



Government of Nepal
Ministry of Finance

DEVELOPMENT COOPERATION REPORT

DEVELOPMENT COOPERATION REPORT

Fiscal Year 2019/20

FISCAL YEAR
2019/20

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Government of Nepal
Ministry of Finance

DEVELOPMENT COOPERATION REPORT

Annual Report

March 2021

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Ministry of Finance, 2021

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Nepal

FOREWORD

Nepal is in the second year of the 15th Five Year Plan which is the base plan for achieving the Government's long term vision of "Prosperous Nepal: Happy Nepali". The long term vision is based on the target of graduating from Least Developed Country and achieving the global Sustainable Development Goals by 2030. To meet these national and international goals, Nepal requires huge domestic and external resources. Though we have obtained considerable achievements in the internal revenue mobilization over the past decade, external assistance will still remain an important source for the development of the country. The external financing has become more significant in the aftermath of the COVID-19 Pandemic that has severely affected the economy of the country. Ministry of Finance takes this opportunity to appreciate all the development partners for their continued and generous support as well as an active engagement in our development endeavours.



It is worth noting that business as usual in development cooperation partnerships will not suffice to meet the national and global targets of Sustainable Development. Realizing the need of effective development cooperation in line with our national priorities, Nepal has been implementing new International Development Cooperation Policy, 2019 with a forward-looking vision, priorities and exploring more effective windows of development cooperation. The Government's focus is to maximize the impact of development cooperation and to leverage these resources to further propel domestic resource mobilization and private sector engagement. In this context, the Ministry of Finance is taking steps for the better and effective utilization of development cooperation, building national ownership and exploring new and increasingly diverse development financing landscape. The operationalization and regular update of new Aid Management Information System for strengthening aid data management and its use in the planning process is a step forward for a more credible and effective development cooperation management.

The Development Cooperation Report, published annually by the International Economic Cooperation Division of the Ministry, is a key tool towards meeting these objectives. The Report provides a detailed account of how development cooperation was mobilized in Nepal in the year 2020. It serves as a tool to promote transparency and accountability in development cooperation as well as provides an entry point for dialogue with stakeholders to further improve and strengthen cooperation in a more effective way.

Looking forward, the year 2021 will be the beginning of the decade of delivery to rebuild the economy affected by global COVID-19 Pandemic and move ahead to achieving the national targets and the global targets of Sustainable Development Goals. Keeping these milestones in mind, I am pleased to launch the publication of the 2020 Development Cooperation Report which reconfirms the commitment of the Government to take firm steps to strengthen its own capacity through the effective utilization of development cooperation in delivering development results. I hope that the data and analysis presented here will be useful not only for the development partners and the government to strengthen their collaboration and mutual cooperation but also equally important to planners, academicians, researchers as well as general public.

Bishnu Prasad Paudel
Finance Minister

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PREFACE

Achievement of the Government's long term vision of **"Prosperous Nepal: Happy Nepali"** by graduating the country from LDC category and achieving ambitious 2030 Agenda for Sustainable Development requires the mobilization and more effective use of the full variety of available domestic and external financing sources. In Nepal, like many other least developed countries, development cooperation remains an important financial resource for development. The Government of Nepal expresses its sincere appreciation to all the development partners for their continued support and engagement in the development endeavours of the country.



However, business as usual in development cooperation partnerships is no longer sufficient if we are to accelerate sustainable development and fulfill the long term vision of prosperity and happiness to the people of Nepal. We must now explore the ways to maximize the impact of every development cooperation received and leverage these resources to further propel domestic resource mobilization and increased private sector engagement. This has become increasingly true in the context of the post COVID economic recovery. The devastating health impacts have been compounded by the toll the pandemic has had on economies across the globe and the subsequent shifts in development financing.

As we look towards economic recovery and aim to re-gain lost time on the road to 2030, effective development cooperation has now been more important. In this vein, the International Economic Cooperation Coordination Division of the Ministry of Finance is continuing to take steps to build its own capacity to better manage development cooperation in Nepal. The Ministry of Finance also looks forward to its development partners to meet global commitments related to development cooperation and its effective delivery.

The Development Cooperation Report is a key tool towards meeting these objectives. The Report, prepared annually by the International Economic Cooperation Coordination Division, provides a detailed account of mobilization of development cooperation in Nepal. It not only serves as a tool to promote transparency and accountability but also provides an entry point for dialogue among the development stakeholders to further enhance the effectiveness of the development cooperation in the country.

