protect public health, and, in particular, provide access to medicines for all

Target and Indicators		2015	2019				2022	2030
		Actual	Target	Progress	Data source	Ref. Year		
3b.1	Proportion of the target population covered by all vaccines included in their national programme	88	90	42.6	NDHS	2016	95	95
3b.2	Total net official development assistance to medical research and basic health sectors (External Funds for Health as percent of THE)	12.7	14.5				16	20
	percent of health sector budget for research and development		2				2	3
3b.3	Proportion of health facilities that have a core set of relevant essential medicines available and affordable on a sustainable basis							
	percent of government health facilities with no stock out of essential drugs	70	95	75	HMIS	2018/19	95	100

cent of government health facilities with no stock out of essential drugs from 70 percent in 2015 to 75 percent in 2018/19. In Target 3b progress is much too slow and a review of the programmes is essential.

Target 3c concerns health workforce and financing. Data for only one indicator – total health expenditure as percent of GDP – are available. Only 1.9 percent of GDP is on health expenditure as against the target of 5.6 percent for 2019. Clearly, there has to be a significant increase in health expenditure in the government budget if the target is to be met.

Target 3d relates to strengthening the capacity for early warning, risk reduction and management of national and global health risks. No data or information is available for this target.

2.4.2 SDG 3 – Government Policies and Plans

The constitution of Nepal 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 has the responsibility of 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.

3c Substantially increase health financing and the recruitment, development, training and retention of the health workforce in developing countries, especially in least developed countries and small island developing States

Target and Indicators		2015	2019				2022	2030
		Actual	Target	Progress	Data source	Ref. Year		
3c.1	Health worker density and distribution (per 1000 population)	1.05	4.45				6	4.45
	Total health expenditure as percent of GDP	5.00	5.60	1.90	Annual Report	2017/18	6.00	7.00

The objective of the 14th Plan was to ensure availability of quality, basic health services free of cost to all citizens. The Plan aimed at reducing neonatal, infant, child and maternal mortality rates, and increase life expectancy in line with the targets of SDG 3. National Health Strategic Plan (NHSP), which provides the strategic direction to Nepal's health policies 2016-21 proposes four broad intervention areas, including (i) Health Policy and Planning, (ii) Procurement and Public Financial Management, (iii) Service Delivery, Evidence and Accountability, and (iv) Health Infrastructure. These intervention areas are in line with the demands of SDG 3.

As a result of the implementation of the strategy, infant mortality rate has reduced to 32 per thousand live births, under 5 mortality to 39 and maternal mortality rate per 100,000 live births to 239. Similarly, stunting among children under 5 years is limited to 36 percent.

Health Policy 2019 builds on the strategic plan aims to create a conducive environment for the right to health; develop, expand and improve health service system in line with new federal structure; ensure health security, promote alternative medical practices, among others. The control of communicable and non-communicable diseases, reduction in infant and maternal mortality, improvement and better management of medical emergencies, and provision of quality health services for all citizens, including the elderly, physically and mentally disabled, single women, poor communities, marginalized and vulnerable communities, are major objectives of the policy. The approach paper of the 15th Plan (2019-2024) has the target to increase life expectancy at birth from 69.7 years to 72 years, reduce MMR to 99 and under-five mortality to 24 between 2018/19 to 2023/24, among others. These provisions in the plan document are also consistent with targets of SDG 3.

2.4.3 Stakeholder Partnership

The major responsibility for SDG 3 rests with the government. However, a strong partnership is essential to coordinate multi-sector stakeholders, increase their participation, engagement and involvement, harmonize understanding, avoid duplication in their activities, mobilize resources, and avail accurate, relevant and timely statistics for monitoring the activities related to SDG 3. The establishment of basic health and emergency services as a fundamental right of the people requires the cooperation and coordination between the federal, provincial and local governments.

One good examples of partnership of federal government with households is the implementation of health insurance scheme. The health insurance policy is being implemented through a partnership approach that encouraged local people to participate in the health insurance programme, which is a key vehicle in providing free health services to citizens. Provisions have been made for the government to pay the premiums for poor and marginalized people to cover basic health services.

Partnership and coordination between different levels of governments are strongly felt in data sharing and streamlining health activities. Another example of the partnership between the federal government and local government is the provisions of procurement and distribution of medicines based on the concept of central bidding and local purchasing. Community-based health, nutrition, and insurance cooperatives are envisaged to be established in partnership with local governments. Programmes are being designed to provide social protection to the FCHVs and increase the involvement of mothers' groups to strengthen the community health system. Nepal has been implementing the 2nd MSNP since 2017, which is

a good example of multi-sector engagement and partnership between different stakeholders. Further efforts are essential to build a strong bond between state and non-state stakeholders.

The achievements in the health sector in Nepal have been the result of partnership between the international development partners, including bilateral and multilateral agencies, and the government. The health sector was one of the first sectors where different agencies have contributed to sector-wide funding to support essential services and infrastructure, provide training and the technical knowhow and make Nepal the beneficiary of global health initiatives. The life course approach to health, control of communicable and non-communicable diseases, technology-based health information system, multisector nutrition plan and the strengthening of health services generally have all been the result of this partnership.

The role of the private sector has also been complementary. There are inevitable problems of regulation and monitoring, but the growth in private sector quality health providers has provided respite to the much-overburdened public health facilities. A more institutionalized approach to the partnership between public and private health services is definitely warranted.

2.4.4 Challenges

- Increasing investment in the health sector. Investment in the health sector lags much behind the requirement projected in the status and road map report.
- Ensuring universal access to quality basic health services based on equity particularly for the poor and underprivileged in both rural and urban settings. Factors impeding universal access and

affecting the quality of have to be identified and addressed.

- Addressing increasing burden of non-communicable diseases, such as diabetes and cardiovascular diseases.
- Controlling and management of infectious diseases in urban settings. Increasing migration to urban areas, and often squalid living conditions are health hazards in urban settings. The Covid-19 crisis has brought this to the fore.
- Management of efficient and quality health service delivery under the federal system. The new structure and system need to be institutionalised and strengthened.
- Increasing quality health manpower needs in the rural sector. The gap needs to be addressed also in view of emerging issues.
- Sustainable health financing in different contexts. Context specific modalities of health insurance need to be evolved.
- Focusing on preventive health care. Preventive health care needs are often ignored by prioritizing curative aspects. A more balanced context specific approach has to be pursued.
- Assuring overall nutrition in households, particularly for women and children.
- Promoting public-private partnership in the health sector. Profit orientation has to be tempered by the commitment of the state to health as a public good.

2.4.5 Way Forward: Priority Areas of Action

Nepal Health Strategic Plan, Multi-sector Nutrition Plan, Nepal WASH Sector Development Plan identify priority areas of action to attain Nepal's health sector objectives and achieve SDG targets. The following are some critical areas that need to be addressed in the short run:

- Institutionalizing quality health service delivery (management, planning, manpower, infrastructure, supplies) particularly at the local (or Palika) level. Palika-managed health care system need to be urgently strengthened both in rural and urban areas since these are the only public health facilities existing.
- Ensuring delivery or access to delivery by trained birth attendant in all settings. This requires not only mobilizing resources at the local level but also a robust outreach system to reach outlying and remote villages.
- Strengthen, streamline the quality of HMIS data for monitoring SDG 3 indicators. The HMIS data need to be aligned with the needs of monitoring SDG 3 indicators.
- Universal health insurance tied to accessible and quality service delivery. Universal health insurance without an assurance of timely, accessible and quality service is unlikely to make much headway.
- New and conducive approach to partnership and coordination between public, private and NGOs in the health sector in the spirit of health as a public good. The proliferation of private sector health services has to be backed by a strong regulatory mechanism. The growth of health services in the private sector while welcome should not be seen as a substitute to accessible and affordable public health services.

2.5 SDG 4: Inclusive and Quality Education

Ensure inclusive and equitable quality education and promote lifelong learning.

Education plays a vital role across all SDGs, as it is not only a goal in itself but also the

enabler to achieving other goals. Access to knowledge is a key component of human development. SDG 4 aims to ensure inclusive and equitable quality education and promote lifelong learning opportunities to all.

The seven targets of SDG 4 seek to ensure: (i) provision of complete, free, quality primary and secondary education to all girls and boys resulting in relevant and effective learning outcomes; (ii) access to quality early childhood development and pre-primary education for all girls and boys; (iii) affordability of quality education; (iv) increased proportion of the youth and adults have relevant technical and vocational skills; (v) eliminate gender disparities in education and ensure equal access to all levels of education; (vi) achievement of almost total literacy; and (vii) all learners acquire the knowledge and skills to promote sustainable development. SDG 4 has immediate and cross-cutting implications for Goal 5. The targets spell out intervention areas as well as the means for implementation.

A total of 37 indicators were adopted to monitor progress in SDG 4. Of these, 11 are global indicators and 26 additional indicators to reflect the context of Nepal. Data are available for 24 indicators.

2.5.1 Progress in SDG 4

The review of the 14th Plan shows substantial progress in some education-related indicators. The achievements have been impressive with regard to school level enrolment, gender parity index in primary education, and class retention and dropout rates. The primary school (classes 1-5) enrolment rate increased from 96.9 percent to 97.2 percent, basic education (classes 1-8) enrolment from 91 percent to 92.3 percent, and secondary education (classes 9-12) enrolment from 38.9 percent to 43.9 percent.

There is some impressive progress with regard to school level enrolments, gender parity index and in primary education and class retention and dropout rates.

These statistics clearly indicate that the stage of expansion of basic education has been almost completed in Nepal.

SDG 4: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

Target 4.1 seeks to ensure free, equitable and quality primary and secondary level education. The net enrolment target for primary education in 2018 was 97.2 percent (as against the target of 98.5 percent in 2019). For five other indicators the target is near achievement. Primary completion rate is 85.8 percent (target 90.7), proportion of pupil enrolled in grade 1 reaching grade 8 is 79.3 percent (target 81.5 percent), ratio of girls to boys in grade 1 reaching grade 8 is 1.01 (target 1.03), ratio of girls to boys in grade 1 who reached grade 12 is 1.05 (target 1.03). Gross enrolment in secondary school grade 9 to 12 is only 71.4 percent (target 72 percent) and is unlikely to be met in 2019.

The most telling is the indicator on learning achievements in Maths, Nepali and English, where progress has been discouraging, in fact much lower than the baseline estimates for 2015.

This shows that in spite of the growth in enrolment the quality of teaching and learning needs a lot more attention in the future. The expansion in access to education has to be matched by quality and depth of learning.

Target 4.2 relates to access to quality early childhood education. Data are available for one indicator only. Compared to the base line of 81 percent gross enrolment in attendance to early childhood education the situation in 2018 was 84.7 percent. The progress here has been substantive although there is some way to go to meet the target of 85.8 percent.

Target 4.3 concerns access for all to vocational and tertiary education. Data for two

Target 4.1 By 2030, ensure that all girls and boys complete free, equitable and quality primary and secondary education leading to relevant and effective learning outcomes

Targets and Indicators	2015	2019				2022	2030	
		Target	Progress	Data source	Ref. Year			
4.1.1 Proportion of children and young people: (a) in grades 2/3; (b) at the end of primary; and (c) at the end of lower secondary achieving at least a minimum proficiency level in (i) reading and (ii) mathematics, by sex								
1	Net enrolment rate in primary education (percent)	96.6a	98.5	97.2	Education in Figure	2018	99	99.5
2	Primary completion rate (percent)	80.6a	90.7	85.8	Education in Figure	2018	93.1	99.5
3	Proportion of pupils enrolled in grade one who reach grade eight (percent)	76.6a	81.5	793.4	Education in Figure	2018	92	95
4	Ratio of girls (to boys) enrolled in grade one who reach grade eight	1.04 a	1.03	1.01	Education in Figure	2018	1.02	1
5	Ratio of girls (to boys) enrolled in grade one who reach grade twelve	1.1 a	1.04	1.05	Education in Figure	2018	1.03	1
<i>Learning Achievement / Score (Math, Nepali and English) for Class 5 (percent)</i>								
6	a) Math	53.3	55	35	Education in Figure	2018	58	65
	b) Nepali	63	66	34	Education in Figure	2018	70	75
	c) English	53.6	57	41	Education in Figure	2018	60	68
7	Gross Enrolment in secondary education (grade 9 to 12) (percent)	56.7a	72	71.64	Education in Figure	2018	90	99

Target 4.2 By 2030, ensure that all girls and boys have access to quality early childhood development, care and pre-primary education so that they are ready for primary education

Target and Indicators		2015	2019			2022	2030
		Actual	Target	Progress	Data source		
4.2.1	Proportion of children under 5 years of age who are developmentally on track in health, learning and psychosocial well-being, by sex						
4.2.2	Participation rate in organized learning (one year before the official primary entry age), by sex						
1	Coverage of child grant for pre-primary education (number in '000)	506 ^c	596				620 700
2	Attendance to early childhood education (Gross Enrolment) (percent)	81 ^a	85.8	84.7	Flash Report	2018	89.4 99

indicators –ratio of girl's enrolment in tertiary education, and scholarship coverage– show that there has been some progress relative to the target in the former, while scholarship coverage in fact has dropped beyond the situation in the base year.

Target 4.4 relates to the youths and adults with technical vocational skills for employment. Data is available for two indicators.

Only 31 percent of the working age population had vocational and technical skills as against the target of 38 percent. There is some progress but the expansion in vocational education has been too slow and has to be expedited. The growth in internet users is encouraging as 58 percent of adult population were using internet in 2018.

Target 4.3 By 2030, ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university

Target and Indicators		2015	2019			2022	2030
		Actual	Target	Progress	Data source		
4.3.1	Participation rate of youth and adults in formal and non-formal education and training in the previous 12 months, by sex						
1	Ratio of girl's enrolment in technical and vocational education	0.53 ^g	0.66				0.75 1
2	Ratio of girl's enrolment in tertiary education (graduate level)	0.88 ^g	0.91	0.90	Education in Figure	2018	0.94 1
3	Scholarship coverage (percent of total students)	37 ^c	38.3	36	MIS	2018	39.3 42

Target 4.4 By 2030, increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship

Target and Indicators		2015	2019			2022	2030
		Actual	Target	Progress	Data source		
4.4.1	Proportion of youth and adults with information and communications technology (ICT) skills, by type of skill						
1	Youth and adults with technical and vocational training (number in '000, annual)	50 ^b	165				300 480
2	Working age population with technical and vocational training (percent)	25 ⁱ	38	31	15th Plan	2018/19	48 75
3	Internet users (percent of adult population)	46.6 ^a	59.5	58	MIS	2018/19	69.2 95

Target 4.5 By 2030, eliminate gender disparities in education and ensure equal access

Target and Indicators	2015	2019				2022	2030
	Actual	Target	Progress	Data source	Ref. Year		
4.5.1 Parity indices (female/male, rural/urban, bottom/top wealth quintile and others such as disability status, indigenous peoples and conflict-affected, as data become available) for all education indicators on this list that can be disaggregated							
1 Gender parity index (GPI) (primary school)	1.02 ^a	1.01	1.06	Education in Figure	2018	1.01	1
2 Gender Parity Index (GPI) (secondary school)	1 ^a	1	0.95	Education in Figure	2018	1	1
3 Gender Parity Index (GPI) based on literacy (above 15 years)	0.62 ^a	0.72	0.65	Education in Figure	2018	0.8	1

Target 4.5 monitors gender disparity in education access. The gender parity index for primary schools is 1.06 as against the target of 1.01 in 2019. There are more girls in primary schools than boys. However, the gender parity index for secondary level is only 0.95 as against 1, the target for 2019. The gender parity index for adult literacy shows that the target is far from being met and needs more programme and policy attention. But in general, there has been improvement in gender parity.

Target 4.6 relates to adult literacy and numeracy. Data are available for two indicators only. The 2019 target for literacy among 15-24-year olds has been met, but public spending per student in basic education remains much lower (NRs12,000 per student) than targeted for 2019 (NRs19,000 per student), and lower than the estimated

situation in 2015. This makes the baseline data suspect.

Target 4.7 looks at the broader perspective of education regarding global citizenship and sustainable development. Both indicators to monitor progress – human assets index and gender development index – show progress that surpasses the targets set for 2019. For Target 4.7 the progress has been remarkable.

Target 4a relates to education infrastructure in schools to make them more inclusive and effective. Data is available for only one indicator. Some 28 percent of schools had internet access in 2019, slightly less than the target (28.6 percent). Although not complete, progress is substantive particularly in view of the situation in 2015.

Target 4.6 By 2030, ensure that a ll youth and at least 95 per cent of adults, both men and women, achieve literacy and numeracy

Target and Indicators	2015	2019				2022	2030
	Actual	Target	Progress	Data source	Ref. Year		
4.6.1 Proportion of population in a given age group achieving at least a fixed level of proficiency in functional (a) literacy and (b) numeracy skills, by sex							
1 Literacy rate of 15-24 years old (percent)	88.6 ^c	91.4	92	15th Plan	2018/19	95	99
2 Literacy rate of 15-24 years old (women) (percent)	87.4 ^b	90.5				92.8	99
3 Numeracy all (reading and writing in numeric terms) of 15 years & older (percent)	62.2 ^d	71.7				78.9	98
4 Numeracy of female (reading and writing numeric terms) of 15 years and older (percent)	51.9 ^d	63.4				72	95
5 Public spending per student (Basic education in '000)	15 ^c	19	12	15th Plan	2018/19	22	30

Target 4.7 By 2030, ensure that all learners acquire the knowledge and skills needed to promote sustainable development, including, among others, through education for sustainable development and sustainable lifestyles, human rights, gender equality, promotion of a culture of peace and non-violence, global citizenship and appreciation of cultural diversity and of culture's contribution to sustainable development

Target and Indicators		2015	2019			2022	2030	
		Actual	Target	Progress	Data source			Ref. Year
4.7.1	Extent to which (i) global citizenship education and (ii) education for sustainable development, including gender equality and human rights, are mainstreamed at all levels in: (a) national education policies; (b) curricula; (c) teacher education; and (d) student assessment (In scale of 0 to 5: Where "0" is none)	Yes						
1	Human assets index	66.6 ^e	68.9	72	15th Plan	2018/19	70.5	76
2	Gender development index	0.53 ^f	0.58	0.897	HDI	2018/19	0.61	0.7

Target 4b is about opportunities available for tertiary level training and education abroad. There are no data available for this target.

Target 4c concerns the supply of qualified teachers in schools. The two indicators are the proportion of teachers in basic education with a minimum organized teacher training, and the same for secondary education. The

situation in 2019 was 77.4 percent in the case of basic education, and 77.1 percent for secondary education when the target was 96.5 percent and 96 percent respectively. The baseline estimates for 2015 show a much favourable situation than in 2019 indicating the need to look at the data carefully.

Target 4.a Build and upgrade education facilities that are child, disability and gender sensitive and provide safe, non-violent, inclusive and effective learning environments for all

Target and Indicators		2015	2019			2022	2030	
		Actual	Target	Progress	Data source			Ref. Year
4.a.1 Proportion of schools with access to: (a) electricity; (b) the Internet for pedagogical purposes; (c) computers for pedagogical purposes; (d) adapted infrastructure and materials for students with disabilities; (e) basic drinking water; (f) single-sex basic sanitation facilities; and (g) basic handwashing facilities (as per the WASH indicator definitions)								
4.a.1	Schools with access to electricity (percent)							
4.a.2	Schools with access to internet (percent)	3.9 ^c	28.6	28	15th Plan	2018/19	47.2	99
4.a.3	Basic schools with access to "WASH" facilities (percent)	80 ^j	85				88.3	99
4.a.4	Disability friendly schools (percent)							99

Target 4.c By 2030, increase the supply of qualified teachers, including through international cooperation for teacher training in developing countries, especially least developed countries and small island developing States

Target and Indicators		2015	2019			2022	2030	
		Actual	Target	Progress	Data source			Ref. Year
4.c.1	Proportion of teachers in: (a) pre-primary; (b) primary; (c) lower secondary; and (d) upper secondary education who have received at least the minimum organized teacher training (e.g. pedagogical training) pre-service or in-service required for teaching at the relevant level in a given country							
4.c1	Proportion of teachers in basic education who have received at least the minimum organized teacher training, (percent)	95.5 ^a	96.5	77.4	Education in Figure	2018/19	97.5	100
4.c2	Proportion of teachers in secondary education who have received at least the minimum organized teacher training, (percent)	95.4 ^a	96	77.1	15th Plan	2018/19	97	100

2.5.2 SDG 4: Government Policies and Plans

The constitution of Nepal guarantees the right to education as a fundamental right. Accordingly, access to compulsory and free education up to the basic level and free education up to the secondary level is a right of every citizen. Citizens have the right to receive education in their mother tongue, establish and run schools and educational institutions as provisioned in laws. In addition, those with disabilities and economically disadvantaged have the right to free higher education by law. These provisions in the constitution are consistent with the aspirations reflected in SDG 4. Government policy has been to increase investment in technical, vocational, skill- and employment-oriented education, and achieve gender parity at all levels of education.

The 14th plan envisaged education as the key driver for socio-economic transformation. The plan aimed to develop an education system that imparted livelihood skills and life-long learning opportunities to all, and provide professional and skill-based quality education for employment and self-employment. The plan touched upon and included all the elements as envisaged in SDG 4. The School Sector Development Plan (SSDP) (2016-23) is one of the key vehicles for implementation of SDG 4. It builds on the notions of equity, quality, efficiency, governance and management, and resilience. SSDP addresses issues of basic education (ensuring school readiness and access to quality education), secondary education (skilled and quality human resource ready for the world of work), and lifelong learning (enhance functional literacy and cultivate reading/learning habits). Major areas of intervention are professional development and management of teachers, institutional capacity development, monitoring and evaluation, examination and

assessment, ICT education, disaster risk reduction, health and nutrition, and literacy and lifelong learning. SSSP builds on the achievement of earlier programmes, namely Education for All (2004-09) and School Sector Reform Plan (2009-14) and is consistently aligned with the targets of SDG 4.

The achievements during the 14th Plan period were impressive. The net enrolment ratio at the primary level reached 97.2 percent. For the secondary level the ratio was 43.9 percent. The gender parity index in primary and secondary levels was 1.0 and 1.02 respectively at the end of the plan period. Many of the gains were a result of government interventions, namely free education, scholarships to the underprivileged, the school meals programme and expansion of education infrastructure both physical and otherwise.

The approach paper of the 15th Plan builds on the earlier strategy and aims to develop creative, skillful, competent and innovative human capital through the provision of quality education. The plan seeks to ensure the access to pre-school experience to all children, free and compulsory basic education, and free secondary education. It also seeks to expand the access to vocational and technical education by enhancing the quality and ensuring equity and inclusiveness. By the end of the plan period the 15+ literacy rate is expected to reach 90 percent, net enrolment in early education, basic and secondary levels is envisaged to reach cent percent, 99.5 and 65 percent respectively. Those trained in vocational and technical skills are expected to reach 60 percent. At least 50 percent of basic level teachers are expected to be women.