Keeping this in mind, it is my pleasure to launch the publication of the 2020 Development Cooperation Report through which the Ministry of Finance is reaffirming its commitment to take steps to strengthen its own capacity to deliver development for the people of Nepal. It is sincerely hoped that development partners will equally use the data and analysis presented here to strengthen their collaboration with the Government of Nepal and each other to realize the "decade of delivery" ahead.

Finally, I would like to acknowledge the entire team of International Economic Cooperation Coordination Division of the ministry in bringing out this annual report as well as their collective efforts to enhance the effectiveness of the development cooperation in Nepal.

Sishir Kumar Dhungana
Secretary

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ACKNOWLEDGEMENTS

The Development Cooperation Report, 2020 has been prepared by the International Economic Cooperation Division of the Ministry of Finance by using data generated through the Aid Management Platform and recently introduced Aid Management Information System.



I would like to begin by thanking all the development partners, including international Non-Governmental Organizations, for their continued cooperation in regularly reporting and validating their development cooperation information in the Aid Management Information System. The report would not have been possible without these significant contributions from all the stakeholders.

Despite significant improvement in the domestic revenue mobilization over the past decade, development cooperation still remains to be an important source of financing development activities in Nepal. As such, effectiveness of development cooperation is crucial to achieving the national and global development objectives. Nepal has been a long-standing proponent of development cooperation effectiveness with its commitment and engagement in various aid effectiveness principles and in the related fora. Government of Nepal has streamlined the four internationally recognized principles of effectiveness- **Country Ownership, Focus on Results, Inclusive Partnerships and Transparency and Accountability**, in its International Development Cooperation Policy, 2019. The government firmly believes that the strengthened government systems and improved capacity coupled with the development partner's alignment to the national results framework and Public Financial Systems would help promote the transparency and mutual accountability as well effectively contribute to delivering the development results.

The Report highlights the composition of development cooperation, sectoral analysis, engagement of various development partners across various sectors, types and modalities of disbursement etc. A separate analysis on COVID-19 assistance has been presented in the report. The Report shows that Nepal still continues to receive substantial amounts of off-budget and off-treasury cooperation, though there has been a gradual improvement. The report highlights the fragmentation of development cooperation, with development partners engaged across many sectors and implementing agencies. The report highlights the importance of more integrated cooperation based on country results framework and use of national systems to enhance effectiveness of the development cooperation.

Finally, I would like to acknowledge the dedicated efforts of the team of International Economic Cooperation Coordination Division that was actively engaged in preparing this report. I believe that this Report will be of great use for development partners and the concerned agencies to strengthen their collaboration and mutual cooperation as well as to planners, academicians, researchers and general public.

Shreekrishna Nepal
Joint Secretary

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TABLE OF CONTENTS

TABLE OF CONTENTS	I
FIGURES	II
TABLES	IV
BOXES	IV
ACRONYMS & ABBREVIATIONS	V
KEY TERMS	VIII
EXECUTIVE SUMMARY	X
1. BACKGROUND	1
1.1 COUNTRY CONTEXT	1
1.2 THE DEVELOPMENT COOPERATION REPORT	3
2. ROLE OF DEVELOPMENT COOPERATION	4
2.1 VOLUME OF DISBURSEMENTS	4
2.2 TYPES AND MODALITIES OF DISBURSEMENTS	7
2.3 CONTRIBUTION TO THE NATIONAL BUDGET	11
2.4 PREDICTABILITY	13
3. ALIGNMENT OF DEVELOPMENT COOPERATION	15
3.1 ALIGNMENT	15
3.2 FRAGMENTATION	16
4. SECTOR ANALYSIS	18
4.1 SECTOR TRENDS	18
4.2 POST-EARTHQUAKE RECONSTRUCTION	23

5. GEOGRAPHIC ANALYSIS	25
5.1 NATIONAL AND DISTRICT LEVEL TRENDS	25
5.2 PROVINCIAL-LEVEL ANALYSIS	26
6. DEVELOPMENT PARTNER ANALYSIS	27
6.1 BILATERAL AND MULTILATERAL DEVELOPMENT PARTNERS	27
6.2 INTERNATIONAL NON-GOVERNMENTAL ORGANIZATIONS	32
7. GENDER ANALYSIS	33
8. THE COVID-19 IMPACT DEVELOPMENT COOPERATION	35
8.1 GLOBAL PERSPECTIVE ON COVID-19 & DEVELOPMENT COOPERATION	35
8.2 COVID-19 ALLOCATIONS IN NEPAL	36
9. LOOKING FORWARD AND RECOMMENDATIONS	39
ANNEXES	41
REFERENCES	69
ANNEX A. DEVELOPMENT PARTNER DISBURSEMENTS, 2011/12 TO 2019/20	41
ANNEX B. DEVELOPMENT PARTNER DISBURSEMENTS BY TYPE OF ASSISTANCE, 2019/20	43
ANNEX C. DEVELOPMENT PARTNER ON BUDGET DISBURSEMENTS, 2019/20	44
ANNEX D. ODA DISBURSEMENTS BY SECTOR, 2011/12 TO 2019/20	45
ANNEX E. ODA DISBURSEMENTS AND PROJECTS BY GEOGRAPHIC REGION, 2019/20	48
ANNEX F. ODA DISBURSEMENTS AND GENDER MARKER CLASSIFICATION	50
ANNEX G. INGO DISBURSEMENTS, 2019/20	51
ANNEX H. INGO DISBURSEMENTS BY SECTOR, 2019/20	55
ANNEX I. INGO DISBURSEMENTS AND PROJECTS BY GEOGRAPHIC REGION, 2019/20	56
ANNEX J. VISUALIZATION OF ASSISTANCE THROUGH MAPS	58
FIGURES	
FIGURE 1. SOURCE OF FINANCE IN NEPAL	4
FIGURE 2. TOTAL ODA DISBURSEMENTS, 2010/11 TO 2019/20	5
FIGURE 3. ODA DISBURSEMENTS RELATIVE TO GDP, 2010/11 TO 2019/20	5

FIGURE 4. ODA RECEIVED PER CAPITA, SAARC COUNTRIES, 2018	6
FIGURE 5. ODA RECEIVED PER CAPITA, LDCs IN ASIA, 2018	6
FIGURE 6. ODA DISBURSEMENTS BY TYPE OF ASSISTANCE, 2010/11 TO 2019/20	7
FIGURE 7. ODA DISBURSEMENTS BY TYPE OF ASSISTANCE, 2018/19 TO 2019/20	8
FIGURE 8. HIGHEST DISBURSING DEVELOPMENT PARTNERS BY TYPE OF ASSISTANCE, 2019/20	8
FIGURE 9. BUDGET SUPPORT VERSUS PROJECT SUPPORT, 2015/16 TO 2019/20	9
FIGURE 10. ODA DISBURSEMENTS BY MODALITY, 2010/11 TO 2019/20	10
FIGURE 11. ON-BUDGET AND ON-TREASURY ODA DISBURSEMENTS, 2018/19 TO 2019/20	11
FIGURE 12. ODA AS A SHARE OF THE NATIONAL BUDGET, 2010/11 TO 2019/20	11
FIGURE 13. NATIONAL BUDGET ALLOCATION AND EXPENDITURE, 2010/11 TO 2019/20	12
FIGURE 14. ODA ALLOCATION AND EXPENDITURE, 2010/11 TO 2019/20	13
FIGURE 15. MEDIUM-TERM PREDICTABILITY OF DEVELOPMENT COOPERATION	14
FIGURE 16. ODA DISBURSEMENT BY 15 TH PERIODIC PLAN PILLAR	15
FIGURE 17. FRAGMENTATION BY DEVELOPMENT PARTNER	17
FIGURE 18. FRAGMENTATION BY MINISTRY	17
FIGURE 19. ODA DISBURSEMENT BY SECTOR, 2018/19 TO 2019/20	18
FIGURE 20. ODA DISBURSEMENTS TO THE HEALTH SECTOR, 2010/11 TO 2019/20	19
FIGURE 21. ODA DISBURSEMENTS TO THE FINANCIAL REFORM SECTOR, 2010/11 TO 2019/20	20
FIGURE 22. ODA DISBURSEMENTS TO THE HOUSING SECTOR, 2010/11 TO 2019/20	20
FIGURE 23. ODA DISBURSEMENTS TO THE ENERGY SECTOR, 2010/11 TO 2019/20	21
FIGURE 24. ODA DISBURSEMENTS TO THE ROAD TRANSPORTATION SECTOR, 2010/11 TO 2019/20	22
FIGURE 25. NATIONAL VERSUS DISTRICT-LEVEL DISBURSEMENTS, 2018/19 TO 2019/20	26
FIGURE 26. TOTAL AND PER CAPITA PROVINCIAL-LEVEL DISBURSEMENTS, 2019/20	26
FIGURE 27. ODA DISBURSEMENT BY DEVELOPMENT PARTNER, 2019/20	27
FIGURE 28. ODA DISBURSEMENT BY DEVELOPMENT PARTNER, 2010/11 TO 2019/20	28
FIGURE 29. WORLD BANK , 2010/11 TO 2019/20	29
FIGURE 30. ASIAN DEVELOPMENT BANK DISBURSEMENTS, 2010/11 TO 2019/20	29
FIGURE 31. UNITED STATES OF AMERICA DISBURSEMENTS, 2010/11 TO 2019/20	30
FIGURE 32. UNITED KINGDOM DISBURSEMENTS, 2010/11 TO 2019/20	31