The government has recently approved the Nepal National Framework for SDG 4 - Education 2030, and the National Strategy for the Development of Educational Statistics

(NSDES). Some provincial and local governments have already started the process of developing the educational plan and programme based on these policy documents. In line with the National Framework for SDG4, MOEST, Provincial Social Development Ministry and local governments are developing Education Sector Plan (2021-2030), which creates an enabling environment to achieve the SDG4 targets with collective participation and ownership.

2.5.3 Stakeholders Partnerships

The Constitution of Nepal has designated the federal government to bear the responsibilities of central universities, central level academies, university standards and regulations and central libraries. Provincial governments are mandated to manage province universities, higher education, and other province level institutions. The implementation of basic and secondary education comes under the jurisdiction of local government. In addition, the private sector plays a pivotal role in realizing the education goals of the SDGs, including access to quality vocational and technical training, employment creation and entrepreneurship development. Private sector investment in school education is significant, particularly in urban areas. Education is one sector where the partnership of the federal government with state and non-state stakeholders, such as provincial and local government, private sector, cooperatives, NGOs, and other CSOs and development partners, has been both extensive and far reaching.

Recent initiatives to achieve 100 per cent literacy through non-formal education, and nationwide door-to-door campaign to enrol all children in schools are examples of the partnership of the government at all levels and CSOs in realizing the goals of SDG 4. The CSOs have played a substantial role in

delineating CSO positions on education sector plan, localizing the SDGs, and creating campaigns for people's awareness at the national and local levels.

Most of the initiatives in school sector reform, including SSDP, have been a result of the intrinsic and sustained partnership between the government and the development partners. MoEST at the federal level has recently prepared a National Framework for Action for Education 2030 in collaboration with the Nepal National Commission for UNESCO. This framework highlights the seven objectives and the three means of implementation of SDG 4 and sets the stage for collaboration between three levels of government.

There is a clear realization among all the stakeholders that the targets of SDG 4 can be met only when a complementary partnership is forged between the governments at all levels, private sector and NGOs, civil society organization and the donor community at large.

2.5.4 Challenges

The SSDP seeks to address many of the challenges in achieving SDG 4 from the concerns of equity to concerns of governance. Some prominent challenges are:

- Ensuring accessible and inclusive quality education to all. The major challenge is to make school education accessible to out-of-school children, mainly for children from underprivileged and marginalized communities, and for those in remote areas. This requires not only community awareness and good education infrastructure but also addressing the concerns of households that do not send their children to school.
- Reducing school dropouts and increased retention rates. School dropout rates from the primary to the secondary level, especially among girls, has to be considerably reduced in order to enhance the number of years of schooling and commensurate learning outcomes.

There has been significant progress in women's representation in elected positions – from the national parliament to local governments and in public service decision-making.

- Raising the quality and relevance of learning. Learning outcomes of children have been very poor in both primary and secondary schools. To ensure minimum proficiency, the quality of the learning environment and the quality of teaching has to be improved. The relevance of learning has to be tied to required life skills. Mainstreaming vocational education particularly for girls is of critical importance in this regard.
- Improving the quality of school infrastructure. The quality of both the software (motivated and efficient management, number, quality and motivation of teachers), and the hardware (physical structures and facilities) of school infrastructure has to be improved. This is as much a matter of good governance as of increased investment in the school education.

2.5.5 Way Forward: Priority Areas of Action

- Strengthen the capacity of the local governments to oversee and manage school level education as provided for under the provision of the constitution.
- Increase the coverage of (pre-primary) early childhood education. The coverage now is much too low and has to be rapidly expanded.
- Measuring performance of students and teachers to enhance learning outcomes and improve teacher quality and performance, and also increase retention rates. Learning outcomes need to guide the quality education strategies in schools. One way to facilitate relevant and meaningful learning outcomes and to address development challenges and promote mutual understanding is to integrate local culture contents into school formal and non-formal education.
- Ensure minimum physical infrastructure in schools to improve the learning

environment and add to the attraction of public schools. More attention has to be paid to the management regime of public schools.

- Promoting information and communication technology (ICT) based education (curriculum, teachers' training and delivery mechanism) needs to be promoted by improving ICT infrastructure, teachers' capacity development and curriculum reform. This would be instrumental not only to cope with the effects of COVID-19, but also to ensure the quality of education for all.
- Improved literacy, numeracy through sustained campaigns with the support of all local level stakeholders.
- Expand vocational streams in school education to impart skills relevant to demand in the world of work. The expansion has been too slow compared to policy expectations.
- Institutionalize and improve upon EMIS to monitor progress in SDG targets. This would require incorporation of SDG target related information in EMIS.
- Promoting STEM education, including Arts for scientific advancement and innovation.
- Integration of culture of peace and non-violence; promotion of global citizenship, appreciation of cultural diversity; respect for gender and social sensitivity, history, indigenous knowledge, philosophies.

2.6 SDG 5: Gender Equality **Achieve gender equality and empower all women and girls.**

Ending inequality and discrimination against women and girls is not only a basic human right, it is a singularly important limiting factor for sustainable development. Gender equality is an essential prerequisite to accelerating economic growth, promoting social development, providing dignity and

Target 5.1 End all forms of discrimination against all women and girls everywhere

Target and Indicators		2015	2019				2022	2030
			Target	Progress	Data source	Ref. Year		
5.1.1	Whether or not legal frameworks are in place to promote, enforce and monitor equality and non discrimination on the basis of sex							
1	Wage equality for similar work (ratio of women's wage to that of men)	0.62 ^h	0.72	0.66	NLFS	2017/18	0.8	0.92 ^h
2	Gender Inequality Index	0.49 ^b	0.38	0.476	HDR	2019	0.29	0.05
3	Gender Empowerment Measurement (Index)	0.57 ^b	0.6	0.62	HDR	2019	0.63	0.69

allowing equal partnership in development for half of humanity.

The six targets of SDG 5 seek to ensure (i) an end to all forms of discrimination against women and girls everywhere; (ii) elimination of all forms of violence against, and exploitation of, women and girls in all spheres; (iii) elimination of all harmful practices against females; (iv) recognition and value given to unpaid care and domestic work through various facilities and shared responsibility; (v) full participation and equal opportunities for women at all levels of decision making; and (vi) universal access to sexual and reproductive health. Effective and sound policies, enforceable legislation and a legal framework are the basic foundations to achieve gender equality.

A total of 36 indicators are used to measure progress. Of these, 14 are global and 22 are additional indicators to reflect the Nepal context. Comparative data is available for 21 indicators.

2.6.1 Progress in SDG 5

In SDG 5, progress in some areas has been remarkable but there are other areas where a lot more policy and programme attention is warranted.

SDG 5: Achieve gender equality and empower all women and girls

Target 5.1 Three indicators are taken to monitor discrimination against women and girls. Of these, Nepal has met the target for the gender empowerment index for 2019 (0.62 against the target of 0.6). As regards wage equality for similar work, there has been progress – but it is slow (0.66) relative to the target (0.72). On the gender inequality index, the target was to reduce inequality from 0.49 in 2015 to 0.38 in 2019. There has been only a slight progress and the 2019 index stands at 0.476.

Target 5.2 relates to elimination of violence against women. With the exception of just one indicator, women in reproductive age

Target 5.2 Eliminate all forms of violence against all women and girls in the public and private spheres, including trafficking and sexual and other types of exploitation

Target and Indicators		2015	2019				2022	2030
			Actual	Target	Progress	Data source		
5.2.1	Proportion of ever-partnered women and girls aged 15 years and older subjected to physical, sexual or psychological violence by a current or former intimate partner in the previous 12 months, by form of violence and by age							
1	Lifetime Physical and/or Sexual violence (percent)	28.4 ^a	22.2	24.3	NDHS	2016	17.5	5
2	Children age 1-14 years who experienced psychological aggression or physical punishment during the last one month (percent)	81.7 ^d	59.9	77.6	NDHS	2016	43.6	13.6

Target and Indicators	2015	2019				2022	2030
	Actual	Target	Progress	Data source	Ref. Year		
5.2.2 Proportion of women and girls aged 15 years and older subjected to sexual violence by persons other than an intimate partner in the previous 12 months, by age and place of occurrence							
1 Women aged 15-49 years who experience Physical / sexual violence (percent)	26 ^j	19.1	11.2	NDHS	2016	13.9	6.5
2 Women and Girls Trafficking (number)	1697 ^a	725	946	NHRC	2018	650	325

groups who experience violence, where the progress seems remarkable (11.2 percent as against expected 19.1 percent), in the other three indicators – lifetime physical/sexual violence, children experiencing physical psychological aggression, and number of women/girls trafficking – progress has been below expectations.

Target 5.3 seeks to eliminate all harmful practices like forced child marriage and FMG. FMG is not applicable for Nepal, but the proportion of 15-19 women who are married remains at 19.3 slightly higher than the expected 18 for 2019. In so far as early marriage is concerned, the baseline situation was better than it is now, which again raises doubts about the baseline estimates.

Target 5.4 relates to recognizing the value of unpaid care and domestic work undertaken by women. There are two indicators to monitor this target. The ratio of women to men in participation in labour force was 0.61 as against the target of 0.95 for 2019. The progress here has been quite slow. Here again the baseline estimates need scrutiny. As regards the average hours spent by women in domestic work the figures for 2019 show 6 hours, much lower than 11.87 hours taken as the target for 2019.

Target 5.5 seeks to ensure full and effective participation of women and equal opportunities for leadership at all levels. All the seven indicators used to measure progress show laudable progress that surpass

Target 5.3 Eliminate all harmful practices, such as child, early and forced marriage and female genital mutilation

Target and Indicators	2015	2019				2022	2030
	Actual	Target	Progress	Data source	Ref. Year		
5.3.1 Proportion of women aged 20-24 years who were married or in a union before age 15 and before age 18							
1 Women aged 15-19 years who are married or in union (percent)	24.5 ^d	18	19.3	NMICS	2019	13.1	4.1
5.3.2 Proportion of girls and women aged 15-49 years who have undergone female genital mutilation/cutting, by age							

Target 5.4 Recognize and value unpaid care and domestic work through the provision of public services, infrastructure and social protection policies and the promotion of shared responsibility within the household and the family as nationally appropriate

Target and Indicators	2015	2019				2022	2030
	Actual	Target	Progress	Data source	Ref. Year		
5.4.1 Proportion of time spent on unpaid domestic and care work, by sex, age and location							
1 Ratio of women to men participation in labour force	0.93 ^h	0.95	0.61	NLFS	2017/18	0.96	1
2 Average hours spent in domestic work by women	14 ^a	11.87	6	NLFS	2017/19	10.27	6

Target 5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life

Target and Indicators		2015	2019			2022	2030	
		Actual	Target	Progress	Data source			Ref. Year
5.5.1 Proportion of seats held by women in (a) national parliaments and (b) local governments								
1	(a) national parliament (percent)	29.5 ^a	33	33.5	Election Report	2018	34.4	40
	(b) provincial parliament (percent)		33	34.4	Election Report	2018	34.4	40
	(c) local government bodies (percent)		40.5	40.8	Election Report	2018	41	42
5.5.2 Proportion of women in managerial positions								
1	Women's participation in decision-making level in the private sector (percent)	25 ^h	30.3	29.61	National Economic Census	2018	34.3	45
2	Women's participation in cooperative sector (percent)	50 ⁱ	50	51	MIS	2018	50	50
3	Women in public service decision-making positions (percent of total employees)	11 ^e	17	13.6	MIS	2018	21.3	33
4	Ratio of women to men in professional and technical workers (percent)	24 ^a	28	25	NLFS	2017/18	31	40

the targets, with the exception of ratio of women to men in professional and technical work. Much of this, of course, has to do with the constitutional provisions for women's representation at all political levels from the local to the national legislatures. In some areas, such as women in public service decision-making, there has been some progress (from 11 percent to 13 percent) relative to the baseline.

Target 5.6 relates to women's reproductive health rights. Data are available for one indicator only. Awareness of reproductive rights among women in the concerned age group is in fact lower (57.5 percent) in 2016 than the base year of 2015 (59.5 percent), when the expectation for 2019 was 68 percent.

Target 5.6 Ensure 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

Target and Indicators		2015	2019			2022	2030	
		Actual	Target	Progress	Data source			Ref. Year
5.6.1 Proportion of women aged 15-49 years who make their own informed decisions regarding sexual relations, contraceptive use and reproductive health care								
1	Awareness about reproductive rights among girls and women (percent)- Proportion of women aged 15-49 years who make their own informed decisions regarding sexual relations, contraceptive use and reproductive health care.	59.5 ^g	68	57.5	NDHS	2016	74	90
2	Receiving specific support and service provisions related to sexual health care to the poor, discriminated and marginalized groups (percent)							
5.6.2 Number of countries with laws and regulations that guarantee full and equal access to women and men aged 15 years and older to sexual and reproductive health care, information and education								
	New: Percent of women of lower 20 percent by wealth quintile aged 15-49 receiving no one's assistance during delivery			14.7	NDHS	2016		

Target 5.a Undertake reforms to give women equal rights to economic resources, as well as access to ownership and control over land and other forms of property, financial services, inheritance and natural resources, in accordance with national laws

Target and Indicators	2015	2019				2022	2030
	Actual	Target	Progress	Data source	Ref. Year		
5.a.1	(a) Proportion of total agricultural population with ownership or secure rights over agricultural land, by sex; and (b) share of women among owners or rights-bearers of agricultural land, by type of tenure						
5.a.1	Number of enterprises owned by women	-	-	247880	National Economic Census	2018	
5.a.2	Women's ownership of property (land and house)	26 ^a	29.7	33.93	NDHS	2016	32.5 40
5.a.2	Proportion of countries where the legal framework (including customary law) guarantees women's equal rights to land ownership and/or control						

Target 5a concerns reforms that give women equal rights to economic resources, including rights over property and inheritance. Comparable data are available for one indicator. The proportion of women owning property was 33.93 percent in 2016 against the expectation of 29.7 percent in 2019. New information from the National Economic Survey shows that nearly 250,000 enterprises (or 29.8 percent) are owned by women.

Target 5b relates to the use of enabling technology by women aged between 15 and 24 years. The progress is 34.97 percent in 2016 against the target of 40.5 percent. The target for this indicator is likely to be met in view of the rapid growth of internet usage overall.

Target 5c is about the adoption of policies and enforceable legislation to promote gender equality. No data are available for the indicator.

On gender equality, there clearly has been progress, particularly with respect to representation

and establishment of women's rights. On the economic front, progress is somewhat slower.

2.6.2 Government Policies and Plans

The constitution of Nepal pledges to end all forms of gender inequality, violence and exploitation, and guarantees equal right to inheritance, safe motherhood and rights to reproductive health as well as proportional and inclusive participation in all the agencies of the state. The various provisions that have been backed by legislation include the right to receive citizenship through the mother, equal right to inheritance without discrimination, right to safe motherhood and reproductive health, equal right of the couple to family property. To enhance women's representation in decision-making at the highest level, one-third of representatives in federal and provincial legislatures are required to be women. Similarly, the speaker or deputy speaker of federal and provincial legislatures and the chair

Target 5.b Enhance the use of enabling technology, in particular information and communications technology, to promote the empowerment of women

Target and Indicators	2015	2019				2022	2030
	Actual	Target	Progress	Data source	Ref. Year		
5.b.1	Proportion of individuals who own a mobile telephone, by sex						
5.b1	Use of Internet by women aged 15-24 years (percent)	19.6 ^d	40.5	34.97	NDHS	2016	56.2 98

or vice-chair of the national assembly is reserved for women. Women's representation is also guaranteed in local municipalities from the ward level to the municipal executive. One of the two – Chair/mayor or vice-chair/deputy mayor of the local government – is required to be a woman. The National Women's Commission consists of women only.

The National Civil Code and the Penal Code have been revised to enshrine the right against discrimination, and to criminalize discrimination. Acts have been legislated to end domestic violence and human trafficking. A parliamentary oversight mechanism is in place to address the concerns of women and children, specifically to make the government accountable and to ensure the implementation of policies and legislations in furtherance of women's rights. All three levels of government have mandated roles and responsibilities in the formulation and implementation of policies concerning gender equality and women's rights. National Gender Equality Policy and the second National Strategy and Action Plan on Gender Empowerment and Ending violence is being drafted.

Nepal has adopted international frameworks for women's rights, including the Convention on the Elimination of All Forms of Discrimination against Women (CEDAW) 1984, and the Beijing Declaration and Platform for Action 1995. The Domestic Violence (Offence and Punishment) Act and the Human Trafficking and Transportation (Control) Act were enacted in 2007 and 2009, respectively. In recent decades, various strategies and regulations have been adopted to facilitate gender mainstreaming and women's empowerment in development planning and programmes. Gender-responsive budgeting and gender auditing are internalized

as the norm in planning and assessing development programmes. Deep-rooted contrary practices prevalent in various spheres of life notwithstanding, gender equality remains a central concern of the government. Government plans and programmes have focused on creating a policy and legal framework, improving women's capabilities by imparting skills and enhancing economic benefits, and creating an enabling environment for women's development and participation in all spheres.

The policies and strategies of the 14th Plan were oriented to mainstreaming gender in every level and process of development, eliminating discrimination and violence against women through preventive and protective measures, enhancing the capability of women from marginalised communities, and ensuring maternal and reproductive health. At the end of the plan period, women's literacy was 57.7 percent, the maternal mortality rate was 239 per 100,000 live births, women's labour force participation rate was 26.3 percent, and the total fertility rate was 2.3 per woman of reproductive age. About 26 percent of women had established property rights. Approximately 39 percent of the budget in the last fiscal year was allocated to programmes that directly benefited women.

The 15th Plan proposes to strengthen gender-responsive governance, end all kinds of discrimination, violence and exploitation of women, and ensure equal leadership roles for women in economic prosperity, as well as equal access to resources, opportunities and benefits.

2.6.3 Stakeholder Partnerships

Gender inequality is such a pervasive and deeply rooted phenomena that without a sustained effort at all levels from individ-

uals to households, from government to the private sector, from CSOs, INGOs and NGOs to local clubs and forums, it will be hardly possible to achieve gender equality in policy, action and behaviour.

In spite of the achievements made in the last decades, there are still large inequalities in access to education and health, in wages, and in the societal perception of capabilities. Gender-based violence and exploitation remains a fact of life. Unequal work division and discrimination in both public and private spaces is rampant. Patriarchal norms are deep-rooted. The practice of early marriage still exists despite the evidence that it negatively affects the status of women.

The real achievement of SDG 5 is contingent on the seriousness with which the three levels of government implement the stated government policies and programmes. Many of the initiatives taken by the government have been the result of international agreements and therefore the role of international agencies is vital in continuing to reinforce the necessity of women's empowerment and gender equality. The role of CSOs at the local level is also critical in dealing with some of the most culturally entrenched and patriarchy-based issues related to practices such as Chhaupadi, and the prevalence of gender-based violence.

While there have been efforts by the government, NGOs and development partners at building a synergy in the push towards women's empowerment, much of the effort remains at the policy and strategy level. There remains a lag between national policies and strategies and concrete, meaningful action and purposeful empowerment of women at the local/household/workplace level. Here the partnership between local government and CSOs becomes crucial in progressing towards the intent of SDG 5.

2.6.4 Challenges

- Ensuring gender equality in social and economic life. State policies notwithstanding, ensuring gender equality and non-discrimination in everyday social and economic life remains a huge challenge as it is engrained in a patriarchy-nurtured social ethos. Child marriage, discrimination within the household with respect to education and health, discrimination in public offices, discrimination in wages, stereotypical view of men and women's role in society and household, entrenched but harmful traditional beliefs and practices all contribute to gender inequality.
- Eradicating gender-based violence against women. This requires a multi-faceted approach consisting of increased female literacy, increased self-reliance among women, societal awareness and peer pressure as well as willingness to seek the protection of the law and proactive and enforceable laws and regulations.
- Ensuring gender sensitivity in development programmes. Development programmes have to be gender-sensitive not only with respect to the impact on women but also the extent to which these open up and expand opportunities for women. Programmes need to account for the disproportionate effects of disasters and climate change, for example, on women.
- Improving women's access to technology and know-how. Modern digital technology opens up many avenues and its deprivation among women remains a critical barrier to advancement.

2.6.5 Way Forward: Priority Areas of action

- Institutionalization of gender auditing in all programmes. This should be equally applicable to all programmes from the central to the local level. Gender-based budgeting should be better scrutinized to reflect the reality in the field.
- Continuing and concerted campaigns against gender violence and harmful beliefs. A continuous reinforcement of the message to develop a sensitivity towards gender violence and exploitation and against traditional practices and beliefs in addition to the enforcement of laws enacted by parliament.
- Translating representation to empowerment. Constitutional provisions have strengthened and expanded the representation of women in elected bodies particularly at the local level. Capacity building of representatives is essential to translate representation to empowerment.
- Gender disaggregated data. To assess the progress in gender equality, gender-disaggregated data in all spheres of social and economic life and development (including domestic violence and exploitation) has to be systematically collected and processed.

2.7 SDG 6: Clean Water and Sanitation

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

Clean water and sanitation is enshrined as a fundamental right of every citizen in the constitution of Nepal. SDG 6 aims not only to ensure safe drinking water and sanitation to all, but also the sustainable management of fresh water resources for pres-

ent and future generations. The six targets of SDG 6 aspire to (i) achieve of universal and equitable access to safe and affordable drinking water for all; (ii) achieve access to adequate and equitable sanitation for all and end open defecation; (iii) improve water quality by reducing pollution, eliminating leakage and minimizing the release of hazardous chemicals and materials; (iv) substantially increase water use efficiency across all sectors; (v) implement integrated water resources management at all levels; and (vi) protect and restore water-related ecosystems, including mountains, forests, wetlands, rivers, aquifers and lakes. Clean water and sanitation is also a necessary condition for meeting various other objectives related to health, education and poverty reduction, among others.

A total of 25 indicators are taken to measuring the progress of SDG 6. These include 11 global indicators and 14 indicators adopted specifically for the Nepali context. Data for just 7 indicators are available to measure progress.

2.7.1. Progress in SDG 6

Water and sanitation have remained a priority area of Nepal's development programmes. There has been progress in the WASH sector, but far below expectations in many instances.

SDG 6: Ensure availability and sustainable management of water and sanitation for all

Target 6.1 is about universal and equitable access to safe drinking water. There has been progress compared to the base year, but none of the targets for three indicators for which data are available are likely to be met. The proportion of the population using safe drinking water remains at 25 percent (target: 35 percent), households

Basic water supply coverage is 88 percent where as 21 percent population has access to safe drinking water. There has been a significant improvement in sanitation, with 85 percent of the population using toilets.

Target 6.1 By 2030, achieve universal and equitable access to safe and affordable drinking water for all

Target and Indicators		2015	2019			2022	2030	
		Actual	Target	Progress	Data source			Ref. Year
6.1.1	Proportion of population using safely managed drinking water services							
1	Population using safe drinking water (percent)	15 ^a	35	25	15th Plan	2019	50	90
2	Household with access to piped water supply (percent)	49.5 ^a	60.3	49.6	NDHS	2016	68.4	90
3	Basic water supply coverage (percent)	87 ^a	90.2	88	15th Plan	2019	92.6	99
4	Households with E. coli risk level in household water \geq 1 cfu/100ml (percent)	82.2 ^b	60.3				43.8	1
5	Household with E. coli risk level in source water \geq 1 cfu/100ml (percent)	71.1 ^a	52.1				37.9	1

with piped water supply are at 49.6 percent (target: 60.3 percent) and basic water supply coverage remains at 88 percent (target: 90.2 percent). Although the water supply coverage has expanded, the number of supply systems that are dysfunctional or suffer from frequent breakdowns are reported to be considerable.