FIGURE 33. INDIA DISBURSEMENTS, 2010/11 TO 2019/20	31
FIGURE 34. INGO VERSUS ODA DISBURSEMENTS, 2012/13 TO 2019/20	32
FIGURE 35. TOP DISBURSING INGOs, 2019/20	32
FIGURE 36. ODA AND GENDER MARKER CLASSIFICATION, 2018/19	34
FIGURE 37. GENDER MAINSTREAMING BY DEVELOPMENT PARTNER, 2019/20	34
FIGURE 38. TOTAL ODA DISBURSEMENTS VERSUS COVID-19 ODA DISBURSEMENTS	36
FIGURE 39. TOP DISBURSING DEVELOPMENT PARTNERS FOR COVID-19	37
FIGURE 40. COVID-19 DISBURSEMENTS BY TYPE	38

TABLES

TABLE 1. POST-EARTHQUAKE RECONSTRUCTION PLEDGES, COMMITMENTS AND DISBURSEMENTS	23
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BOXES

BOX 1. NEPAL'S FOCUS ON EFFECTIVENESS	2
BOX 2. NEPAL'S AID MANAGEMENT INFORMATION SYSTEM	3
BOX 3. NEPAL'S ODA MOBILIZATION IN CONTEXT	6
BOX 4. TRACKING ODA ALIGNMENT TO THE SDGs	22
BOX 5. THE COVID-19 AMIS PORTAL	37

ACRONYMS AND ABBREVIATIONS

AAAA	Addis Ababa Action Agenda
AMIS	Aid Management Information System
AMP	Aid Management Platform
ADB	Asian Development Bank
CABRI	Collaborative Africa Budget Reform Initiative
CBS	Central Bureau of Statistics
CTEVT	Council for Technical Education and Vocational Training
DAC	Development Assistance Committee
DCR	Development Cooperation Report
DFA	Development Finance Assessment
EU	European Union
FY	Fiscal Year
GDP	Gross Domestic Product
GNI	Gross National Income
GPEDC	Global Partnership for Effective Development Co-operation
IATI	International Aid Transparency Initiative
IDCP	International Development Cooperation policy
IECCD	International Economic Cooperation Coordination Division
IFAD	International Fund for Agriculture Development

ICNR	International Conference on Nepal's Reconstruction
IMF	International Monetary Fund
INNF	Integrated National Financing Framework
INGO	International Non-Governmental Organization
LDC	Least Developed Country
LIC	Low Income Country
MDG	Millennium Development Goals
MIC	Middle Income Country
MoALD	Ministry of Agriculture and Livestock Development
MoCTCA	Ministry of Culture, Tourism and Civil Aviation
MoEST	Ministry of Education, Science and Technology
MoEWRI	Ministry of Energy, Water Resources and Irrigation
MoF	Ministry of Finance
MoFAGA	Ministry of Federal Affairs and General Administration
MoFE	Ministry of Forest and Environment
MoHA	Ministry of Home Affairs
MoHP	Ministry of Health and Population
MoCIT	Ministry of Communication and Information Technology
MoICS	Ministry of Industry, Commerce and Supplies
MoLESS	Ministry of Labour, Employment and Social Security
MoLMCPA	Ministry of Land Management, Cooperatives and Poverty
MoLJPA	Ministry of Law, Justice, and Parliamentary Affairs
MoPIT	Ministry of Physical Infrastructure and Transport
MoUD	Ministry of Urban Development