Target 6.2 is about access to adequate and equitable sanitation and hygiene and ending open defecation. The targets for the propor-

tion of population using latrines is 85 percent (target: 75.7 percent), and sanitation coverage is 99 percent (target: 86.5 percent) have been realised. There has been some progress in households using unshared sanitation facilities by 2016 and it is likely that there will be further progress in this indicator.

Target 6.3 relates to water quality in terms of pollution and hazardous chemicals. The target of reducing the proportion of un-

Target 6.2 By 2030, achieve access to adequate and equitable sanitation and hygiene for all and end open defecation, paying special attention to the needs of women and girls and those in vulnerable situations

Target and Indicators		2015	2019			2022	2030	
		Actual	Target	Progress	Data source			Ref. Year
6.2.1	Proportion of population using safely managed sanitation services, including a hand-washing facility with soap and water							
1	Households using improved sanitation facilities which are not shared (percent)	60 ^d	69.3	62	NDHS	2016	78.7	95
2	Proportion of population using latrine (percent)	67.6 ^e	75.7	85	NDHS	2017	83.8	98
3	Sanitation coverage (percent)	82 ^a	86.5	99	MIS	2018/19	89.9	99
4	Urban households with toilets connected to sewer systems/proper FSM (percent)	30 ^a	46				62	90

Target 6.3 By 2030, improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated waste water and increasing recycling and safe reuse.

Target and Indicators		2015	2019			2022	2030	
		Actual	Target	Progress	Data source			Ref. Year
6.3.1	Proportion of wastewater safely treated							
1	Proportion of untreated industrial waste water (percent)	99 ^c	75.3	95	15th Plan	2019	57.5	10
6.3.2	Proportion of bodies of water with good ambient water quality							

treated industrial waste water remains at 95 percent and the target has not been met. Without the proper enforcement of regulatory mechanisms, the situation is unlikely to improve.

Target 6.4 is about water use efficiency across sectors. There are no data available to monitor progress in this target. There are also no data available for monitoring progress in **Target 6.5** (implementation of integrated water resources management at all levels), **Target 6.6** (protection and restoration of water related ecosystems), **Target 6a** (international cooperation), and **Target 6b** (Participation of local communities in improving water and sanitation management)

2.7.2 SDG 6 – Government Policies and Plans

Over recent decades, Nepal has made considerable efforts to improve water supply and sanitation. As early as 1997, the government formulated comprehensive 20-year Water and Sanitation Strategies with the objective of total coverage by 2017. The National Rural Water Supply and Sanitation Policy and Strategy 2004 was proposed to provide safe and reliable and affordable water supply in targeted areas and communities. In 2009, under the National Policy for Urban Water Supply and Sanitation, various urban-oriented projects were implemented on the principles of cost recovery and public-private partnership. Under the Sanitation and Hygiene Master Plan (SHMP-2011), various sanitation and hygiene programmes were implemented to ensure that all the population has access to basic sanitation facilities by the end of 2017. SHMP provided the guiding principles to bring together government agencies and other WASH sector stakeholders and development partners for building synergy and maintaining uniformity in standards in the planning and implementation of sanitation and hygiene programmes.

A Long-Term Sectoral Development Plan (2017-2030) designed by the Ministry of Water Supply is currently under implementation to ensure access to safe, adequate and affordable drinking water and sanitation services to all by 2030. It is a guiding framework for implementing, coordinating and monitoring WASH-related activities in line with SDG 6. The plan intends to move further for providing basic to safe drinking water and sanitation facilities and services, improve WASH sector governance, improve institutional responsibility and accountability, formulate sectoral strategy and priorities and integrate WASH-related plans, programmes and policies through the involvement of relevant stakeholders. The plan will be implemented in three phases (2017-20, 2021-25 and 2026-30) and updated at the end of each phase. These provisions of SDP are fully aligned with the core principles and targets of SDG 6 and for its local implementation.

As a result of these initiatives, access to water supply – which was 36 percent in 1990 – has risen to 85 percent by 2018. For sanitation, the proportion of households with toilets, which was 6 percent in 1990, climbed to over 60 percent in 2018. There are, however, considerable disparities among provinces and regions, and among the poor and economically well-off classes.

The 14th Plan embedded the targets of SDG 6. The objective was to ensure basic drinking water and sanitation services to all citizens and improve the quality of services to medium and high level. Attention was paid to prioritize sewerage and solid waste disposal services in urban areas, minimize problems of water pollution and arsenic in the Terai and conserve watersheds and traditional sources of fresh water as strategies to adapt to the impacts of climate change.

As a result of these efforts, access to basic and improved (high and medium level) drinking water services reached 88 percent and 22 percent of the population, respectively. Similarly, 98 percent of households have access to basic sanitation services. These achievements have contributed to reducing child mortality rate, increasing life expectancy at birth, improving the overall public health condition of the general population, and increasing enrolment of children in school. There are, however, considerable disparities among provinces and regions and among economic classes.

The 15th Plan (2019-23) proposes to consolidate earlier achievements and expand the medium- and high-level drinking water and sanitation services throughout the country, construct DRR and CCA friendly projects, give priority in the construction of drainage and management of sewerage in urban and urban-oriented municipalities. The plan also prioritizes the integrated development and management of watersheds and water resources.

While some basic policies and plans in the WASH sector have been in place, it is the timely and effective implementation of policies and programmes and their continuous monitoring (like sector MIS) that has been found lacking. They will remain as they are if aggressive counter interventions are not injected at all levels.

2.7.3 Stakeholder Partnership

Water and sanitation is a sector where a strong and coordinated partnership between the federal, province and local government as well as non-state stakeholders such as the private sector, cooperatives, NGOs, and CSOs representing various segments of the population and the people at large is imperative to achieve results and sustain them over time.

Other than the government, the support of bilateral and multilateral organizations, INGOs, charity foundations and trusts has remained crucial in the development and implementation of plans and programmes in the WASH sector. The private sector is expected to contribute to the protection of water sources and to the management of household solid waste, etc.

The declaration ODF in many districts was possible due to the partnership forged between the government with various stakeholders, including the cooperation and participation of the general populace. It has since been found that the declaration alone is not enough unless sustained efforts are made in generating awareness, along with monitoring and accountability.

2.7.4 Challenges

- Ensuring sustainability of water supply facility. The life-span of many water supply systems is limited to two or three decades. Timely modernization and up-keep is therefore essential. Many water supply systems have poor functionality due to weak institutional, financial and technical capabilities and resulting problems of maintenance and repair.
- Ensuring Improving water quality: there is a rampant contamination of E. coli in drinking water sources and at the point of use, which within the reach of treatment by system operators/user if water safe community initiative takes place. The presence of arsenic in ground water in the Terai and hills, including the Kathmandu Valley, has become a serious threat.
- Increasing access to basic sanitation and elimination of open defecation. There are entrenched inequalities in access to improved sanitation among communities and between rich and poor households. A more consolidated effort is

required to address this inequality, without which the elimination of open defecation may not be possible.

- Reducing disparity in WASH facilities and services between provinces and geographical regions. The plans to ensure universal access to water and sanitation by households notwithstanding, there remain wide disparities in the coverage as well as the quality of water supply and sanitation facilities. Remoteness, low awareness levels and upkeep, and the effects of climate change often contribute to this disparity.
- Improving protection of fresh water sources and watersheds. Most fresh water sources are in the commons, where protection of critical watersheds and water sources is not possible without the concerted efforts of multiple stakeholders. As the impacts and implications of climate change become obvious, the implementation of climate change adaptation and mitigation measures become more urgent.
- Enhancing integrated water resource management. Integrated water resource management requires a holistic view and prioritization of the multiple uses of water, which is going to be much scarcer with time. Participatory approaches are called for in developing integrated water resource management plans and programmes.

2.7.5 Way Forward: Priority Areas of Action

- Ensure access to improved WASH facilities, enhance reliability and quality and institutionalize a monitoring system.
- Ensure the long-term WASH sector development plan supported by a sound sector-financing strategy, and digitally-assisted sector monitoring information system. Increased coordination and collaboration with development

partners should be ensured.

- Ensure development of local WASH plan.
- Prioritize maintenance and upkeep of water supply systems to improve water quality, water safe community, water functionality and sustainability.
- Improve drainage systems and solid waste management in urban and dense rural settlements.
- Protection of local water sources through the active participation of local people.
- Protect the environment – watersheds, ponds and lakes and river systems – by scientific management of waste water,
- Create and maintain a database of WASH facilities and services, including the monitoring of open defecation.
- Revise the national drinking water standards and their implementation guidelines through mandatory implementation of WSP and WQ surveillance, followed by WSP audit and impact assessment.
- Ensure a strong regulatory body for compliance in monitoring of drinking water quality and sanitation system.
- Develop/endorse waste water effluent standards, ambient water body standards as soon as possible.
- Develop ambient water quality monitoring system based on SDG target 6.3 and keep reporting through national focal points

2.8 SDG 7: Affordable and Clean Energy

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

While access to energy is a goal by itself it is also a precondition for achieving a number of other goals such as health, education, water supply, poverty reduction, industrial growth, environmental protection and sustainability and mitigation of the effects of cli-

Proportion of population with access to electricity is now 88 percent. Installed hydro-electric capacity is 1,250 MW – both indicating that there continues to be progress in the right direction.

mate change. Clean energy is the basis for a sustainable life and a sustainable planet. The targets of SDG 7 seek to achieve, by 2030, universal access to affordable, reliable modern energy, substantially increase the share of renewable energy in the global energy mix by increasing it in the context of each country, and double the global rate of improvement in energy efficiency. The targets incorporate aspects of enhancing international cooperation through access to energy research and technology and expand infrastructure and technology for sustainable energy supply.

There are six global indicators for monitoring progress in SDG 7. Nepal has added nine more indicators, thus taking the number of indicators to 15. However, data are available for seven indicators only.

2.8.1 Progress in SDG 7

Clean energy is a natural priority for Nepal, because of the abundance of hydropower potential and the need to reduce its dependence on fossil fuel imported from outside.

SDG 7: Ensure access to affordable, reliable, sustainable and modern energy for all

Target 7.1 is about ensuring universal access to affordable, reliable modern energy. Of the five indicators for which data are available, targets for three indicators – proportion of population with access to electricity, per capita energy consumption, and electricity consumption – have been surpassed by 2019. About 90 percent of the population now has access to electricity, but this is not the same as having a quality, reliable supply all the time. Per capita energy consumption is now 20g relative to the target of 18.1 for 2019. Also, electricity consumption per capita is 260 KWh against the target of 235.

But households using solid fuel for cooking has remained above the target of 65.5 percent and households using LPG for cooking also remains higher than expected at 26.6 percent. Facilitating the use of electricity for cooking needs to be a policy target for the future particularly in view of relatively rapidly expanding hydroelectricity supply in the coming years.

Target 7.2 is about increasing the share of renewable energy in the global/national

Target 7.1 By 2030, ensure universal access to affordable, reliable and modern energy services

Target and Indicators	2015	2019				2022	2030
		Target	Progress	Data source	Ref. Year		
7.1.1 Proportion of population with access to electricity	74 ^b	80.7	89.9	NMICS	2019	85.7	99
1 Per capita energy (final) consumption (in gigajoules)	16 ^a	18.1	20	Annual Report	2018/19	19.7	24
7.1.2 Proportion of population with primary reliance on clean fuels and technology							
1 Households using solid fuel as primary source of energy for cooking (percent)	74.7 ^d	65	68.6	Economic Survey	2018/19	55	30
2 People using liquid petroleum gas (LPG) for cooking and heating (percent)	18 ^b	23.6	26.6	Annual Report	2018/19	27.8	39
3 Electricity consumption (kWh per capita)	80 ^e	230	260	Annual Report	2019/20	542	15000

Target 7.2 By 2030, increase substantially the share of renewable energy in the global energy mix

Target and Indicators		2015	2019			2022	2030	
		Actual	Target	Progress	Data source			Ref. Year
7.2.1	Renewable energy share in the total final energy consumption	11.9 ^d	22.1	5	15th Plan	2018/19	29.7	50
1	Installed capacity of hydropower (MW)	782 ^e	2301	1250	Annual Report	2018/19	5417	15000

energy mix. On this front both the indicators show under achievement relative to the 2019 targets. In the total final energy consumption, the share of renewable energy remains at only 5 percent (the target was 22.1 percent), and the installed capacity of hydropower at 1,250MW remains much lower than the expected 2,301MW.

No data are available for **Target 7.3** (improvement in energy efficiency), **Target 7a** (international cooperation to facilitate clean energy research, technology), and **Target 7b** (expand energy infrastructure, upgrade technology).

2.8.2 SDG 7 – Government Policies and Plans

The directive principles of state policy in the constitution of Nepal make the multi-purpose development of water resources as a priority to ensure reliable, affordable supply of energy. Since Nepal’s snow-fed rivers are resources par excellence, with total hydropower potentiality of over 83,000 MW, clean energy remains Nepal’s default energy option. However, the enormous investments required for hydropower generation has meant that, at present, traditional energy sources account for 80 percent of total energy usage with hydro-electricity and renewable energy sources accounting for about 3 percent. Fossil fuel accounts for about 8 percent of total energy usage. The Hydropower Development Policy 2001, and the National Water Plan 2005 have oriented the development of hydropower resources in Nepal. The National Energy

Strategy 2013-30 and Nepal’s Energy Sector Vision 2013-50 guide government energy policies at present. The Renewable Energy Subsidy Policy 2016 has the objective of ensuring universal access to clean, reliable and affordable energy solution by 2030 in line with SDG 7. The National Rural Renewable Energy Programme is designed to promote access to energy and energy efficient technologies through various subsidy programmes.

Of the 78 hydropower projects in the national grid, 16 are hydropower projects operated by the Nepal Electricity Authority and 62 are projects operated by independent power producers. The total power generation from these projects is about 1,100MW. By 2020, 456MW will be added to the national grid from Tamakoshi. There are a number of projects in the pipeline that are expected to be commissioned in the next decade, which will increase Nepal’s self-dependence on clean energy. The drive for rural electrification under the Rural Electrification Programme has made hydro-electricity accessible to rural households through the grid or through small and micro-hydro projects.

The 14th Plan had the objective of expanding reliable and quality electricity and ensuring access to all. The strategy was to increase power generation through increased investment, expansion of transmission lines and effective distribution systems, and enhanced energy security. By the end of 2018, the hydropower installed capacity had

reached 1,020 MW, with 70 percent of the population having access to the electricity grid. The length of transmission lines (66kv) had reached 3,538 km and per capita energy consumption was 198 KWh.

The 15th Plan proposes to rapidly increase hydropower generation to ensure energy security. Increasing energy efficiency, availability of quality, reliable, affordable clean energy to households, and enhancing capacity for regional trade in energy are the objectives of the plan. In view of climate change, the priority will be on multi-purpose storage projects. By the end of the 15th Plan, 99 percent of households are expected to have access to clean energy and per capita electricity consumption is expected to reach 700 MWh. Basin-wise planning and development, power purchase module, strengthening and upgrading transmission/distribution systems are being given priority.

2.8.3 Stakeholder Partnership

Over the years, the energy sector has been an example of a complementary partnership between Nepal Electricity Authority, and a large number of independent power producers. The power purchasing agreement model has been the mechanism of bringing the public and the private sectors together in the partnership for achieving the targets of SDG 7.

NEA, which was the sole public agency for power generation, transmission, distribution and management in the past, is now being complemented in power generation by independent producers operating a wide variety of projects. The Independent Power Producers Association (IPAA) was established in 2001 and acts as a link between the private sector and the government agencies involved in the hydro-power sector.

In recent years, local communities have also been active in promoting clean energy generation. Rural electrification is also being expanded through micro-hydro projects operated by local communities and local governments through people's participation.

Foreign direct investment has also been attracted to the energy sector. There are tax holidays, concessional periods, fixed power purchase agreements and other financial incentives for investment in the hydropower sector.

2.8.4 Challenges

- Promotion and speedy construction of multi-purpose reservoir based hydro-power projects. The idea of integrated river basin development and multi-purpose projects has not gained much attention from the government or the private sector. For long-term optimal use of water resources, this approach is imperative.
- Increasing capacity for power evacuation. The major bottleneck for promoting hydro projects is power evacuation due to the lack of timely planning and construction of transmission lines and substations etc.
- Eliminating the delays in project design and implementation. Very few hydro-power projects have been completed in time and delays and cost overruns are common. The challenge lies in financing, attracting FDI in large projects, accuracy of hydrological and geological data, land acquisition, environmental regulations, climate change vulnerabilities and smooth construction modalities.
- Providing adequate infrastructure for power generation projects. Adequate roads and other related infrastructure often limit the choice of hydropower projects

- Resolving the institutional issues. These involve institutional issues and policies related to production, transmission, distribution, nature and conditionalities of power purchase agreements, tariff structures, etc.
- Exploring adequately the alternative energy options. The potential and feasibility of solar and wind energy options have not been adequately explored.

2.8.5 Way Forward: Priority Areas of Action

- Improve reliability and quality of electricity supply in all urban and rural areas. Although the reliability has improved somewhat, the quality of electricity supply remains poor and has to be improved expeditiously for households to move to clean energy sources. In remote areas with no grid connection small micro-hydro and other alternative energy sources, such as solar and wind, need to be promoted.
- Timely project completion coordinated with the construction of transmission lines. Existing bottlenecks in policies and planning have to be addressed.
- Promote and diversify end usage. This includes the promotion of clean energy usage for industrial, commercial and public transport, as well as domestic usage of electricity.
- Promote electric modes of transport, including electric vehicles and the establishment of charging stations in urban areas and highways. This would not only save precious foreign exchange used in importing fossil fuel, but also contribute to reduced levels of pollution and consequent health outcomes.
- Pursue policies and strategies to mobilize domestic as well as bilateral, multilateral and private investments in the clean energy sector.

2.9 SDG 8: Decent Work and Economic Growth

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

SDG 8 deals with aspects of economic growth and employment. Economic growth has two vital components: growth in per capita GDP and growth in employment. When the two grow together, increase in GDP is accompanied by a better distribution of economic growth among the population. SDG 8 has far-reaching implications for the achievement of most SDGs, because it facilitates and makes possible the reduction of poverty, access to health, education, clean water, energy, infrastructure, employment as well as human rights and the overall health of the environment.

Among the 12 targets of SDG 8, the first three are concerned with sustained per capita income growth of at least 7 percent per annum for less developed countries like Nepal, the achievement of higher levels of productivity through diversification and technological upgrading, and promotion of policies that support productive activities, create decent jobs and encourage the growth of micro, small, and medium enterprises. Other targets include improvements in resource efficiency in consumption and production without environmental degradation, achievement of full and productive employment and decent work for all, and substantial reduction of the proportion of unemployed youth. Other targets include elimination and prohibition of child labour and forced labour, protection of labour rights and promotion of safe working environment, implementation of policies to promote economically and culturally sustainable tourism, and strengthening and expanding the capacity of domestic financial institutions.

Annual growth rate of real GDP per capita has remained above 5.6 percent, but the problem of sustaining even a moderate level of growth in the next few years seems an uphill task in view of the Covid-19 pandemic.

Target 8.1 Sustain per capita economic growth in accordance with national circumstances and, in particular, at least 7 per cent gross domestic product growth per annum in the least developed countries

Target and Indicators		2015	2019			2022	2030	
		Actual	Target	Progress	Data source			Ref. Year
8.1.1	Annual growth rate of real GDP per capita							
1	Annual Growth Rate of GDP per capita (percent)	2.3 ^a	3.6	5.6	National Accounts	2018/19	4.5	7

There is a total of 30 indicators of SDG 8, of which 17 are global and 13 are additional indicators adopted by Nepal. Data are available for 17 indicators only.

2.9.1 Progress in SDG 8

Growth in the economy and employment and availability of decent work has traditionally been the measure of economic achievement.

SDG 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

Target 8.1 is about achieving a minimum of level of economic growth that is necessary to raise economic activity and employment.

The indicator of per capita income growth shows that Nepal's real per capita GDP growth rate of 5.6 percent in 2019 is much above targeted growth rate. It will, however be difficult to sustain this growth rate in view of the impact of Covid-19.

Target 8.2 has also been surpassed with an annual growth rate in real GDP per employed person in the order of 7 percent – much higher than the targeted rate of 3.8 percent.

Target 8.3 is about policy innovations and formalization and growth of SMEs. Data are available for two indicators. The proportion of informal employment in non-agricultural sector was targeted to be 54 percent in 1990.

Target 8.2 Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value-added and labour-intensive sectors

Target and Indicators		2015	2019			2022	2030	
		Actual	Target	Progress	Data source			Ref. Year
8.2.1	Annual growth rate of real GDP per employed person	1.6	3.8	7.00	NLFS/ National Accounts	2018/19	5.5	10

Target 8.3 Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services

Target and Indicators		2015	2019			2022	2030	
		Actual	Target	Progress	Data source			Ref. Year
8.3.1	Proportion of informal employment in nonagriculture employment, by sex	70 ^b	54	81.2	NLFS	2017/18	42	10
1	Contribution of micro-, small-, and medium-scale enterprises in GDP (percent)							
2	Access to Financial Services	-	-	60.9	Study Report of Financial Access in Nepal	2018		
3	Access to Cooperatives (percent of households within 30 min walk)	54 ^e	60.9	60	15th Plan	2076/77	66.1	80

Target 8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value

Target and Indicators		2015	2019				2022	2030
		Actual	Target	Progress	Data source	Ref. Year		
8.5.1	Average hourly earnings of female and male employees, by occupation, age and persons with disabilities	32 ^d	50.1				63.7	100
8.5.2	Unemployment rate, by sex, age and persons with disabilities							
1	Underemployment rate (15-59y) (percent)	27.8 ^d	23.1	19.6	NLFS	2017/18	19.5	10

This has clearly not been achieved, as 81.2 percent are still in non-formal employment in non-agriculture sector. There is more informal employment in the non-agricultural sector than in the base year. This calls for a review of the baseline data.

The access to cooperatives (within 30 minutes' walk) was another indicator to measure access to financial services. The present state is 60 percent, which is close to the target of 60.9 percent. Additional and more relevant data on access to financial services shows that in 2019, 60.9 percent of households had access to financial services.

Target 8.4 is about improving resource efficiency in consumption and production. The data for both indicators are not available.

Target 8.5 relates to productive employment and decent work. The target for 2019 was to reduce underemployment from 27.8 percent in 2015 to 23.1 percent in 2019. This target seems to have been achieved, as the underemployment rate in 2017/18 was 19.6 percent.

Target 8.6 The indicator for youth underemployment shows that there has been a substantive reduction in youth underemployment from 35.8 percent in 2015 to 21.4 percent in 2019. The target has been achieved, but the data need to be compared to other proxy indicators.