MoWSS	Ministry of Water Supply
MoWCSC	Ministry of Women, Children and Senior Citizen
MoYS	Ministry of Youth and Sports
MTEF	Medium Term Expenditure Framework
NHRC	National Human Rights Commission
NPC	National Planning Commission
NRA	National Reconstruction Authority
NPR	Nepalese Rupee
ODA	Official Development Assistance
ODI	Overseas Development Institute
OECD	Organization for Economic Co-operation and Development
OFID	OPEC Fund for International Development
OPEC	Organization of Petroleum Exporting Countries
PFM	Public Financial Management
SAARC	South Asian Association for Regional Cooperation
SDF	SAARC Development Fund
SDG	Sustainable Development Goals
SWAp	Sector Wide Approach
TA	Technical Assistance
UK	United Kingdom
UN	United Nations
USA	United States of America
USD	United States of America Dollar

KEY TERMS

Actual disbursement	Funds that have been transferred from a development partner.
Bilateral partner	Member States of the UN and/or their official development agencies.
Budget support	Funds transferred to the Government to be allocated in the budget.
Cash payment	Cooperation provided in the form of cash.
Commitment	An agreement to provide assistance of a specified amount.
Commodity payment	Cooperation provided in the form of a physical item.
Direct payment	Cooperation in the form of a payment to a provider of goods/services.
FY	The Nepali FY covers the period from 16 July and to 15 July.
Grant	Cooperation that is not repayable.
Loan	Cooperation that is repayable ¹ .
Multilateral partner	Institution or agency with multiple participating nations.
On budget	Amounts reflected in the Government's annual budget (Red Book).

¹ To qualify as ODA, loans must: (a) be undertaken by the official sector; (b) have the promotion of economic development and welfare as the main objective; (c) have concessional financial terms (have a grant element of at least 25%).

On treasury	Amounts channeled through the Government's treasury system.
Planned disbursement	Funds that are scheduled to be transferred.
Program support	Support made up of multiple projects ^{II} .
Project support	Support limited to a project with specific objectives and outputs.
Reimbursable payment	Cooperation reimbursed to the Government after conditions met.
SWAp	A program-based approach covering a whole sector.
TA	Cooperation for the purpose of capacity development.

EXECUTIVE SUMMARY

1. The Development Cooperation Report (DCR) is a flagship publication prepared annually by the International Economic Cooperation Coordination Division of the Ministry of Finance. The purpose of the Report is to provide a detailed account of how development cooperation – which includes both Official Development Assistance (ODA) and cooperation from International Non-Governmental Organizations (INGOs) is mobilized in Nepal. The Report covers the 2019/20 fiscal year (FY), examining the period from 16 July 2019 to 15 July 2020.
2. This year is marked by the COVID-19 pandemic. Far more than a health crisis, the pandemic has had far-reaching impacts on all aspects of life, for all people and in all countries of the globe. This includes impacts on development cooperation as countries around the world attempt to respond to emergency needs. In this context, ODA disbursements **in Nepal in 2019/20 increased by 21.2% compared to the previous year, jumping from 1,578.5 million USD to 2,002.8 million USD.** Government spending has increased together with the increase in **ODA thereby making it up 23.3% of the national budget in 2019/20** with this funding source compared to 24.7% in the previous year. Conversely, INGO contributions have notably decreased, from 215.3 million USD in 2018/19 to 131.8 million USD in 2019/20.
3. Of the total 2,002.8 million USD ODA disbursed in Nepal in 2019/20, **512.9 million USD was disbursed specifically for COVID-19 response and recovery.** Much of this support comes from new projects designed in the pandemic context, with only 48.6 million USD reallocated from existing projects.

4. The largest proportion of ODA has been disbursed as loans in previous years and the trend remained continued in the review period as well. **Of the total ODA, 69.9% was provided as loans in 2019/20** compared to 59.8% in 2018/19. Likewise, 18.7% of ODA was provided as grants and 11.3% was through technical assistance in the same year. This suggests that much of the new COVID-19 aid received is being delivered through this type of assistance. Positively, much of this ODA has been on-budget. **A total of 1,672.9 million USD (83.5%) of ODA was channeled for on-budget projects and the rest \$329.9 million USD (16.5%) was as off-budget.** This is a significant improvement compared to that of FY 2018/19 where only 78.4% of ODA was channeled as on-budget funding.
5. Moreover, more of the ODA was disbursed as budgetary support as compared to other means of disbursements. **In 2019/20, 731.5 million USD (36.9%) was towards budgetary support while that of 719.6 million USD** was towards project support. This is an important shift. Despite the Government of Nepal's stated preference for budgetary support, project support has been much more commonly used in recent years. It is evident by the fact that 55.2% of ODA was disbursed as project support while only 15.2% was disbursed as budgetary support in FY 2018/19.
6. The top ten disbursing development partners contributed approximately 94.7% of ODA in 2019/20. **Multilateral development partners contributed 71.0% of the total ODA.** The top disbursing multilateral partners in 2019/20 in descending order were: The Asian Development Bank, The World Bank, The International Monetary Fund (IMF), The European Union and The United Nations (UN). **Bilateral development partners contributed 29.0% of the total ODA.** The top disbursing bilateral development partners in descending order were The United States of America, The United Kingdom, India, China and Japan.