Target 8.7 is about the prevalence of child labour. There are no data on children working in hazardous conditions, but the data

Target 8.6 By 2020, substantially reduce the proportion of youth not in employment, education or training

Target and Indicators		2015	2019				2022	2030
		Actual	Target	Progress	Data source	Ref. Year		
8.6.1	Proportion of youth (aged 15-24 years) not in education, employment or training	-	-	35.3	NLFS	2017/18		
1	Youth underemployment rate (percent)	35.8 ^d	28.9	21.4	NLFS	2017/18	23.8	10

Target 8.7 Take immediate and effective measures to secure the prohibition and elimination of the worst forms of child labour, eradicate forced labour and, by 2025, end child labour in all its forms, including the recruitment and use of child soldiers

Target and Indicators		2015	2019				2022	2030
		Actual	Target	Progress	Data source	Ref. Year		
8.7.1	Proportion and number of children aged 5-17 years engaged in child labour, by sex and age	-	-	47.8	NLFS	2017/18		
1	Children working under hazardous conditions (percent)	30 ^d	22				16	0

Target 8.9 By 2030, devise and implement policies to promote sustainable tourism that creates jobs and promotes local culture and products

Target and Indicators		2015	2019			2022	2030	
		Actual	Target	Progress	Data source			Ref. Year
8.9.1	Tourism direct GDP as a proportion of total GDP and in growth rate	2.6 ^d	4	2.7	15th Plan	2075/76	5.1	8
1	Tourist arrivals (million)	0.8 ^d	1.6	1.2	Annual Report	2075/76	1.9	3
2	Tourism revenue (\$ million)	-	-					
Alternative	Foreign exchange earnings from tourism (as percent of GDP)	-	-	2.2	Annual Report	2075/76		
8.9.2	Proportion of jobs in sustainable tourism industries out of total tourism jobs							
1	Annual number of jobs in tourism industries ('000)	90 ^d	332.7	200	15th Plan	2075/76	514.7	1000

for the proportion of 5 to 17-year-olds engaged in child labour remains much higher than expected, at 47.8 percent.

Target 8.8 relates to labour rights and safe and secure working environment, for which no data are available.

Target 8.9 is about promotion of sustainable tourism and local culture as well as products. All the three indicators for which the data are available – contribution of tourism to GDP, tourist arrivals and annual number of jobs in tourism industries – show lack of expected progress. The contribution of tourism to GDP remains at 2.7 percent (target: 4 percent), tourist arrivals is 1.2 million (target: 1.6 million) and the average number of jobs in tourism is 200,000 (target: 3.327 million).

Target 8.10 relates to the capacity of domestic financial institutions to expand access to services. Of the four indicators, two targets – life insurance coverage (19 percent as against a target of 10.3 percent for 2019), and proportion of adults with a bank account (60.9 percent as against the target of 51.3 percent) – have been surpassed. The indicator for the number of commercial banks per 100,000 adults shows the achievement at 16 percent when the target was 23 percent, which seems unlikely in view of the proliferation of banks in both urban and rural areas. The progress on automated teller machines per 100,000 adult population has been broadly as expected.

Target 8a and 8b deal with aid for trade commitments and disbursements, and operationalized national strategy for youth employment. No data are available for these indicators.

Target 8.10 Strengthen the capacity of domestic financial institutions to encourage and expand access to banking, insurance and financial services for all

Target and Indicators		2015	2019			2022	2030	
		Actual	Target	Progress	Data source			Ref. Year
8.10.1	(a) Number of commercial bank branches per 100,000 adults	18 ^a	23	16	Annual Report	2018/19	26	36
	b) Automated teller machines per 100,000 adult population (number)	11 ^a	17	16.1	Annual Report	2018/19	21	33
1	Life insurance coverage (percent)	5 ^d	10.3	19	Annual Report	2018/19	14.3	25
8.10.2	Proportion of adults (15 years and older) with an account at a bank or other financial institution or with a mobile-money-service provider	34 ^d	51.3	60.9	Annual Report	2018/19	64.3	99

2.9.2 SDG 8 – Government Policies and Plans

Planned development efforts in Nepal over the last six decades have been guided by a series of five-year and three-year development plans. In recent decades, important achievements have been made in education, health, drinking water, social security, etc., and the country is better articulated by road and communication infrastructure than ever before. Epochal changes have taken place in the political sphere, the country has transformed from a unitary to a federal state. Inclusive state policies are addressing the issues of discrimination and inequality in social, economic and political spheres. The constitution recognizes employment as a fundamental right.

Economic growth in recent years has been picking up.

The 14th Plan laid the groundwork for Nepal's aspiration to graduate from the less developed country to a developing country status by 2022 by meeting the three set criteria of GNI per capita, human assets index and economic vulnerability index. The plan aimed to achieve an annual average economic growth rate of 7.1 percent, with growth in agriculture and non-agricultural sectors at 4.75 percent and 8.3 percent respectively. The economic growth rate, which averaged 4.1 percent between 2007 and 2016, has turned around in the last three years, reaching 7.1 percent in 2019. The service sector accounted for nearly 57 percent of the growth, while agriculture contributed 24 percent.¹⁰ The Foreign Employment Policy 2011 and the National Employment Policy 2015 are oriented to expanding domestic employment and facilitating safe foreign employment.

The 15th Plan proposes to lay the foundations of Prosperous Nepal, Happy Nepali with the target of achieving average economic growth rate of 10.3 percent, and a per capita national income of \$1,595 by the end of the plan period in 2024. One of the major objectives is to ensure rapid, sustainable, employment-oriented economic growth. The Plan proposes to increase the effectiveness of the public sector and increased mobilization of the private and cooperative sectors in development efforts. The Plan aims to raise the labour force participation rate to 48.5 percent, reduce unemployment rate to 6 percent, and increase the share of formal sector employment to total employment to 50 percent.

2.9.3 Stakeholder Partnership

Economic growth, employment and decent work conditions are goals that can be achieved only through a partnership between the public and the private sectors. Nepal's plan's and government policies recognize the private sector as the major driver of economic as well as employment growth. It is through the private sector that productivity and efficiency can be enhanced. Transformation of the agriculture sector, which occupies nearly two-thirds of the population, depends on the medium, small, marginal farmer. Nearly three-fifths of the investment in tourism, industries, trade and manufacturing comes from the private sector. The partnership of the public and private sectors is key to both income and employment growth. The Nepal Chamber of Commerce and Industries, the apex body representing the private sector, provides policy inputs to the government.

Nepal's plans envisage an economy that is built on three pillars – the public, private

¹⁰ World Bank (2019). Nepal Development Update December 2019.

and the cooperative sectors. The cooperative sector is reported to contribute about 4 percent to GDP. With the right infrastructure and policy frameworks, it has enormous potential for mobilizing grassroots resources, facilitating inclusive growth and transforming rural economies through production, distribution and service cooperatives. There are nearly 35,000 cooperatives in the country, most of which operate as savings and loan cooperatives. The Nepal Federation of Cooperatives engages with the government in facilitating a larger role for the sector in the sphere of production, distribution and services.

2.9.4 Challenges

- Expanding employment opportunities and creation of more productive jobs. In addition to those who remain unemployed or under-employed, nearly half a million economically-active persons enter the labour market every year. Discreet identification of the sectors/subsectors where employment can be expanded, and facilitating the creation of remunerative and productive jobs, is an overarching challenge.
- Strengthening links between skills development and the job market. The mismatch between supply and demand in the labour market needs to be broadly addressed.
- Enhancing the productivity of the agriculture sector. Agriculture is the sector with the largest employment, but productivity is low. Agricultural productivity has to be enhanced through irrigation, better inputs, technology, etc.
- Making foreign employment safe and more remunerative. Foreign employment has emerged as an important source of employment as well as of remittances and foreign exchange. While this is not a reliable employment and income source in the long run, the nature of employment has to be transformed from difficult-dirty-dangerous to more remunerative, skilled, decent and safe.

- Increasing the scope and magnitude of formal sector employment. As long as informal employment remains the norm, decent work and employment conditions cannot be envisaged. It is therefore essential to pursue policies that encourage the formalization of informal employment.

2.9.5 Way Forward: Priority Policies for Action

- Accelerate the pace of economic growth through specialization and diversification of the economy. A higher economic growth rate is necessary for expanding employment opportunities for a growing labour force.
- Coordinated public sector-led employment generation programmes. Coordinated public sector employment generation programmes may be necessary to link to large as well as small infrastructure development in specific regions and areas. A reassessment and expansion of the minimum employment guarantee programmes in the rural sector may also be essential.
- Facilitate the growth of small and medium enterprises in the private and cooperative sectors through appropriate policies and incentives for employment generation linked to processing of agro-products, biodiversity resources, etc. Existing policies and incentives need to be revisited.
- Expand various levels of skill development programmes in schools and technical education institutions. Such programmes have to be tied to the labour market's demand for skills.
- Create opportunities for the employment of youth and women. There are more youth entering the labour market as a con-

sequence of the demographic dividend. Labour force participation rate of women also is likely to rise as new opportunities open up. Policies and programmes need to take advantage of these trends.

- Create a more robust and timely data base on disaggregated employment, unemployment and underemployment. This data is essential to assess the employment scenario in sectoral as well as spatial terms in order to design evidence-based policies and programmes for intervention.

2.10 SDG 9: Industry, Innovation and Infrastructure

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

SDG 9 captures the basics of a modern economy: physical infrastructures that are resilient to the effects of climate change and other calamities, inclusive and sustainable industrialization that helps transform primary sector-based economies into manufacturing economies spurring economic

growth and employment, and research and innovation to enhance productivity as well as access to new technologies for enhancing lives and livelihoods. The five targets of SDG 9 are (i) the development of reliable sustainable and resilient infrastructures; (ii) promotion of sustainable and inclusive industrialization; (iii) increased access of financial services for small-scale enterprises; (iv) upgrade and retrofit infrastructures and industries to ensure environmental sustainability; and (v) enhanced scientific research and upgraded technological capabilities of the industrial sectors.

There are 20 indicators for monitoring of SDG 9, of which 12 are global and eight included in the context of Nepal. Data are available for eight indicators only.

2.10.1 Progress in SDG 9

SDG 9: Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation

Target 9.1 Only one indicator is available for this target. The target for road density for 2019 was 1.3 km per sq.km. There has effectively been no progress on this indicator.

Target 9.1 Develop quality, reliable, sustainable and resilient infrastructure, including regional and trans-border infrastructure, to support economic development & human well-being, with a focus on affordable and equitable access for all

Target and Indicators		2015	2019			2022	2030	
		Actual	Target	Progress	Data source			Ref. Year
9.1.1 Proportion of the rural population who live within 2 km of an all-season road								
1	Road density (km/sq. km)	0.55 ^a	1.3	0.63	15th Plan	2075/76	1.35	1.3
9.1.2 Passenger and freight volumes, by mode of transport								
1	Paved road density (km/sq. km)	0.01 ^a	0.07				0.12	0.25
2	Passenger, by mode of transport (Road) (percent)	90						
3	Passenger, by mode of transport (Air) (percent)							

Industrial sector growth has remained slow and there has been no improvement in the industry's share in GDP and manufacturing value added.

Target 9.2 Promote inclusive and sustainable industrialization and, by 2030, significantly raise industry’s share of employment & gross domestic product, in line with national circumstances, & double its share in least developed countries

Target and Indicators	2015	2019				2022	2030
	Actual	Target	Progress	Data source	Ref. Year		
9.2.1 Manufacturing value added as a proportion of GDP and per capita	6.6 ^b	8.8	5.65	National Accounts	2076/77	10.5	15
1 Industry’s share in GDP (percent)	15 ^b	17.7	14.47	National Accounts	2076/77	19.7	25
9.2.2 Manufacturing employment as a proportion of total employment	6.6 ^f	8.3	15.1	NLFS	2017/18	9.6	13

Target 9.2 is about sustainable industrialization. Of the three indicators, there has been regression rather than progress with respect to manufacturing value added as percent of GDP (5.65 percent against the baseline 6.6 percent), and industry’s share in GDP (14.47 percent against 15 percent for the base year). The indicator for manufacturing employment as proportion of total employment stands at 15.1 percent, much higher than the target of 8.3 percent. There may be definitional issues here, because the proportion of employment in manufacturing seems to have gone up even as the share of industry in GDP has remained static.

Target 9.3 is about access of small-scale enterprise to credit and integration in value chain and markets.

Target 9.4 relates to industrial infrastructure resource use efficiency and clean technologies in industries. No data are available for any of the indicators of these targets.

Target 9.5 deals with enhanced scientific research and technological capabilities in the industrial sector. Of the three indicators – research and development expenditure as a percent of GDP, enrolment in science and technology in total enrolment, and number of patents registered – the target for enrolment alone has been achieved in 2019. There are no data for **Targets 9a and 9b**, which deal with international support and value added in medium and high-tech industries.

Target 9.5 Enhance scientific research, upgrade the technological capabilities of industrial sectors in all countries, in particular developing countries, including, by 2030, encouraging innovation and increasing the number of research and development workers per 1 million people by 75 percent and public and private research and development spending

Target and Indicators	2015	2019				2022	2030
	Actual	Target	Progress	Data source	Ref. Year		
9.5.1 Research and development expenditure as a proportion of GDP	0.3 ^d	0.62	0.3	15th Plan	2018/19	0.86	1.5
9.5.2 Researchers (in full-time equivalent) per million inhabitants							
1 Enrolment in Science and Technology in proportion to total enrolment (percent)	6.8 ^e	9	10.6	15th Plan	2018/19	10.6	15
2 Number of patents registered	75 ^d	322	2	Annual Report	2018/19	507	1000

Target and Indicators		2015	2019				2022	2030
		Actual	Target	Progress	Data source	Ref. Year		
9.c.1	Proportion of population covered by a mobile network, by technology	94.5 ^f	96	137.55	MIS	2018/19	97.1	100

Target 9c is concerned with the coverage of mobile networks and shows that the figures exceed 100 due to more than one mobile owned by owners.

2.10.2 SDG 9 – Government Policies and Plans

Road access remains a major bottleneck to development in Nepal’s geographically-diverse and difficult terrain. Road connectivity is a prerequisite for broad-based economic growth, as it spurs development in almost all economic and social sectors. Transport is the ‘infrastructure’ of infrastructures, and has been prioritized since the first development plan back in 1956. In spite of continued efforts and the relatively expanded road network, the road density is quite inadequate and is poorly maintained. At various times, long-term perspective plans have guided the expansion of the road network. In 2018, the length of the road network was 13,488km, of which 52 percent was all weather. Strategic roads comprise 19 percent of the total road network and 10 of the national priority projects are road projects. There still remains a large infrastructure gap and improving road connectivity and ensuring resilience remains a government priority.

The 14th Plan pursued a five-year strategic plan for expanding the road network and strengthening repair and maintenance to increase regional access for promoting economic growth. The 15th Plan is based on a long-term roadmap for improving road connectivity and proposes to increase

black-topped road mileage five-fold in the next 25 years.

Manufacturing is a critical driving force for sustainable economic growth and employment generation. It is often referred to as the engine of growth. The Industrial Policy 1992 was designed to facilitate industrial growth based on neoliberal policies. However, it failed to create a favourable environment for spurring private investment. The new industrial policy 2010 provides tariff protection to local industries and is designed to promote import substitution and local resource-based, export-oriented industries.

In spite of the policies pursued by the government, the share of industries in total output in Nepal remains below 15 percent and the contribution of manufacturing in total value added is only 5.4 percent. The industrial sector has largely remained stagnant for much of the last two decades. Foreign Investment Policy 2014 seeks to promote foreign investment in Nepal in the industrial sector.

The 14th Plan pursued a strategy for improving the infrastructure required for industrial growth and creation of a investment-friendly environment. The 15th Plan proposes to bring about policy, legal and institutional reforms, pursue investment friendly policies together with infrastructural growth and public-private-cooperative partnership to promote industries with comparative advantages and local resource bases, and ensure skills’ development and access to finance.

2.10.3 Stakeholder Partnership

SDG 9 requires a very congenial and constructive partnership between the government, the private sector, international investors and bilateral and multilateral agencies. The government seeks the input and advice of the private sector, mainly the FNCCI and the Confederation of Nepalese Industries in facilitating industrial investment in the country, and in bringing about timely policy and institutional reforms. To expedite and facilitate the process of large-scale investment, the government has set up the Nepal Investment Board.

2.10.4 Challenges

- Adopting an integrated development plan of the transport system. A consistent and integrated transport system plan is essential to prioritize investment in the sector taking into account not only roads, but also other modes of transport, such as airports and railways.
- Improving institutional capacity for implementation of large projects. The institutional capacity of the government and the private sector is limited in terms of planning and executing large projects. The capacity constraints of the private sector are reflected in delayed project completion and substandard construction.
- Enforcing infrastructure standards and resiliency. Road standards need to be defined and enforced. The 2015 earthquake highlighted the importance of building resilient infrastructure to cope with disaster.
- Introducing new technologies. Construction technologies need to catch up with developments in the field.
- Addressing infrastructure bottlenecks and supply side constraints for industrial growth. These include the low quality of

road and energy infrastructure, unavailability of skilled manpower and paucity of entrepreneurial skills.

- Policies and strategies to attract both domestic and foreign investment in the infrastructure and industrial sectors need to be carefully reviewed and adjusted to promote foreign investment in a way that enhances the national potential.
- Laying the foundations for research and technological innovations. This is an area where the government and academic institutions have to take the lead, starting with adoption of available technological and moving on to innovations.

2.10.5 Way Forward: Priority Areas of Action

- Upgrade and maintain to standards the major federal and provincial strategic roads for transport and trade.
- Develop a comprehensive and prioritized national transport system plan for phase-wise implementation over the long run.
- Quality control of construction material and construction standards. Lack of controls and technical capacity for quality control accounts for poor work quality and standard.
- Discrete identification of industries that are grounded in national and provincial comparative advantages. Industrial policies should seek to promote such industries through various incentives.
- Needs assessment of skilled manpower. A needs assessment of skilled manpower in existing and potential industrial sectors can guide plans and assure the supply of skilled manpower as needed.

2.11 SDG 10: Reduced Inequalities

Reduce inequality within and among countries

Sustainable development can only be built on the foundations of a sharing and caring world where inequalities – in wealth, assets, opportunities, and participation in decision-making and protection from the state – is reduced to a minimum. Extreme inequalities hinder economic growth and impede poverty reduction, obstruct the social mobility of the poor and the marginalized, and interfere with governance and the rule of law. Economic growth alone cannot reduce poverty if it is not inclusive. Reduction in inequalities is a precondition for a society to be inclusive and free from discrimination on the basis of sex, religion, ethnicity, creed, etc. Inequality has implications for the attainment of SDGs related with ending poverty and hunger, universal and quality education and health, status of women and minorities, etc. The seven targets of SDG 10 seek to (i) progressively achieve income growth of bottom 40 percent at a rate higher than national average; (ii) empower and promote social and economic and political inclusion; (iii) ensure equal opportunities and reduced inequalities in outcome and legal provisions; (iv) improve share of GDP in social protection transfers; and (v) im-

prove regulation and monitoring of global financial markets. At the same time, SDG 10 seeks (vi) enhanced representation and voice of developing countries in international economic and financial institutions, and (vii) facilitation of orderly, safe, regular and responsible migration. SDG 10 has both national and global relevance.

There are 27 indicators to monitor SDG 10. Eleven indicators are global and Nepal has added 16 additional indicators to reflect the country situation better. Data are available for 17 indicators.

2.11.1 Progress in SDG 10

SDG 10: Reduce inequality within and among countries

Target 10.1 is about reducing income inequality by sustained income growth of the bottom 40 percent relative to the national average. Five indicators have been used to monitor progress. Three indicators – income inequality measured by Gini coefficient, share of 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 was 4, the share of bottom 40 percent in consumption and income is 25.7 and 20.4 percent – much above the expectation of 17.4 percent and 13.1 percent respectively. The data for con-

Major parameters on reducing inequalities show significant progress and the share of the bottom 40 percent for consumption as well as income has improved, as have indicators of social, economic and political empowerment.

Target 10.1 By 2030, progressively achieve and sustain income growth of the bottom 40 per cent of the population at a rate higher than the national average

Target and Indicators	2015	2019				2022	2030
		Target	Progress	Data source	Ref. Year		
10.1.1 Growth rates of household expenditure or income per capita among the bottom 40 per cent of the population and the total population							
1 Consumption inequality (measured by the Gini coefficient)	0.33 ^a	0.28	0.30	HBS	2014	0.25	0.16
2 Income inequality (measured by the Gini coefficient)	0.46 ^b	0.4	0.32	HDI	2019	0.35	0.23
3 Share of bottom 40 percent of population in total consumption (percent)	18.7 ^c	17.4	25.7	HBS	2014	21.2	23.4
4 Share of bottom 40 percent of population in total income (percent)	11.9 ^c	13.1	20.4	HDI	2019	14.7	18
5 PALMA Index	1.3^d	1.22	1.34	HBS	2014	1.16	1

Target 10.2 By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status

Target and Indicators		2015	2019			2022	2030	
		Actual	Target	Progress	Data source			Ref. Year
10.2.1	Proportion of people living below 50 per cent of median income, by sex, age and persons with disabilities							
1	Social Empowerment Index	0.41 ^e	0.48	0.50	Annual Report	2018	0.54	0.7
2	Economic Empowerment Index	0.34 ^e	0.43	0.45	Annual Report	2018	0.51	0.7
3	Political Empowerment Index	0.65 ^e	0.7	0.71	Annual Report	2018	0.74	0.85

sumption inequality and PALMA index relate to 2014 and may not be relevant in the present context. Overall, the progress in Target 10.1 is quite encouraging.

Target 10.2 relates to social, economic and political empowerment and inclusion. All three indicators show progress that surpasses the target set for 2019. The social empowerment index is 0.5 against the target of 0.48, economic empowerment index is 0.45 against 0.43, and political empowerment index is 0.71 against the target of 0.7 in 2019. On the empowerment measures, the progress has been very good.

Target 10.3 is about equal opportunities and reduction of inequalities in outcome. Data are available for two indicators. The

primary school completion ratio of richest to poorest quintiles has been good and above expectations for 2016, but this raises doubts about the baseline data of 2015. On the ratio of richest to poorest quintiles with respect to stunting, the target was 1.44 for 2019 when the 2017 data shows it to be 1.54. There has been progress on this indicator and if the trend were to continue the target was likely to have been met in 2019.

Target 10.4 is about fiscal, wage and social protection policies to achieve greater equality. As regards the ratio of wage index to consumer price index, the indicator for 2019 is 1.97 when the target was 2.96. Compared to 2015 there has in fact been some regression rather than progress.

Target 10.3 Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and action in this regard

Target and Indicators		2015	2019			2022	2030	
		Actual	Target	Progress	Data source			Ref. Year
10.3.1	Proportion of population reporting having personally felt discriminated against or harassed in the previous 12 months on the basis of a ground of discrimination prohibited under international human rights law							
1	Finished primary school on time (ratio of richest vs poorest quintiles)	2.20 ^f	1.88	1.21	NDHS	2016	1.64	1
2	Childhood free of stunting (ratio of richest vs poorest quintiles)	1.60 ^f	1.44	1.54	NDHS	2017	1.32	1

Target 10.4 Adopt policies, especially fiscal, wage and social protection policies, and progressively achieve greater equality

Target and Indicators		2015	2019			2022	2030	
		Actual	Target	Progress	Data source			Ref. Year
10.4.1	Labour share of GDP, comprising wages and social protection transfers							
1	Ratio of wage index to consumer price index	2.94 ^g	2.96	1.97	MIS	2018	2.97	3

Target 10.5 Improve the regulation and monitoring of global financial markets and institutions and strengthen the implementation of such regulations

Target and Indicators		2015	2019			2022	2030	
		Actual	Target	Progress	Data source			Ref. Year
10.5.1	Financial Soundness Indicators							
1	Proportion of farm households covered by microfinance (percent)	24	28.3	29	Financial Access Survey	2018	31.5	40
2	<i>Financial Risk Index</i>	27	25.6				11.3	1
3	<i>Global Competitive Index (score)</i>	3.9 ^h	4.1	5.1	MIS	2018	4.9	6
4	<i>Doing Business Index (country ranking)</i>	105 ^h	95	94	MIS	2018	84	60

Target 10.5 deals with financial markets and institutions. On all three of the indicators for which comparable data is available (farm households covered by microfinance, global competitive index and doing business index), Nepal's standing has improved. 29 percent of households were covered by microfinance (target 28.3 percent), Nepal's showing in the global competitive index was 5.1 (better than the target of 4.1), and in the Doing Business Index Nepal's standing was 94 (slightly better than 95 expected).

There are no data for **Target 10.6** (voting rights in international organizations). One indicator in **Target 10.7** (safe responsible migration) for which data are available shows that recruitment cost born by migrant labour has declined, but not as expected.

Data for **Target 10a, 10b and 10c** concerning tariffs, resource flows and transaction cost of migrant remittances are not available.

2.11.2 SDG 11 – Government Policies and Plans

Reduction in inequalities through poverty reduction, universal and increased access to basic education and health, expanded social security and protection programmes, increased representation of women, Dalits, ethnic groups and communities in elected positions at different levels, and affirmative actions and reservations for disadvantaged communities have been consistent themes in Nepal's commitment to socio-economic and political development and transformation. The constitution of Nepal pledges "to create an egalitarian society on the basis of the principles of proportional inclusion and participation to ensure equitable economy, prosperity and social justice."

The policies and strategies related to gender equality and inclusiveness, cooperatives, social security, minimum employment guarantee and poverty reduction in the 14th Plan have an underlying concern for

Target 10.7 Facilitate orderly, safe, regular and responsible migration and mobility of people, including through the implementation of planned and well-managed migration policies

Target and Indicators		2015	2019			2022	2030	
		Actual	Target	Progress	Data source			Ref. Year
10.7.1	Recruitment cost born by employee as a proportion of yearly income earned in country of destination							
1	<i>Recruitment cost born by migrant labour (average cost for Malaysia, South Korea and Middle East, \$)</i>	1000 ^h	867	900	Annual Report	2018	767	500
10.7.2	Number of countries that have implemented well-managed migration policies							

reducing inequalities. The long-term strategy of the 15th Plan is oriented to the reduction of poverty and creation of a just society based on economic and social equality, and sustainable, productive social security and protection. The targets of the 15th Plan include the reduction of Palma ratio (the ratio of income of top 10 percent to the bottom 40 percent) to 1.25 from the current 1.3. Similarly, the Gini ratio based on wealth is expected to come down to 0.25 at the end of the plan period.

Nepal's experience shows that the pace of progress in the reduction of income inequality has remained slower than that of poverty reduction. Between 1996 and 2018, income poverty dropped by 55 percent from 41.6 percent to 18.7 percent. However, between 1995 and 2010, per capita consumption based inequality reduced only by 7 percent from 35.2 to 32.8 percent. In Nepal, land is the asset par excellence, because more than two-thirds of the population make their livelihood from land. The distribution of land is very unequal with the richest 7 percent holding 31 percent of the agricultural land, while the poorest 20 percent have only 3 percent of the land. Unequal access to wealth and assets naturally reflects in the unequal access to education, health, better employment opportunities, positions of political power etc.

Nepal's policies have tended to focus on poverty reduction and horizontal inequalities. There has been very little attention paid to vertical inequalities in wealth. Inequality reduction through increased access to assets or redistribution of assets has remained an important – but neglected – aspect of Nepal's policies on the reduction of inequalities. The structural roots of inequality have to be addressed to make significant achievements in SDG 10. It is in this front that the political will has remained weak.

2.11.3 Stakeholder Partnership

While government policies and strategies should pave the way, partnership and cooperation between the government and the NGOs and civil society organizations working on issues of land rights and various aspects of inequality and discrimination are indispensable both in understanding the dimensions and magnitude of the issues and in searching for approaches to reduce inequalities and discrimination. The government at various times has set up commissions on the question of land rights and land reforms. There are constitutional commissions to oversee the issues related to women, Dalits, Tharu, Muslims and those that have been excluded from mainstream social and economic life. The creation of these bodies is an acknowledgement of the persistent problems of inequality and exclusion. But a strengthened partnership and commitment alone can result in substantive policy and programme initiatives.

2.11.4 Challenges

- Addressing issues of deep structural inequalities. Structural inequalities related to landownership and landlessness are deeply rooted and politically contentious. These have to be addressed together with other production promoting measures if inequalities in asset distribution are to be reduced and issues of low productivity attended to at the same time. Addressing the complex and colossal task of land allocation to the landless and regularization of informal land-holdings to an estimated 1.34 million families within stipulated time-frame is a challenge.
- Increased focus on enhancing human capital and capabilities. Increased investment in, and inclusive access to, quality health and education, skill development, and other essential social services can help reduce inequalities

by opening up opportunities to a larger segment of the population.

- Increasing employment creation and raising labour productivity. Pro-poor growth can be based only on the creation of jobs and opportunities for the poor and the asset less. This requires increased public investment in rural infrastructure and agricultural development.
- Strengthening social security and protection for target groups. Effectiveness and coverage of social security and protection programmes need to be enhanced.
- Providing support for labour migrants overseas from vulnerable groups. State support may be essential in helping vulnerable groups to benefit from labour migration so that they can bear the costs involved.

2.11.5 Way Forward: Priority Areas of Action

- Progressive taxation. This is part of the government policy, but has to be effectively enforced.
- Integrate social security as an integral part of national development strategy. Social security has to be conceived as an integral part of development strategy in terms of reducing inequalities, poverty and depravation.
- Study approaches to progressive land reform in different ecological and community contexts. This should provide the basis for initiating policies for addressing the inequality in the distribution of land asset particularly for the landless.
- Study levels and degrees of inequality in various dimensions (asset, income, education, skills, etc) for a better understanding of the underlying drivers, so that these can be addressed through appropriate policies.
- Disaggregated data on inequality measures. This data base will provide the

evidence-based tools for monitoring levels of inequality over time among various segments of the population.

2.12 SDG 11: Sustainable Cities and Communities **Make cities and human settlements inclusive, safe, resilient and sustainable.**

Less than one-quarter of Nepal's population is estimated to be urban in terms of functional criteria, but the pace of urbanization has been rising in recent decades and will continue to do so as the economy moves from primary production to secondary and tertiary activities, and as urban areas attract rural migrants in search of better livelihoods and opportunities. Poor planning, urban sprawl, substandard infrastructure and urban services, inadequate and poor housing, increasing environmental problems and pollution, and weak governance are problems that are growing with each passing year. Urban aspirations are increasing as 293 out of 753 local governments are designated urban where some 62 percent of the population resides. The implications of urbanization and urban settlements for sustainable development is of critical significance in view of the rising national and global trends of urbanization.

The targets of SDG 11 seek to ensure access for all to adequate, safe, affordable housing, (provide access to safe, affordable, sustainable transport systems; enhance inclusive and sustainable urbanization and capacity for planning and management; protect and safeguard cultural and natural heritage; decrease losses caused by disasters and protect vulnerable populations; reduce adverse environmental impacts due to air pollution and solid waste; and provide universal access to safe, inclusive green spaces, etc.)

The share of squatter population remains low and households living in safe houses has improved and comprehensive policy and strategies have been formulated in the urban sector and some initiatives are being translated into implementable programmes.

Target 11.1 By 2030, ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums

Target and Indicators		2015	Target 2019	Progress 2019	Data source	Ref. Year	Target 2022	Target 2030
11.1.1	Proportion of urban population living in slums, informal settlements or inadequate housing							
1	Population living in slum and squatters ('000)	500 ^a	400	200	AHS	2016/17	325	125
2	Household units roofed with thatched/straw roof (percent)	19 ^b	15.3	9.1	AHS	2016/17	12.5	5
3	Households living in safe houses (percent)	29.8 ^c	37.8	40	Annual Report	2075/76	43.9	60

A total of 30 indicators have been taken to monitor SDG 11 targets, of which 14 are global indicators and 16 additional indicators reflect the country context of Nepal. Data are available for nine indicators only.

2.12.1 Progress in SDG 11

As urbanization picks up pace, urban settlements are beginning to receive priority attention particularly in urban infrastructure and management.

SDG 11: Make cities and human settlements inclusive, safe, resilient and sustainable

Target 11.1 is about access to affordable housing and basic services. Nepal's progress in all three indicators has been much better than expected. The population living in slums is lower in 2019 than was expected, and the growth of slums has been slower. Only 9 percent of households have thatched roofs, which is also lower than expected (15.3 percent). Some 40 percent of households live in safe houses – better than had

been expected. In access to housing, progress has been quite encouraging.

Target 11.2 is about access to safe, affordable and sustainable transport system for all. There are no data available for this target.

Target 11.3 relates to inclusive and sustainable urbanization. Data for two indicators are available. The target was to have 23 plans by 2019, there are 27 new cities that are planned or being planned. But it is going to take quite some time before the plans are realized.

On household crowding or density, the target was to reduce the percentage of households with five or more persons from 46.7 percent in 2015 to 39.6 percent in 2019. This is unlikely to be met, as there were 43.6 percent of such households in 2017

Target 11.4 is about protecting and safeguarding the cultural and natural heritage. No data are available for this target's indicators.

Target 11.3 By 2030, enhance inclusive and sustainable urbanization and capacity for participatory, integrated and sustainable human settlement planning and management in all countries

Target and Indicators		2015	Target 2019	Progress 2019	Data source	Ref. Year	Target 2022	Target 2030
11.3.1	Ratio of land consumption rate to population growth rate							
11.3.2	Proportion of cities with a direct participation structure of civil society in urban planning and management that operate regularly and democratically							
1	Planned new cities (number)	10 ^f	23	27	MIS	2018/19	33	60
2	Households residing with 5 and more persons (percent)	46.7 ^g	39.6	43.6	AHS	2016/17	34.2	20

Target 11.6 By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management

Target and Indicators		2015	Target 2019	Progress 2019	Data source	Ref. Year	Target 2022	Target 2030
11.6.1	Proportion of urban solid waste regularly collected and with adequate final discharge out of total urban solid waste generated, by cities							
11.6.2	Annual mean levels of fine particulate matter (e.g. PM2.5 and PM10) in cities (population weighted)							
1	Concentration of Total Suspension Particulates ($\mu\text{g}/\text{m}^3$, 24 hours' average)	230 ^j	199.3	230	Annual Report	2019	176.3	115
2	Concentration of Particulate Matters ($\mu\text{g}/\text{m}^3$, 24 hours' average)	120 ^j	101.3	110	Annual Report	2019	87.3	50
3	Concentration of PM2.5 ($\mu\text{g}/\text{m}^3$, 24 hours' average)	40 ^j	34.7	50	Annual Report	2019	30.7	20
4	Concentration of Sulphur Dioxide ($\mu\text{g}/\text{m}^3$, 24 hours' average)	70 ^j	70	70	Annual Report	2019	70	70

Target 11.5 concerns the reduction of the number of deaths and economic losses due to disasters. In 2019, there were 787 deaths due to natural disasters and 3,639 people suffered injuries. There were no expectations with respect to this target. It should be recounted that in 2015 earthquake 22,300 people were injured and nearly 9,000 died.

Target 11.6 deals with the reduction of per capita adverse environmental impact in cities, mainly the quality of air. Four indicators for which data are available show that with the exception of concentration of sulphur dioxide in the air – which has remained steady at 70 ($\mu\text{g}/\text{m}^3$, 24 hours' average) – all other indicators have worsened. The concentration of total suspension particulate is 230 (target: 199.3), the concentration of particulate matter is 110 (target: 101.3), and the concentration of PM2.5 is 50 (target: 34.7). The trend is that of an unsustainable deterioration in the quality of air in urban areas.

There is a paucity of indicator data on urban settlements. The only data available for **Target 11.7** (access to green and public spaces, and violence) relate to the proportion of women victims of physical or sexual harassment. This was 11.2 percent in 2019, lower than in 2015 (14 percent) but a little short of expectations for 2019.

There are no data for **Target 11.a** (strengthening national and regional development planning). For **Target 11b** (cities and settlements adopting and implementing integrated policies) the only data available are that 28.9 percent of local governments have local disaster risk reduction strategies. There are no data available for **Target 11.C** (financial and technical assistance in constructing sustainable and resilient buildings).

2.12.2 SDG 11 – Government Policies and Plans

The increasing pace of urbanization and the economic, environmental and governance problems resulting from unplanned urban sprawl, inadequate housing, infrastructure and services, and lack of urban planning and management, led the government to formulate the National Urban Policy in 2007. The policy aims for a balanced national urban structure, development of safe, economically vibrant urban areas that are environmentally and economically resilient, and effective urban planning and management through an integrated approach to urban development. The policy became the basis for a number of urban environmental improvement, governance and integrated urban development projects. The National Shelter Plan 2013/14 analysed the state of housing in urban Nepal and projected that 900,000 new constructions will be required by 2023. The right to

housing is one of the fundamental rights enshrined in the constitution.

The 14th Plan aimed at urban development through the provision and management of adequate infrastructure and services. Integrated urban development in dense settlements, infrastructure development based on land use policy, and strengthening urban-rural interrelations were prioritized. In a response to the devastation caused by the 2015 earthquake, it also aimed to develop safe, affordable, environmentally-friendly and resilient housing for all under the slogan “build back better”.

As a means of translating the National Urban Policy into action, a National Urban Development Strategy was formulated and approved by the government in 2017. It was the first comprehensive attempt to take stock of, and analyse, the urban situation and formulate strategies related to the national urban system, urban infrastructure, urban environment, urban economy, urban investment and finance, urban governance, and urban land management. It proposed to strengthen balanced national and regional urban systems through better quality connectivity and improved functions. In view of the staggering urban infrastructure gap, it proposed specific strategies with respect to housing, transportation, water supply and sanitation, solid waste management and energy. It looked at urban physical and cultural environment and addressed issues of urban safety, resilience, culture, agriculture and forests. Strategies related to the urban economy were geared to strengthening the urban economic base and to promote local and regional economic development based on comparative advantages. It argued for increased public investment in the urban sector, the creation of financially-solvent urban areas, effective and efficient urban governance, and strategies and

mechanisms for better urban land management. The National Urban Development Strategy is in line with SDG 11 and the New Urban Agenda proposed under Habitat III. The costing for SDG 11 in the Costing and Needs Analysis and Financing Strategy report was based on the exercise undertaken for the implementation of NUDS.

The 15th Plan incorporates the strategic recommendations of the NUDS and focuses on the development of social, physical and economic infrastructure of existing urban areas, investment on integrated urban infrastructure development to strengthen urban systems, improvement of environment and services in the Kathmandu Valley and coordination between the local, province and federal government in integrated infrastructure planning and governance. It proposes to develop 27 new towns, infrastructure development in 70 municipalities and 10 smart cities, as well as four satellite towns in the Kathmandu Valley. Safe housing is proposed for 60 percent of population and 1 million housing units are to be added through the public, cooperative and the private sectors by the end of the plan period.

2.12.3 Stakeholder Partnership

While the government at various levels is the major actor in urban planning, management and trunk infrastructure development, there are other stakeholders whose role is crucial in the planning, maintenance and the development of infrastructure, like neighbourhood roads, sewerage outlets, solid waste collection and management at the household level, and sanitation and cleanliness. Mobilizing the support of communities and residents and providing avenues for their participation is a critically important task. The level of this stakeholder participation varies from urban area to urban area, and among communities. In the last, decade the participation of local communities in the construction of local

roads through public-private partnership in many areas has been commendable. Tole- and block-level committees have mobilized local support for infrastructure improvement and urban poverty alleviation projects.

Although a few land pooling initiatives have been undertaken by government agencies for planned and environment friendly development of some urban areas, these initiatives have remained quite limited. There is, however, enough scope for replicating successful examples. Municipalities can take the lead with the support from relevant professional manpower and the government agencies.

Housing is emerging as a major problem in almost all urban areas. Urban sprawl is a result of the proliferation of individual housing dictated by land available at the disposal of individual households, and growing homelessness in urban areas. A partnership between government agencies and the private and cooperative sectors can go a long way in addressing the issue of the supply of safe, affordable housing not only for the middle and upper classes, but also for those with lower incomes. Housing is an area where the proposed initiatives fall far short of requirements.

2.12.4 Challenges

NUDS highlights inferentially the challenges of meeting the goals of SDG 11 under each theme mentioned above. The key challenges include:

- Meeting the infrastructure gap. NUDS estimated that the investment requirement for bringing infrastructural (road, piped water, toilet, electricity, landfill, storm drainage) standards to adequate levels for the 58 municipalities existing in 2011 would be a staggering NRs372

billion. Nearly 70 percent of the cost would be attributable to roads alone. This does not take into account municipal services, such as bus parks, green spaces, municipal health, education, and related services. The resources required to meet the infrastructure gap is likely to be a major constraint.

- Improving access to safe, affordable and adequate housing. Urban housing has received little policy attention, because it is a complex question requiring multi-sector partnership for financing, investment, cost recovery, etc. Without these considerations, the housing gap in urban and semi-urban areas is likely to grow.
- Ensuring the quality of environment in urban areas and dense settlements. Poor infrastructure and services and high population growth with a lack of adequate safeguards has led to deteriorating urban environment in terms of air, water and land pollution, in all urban areas – particularly in the valleys.
- Institutions for urban planning and enforcement of land use regulations. The organic growth of urban areas and large settlements without the benefit of institutionalized urban planning and formulation and enforcement of land use regulations has meant that not only the present, but also the future of sustainable urban areas remains bleak. An institutionalized system of participatory urban planning backed by municipal urban planning and enforcement capability is necessary.
- Establishing inter- and intra-urban mass transit system. The increasing trend of urbanization and vehicular pollution requires consideration for a mass transit system both within major urban areas and between major urban centres. Such a system can also induce suburbanization and the growth of satellite towns and relieve the pressure on core city areas.

The use of fossil fuel as a percentage of total energy consumption has increased and remains at 15 percent.

2.12.5 Way Forward: Priority Areas of Action

- Prioritized infrastructure development in major urban areas to keep up with increasing infrastructure requirements in roads, sewage, drinking water and solid waste management.
- Integrated settlement development for provision of infrastructure and services linked with the growth of potential economic activities based on local/regional resources.
- Pilot projects for safe, affordable and inclusive housing for middle- and low-income families.
- Enforcement of disaster-resilient construction practices.
- Affordable environmentally-friendly electric urban transport system to reduce air pollution and road congestion.
- Ensure land use-based planning and environmental standards and greenery in the planning of new towns for sustainable urbanization.
- Institutionalize systems of inclusive and participatory urban planning. For urban plans and programmes to be owned by urban residents it is imperative to institutionalize a process of inclusive and participatory planning.
- Ensure the preservation of Nepal's natural and cultural heritage in cooperation with the main national authorities, the Department of Archaeology and the Department of National Parks and Wildlife Conservation

2.13 SDG 12: Responsible Consumption and Production

Ensure sustainable consumption and production patterns

SDG 12 takes up the most critical issue of sustainable production and consumption

in a world where natural resources are overexploited without regard to future needs, and where there are enormous gaps in consumption patterns of the haves and the have-nots. There is conspicuous consumption and waste on the one hand, and hunger and poverty on the other. SDG 12 seeks to address this paradox of poverty among plenty so that more sustainable, efficient and socially and ecologically responsible patterns of production and consumption become the norm rather than an exception. It envisions a world where production resources are more efficiently used, wasteful production and consumption is reduced to a minimum, resource degradation and pollution is minimized to the extent possible, and scientific and technological capability is enhanced for sustainable development.

The SDG 12 targets include the implementation of a 10-year framework on sustainable consumption and production; sustainable and efficient management of natural resources; reducing per capita global food waste by half; management of toxic waste and reductions in air, water and soil pollution; promotion of recycling and reuse; adoption of sustainable practices; promotion of sustainable public procurement practices; and ensuring access to relevant information on sustainable development. Strengthening scientific and technological capability, promoting sustainable tourism practices, and discouraging wasteful consumption by removing market distortions are also among the targets for sustainable consumption and production.

There are 26 targets for SDG 12, of which 13 are global targets and another 13 are added in the context of Nepal. Data are available for seven indicators only.

Target 12.2 By 2030, achieve the sustainable management and efficient use of natural resources

Target and Indicators		2015	Target 2019	Progress 2019	Data source	Ref. Year	Target 2022	Target 2030
12.2.1	Material footprint, material footprint per capita, and material footprint per GDP							
1	Proportion of total water resource used (percent)	10 ^a	12.7	NA			14.7	20
12.2.2	Domestic material consumption, domestic material consumption per capita, and domestic material consumption per GDP							
1	Use of fossil fuel energy consumption (percent of total)	12.5 ^a	13.2	15.5	MIS	2018/19	13.7	15
2	Total carbon sink (tons) in forest area	2276 ^b	2522	NA			2707	3200
3	Land use for agricultural production (cereal as percentage of cultivated land)	80 ^b	78.7	76.3	15th Plan	21018/19	77.7	75
4	Soil organic matter (percent)	1 ^h	1.8	1.92	15th Plan	2018/19	2.4	4
5	Consumption of Wood per capita (cubic metres)	0.11 ^a	0.09	0.65	15th Plan	2018/19	0.08	0.05

2.13.1 Progress in SDG 12

SDG 12: Ensure sustainable consumption and production patterns

Target 12.1 deals with the implementation of the 10-year framework of programmes on sustainable production and consumption with all countries taking action and developed countries taking the lead.

There is no information with respect to this target.

Target 12.2 is about sustainable use and management of natural resources. Data are available for four indicators. Use of fossil fuel energy consumption as a percentage of the total is 15.5 percent, a little higher than the expectation for 2019. Cereal crops as a percentage of cultivated land is about 76.3 percent in 2019, a little lower than the target of 78.9 percent. But the consumption of wood per capita has remained even higher

than the estimates for the base year. Only soil organic matter is a little higher than expected (1.92 against 1.8 percent).

For Target 12.3 (reduce by half per capita global food waste including post-harvest loss) there are no data available for food waste, post-harvest loss and food loss index. Also, for Target 12.4 (management of chemicals and waste and reduction in the release to air, water and soil) the only data available are on the use of plastics per capita per day. The target was to achieve 2 grams per capita per day in 2019, which appears to have been achieved.

Target 12.5 is about reducing waste generation through prevention, reduction, recycling and reuse. The target was to increase recycling of plastics in manufacturing industries to 40 percent, but by 2019 only 25 percent is recycled. Similarly, the target was to increase the reuse of glass and metal

Target 12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse

Target and Indicators		2015	Target 2019	Progress 2019	Data source	Ref. Year	Target 2022	Target 2030
12.5.1	National recycling rate, tons of material recycled							
	<i>12.5.a Re-cycling of plastics in manufacturing industries (percent of industries)</i>	24.5 ^e	42	25	15th Plan	2075/76	55.1	90
	<i>12.5.b Re-use of glass and metal products in manufacturing industries (percent of industries)</i>	7.2 ^e	29.3	7.2	15th Plan	2075/76	45.8	90

products to 29.3 percent. But the situation in 2019 appears to be the same as in the base year and no progress is seen.

There are no data for **Target 12.6** (encourage companies to adopt sustainable practices), **Target 12.7** (promote sustainable public procurement practices), **Target 12.8** (relevant information and awareness for sustainable development) as well as for **Target 12a** (support for strengthening scientific and technological capacity), **12b** (developing tools to monitor sustainable tourism impacts) and **12c** (rationalize inefficient fossil fuel subsidies).

2.13.2 SDG 12 – Government Policies and Plans

Policies with respect to SDG 12 are reflected in the government’s approach to agriculture, forest and natural resources, industries, the supply of essential food and other products and management of the environment.

Increasing agricultural production and productivity, promoting environmentally-friendly agricultural practices, protection of agro-biodiversity and natural resources, and exploring the possibilities of expanding organic agriculture have been the themes of agricultural development policies and plans of the 14th as well as the 15th Plans. Nepal has been part of FAO’s Integrated Pest Management Programme from the very beginning, which has resulted in the reduction of pesticide use by 36 percent. Over 100,000 farmers have graduated from the farmer’s field school programme. The use of chemical fertilizer, however, is quite common and has a bearing on the organic matter content and productivity of the soil. There is often a policy conflict between the need for increasing agricultural production and the necessity to promote sustainable production practices based on usage of chemical fertilizers and pesticides, which also require intensive irrigation. Protection

and promotion of agro-biodiversity as a means of adapting to climate change impacts has gained attention in recent years.

A little over 40 percent of Nepal’s land area is under forest, much of it in the hills and mountains. Forest and watershed management are crucial also to recharge water and enhance agricultural productivity. Sustainable forest management with a view to increasing the production and productivity of forest products and integrated management of forest biodiversity are themes that have been emphasized in the 14th and the 15th Plans.

The government’s environmental policies call for control and regulation of water, air, soil, land resources both in an urban setting and also in industries. Guidelines exist for management of urban as well as industrial waste and toxic pollutants, and the installation of pollution control measures in industries.

Lack of compliance with good agricultural practices, good hygiene practices and good manufacturing practices point to the challenges to food safety in Nepal. A number of acts and regulations (Food Act, Food regulation Act, Consumer protection Act, Slaughterhouse and meat inspection Act) exist. The Department of Food Technology and Quality Control is the national agency entrusted with food quality affairs, but its capacity and coverage remain limited. There is no surveillance with respect to food waste.

2.13.3 Stakeholder Partnership

There are multiple stakeholders concerned with the overall pattern of production and consumption from farmers to industries, commercial enterprises and traders, government agencies, and non-governmental and CSOs representing consumer groups and interests. Integrated pest management

has been a good example of partnership between the farmer groups and extension agencies of the government. The Forum for the Protection of Consumer Interests has remained the main agency for protecting consumer rights and in making the traders and the government accountable to provisions of the law. A strengthened partnership between the Chamber of Commerce and Industries, government agencies and consumer groups is essential to bring about changes in the pattern of production and consumption. Consumer awareness of food safety, food waste and sustainable consumption behaviour with regard to the use of, for example, fossil fuels and pollution-prone technologies is also necessary.

2.13.4 Challenges

Some of the main challenges are:

- Adopting environmentally-friendly agricultural practices for increased agricultural production and food supply has to be translated into viable programmes that also ensure better livelihoods for farmers. Low water use, organic fertilizers and organic pesticides need to be integrated into viable policies and programmes in organic agriculture.
- Increasing productivity and efficiency of resource use in all production processes. This would require the introduction of productivity and efficiency enhancing technologies and innovations.
- Minimizing conspicuous waste in production and consumption. This needs to be backed by regulation and the inculcation of a community ethos on sustainable living.
- Controlling pollution and sustainable management and disposal of toxic waste. Regulation and monitoring need to be institutionalized and enforced based on the principle of 'polluter pays'.

2.13.5 Way Forward: Priority Areas of Actions

- Promote the use of electricity in production processes and in transportation to minimize pollution and environmental degradation.
- Review and enforce production standards to minimize waste, and limit pollution and use of toxic processes and chemicals. Regulatory mechanisms need to be strengthened.
- Promote and expand organic agricultural practices suitable for location-specific geographical areas and crops. Maintenance of optimum organic soil profile should be a guiding consideration.
- Strictly regulate and enforce the use of harmful chemical fertilizers and pesticides in agriculture.
- Management of solid waste based on the principles of 'reduce, reuse and recycle' mainly in urban areas.
- Strict enforcement of food quality standards by regulating and monitoring both at source and at outlets. A partnership with consumer organizations and local bodies is essential.

2.14. SDG 13: Climate Action Take urgent action to combat climate change and its impacts

Climate changes has emerged as a global problem over recent decades due to the increasing and uncontrolled use of fossil fuels, increased release of greenhouse gases in the atmosphere and resulting depletion of the ozone layer, continuous rise in global temperature, warming oceans, changing global, regional and local climatic patterns and frequency of extreme climatic effects. The impact of climatic change is more severe in Nepal, due to its mountainous terrain and fragile geology. Nepal's contribution to global warming and greenhouse gas emissions is miniscule (0.027 percent), but

The adaptation plan (national, local and community level) preparation and implementation have been progressing well.

Target 13.2 Integrate climate change measures into national policies, strategies and planning

Target and Indicators	2015	Target 2019	Progress 2019	Data source	Ref. Year	Target 2022	Target 2030
13.2.1 Number of countries that have communicated the establishment or operationalization of an integrated policy/strategy/plan which increases their ability to adapt to the adverse impacts of climate change, and foster climate resilience and low greenhouse gas emissions development in a manner that does not threaten food production (including a national adaptation plan, nationally determined contribution, national communication, biennial update report or other)							
a) Local adaptation plan preparation (number of local levels)	4 ^d	36	68	Annual Report	2017/18	60	120
b) Community level adaptation plan	31 ^d	231	342	Economic Survey	2018/19	381	750
c) Implementation of adaptation plan	0	15	68	Annual Report	2018/19	30	60
d) Climate-smart villages	0	45	42	Annual Report	2018/19	79	170
e) Climate-smart farming	0	133				233	500

maximum temperature has been rising at a rate of 0.056 Celsius per year and more so in the high Himalayas. The impact of climate change has been wide-ranging from agricultural crops and production, glacial melt and river hydrology, ground water resources, cloud bursts, vulnerability of settlements, floods and landslides and loss of life and property. SDG 13 aims to take urgent action to combat the effects of climate change and slow its impacts through mitigation and adaptation measures.

The targets for SDG 13 include strengthened resilience and adaptive capacity to climate-related hazards, integration of climate change measures in national policies, strategies and planning, improved education, awareness and institutional capacity for climate change mitigation, and implementation of UNFCCC commitments.

A total of 24 indicators have been taken to monitor progress in climate action. Of these, eight are global indicators and 16 indicators have been added in the context of Nepal. Data are available for five comparable indicators.

2.14.1 Progress in SDG 13

SDG 13: Take urgent action to combat climate change and its impacts

Target 13.1 is about increasing resilience and adaptive capacity for climate change and natural disasters. The indicators focus on greenhouse emission by industrial sector. There are no data on any of the indicators for 2019. The number of deaths, etc in disasters was 0. 2361 in 2019, and 10.4 percent of Palkas had adopted and implemented disaster risk reduction strategies.

Target 13.2 concerns integration of climate change measures in national plans and strategies. By 2018, the number of local levels preparing adaption plans was 68, there were 34 community adaptation plans and 42 climate-smart villages. The progress on climate-smart villages is a little short of the target, but in the three other cases the targets have been surpassed.

Target 13.3 is about improving education, awareness and institutional capacity on climate change mitigation, adaptation and impact reduction. Comparable data are available only for training of local planners. By

2017, some 1,296 local planners were trained, which indicates that the 2019 target of 1,380 was met. But 12,300 persons at the local level were trained in climate change mitigation.

No data are available for **Target 13a** (implementation of developed country commitment in UNFC for mobilizing \$100 billion to address climate change) and **13b** (mechanism for raising capacity of climate change related planning and management in developing countries).

2.14.2 SDG 13 – Government Policies and Plans

Nepal has endorsed all international conventions, agreements and protocols on climate change including the UNFCCC 1992, Kyoto Protocol, Paris Agreement, Sendai Framework and the SDGs, and has formulated national policies, plans and institutional mechanisms for implementation and monitoring accordingly. In 2009 a Climate Change Council was created as an apex body to provide guidelines and policy directions. Climate change policy was adopted in 2010 together with a National Adaptation Programme. The Local Adaptation Plan for Action (LAPA) was initiated in 2011. In the last decade, comprehensive efforts have been made to mainstream climate change adaptation in sectoral policies and programmes and the country's legislative framework. Accordingly, strategies to reduce carbon emission, enhance carbon stock and ecosystem resilience, promote alternative and clean energy, mitigate disaster risks, facilitate scientific land use, promote food security, nutrition and livelihoods through, for instance, climate-friendly agriculture have been formulated and are being translated into implementable programmes. A climate change budget code was introduced and efforts were started to internalize climate change-related investment in the budget cycle.

The strategies of the 14th Plan aimed to make environmental management an integral part of all development programmes, internalize investments to reduce the impacts of climate change within the national budgetary system, reduce disaster risks and promote mitigation, and increase the quality and reliability of meteorological data. Development of a framework for resource mobilization for climate change programmes, strengthening the legal basis of environmental protection, deriving maximum advantage from the Clean Development Mechanism of the Kyoto protocol, internalizing the concept of green growth in development programmes, and the development of partnerships with NGOs, local bodies, community organizations and the donor community were among the programmes' highlights.

The objectives of the 15th Plan are to minimize the impacts of climate change and enhance adaptation capacity as indicated in the Paris Agreement, promote environmentally-friendly clean energy and green development, and derive maximum advantage from international finance and technology available for mitigation and adaptation of the impacts of climate change. The strategies focus on capacity enhancement at federal, provincial and local levels in dealing with climate change issues, expand adaptation plans at all levels, promote green development and clean energy, mobilize climate change finance and promote research and capacity development. By the end of the plan period, the formulation of 550 local level climate change adaptation plans, establishment of greenhouse gas reference levels for the agriculture, transport, industry, forest and energy sectors, training of 2,000 climate change adaptation planners for local levels, and plans for 100 climate-smart villages and 300 climate-smart farms as models is expected.

Nepal is currently updating its 'nationally determined contributions' as a road map for implementing the Paris Agreement. A national Climate Change Policy 2019 has recently been adopted with the objective, among others, of integrating climate change considerations in all policies and strategies and mainstreaming gender equality and social inclusion in climate change policies. It provides policy guidelines on climate change for each sector, including agriculture, environment, industry-transport, settlements, energy, tourism, health, disaster risk reduction, finance, institutions as well as gender equality and outlines the roles of federal, provincial and local governments.

2.14.3 Stakeholder Partnership

Addressing the impact of climate change requires awareness, a road map for action, and capabilities as well as support for action at all levels, more so at the level where it matters most – at the level of individuals, households and communities. A broad partnership of government agencies, local governments and communities, NGOs, CSOs and external agencies with the know-how and technology to support local initiatives is essential for creating awareness, developing local adaptation plans, translating these plans into effective actions and learning and improving upon the experiences. Finance and technology are two other aspects that need consideration.

The realization that a broad partnership is essential is quite evident in Nepal's plans and policies. Local Level Adaptation Plans have been developed on the basis of a close partnership and working relationships between experts from outside, local government and community organizations, local leaders and motivated individuals. Dealing with climate change impacts requires a mix of outside expertise, technology and know-how, and individuals with indigenous lo-

cal knowledge and experiences. It is only through a participatory learning process that realistic and implementable plans can be developed. The scope for such a partnership is enormous.

2.14.4 Challenges

Major challenges in dealing with the impacts of climate change are:

- Increasing awareness at the level of policymakers. Although climate change comes under the purview of the Ministry of Forests and Environment, but its impacts have to be internalized in all sectoral policies and plans. There is often only a token appreciation in sectoral policies without a deeper realization of the need for sectoral policy to respond to impacts of climate change. Awareness has to start from the level of the policymakers itself so that programmes really reflect the implications of climate change. Mainstreaming climate change in overall development policies requires this sensitivity.
- Increasing awareness at the individual, household and community levels. This awareness should be the basis for climate change adaptation and mitigation at the local level.
- Adopting multi-sectoral partnership. Addressing climate change issues at the field level requires a multisectoral partnership where the message is reinforced from different perspectives.
- Addressing institutional capacity, finance and technology issues. Institutional capacity for internalizing climate change in policies, programmes and developing and mobilizing the trained manpower required for the purpose is limited. Financing climate change programmes and availability of appropriate technologies present additional challenges.

- Improving basic data and research. A scientific appreciation of climate change requires long-term meteorological and other relevant data (from agricultural crop patterns to biodiversity) on trends over time. Dealing with climate change impacts requires basic data and research, which remains largely neglected.
- Focusing on disaster risk and mitigation. As an indispensable aspect of climate change action, a broader readiness and preparation for mitigation and recovery is essential.

2.14.5 Way Forward: Priority Areas for Action

- Awareness generation on climate change. Sustained awareness is needed at the community level through schools, community organizations, local government agencies elucidated by examples from local livelihood experiences. This can lead the way to the creation of a pool of local level climate change leaders.
- Preparation of realistic and implementable participatory Local Adaptation Plans for Action. Such plans endorsed by the local government and the communities can provide a multi-sectoral road map to deal with climate change.
- Creation of a database on climate change impacts. Other than scientific data, oral histories of changing agriculture patterns and crop choices and farming systems can be the basis for blending indigenous knowledge with scientific expertise.
- Financial and technological support for climate change initiatives, particularly at the provincial and local levels.
- Disaster risk preparation and mitigation plans at all three levels of government. These plans have to be periodically reviewed and discussed at the level of communities if they are to become realistic and transparent.

2.15 SDG 15: Life on Land Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss

Unsustainable exploitation and use of terrestrial resources have been chiefly responsible for the damage and dislocation of the ecosystem through deforestation, biodiversity loss, and degradation of: land and the environment. A healthy ecosystem is the condition for enhanced productivity of agriculture and forests, a regulated hydrological regime, sustainable watersheds, thriving biodiversity and wildlife, reduced risks of natural disasters and a natural resilience to mitigate the adverse effects of climate change.

SDG 15 aims to preserve, restore and sustainably use the earth's terrestrial resources – forests, wetlands, watersheds, mountains and maintaining the integrity of the ecosystems, and develop a global partnership for finance, sharing of benefits and regulation of illegal activities. For mountain areas like Nepal, where the ecological balance is ever so precarious, SDG 15 has a greater and immediate relevance and urgency.

The 12 targets of SDG 15 include the conservation, restoration and sustainable use of terrestrial and fresh water ecosystems, promoting the implementation of sustainable management of all types of forests, combating desertification and restoring degraded lands including those affected by desertification, ensure the conservation of

Forests comprise 44.7 percent of the land area, protected areas make up 23.4 percent, and nearly 43 percent of forests are under community management. Vulnerable ecosystems, such as the Chure, remain threatened due to encroachment and degradation.

Target 15.1 By 2020, ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services, in particular forests, wetlands, mountains and dry lands, in line with obligations under international agreements

Target and Indicators		2015	Target 2019	Progress 2019	Data source	Ref. Year	Target 2022	Target 2030
15.1.1	Forest area as a proportion of total land area	44.7		44.7	Annual Report	2018/19		
1	Forest under community-based management (percent of total dense forest areas)	39 ^a	39.8	42.7	Annual Report	2018/19	40.4	42
15.1.2	Proportion of important sites for terrestrial and freshwater biodiversity that are covered by protected areas, by ecosystem type							
1	Protected area (including forest, in percent of total land area)	23.2 ^a	23.3	23.39	Annual Report	2019	23.3	23.3
2	Conservation of lakes, wetlands, and ponds (number)	1727 ^a	2599	1000	Annual Report	2019	3254	5000

mountain ecosystems including their biodiversity, and taking urgent and significant actions to reduce the degradation of natural habitats. Other targets include fair and equitable sharing of benefits from genetic resources, stopping poaching and trafficking of protected species, introducing measures to prevent the impacts of invasive alien species, integrate ecosystem and biodiversity values into national and local planning and development processes, mobilizing financial resources to conserve and sustainably use biodiversity and ecosystems, finance sustainable forest management and incentives, and enhancing global support to combat poaching and trafficking of protected species.

There are 14 global indicators and 17 indicators adopted by Nepal, making a total of 31 indicators, to monitor the progress and achievements in SDG 15. Data are available for 12 indicators.

2.15.1 Progress in SDG 15

SDG 15. Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss

Target 15.1 is about conservation, restoration and sustainable use of terrestrial and fresh water ecosystems. There has been no reduction in the forest area in Nepal, which stands at 44.7 percent of land area. Forest under community-based management has increased to 42.7 percent and the protected area proportion has essentially remained the same as before. The targets for all these three indicators have been met. On conservation of water bodies and wetlands, achievement was less than half of that targeted.

Target 15.2 is about promoting the implementation of sustainable management of

Target 15.2 By 2020, promote the implementation of sustainable management of all types of forests, halt deforestation, restore degraded forests and increase afforestation and reforestation

Target and Indicators		2015	Target 2019	Progress 2019	Data source	Ref. Year	Target 2022	Target 2030
15.2.1	Progress towards sustainable forest management							
1	Handover of forests to leasehold forest groups (000 hectare)	44.6 ^a	44.6	45.4	Annual Report	2019	44.6	44.6
2	Afforestation in public and private lands (hectare per annum)	-	5000	4000	Annual Report	2019	5000	5000
3	Additional plantation (seedlings in million per annum)	-	-				-	-

Target 15.3 By 2020, combat desertification, restore degraded land and soil, including land affected by desertification, drought and floods, and strive to achieve a land-degradation-neutral world

	Target and Indicators	2015	Target 2019	Progress 2019	Data source	Ref. Year	Target 2022	Target 2030
15.3.1	Proportion of land that is degraded over total land area							
1	Forest Density (average number of trees per hectare)	430 ^a	487	430	Annual Report	2019	530	645
2	Conservation of rivulets and river banks through bio-engineering (km)	1675 ^a	3895				5560	10000

all types of forest and here the target for handover of leasehold forest was achieved while the afforestation target of 5000 ha per year was limited to 4000 ha only.

Combating desertification and restoration of degraded lands is the thrust of **Target 15.3**. The forest density target for 2019 was 430 trees per ha, which is lower than the targeted density of 487. There are no data available for conservation of rivulets and river banks.

Also, no data are available for **Target 15.4** conservation of mountain ecosystem.

Target 15.5 concerns actions to reduce degraded natural habitats, biodiversity and protection of threatened species. Of the three indicators for which data are available, there has been significant progress in raising the number of Bengal tigers to 235 (target: 205) and one-horned rhinos to 645 (target: 600). The expectation was to mobilize 400 community-led anti-poaching units. However only 126 were operational.

For **Target 15.6** (fair and equitable sharing of benefits from genetic resources), **Target 15.7** (action of poaching and trafficking of flora, fauna) and **Target 15.8** (prevent and reduce impact of invasive species) no data are available.

Target 15.5 Take urgent and significant action to reduce the degradation of natural habitats, halt the loss of biodiversity and, by 2020, protect and prevent the extinction of threatened species

	Target and Indicators	2015	Target 2019	Progress 2019	Data source	Ref. Year	Target 2022	Target 2030
15.5.1	Red List Index							
1	Threatened flora (medicinal & aromatic plants) (percent)	0.48 ^b	0.35				0.26	0
2	Threatened fauna (mammals, birds, reptiles, amphibians, fishes, insects, Platyhelminthes, molluscs, etc.) (percent)	0.81 ^b	0.59				0.43	0
3	Wild tigers (number)	198 ^b	205	235	Census of Tigers	2018	210	225
4	Rhino (number)	534	600	645	Census of Rhinos	2018	650	783
5	Community-led anti-poaching units mobilized (number)	400	400	126	Annual Report	2018	400	400

Target 15.9 By 2020, integrate ecosystem and biodiversity values into national and local planning, development processes, poverty reduction strategies and accounts

Target and Indicators	2015	Target 2019	Progress 2019	Data source	Ref. Year	Target 2022	Target 2030	
15.9.1	Progress towards national targets established in accordance with Aichi Biodiversity Target 2 of the Strategic Plan for Biodiversity 2011-2020							
1	Plant (floral) species under conservation plan (number)	3 ^b	30	7	Annual Report	2018	3	15
2	Animal (faunal) species under conservation plan (number)	5	48	10	Annual Report	2018	48	15

Target 15.9 seeks to integrate ecosystem and biodiversity values in planning at all levels and in development policies. The progress has been quite poor. Only seven plant species and 10 animal species are under conservation plan (targets: 30 and 48 respectively).

No data are available for **Target 15a** (increase financial resources for conservation and sustainable use of biodiversity resources and ecosystems), **15b** (mobilize resources to finance sustainable forest management), and **15c** (enhance global support for combating poaching and trafficking of protected species).

2.15.2 SDG 15 – Government Policies and Plans

Protection of forest and environment (*‘green forests, Nepal’s wealth’*) has been a cornerstone of Nepal’s development policies and is part of the directive principles of state policies in the Constitution. The first National Park and Wildlife Conservation Act was enacted as early as 1973. In 1988, Nepal was one of the pioneering nations in formulating a National Conservation Strategy. The first Forestry Sector Master Plan was approved in 1989 with the objective of conserving ecosystems, protecting land against degradation and ecological imbalance, contribution to economic growth, and meeting people’s basic needs. Nepal has also been a pioneer in community forestry not only in this region, but around the world. The Community Forest Act 1993 is a milestone in

sustainable forest management through community forest user groups. CITES Act 2017 evidences Nepal’s earnest commitment to biodiversity conservation. The Nepal National REDD+ Strategy sets the guiding principles for environmental safeguards.

As a result of these initiatives, Nepal is an example of *regreening the hills* and has 44.74 percent of its national area under forests at present. Protected areas account for 23.5 percent of the total area of the country. Nepal is a country rich in biodiversity. There are 118 ecosystems, 20 protected and conservation areas, 35 types of forests, 10 internationally important wetlands, 22,600 community forests and over 10,000 community-based forests. Nepal has earned accolades internationally for the conservation of wildlife and the flagship species – Asian rhinoceros and the Bengal tiger.

The 14th Plan had the objective of promoting sustainable management of forests and forest production and productivity, ensuring equitable distribution of benefits from forest biodiversity and resource conservation, and promoting integrated watershed management to deal with the impacts of climate change. The strategy was based on participatory approaches to biodiversity and sustainable watershed management that benefited local communities. Protection of fragile ecosystems such as the Chure, Terai wetlands, ecotourism based on protected and conservation areas in the

hills, development of local adaptation plans for climate change, promotion of non-timber forest products-based entrepreneurship and employment were among the plan's highlights. The Forest Sector Strategy 2015, and the National Strategic Framework for Nature Conservation for Sustainable Development 2015 were put into place during the plan period.

The 15th Plan proposes to contribute to the vision of a prosperous Nepal through sustainable forest management and forest-based enterprise development. It commits to the strategy of forest biodiversity and integrated watershed management through participatory approaches, equitable distribution of benefits, enhanced production and productivity of forests, and the maintenance of a balance between the conservation of ecosystems and development activities. River basin approach to integrated watershed management, institutionalization of GESI in forest and biodiversity management, promotion of green enterprises and ecotourism, enhanced partnership between universities and relevant NGOs in forest and biodiversity research, capacity building and awareness raising, and development of a coordinated system of forest management among the federal, provincial and local governments are other strategies pursued in the plan.

The Plan aims to form an additional 2,000 community forest groups, bringing the total community forest groups in Nepal to over 24,000. By the end of the plan period, 45 percent of national forests would be brought under communities, lease forestry and other arrangements, 20,000 ha of public forests would be added in the Terai, the total forest area of the country (44.7 percent) and protected areas (23.4 percent) would be kept intact.

The plans and policies formulated and implemented by the government are in line with the targets set out under SDG 15.

2.15.3 Stakeholder Partnership

Nepal is one of just a handful of countries in the world where the importance of community participation in the conservation of forests, biodiversity and ecosystems was realized early on. The establishment National Trust for Nature Conservation in 1982 as an autonomous, non-profit organization, the initiation of Annapurna Conservation Area Project under the NTNC responsible for the management of the Annapurna Conservation Area are both pioneering efforts to institutionalize the participation of a broad group of stakeholders in conservation efforts. About 33 percent of Nepal's protected areas today are managed by the Trust, and, in time, the management is expected to be gradually transferred to local communities. Thousands of forest user groups under the community forestry programmes have been path blazers not only in the protection and management of forests and biodiversity, but also in sustainable harvesting and utilization of forest resources. Programmes related to soil conservation and watershed management have also relied heavily on community participation. Participatory approaches have been pursued also in the protection and conservation of wildlife species, including the management of human-wildlife conflict.

Biodiversity conservation in Nepal has also benefited from the support of a number of NGOs and international NGOs engaged in capacity building, as well as management and technical support for programmes on species protection, landscape level planning and combating poaching and trafficking. In recent years, universities and research organizations have collaborated increasingly in programmes related to research on various aspects of biodiversity conservation.

2.15.4 Challenges

Notable achievements in forest and biodiversity protection notwithstanding, there are a number of ongoing challenges that need to be addressed.

- Protecting forest and biodiversity in fragile ecosystems. While combating deforestation, forest and land degradation remains a continual problem, protecting fragile ecosystems – such as in the Chure – in the face of climate change, and at the same time addressing the associated issues of livelihoods remains a major challenge.
- Utilization of forest and biodiversity resources. The level of utilization of forest and biodiversity resources by enhancing production and productivity through scientific management remains very low. As a result the benefits of conservation on people's livelihoods and poverty alleviation remains much lower than would be expected.
- Maintaining balance between the protection of ecosystems and development activities and needs. This balance has been very tenuous and the environmental safeguards and regulations have often been ignored in the name of infrastructure – roads and hydropower – development. Integrating nature and ecosystem conservation in all development efforts continues to be an uphill task.
- Shift to clean energy sources for domestic use. Nearly three-quarters of rural households use fuel wood for cooking with obvious implications for forest degradation and also for the environment. Without a massive shift to clean energy, such as hydropower and other alternative sources, it is difficult to reduce the household demand for fuelwood.
- Payment for environmental services. Sharing the benefits of protection and

conservation of natural resources between the uplands (where forests and watersheds are protected) and the lowlands (where most of the benefits accrue) remains a major challenge. A system for the payment of environmental services between the highlands and the lowlands has to be institutionalized to encourage conservation and responsible use at both ends.

- Gender sensitive, inclusive and equitable sharing of benefits from forest and biodiversity management. It is generally the women and the poor and disadvantaged who contribute to forest and biodiversity conservation, but their share of the benefits remains disproportionate. Mechanisms need to evolve for the benefits to be inclusively and equitably shared.

2.15.5 Way Forward: Priority Areas for Action

- Coordination in forest and biodiversity management between the three levels of government. The institutional framework for forest, biodiversity and watershed management under the federal system has to be institutionalized to protect achievements and address emerging challenges.
- Integrated watershed management. Integrated watershed management plans for forest biodiversity conservation, as well as control of erosion and landslides, have to be developed and implemented in all critical watersheds.
- Integrate principles of environmentally sustainable development in all development policies and plans. Clear, consistent and workable guidelines need to be developed and institutionalized at all levels of government so that the principles of environmental conservation are embedded in development policies and plans.

- Promotion of community-based ecotourism based on forest and biodiversity conservation. Ecotourism can be a means through which the link between forest and biodiversity conservation and improvement in livelihoods can be established.
- Management of human-wildlife conflict. Community-based approaches to the management of human-wildlife conflicts have to be adopted for resolving conflicts and compensating for losses resulting from depredation by wildlife.
- Local Adaptation Plans. Climate change adaptation plans that take cognizance of the significance of conservation of forests and biodiversity have to be developed and implemented locally.
- Green enterprises. Green enterprises based on sustainable use of forest and biodiversity resources (non-timber forest products and medicinal and aromatic plants) and use of clean energy with a light greenhouse gas footprint have to be discretely identified and promoted.

the indispensable foundations on which sustainable development aspirations can be built. SDG 16 seeks to comprehensively address these concerns. The 12 targets of SDG 16 seek to significantly reduce all forms of violence, end abuse, exploitation and trafficking, promote rule of law and equal justice for all, significantly reduce illicit financial and arm flows, reduce all forms of corruption and bribery, and develop accountable, effective and transparent institutions at all levels. Other targets seek to ensure participatory and representative institutions of decision-making at all levels, strengthen participation of developing countries in global governance, ensure legal identity for all, ensure public access to information, strengthen relevant national institutions, and promote and enforce non-discriminatory laws and policies.

There are 31 indicators to monitor and measure the SDG 16 targets, 23 of which are global indicators and nine are added in the context of Nepal. Data are available for 17 indicators.

There has been an overall reduction in violence, and the incidence of sexual violence shows a declining trend. There are constitutional and legal provisions for ensuring justice and the rule of law.

2.16 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

Peace, justice and the rule of law, and strong institutions to ensure and defend these are

2.16.1 Progress in SDG 16

SDG 16: Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels

On Target 16.1, data show that there has been significant decline in deaths from armed violence and in terms of the propor-

Target 16.1 Significantly reduce all forms of violence and related death rates everywhere

Target and Indicators		2015	Target 2019	Progress 2019	Data source	Ref. Year	Target 2022	Target 2030
16.1.1	Number of victims of intentional homicide per 100,000 population, by sex and age							
1	Direct deaths from armed and violent conflict (number)	1628 ^a	-	659	MIS	2018		
16.1.2	Conflict-related deaths per 100,000 population, by sex, age and cause							
16.1.3	Proportion of population subjected to physical, psychological or sexual violence in the previous 12 months	23.6	-	13.5	NDHS	2016		
16.1.4	Proportion of population that feel safe walking alone around the area they live	-	-	59.7	MIS	2019		

Target 16.2 End abuse, exploitation, trafficking and all forms of violence against and torture of children

Target and Indicators		2015	Target 2019	Progress 2019	Data source	Ref. Year	Target 2022	Target 2030
16.2.1	Proportion of children aged 1-17 years who experienced any physical punishment and/or psychological aggression by caregivers in the past month							
1	<i>Children aged 1-14 years who experienced psychological aggression or physical punishment during the last one month) (percent)</i>	81.7b	60	77.6	NMICS	2014	44	0
16.2.2	Number of victims of human trafficking per 100,000 population, by sex, age and form of exploitation	0.000369	-	0.0003	MIS	27.302632		
1	<i>Children trafficking to abroad (including India) per annum (reported number)</i>	64c	47	23	Annual Report	2018	34	0
16.2.3	Proportion of young women and men aged 18-29 years who experienced sexual violence by age 18			2.1	NDHS	2016		

tion of population subjected to violence. The proportion of people that feel safe walking around the areas they live is nearly 60 percent.

Target 16.2 Available indicators show that while children who experience aggression and physical punishment still remains much higher than expected for 2019, the reported number of child trafficking abroad has drastically declined. It remains to be seen whether this is a secular trend in the years to come. There has also been slight decline in the proportion of victims of human trafficking per 100,000 population. The proportion of 18-29 women and men experiencing sexual violence by 18 years of age remains at 2.1.

Target 16.3 is about the rule of law indicators. In 2016, the proportion of victims of violence reporting victimization was 7.5 percent higher than in the base year 2015. In the transparency, accountability and corruption score, Nepal's position in 2018 remained the same as in 2015 and is below expectations. On good governance, the score has receded to -0.9 compared to -0.78 in 2015. There has been regression rather than progress as regards the indicators for the rule of law.

There are no data available for **Target 16.4** (reduction of illicit financial and armed flows).

Target 16.3 Promote the rule of law at the national and international levels and ensure equal access to justice for all

Target and Indicators		2015	Target 2019	Progress 2019	Data source	Ref. Year	Target 2022	Target 2030
16.3.1	Proportion of victims of violence in the previous 12 months who reported their victimization to competent authorities or other officially recognized conflict resolution mechanisms	4.2	-	7.5	NDHS	2016		
1	<i>Transparency, accountability, and corruption in public (score out of 6)</i>	3 ^d	4	3	MIS	2018	4	5
16.3.2	Unsentenced detainees as a proportion of overall prison population							
1	<i>Proportion of seized small arms and light weapons that are recorded and traced, in accordance with international standards and legal instruments</i>							
2	<i>Good governance (reported along a scale of -2.5 to 2.5. Higher values correspond to good governance) for control of corruption</i>	-0.78 ^e	0	-0.82	MIS	2018	1	2

Target 16.5 Substantially reduce corruption and bribery in all their forms

Target and Indicators		2015	Target 2019	Progress 2019	Data source	Ref. Year	Target 2022	Target 2030
16.5.1	Proportion of persons who had at least one contact with a public official and who paid a bribe to a public official, or were asked for a bribe by those public officials, during the previous 12 months							
1	People's perception on corruption (percent of people with at least one instance in the past 12 months that require to give a bribe/present) (Corruption index score)	29 ^e	21	10	Survey Report	2018	15	0
16.5.2	Proportion of businesses that had at least one contact with a public official and that paid a bribe to a public official, or were asked for a bribe by those public officials during the previous 12 months							

On **Target 16.5** (reduce corruption and bribery), the corruption index score, which measures perception of corruption in terms of experience, shows quite a drastic decline in 2018 (10) compared to the target (21) even as transparency, accountability and corruption in public score has declined.

In terms of the development of effective, accountable and transparent institutions (**Target 16.6**) there has been some progress relative to 2015 in the indicator for government expenditure as proportion of approved budget (77.9 percent), but it remains below the target (81.1 percent). But the proportion of the population satisfied with their last experience of public services stands at 80 percent.

On participatory and representative decision-making (**Target 16.7**), the proportion of women in decision-making positions in public institutions remains much lower (13.9 percent) than expected (20.3 percent) in 2019. Although the participation of women overall has increased, there has been virtually no progress in the decision-making positions in public life held by women.

There are no data available for **Target 16.8** (participation of developing countries in institutions of global governance).

Target 16.6 Develop effective, accountable and transparent institution at all levels.

Target and Indicators		2015	Target 2019	Progress 2019	Data source	Ref. Year	Target 2022	Target 2030
16.6.1	Primary government expenditures as a proportion of original approved budget, by sector (or by budget codes or similar)	76 ^f	81.1	77.9	Annual Report	2075/76	84.9	95
16.6.2	Proportion of population satisfied with their last experience of public services	-	-	80	Survey Report	2018		

Target 16.7 Ensure responsive, participatory and representative decision making at all levels

Target and Indicators		2015	Target 2019	Progress 2019	Data source	Ref. Year	Target 2022	Target 2030
16.7.1	Proportions of positions (by sex, age, persons with disabilities and population groups) in public institutions (national and local legislatures, public service, and judiciary) compared to national distributions							
16.7.2	Proportion of population who believe decision-making is inclusive and responsive, by sex, age, disability and population group							
1	Proportions of decision-making positions held by women in public institutions	15 ^g	20.3	13.9	HDI	2019	24.3	35

Target 16.9 By 2030, provide legal identity for all, including birth registration

Target and Indicators	2015	Target 2019	Progress 2019	Data source	Ref. Year	Target 2022	Target 2030
16.9.1 Proportion of children under 5 years of age whose births have been registered with a civil authority, by age	58.1 ^b	66	77.2	NMICS	2019	79	100

On **Target 16.9**, the proportion of children aged under five years and registered with civil authority. There seems to have been remarkable progress, as 77.2 percent of births of under five children was registered in 2016. As local institutions become active under federalism, improvements can be expected in the coming years.

No data are available for **Target 16.10** (access to information and protect fundamental freedoms).

On **Target 16a** (strengthening national institutions to prevent violence and combat terrorism). Nepal's progress has been quite positive, as there are three independent institutions dealing with issues in human rights in compliance with Paris principles.

Target 16b is about promoting and enforcing non-discriminatory laws and policies for sustainable development. The proportion of the population reporting an experience of discrimination in the previous 12 months is reported to be 13.2 percent in 2018.

2.16.2 Constitutional and Related Provisions

The constitution of Nepal makes an explicit commitment to a competitive multi-party democratic system of governance, civil liberties, fundamental rights, human rights, periodic elections, complete press freedom, an independent, impartial and competent judiciary, and the concept of the rule of law. The constitution also upholds the principles of separation of powers and of checks and balances allowing constitutional bodies and parliamentary committees to provide oversight on the government. Constitutional bodies such as the Commission for the Investigation of Abuse of Authority, the Office of Auditor General, and the National Human Rights Commission are intended to ensure the rule of law and fairness in public affairs and dealings. Over the last two decades, several laws have been promulgated (Audit Act 1991, CIAA Act 1991, Financial Procedures Act 1999, Good Governance Act 2007, Public Procurement Act 2007, Right to Information Act 2007) regarding public oversight and the control of corruption,

Target 16.a Strengthen relevant national institutions, including through international cooperation, for building capacity at all levels, in particular in developing countries, to prevent violence and combat terrorism and crime

Target and Indicators	2015	Target 2019	Progress 2019	Data source	Ref. Year	Target 2022	Target 2030
16.a.1 Existence of independent national human rights institutions in compliance with the Paris Principles	1	-	3	Annual Report	2018		

vigilance on public procurement, and provisions on right to information and good governance in general. These acts and accompanying regulations establish the basis for institutionalizing greater accountability and transparency in the government, fairness in public procurements, integrity in the public sector and reporting and disclosure requirements.

The constitution of Nepal guarantees the right to equality, right to justice, right against preventive detention, right against untouchability and discrimination, right to information, right against exploitation, right of women, right of Dalits, and right to social justice, among several other fundamental rights of citizens. The modified Criminal and Civil Codes (2018) based on the motto 'prompt justice and justice for all' are intended to ensure that the constitutional provisions are reflected in the country's legal provisions. The constitution provides for various commissions, including the National Commission on Women, National Dalits Commission, National Commission on Inclusion, Madhesi Commission, Tharu Commission, and Muslim Commission, to ensure protection of the interests of the various communities.

Nepal has a three-tier judicial system, which is unitary in nature but integrated to the federal structure. Local bodies also have some quasi-judicial powers.

2.16.3 Challenges and Way Forward

- Establishing the rule of law. Progressive laws have been enacted, but the problem (as in most countries of the region) lies in the timely and expedient implementation of laws. A comprehensive commitment to the establishment of the rule of law at all levels – political, administrative, legal, law enforcement and civil society at large – needs to be

nurtured and ensured. Coordination between and among agencies is required for the establishment of the rule of law.

- Adopting zero tolerance to caste-based discrimination. Caste-based discrimination is a fact of life in Nepal in spite of the legal prohibitions. Widespread awareness of legal provisions against discrimination at the societal level, reporting cases of discrimination, prompt and swift redressal and justice for the victims, as well as wider dissemination of punitive actions taken, can act as a deterrence to the perpetuation of discrimination. A partnership between law enforcement and CSOs is essential.
- Improving access to prompt and effective justice. A prompt and effective judicial system requires competent, effective and adequate manpower and human resources at all levels. This requires qualitative improvement in the judiciary and proactive provisions to ensure swift access to the judicial system and reduce backlogs of cases. This is true as much for agencies involved in justice delivery as of those that investigate corruption, abuse of power and misuse of public trust.
- Reporting of cases of violence. Cases of domestic violence and exploitation as well as trafficking are rarely reported. Social and community awareness, as well as the proactive initiatives of the law enforcement agencies, is essential to deter such violence and exploitation.
- Development of legal and institutional capability at provincial and local levels. Institutions at these levels have to be strengthened in line with the spirit of the constitution.
- Improving data base and usage of technology. The data base on the number and types of crime, violence, etc, has to be comprehensive, updated and analysed for it to be of use to policymakers

Domestic resource mobilization capacity has improved as government revenue comprises 24.8 percent of the GDP and 74 percent of domestic budget is financed by domestic resources. But The economy's reliance on remittances remains quite high, at 25.4 percent relative to the GDP.

and law enforcement. The use of information technology can expedite access to the judicial system as well as the swift disposal of justice.

2.17 SDG 17: Partnerships for Sustainable Development

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

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 the implementation and monitoring of global partnership in meeting SDG goals. These concern four different dimensions of global partnership – mobilizing resources for developing countries, promoting and transferring technologies, facilitating trade, enhancing partnership and cooperation, and ensuring policy coherence and macro stability.

In mobilizing resources, the targets include stronger mobilization of domestic resources, ensuring the fulfilment of ODA commitments, attracting multiple sources of financial resources, promoting investment, and attaining long-term debt sustainability. Technology targets include transfer of environmental-

ly-sound technologies and operationalization of a technology bank. On trade, the target is to ensure a universal, rule-based trading system under WTO, to promote developing country exports, and implement concessional market access. On partnership and cooperation, the targets include enhanced global partnership for sustainable development, promoting public, private and civil society partnerships, and enhancing regional international cooperation. On policy coherence, the targets seek to ensure macroeconomic stability, enhancing policy coherence and respect for each country's policy space. Capacity building support includes building reliable and quality disaggregated data on key parameters and support for statistical capacity.

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 indicators are related to global actions. Data are available for 11 indicators only.

2.17.1 Progress in SDG 17

SDG 17. Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development

Target 17.1 relates to domestic resource mobilization. Total government revenue as a proportion of GDP is 24.8 percent, which is much better than expected for 2019. While this has been encouraging, the proportion of the budget funded by domestic taxes has decreased (73.9 percent) even with respect to the base year 2015 (76 percent).

Target 17.1 Strengthen domestic resource mobilization, including through international support to developing countries, to improve domestic capacity for tax and other revenue collection

Target and Indicators		2015	Target 2019	Progress 2019	Data source	Ref. Year	Target 2022	Target 2030
17.1.1	Total government revenue as a proportion of GDP, by source	19.1 ^a	22	24.8	15th Plan	2075/76	24.2	30
17.1.2	Proportion of domestic budget funded by domestic taxes	76 ^a	77.1	73.9	Budget Speech	2076/77	77.9	80

Target 17.3 Mobilize additional financial resources for developing countries from multiple sources

Target and Indicators		2015	Target 2019	Progress 2019	Data source	Ref. Year	Target 2022	Target 2030
17.3.1	Foreign direct investments (FDI), official development assistance and South-South Cooperation as a proportion of total domestic budget							
	<i>a) Official development assistance as a proportion of total domestic budget, (percent)</i>	15.1 ^a	15.8	11.2	Economic Survey	2018/19	16.4	18
	<i>b) Foreign Direct Investment (FDI) as a proportion of total domestic budget</i>	1.9 ^a	-	1.94	Economic Survey	2018/19		
	<i>c) South-South cooperation as a proportion of total domestic budget</i>							
	<i>d) FDI as a proportion of GDP (Inward stock) (percent)</i>	4.8 ^a	7.3	6.2	15th Plan	2018/19	10.8	20
17.3.2	Volume of remittances (in \$) as a proportion of total GDP	29.1 ^a	30.7	25.4	15th Plan	2018/19	31.8	35

Target 17.2 Developed countries to implement fully their official development assistance commitments, including the commitment by many developed countries to achieve the target of 0.7 percent of gross national income for official development assistance (ODA/GNI) to developing countries and 0.15 to 0.20 percent of ODA/GNI to least developed countries.

No data are available for **Target 17.2** (implementation of developed countries commitment of devote 0.7 percent of GNI for official development assistance and 0.15 to 0.2 percent to least developed countries).

Target 17.3 concerns the mobilization of financial resources from multiple sources. In Nepal, official development assistance is 11.2 percent of domestic budget, foreign direct investment is 1.94 percent, FDI is only 6.2 percent of the GDP. The volume of remittances made up 25.4 percent of the

GDP. On all these indicators, Nepal's performance has been below expectations, and more so with respect to the FDI.

Target 17.4 is about long-term debt sustainability. Debt services as a proportion of exports of goods and services has declined, while outstanding debt to GDP ratio has remained reasonable. On the debt front, Nepal's situation is quite sustainable.

For **Target 17.5** (implementation of investment promotion regimes for LDCs), there are no data.

There is information on only one indicator related to **Target 17.6** (North-South and South-South cooperation on access to science and technology). The progress has been as expected regarding internet density. The density is 66 per 100 persons.

No data are available for **Target 17.7** (promotion, dissemination, diffusion of envi-

Target 17.4 Assist developing countries in attaining long-term debt sustainability through coordinated policies aimed at fostering debt financing, debt relief and debt restructuring, as appropriate, and address the external debt of highly indebted poor countries to reduce debt distress

Target and Indicators		2015	Target 2019	Progress 2019	Data source	Ref. Year	Target 2022	Target 2030
17.4.1	Debt service as a proportion of exports of goods and services	12.6 ^a	13.2	8.89	Economic Survey	2018/19	13.7	15
1	Outstanding Debt to GDP Ratio (percent)	26.5	28.8	30.3	Economic Survey	2018/19	30.5	35

ronmentally sound technologies. For **Target 17.8** (operational technology bank and science and technology innovation capacity building and enhanced use of communication technology) the proportion of individuals using the internet was 73 percent in 2018.

There are no data for **Target 17.9** (international support for effective and targeted capacity building), **Target 17.10** (universal, rule-based equitable multilateral trading system under WTO), **17.11** (increasing exports of developing countries), **17.12** (timely, duty free market access), **17.13** (enhanced macroeconomic stability), **17.14** (policy coherence for sustainable development), **17.15** (respect each country's policy space and leadership on policies for poverty eradication and sustainable development), **17.16** (enhanced global partnership), **17.17** (promote public, public-private and civil society partnership), **17.18** (capacity building for high quality reliable disaggregated data on key parameters). These are mostly global indicators.

On **Target 17.19** (building on existing initiatives to develop measurements of progress and support statistical capacity building), the one available indicator shows that the proportion of children under five years whose birth is registered is 77.2, much higher than expected.

2.17.2 Context and Challenges

In terms of domestic resource mobilization, revenue growth in recent years has remained robust at over 19 percent and Nepal's revenue to GDP ratio is the highest in South Asia at 24.3 percent in 2017/18.

The share of overseas development assistance in relation to GDP was about 3.8 percent in 2017/18. It accounted for 13.6 percent of total government expenditure and 48.6 percent of development expenditure. Foreign aid has re-

mained a significant contributor to the country's fiscal system although Nepal has not been able to attract as much foreign assistance as other low-income countries. The total flow of foreign aid in absolute terms has increased over time, but the ratio in relation to GDP has declined over the years. Foreign aid disbursement as a proportion of commitment is 65.1 percent, with significant differences between loans and grants. Grant utilization was only 29.9 percent compared to 70.1 percent for loans. In recent years, the share of loans in total foreign aid has risen due to improvements in aid absorptive capacity. The share of multilateral aid has also increased. The top five multilateral development partners are the World Bank, Asian Development Bank, European Union, United Nations and IFAD. Over two-thirds of the aid has gone to productive sectors – agriculture, industry, transport and energy, and the rest to sectors like health, education and environment. Notwithstanding an increase in the share of loans, the share of debt payments to GDP in 2017/18 was 28 percent. The external debt stress is believed to be low for Nepal.

Nepal's performance on the trade front has been disappointing. Over the last decade, the growth rate of exports has remained quite low compared to the growth of imports. The trade deficit has widened over the years to the extent that the 2018/19 trade deficit was 38.6 percent of GDP. Nepal's exports comprise largely of light manufacturing based on imported raw materials, such as readymade garments, textile, yarns, iron and steel and domestic agricultural and agro-processed products. Development of export capacity remains an overwhelming challenge.

Remittances are critical to Nepal's economy and presently stand at about 25 percent of GDP, which is an extremely high degree of dependence. Since Nepali labour migrants are largely in the unskilled or lower skill

category, their potential earnings remain low. There are reportedly over 3 million labour migrants outside the country. Dislocations in the sectors that absorb migrant labour in the destination countries can have serious repercussions for migrants as well as for the country's economy. The economic dislocation as a result of Covid-19 is already having an impact on the country's remittances in addition to the problems of returning migrants, which is expected to rise in the coming months.

The major challenges are:

- Increasing the absorptive capacity of foreign aid. There are policy and institutional issues that need to be addressed in addition to following the international agreements with respect to effective aid utilization and harmonization. This also requires pursuing a foreign aid policy where foreign grants and loans are utilized in a most judicious manner and only in priority sectors.
- Enhancing the export capacity of the economy through appropriate industrial policies and policies for trade diversification. Transformational changes are required to enhance the mobilization of resources to promote and diversify exports.
- Attracting foreign direct investment. While a friendly foreign investment environment has to be created, policies should strive to take advantage of the technology transfer and domestic capacity enhancement possibilities from FDI.
- North-South and South-South cooperation, triangular cooperation and partnership in technology transfer and capacity building. New technologies and technological adaptation relevant for developing countries can provide an edge for countries like Nepal to increase efficiency in production and also enhance service delivery in key areas of sustainable development.
- Maximizing employment and income gains from safe migration. While the dependence on remittance in the long run need to be minimized, there is scope to maximize employment and income gains by imparting better skills to potential migrants and by linking skilled migrants to job opportunities at home upon return.
- Strengthening institutions for partnership. To enhance regional and global partnerships that achieve sustainable development goals, government institutions as well as in the non-governmental sector, such as universities and research centres, have to be strengthened for better policy coherence and collaboration and to facilitate the sharing of ideas, technology, research and innovation as well as the lessons learned.



Conclusions and Way Forward

3.1 Data Gaps

Of the SDGs' 17 goals and 169 targets, with the exception of Goal 14 (Life under the Sea), 16 goals and 159 targets are relevant for Nepal. A total of 479 indicators were adapted in Nepal to monitor SDG progress. Data are available for 104 targets and 218 indicators only, which means that there is no information available for 35 percent of the targets and 55 percent of the indicators. The data gap that exists is significant and may even be indicative of the fact that the initial enthusiasm with respect to the national commitment to SDGs and their integration in the process of planning and development has given way to quiet complacency in implementation. The institutional mechanisms put in place for the periodic and timely monitoring of the SDG progress has to be revitalized and strengthened. Indeed, the Covid-19 pandemic and its impacts should provide an added impetus to pursue SDG targets with greater vigour, because the SDGs and their targets are manifestly more relevant to dealing with the pandemic and its wide-ranging and catastrophic impacts.

3.2 Summary Assessment of Goals and Targets

Summary assessment is made on the basis of progress on priority indicators, indicators that are deemed significant for the achievement of the SDGs.

3.2.1 SDG 1: Ending Poverty

On the priority indicators for ending poverty (Targets 1.1 and 1.2), Nepal's progress has

been remarkable. The population living below \$1.9 per day is 15 percent. Per capita GDNI has increased well above expectation. The multi-dimensional poverty index has dropped to 28.6 and the proportion of the population below the national poverty line stands at 18.6 percent. There has been a steady decline in levels of poverty nationwide, although regional differences continue to exist. The population covered by a social protection system has more than doubled since 2015 and the social protection expenditure in the budget has also increased. The share of the bottom quintile in national consumption has improved.

Nepal has made laudable achievements in ending poverty, but these achievements can easily be overtaken by the impact of Covid-19, as it is likely to push those in the margins and even above poverty back below the poverty line. Poverty alleviation must continue to remain at the centre of policy attention to attain the targets for 2022. The structural roots of poverty need to be addressed through programmes to enhance the increased access and control of the poor over resources and assets.

3.2.2 SDG 2: Zero Hunger

Priority indicators are related to food insecurity and malnutrition. Although progress in per capita food grain production has been satisfactory, the food security index shows a score of 46. The Global Hunger index score for Nepal indicates a serious level of hunger. The situation on malnutrition does not seem to be getting better, with the incidence of stunting, wasting, underweight, and anaemia among women as well as children under five remaining

at precarious levels. The infrastructure for food production (agriculture and irrigated land, government expenditure on agriculture) does not show the level of expected development. The country does not have a system of public distribution of food and other essentials, and availability does not always mean access and affordability.

Progress in SDG 2 has been slow notwithstanding the fact that it is a high priority goal.

3.2.3 SDG 3: Healthy Lives and Well-being

Priority indicators on health are maternal and child mortality, prevalence of epidemics and infectious diseases, universal health coverage and non-communicable diseases. Maternal mortality remains high and the proportion of births attended by skilled health personnel remains lower than expected. The incidence of tuberculosis, malaria, kala-azar, dengue, and trachoma continue to remain high. The number of new HIV infections has declined. There have been some improvements, but overall, the coverage of essential health services, including antenatal and post-natal protocols, delivery, vaccination, and screening, has not expanded at the rate it should have. Information of mortality from non-communicable diseases is scant and needs to be regularly collected and updated. The suicide rate is higher at 17.8/100,000 population, which indicates the extent of underlying mental health issues. Total health sector expenditure as a percentage of GDP remains low.

Progress in SDG 3 remains much slower than expected and there is a need to review policy and programmes with respect to institutions, human resources and logistics at different levels, outreach, and effective delivery of services.

3.2.4 SDG 4: Inclusive Quality Education

Access of girls and boys to free quality primary and secondary schooling, access to quality early childhood development, equal access for women and men to affordable quality vocational and technical education, and youth and adults with relevant skills for employment are priority indicators in inclusive education. There has been progress in enrolments (primary: 97.2 percent), ratio of girls to boys, and in primary completion rates (89.5 percent) and continuation rates, but remains below expectations. Learning achievement outcomes remain extremely poor (Maths: 35; Nepali: 34; English: 41). Gross enrolment in ECE has also improved, but is short of expectations. There have been improvements in the ratio of girls' enrolment and technical and vocational and tertiary education, but the coverage of vocational education itself is limited. The proportion of the working age population with relevant skills for employment is improving, but is still low (31 percent). The gender parity index for primary and secondary schools is getting better – 1.05 and 0.95 respectively. Data on literacy and numeracy in general are not available. Public spending in education is much lower than expected and needs to be improved.

Overall, there has been important progress in SDG 4, but rapid improvements are needed particularly with respect to learning outcomes, quality of teaching, expansion of vocational education and general literacy and numeracy.

3.2.5 SDG 5: Gender Equality

Ending discrimination against women and girls, elimination of violence against women and girls, women's participation in the labour force, representation of women in public life and in managerial positions, and

women's access to economic resources, are priority indicators in the context of Nepal. While gender empowerment measures show improvement, inequality in wages continues. There has been little progress in reducing violence against women and children. No decline is noted on child marriages. The participation of women in the labour force remains much lower than that of men.

There has been significant progress in women's representation in elected positions – from the national parliament to local governments and in public service decision-making. There has also been improvement in women's participation in private sector decision-making. There has been a rise in women entrepreneurs and one-third of women had secured ownership of property.

On gender equality, the legal framework has favoured women, but equality remains more elusive within the household in the workplace.

3.2.6 SDG 6: Clean Water and Sanitation

Provision of equitable access to safe, affordable drinking water, adequate and equitable sanitation and hygiene and improvement in water quality are priority indicators, and are also the only indicators for which data are available.

Only 21 percent of population have access to safe drinking water, although the basic water supply coverage is 88 percent. There has been significant improvement in sanitation, and 85 percent of the population reportedly use toilets. There are no data for important parameters on water quality, water use efficiency and protection of water-related ecosystems. On industrial waste water, there has been no progress as 95 percent of waste water remains untreated.

Clearly, in spite of much policy attention, progress in the WASH sector has been slower. The sustainability of existing systems also needs to be addressed.

3.2.7 SDG 7: Affordable and Clean Energy

Universal access to affordable, reliable, modern energy, and increased installed capacity of renewable energy are the priority indicators. The proportion of the population with access to electricity is now 88 percent, per capita energy consumption is 20 g, electricity consumption overall has gone up to 245 KWh, and installed hydro-electric capacity is 1250MW – all indicating that there continues to be progress in the right direction. But use of primary solid fuel and LPG continue to remain high and the share of renewable in final energy consumption remains a mere 5 percent.

Clean energy generation and use is improving, but has to be reflected in expanded end usage in households and in the transport sectors.

3.2.8 SDG 8: Decent Work and Economic Growth

Sustained per capita income growth, increased youth employment, increased formalization of employment and reduced child labour, and growth in sustainable tourism are priority indicators. Per capita economic growth has remained above 8 percent, but the problem of sustaining even a moderate level of growth seems an uphill task in view of the Covid-19 pandemic. Informal employment is over 81 percent in the agricultural sector. Youth underemployment seems to have fallen to around 21 percent, but sectoral data are not available. There has been no improvement in the situation of child labour. Growth in the tourism sector in terms of arrivals, revenue, contribution to GDP and employment, has

been much slower and the pandemic is likely to worsen that situation. The capacity of financial institutions has been considerably enhanced.

On the key concerns of increased economic growth and employment growth, the prospects for the future are hampered by the pandemic, thus the need for concerted policy and programme attention.

3.2.9 SDG 9: Industry, Innovation, Infrastructure

Quality, reliable, sustainable infrastructure, inclusive and sustainable industrialization and research and development outlays are among the priority indicators. The data base on infrastructure is clearly inadequate. The road density is low, and the infrastructure gap is huge. The industrial sector has remained virtually stagnant. There has been no improvement in industry's share of GDP and manufacturing value added. Research and development accounts for only 0.3 percent of GDP and the level of innovation is extremely low. There has, however, been progress in enrolment in science and technology. There are no data on many important indicators, including, for example, industrial infrastructure and clean technologies.

There is a clear need to strengthen the data base, as existing data say little about the state of the sectors concerned.

3.2.10 SDG 10: Reduce Inequalities

The Gini ratio, sustained income growth of the bottom 40 percent, social, economic and political empowerment and reduced inequalities in outcomes are among the key indicators.

Major parameters on reducing inequalities show significant progress. The Gini of income inequality stands at 0.32, the share of the bottom 40 percent in consumption

as well as income has improved, as have indicators of social, economic and political empowerment. Horizontal inequalities in primary education have also decreased, although not so much with respect to child health. Globally, financial soundness measured by global competitive and the Doing Business Index have improved.

In terms of reducing inequalities, progress has been steady and even strong.

3.2.11 SDG 11: Sustainable Cities and Communities

Information is available for only two priority indicators, which include safe housing and basic services, and indicators on environmental impacts. The share of squatter population remains low and the number of households living in safe houses has improved, while those living under thatched roofs has declined. Parameters for urban air pollution show that the situation has worsened. The information base on sustainable cities is quite inadequate. There are no data on important indicators related to urban infrastructure and green spaces, planning and resilience.

Comprehensive policies and strategies have been formulated in the urban sector and some initiatives are being translated into implementable programmes.

3.2.12 SDG 12: Responsible Consumption and Production

On domestic material consumption, the use of fossil fuels as a percentage of total energy consumption has increased and remains at 15 percent, while consumption of wood per capita has also increased. There has been little or no progress on recycling and reuse of material. There are no data on food waste, post-harvest loss, sustainable production and procurement or strengthened scientific and technological capacity. Policies on food

safety and regulation of industrial production are in place, but follow up remains poor.

3.2.13 SDG 13: Climate Action

The only data available for climate change action relate to adaptation plan preparation and implementation. The adaptation plan preparation and implementation has progressed well and 68 such plans are being implemented. Overall, progress in integrating climate change into all development policies and programmes remains slow for lack of requisite awareness at the policy level. The data base on climate change impacts has to be strengthened.

3.2.15 SDG 15: Life on Land

Priority indicators relate to protection of ecosystems, sustainable management of forests and reductions in the degradation of natural habitats. Forests comprise 44.7 percent of the land area, protected areas make up 23.4 percent of area, and nearly 43 percent of forests are under community management. Progress on ecosystem and forest management has been encouraging. Natural habitat of key flagship species has been improved, indicated by the increasing number of tigers and rhinos. There has been no progress on combating desertification and restoration of degraded land. Also, vulnerable ecosystems, such as the Chure, remain threatened due to encroachment and degradation.

3.2.16 SDG 16: Peace, Justice and Strong Institutions

There has been an overall reduction in violence and the incidence of sexual violence show a declining trend. Child trafficking has declined, although aggression against children remains high. Transparency, accountability and good governance scores have not improved, although people perceive that corruption has declined. The proportion of decision-making positions held

by women in public institutions shows no improvement. Only a little over half of all births were registered. There are three independent human rights institutions to oversee human rights issues.

There are constitutional and legal provisions to ensure justice and the rule of law. The problem has been with swift access to justice and institutional capacity for its fair dispensation.

3.2.17 SDG 17: Partnership for Sustainable Development

Domestic resource mobilization, 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 74 percent of domestic budget is financed by taxes. Official development assistance (ODA) has also improved, but not to the extent possible as absorptive capacity still 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 in a relatively comfortable position. Overall, the environment for partnership remains congenial.

However, of the 19 targets for SDG 17, there is no information for 12 targets.

3.2.18 Summary View of Progress in SDGs

The lack of comprehensive and timely data on most targets and indicators, and a lack of data altogether for some key indicators, makes the task of assessing the progress of SDGs in the last four years more difficult. Table 5 provides a summary view of progress on SDGs. It is based on the perception

Table 5: Summary View of Progress in SDGs (based on available indicators)

SDGs		Satisfactory progress	Moderate progress	Slow progress	No progress
1.	End poverty	+			
2.	Zero hunger			+	
3.	Healthy lives and well-being			+	
4.	Inclusive and quality education		+		
5.	Gender equality		+		
6.	Clean water and sanitation			+	
7.	Affordable clean energy		+		
8.	Decent work and economic growth			+	
9.	Industry, innovation and infrastructure				+
10.	Reduce inequality	+			
11.	Sustainable cities and communities			+	
12.	Responsible consumption and production				+
13.	Climate action			+	
15.	Life on land		+		
16.	Peace, justice and strong institutions			+	
17.	Partnership for sustainable development		+		
	Total	2	5	7	2

of trends observed with respect to key indicators under each goal.

Progress is categorized into four groups: satisfactory, moderate, slow and no progress. On SDG 1 (ending poverty) and SDG 10 (reducing inequalities), progress has been good as poverty continues to decline and horizontal inequality in basic indicators tend to decline. On SDG 4 (inclusive quality education), SDG 5 (gender equality), SDG 7 (clean energy), SDG 15 (terrestrial system) and SDG 17 (partnership for goals), progress has remained moderate. Efforts to attain the goals are in place and are yielding some results. But progress in seven goals, viz. SDG 2 (zero hunger), SDG 3 (health), SDG 6 (water and sanitation), SDG 8 (decent work and economic growth), SDG 11 (sustainable cities), SDG 12 (climate action), and SDG 16 (peace and justice), has remained slow and needs to be expedited. On two goals – SDG 9 (industry and infrastruc-

ture) and SDG 12 (responsible consumption and production) – there has, in effect, been no progress at all.

3.3 Way Forward

The way forward presented here are with respect to SDGs as a whole. Priority areas of action have been identified in the concluding section under each goal in Chapter 2.

3.3.1 Comprehensive Review of the Data Base

Assessment of the progress in SDGs is only as good as the quality of data that backs it. The lack of relevant data is the major constraint to monitoring the progress of the SDGs. As reiterated earlier, there are no data for 55 of the 159 targets relevant to Nepal, and for 276 of the 479 indicators taken in the context of Nepal. For example, basic data on poverty and hunger indicators dis-

aggregated by gender and disadvantaged groups such as children and disabled, are not available. It is a similar situation with other priority indicators. This warrants a comprehensive review of the data base and determination of data that are, or will be, available for monitoring so that SDG progress is based on a sound footing. The purpose of the review should be to (i) take stock of the quality of available data; (ii) determine priority data needs for indicators under each goal/target; (iii) ensure data availability by relating the data with proposed census, surveys and other instruments; (iv) remove/revise indicators for which data availability cannot be assured; and (v) revise/re-estimate the baseline data for 2015 where such review is warranted.

3.3.2 Integration of SDGs in Sectoral Plans, Programmes and Evaluation.

In theory, SDGs should be integrated into all sectoral development plans and programmes and all development policies should be informed by the commitment to the values and norms of the SDGs. In practice, however, sectoral programmes are implemented and evaluated primarily on the basis of sectoral targets and achievements with scant regard for the relevant SDG goals and targets. Methodologies and guidelines to integrate SDGs in all development programmes need to be taken seriously to ensure that integration occurs in both spirit and action.

The current state of SDG indicator data shows that there has been little effort by sectoral agencies to dig into their own data base emanating from surveys and evaluation reports that shed light on the state of many important indicators related, among others, to water and sanitation, energy, urban environment, and infrastructure.

3.3.4 Localization of SDGs at Province and Local Levels

Localization of SDGs at the provincial level is in a very preliminary state and only a few provinces have prepared the first baseline reports. While guidelines for localization have been prepared by the NPC, there is scant evidence to show that these guidelines are being followed in the integration of SDGs in provincial plans and development efforts. SDGs can be an excellent launching ground for provincial plans and can be the basis for taking stock of the data requirements for SDG planning and creating a province-specific data base. NPC, in association with the National Natural Resources and Fiscal Commission, can proactively encourage provinces to localize SDGs at province and local levels as a step towards better assessment of the development potential and problems of provinces and local governments.

To date, efforts to localize SDGs at the municipal (palika) level has been very limited. Provinces can play a significant role in supporting Palikas in the SDG localization exercise. This makes it all the more urgent to support and facilitate provinces in SDG localization. Capacity building for SDG localization at the province and local levels should remain an integral part of the NPC's engagement with provinces, and through provinces to local levels. Such engagement needs to be institutionalized to ensure that the governments in all the three levels approach SDG targets through the same lenses.

In the beginning, the focus can be on high priority goals, such as ending poverty, zero hunger, health and well-being, quality education, gender equality, water and sanitation and clean energy. Localization can then be gradually expanded to other SDG goals.

At both the province and local levels, the institutionalised integration and mainstreaming of SDGs has to be the major task of the agencies responsible for planning. SDG ICC has an important role to play in this regard.

3.3.5 Stakeholder Partnership

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. Concrete strategies in mobilizing and facilitating the multiple stakeholders in the achievement of specific SDG targets, however, seem to be lacking.

The mobilization, coordination and management of development cooperation is increasingly being oriented by SDG considerations. Also, in key areas of social and economic development and in governance, external development assistance plays a significant role. 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 SDG 12 (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 strategies for economic growth, reduction in inequalities and wider 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 wide-ranging reach on 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 non-state actors in creating awareness, mobilizing resources and communities, and in ensuring transparency and accountability. Partnerships should build on complementarity between government and the non-governmental sector.

The federal structure of governance in Nepal rests on the principles of cooperation, coordination and coexistence between the three tiers of government. It requires that the commitment and ownership of SDGs at the federal level be complemented by an equal and effective commitment at provincial and local levels. Thus, the importance of localizing the SDGs at these levels.

3.3.6 SDGs, MTEF and Budget

The costing and financing strategy of the SDGs presented in the initial study has little meaning if the priorities are not reflected in the MTEF and annual budget. Budget coding of SDGs has been a useful exercise in keeping track of resource allocation vis-à-vis the SDGs. But it should also be a guide in the reallocation of resources in line with the SDGs. Further, budget coding at the federal level needs also to be complemented by similar efforts at the provincial and local levels.

3.3.7 Post-Covid-19 Scenario

The progress in SDGs presented in this report reflect the situation before the

Covid-19 pandemic. The pandemic, the consequent lockdown and social distancing measures have resulted in a situation where all social and economic activities have come to a grinding halt. Jobs and incomes have been lost and the time and cost of revival to the status quo will be painful and long. For economies like Nepal, where the informal sector is the economy's dominant sector, a vast majority of the active population has been made redundant by default. Social and economic development activities have suffered. There have been enormous consequences for livelihoods, mobility, infrastructure and essential services. Labour migrants are returning home in large numbers

and the pressure on employment will be enormous. New challenges to governance have emerged. The environment might be the only sector where the effects have been visibly positive.

It should be noted that 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.



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