7. **The health sector received the highest allocation of ODA in 2019/20, reaching 318.4 million USD or 16.1% of the total ODA.** This was followed by the financial reform sector (11.0%), housing sector (7.7%), energy sector (7.2%) and road transportation (7.0%). Despite modest improvements, **ODA remains severely fragmented in Nepal.** In FY 2019/20, development partners were engaged, on an average, with seven different counterpart ministries for the execution of development projects.
8. In conclusion, the overall outlook is mixed. Though FY 2019/20 showed positive trends in the volume of ODA disbursements and use of budgetary support and other on-budget projects, it is unclear whether these changes represent real shifts in the development cooperation landscape of Nepal or these changes are only short-term responses to the global COVID-19 crisis. Challenges with regard to effective mobilization of ODA resources beyond COVID-19 is still expected to be foreseen. In particular, effort is needed to reduce the fragmentation of development assistance in Nepal making all resources as efficient as possible in order to maximize the impact and to re-gain progress towards achieving the 2030 Agenda and the Sustainable Development Goals.

BACKGROUND

1.1 Country Context

Nepal is a landlocked country in South Asia and a home to 30 million people (CBS, 2020). It is currently a low-income country (LIC) and a Least Developed Country (LDC). Nepal has made significant progress towards achieving the Millennium Development Goals (MDGs) and has adopted 2030 Agenda for Sustainable Development and its 17 Sustainable Development Goals (SDGs) in 2015, setting high national targets, including its target to graduate from LDC status in 2022 and achieve middle-income country (MIC) status by 2030 (NPC, 2019).

Despite positive development progress that Nepal was able to make in recent years prior to COVID-19 pandemic, it has still been facing challenges on the road to achieve the SDGs by 2030. One of the major challenges is mobilization of requisite financing for development. This challenge took its height with COVID-19 pandemic. In addition to the human toll, COVID-19 pandemic has triggered a global economic crisis and as a result, Global Gross Domestic Product (GDP) is expected to shrink by 5.2% in 2020. While many countries have already witnessed steep recession (World Bank, 2020a), Nepal is not an exception to this. Following three years of sustained expansion, economic growth in Nepal is estimated to drop from 7.0% in 2019 to between 1.8% and 2.8% in 2020 (World Bank, 2020b).

As a result of COVID-19 crisis, exports of goods and services which totaled NPR 299,818,526,79 (8.7% of GDP) in 2019 (World Bank, 2020c) have decreased substantially by 57.4% for services exports and 62.1% for goods exports between March and May 2020, compared to the corresponding period in 2019 (World Bank, 2020b). The result has been a decline in foreign exchange reserves. This has been moderated by a reduction in imports leading to a slight reduction in the current account deficit from 7.7% of GDP in 2019 to an estimated in 7.2% in 2020 (World Bank, 2020b).

The outlook on fiscal space is less optimistic with decrease in Government revenue while necessitating a substantial increase in Government spending to respond to COVID-19 crisis. It is estimated that the fiscal deficit will reach 7.3% of GDP in 2020, up from 2.6% in 2019 (World Bank, 2020b). Similarly, public debt is expected to rise to 37.9% of GDP from 30.1% in 2019 (World Bank, 2020b).

Though Nepal's economy is expected to recover at relatively faster pace as projected for 2021, the current impact on Government spending and debt will have long-term impacts on development financing. According to a 2018 Needs Assessment, Costing and Financing Strategy, achieving the SDGs will require an average investment of 2,024.8 billion NPR per year from 2016 to 2030, averaging approximately 48% of GDP (NPC, 2018). This means that prior to the pandemic, Nepal faces an SDG financing gap of 12.8% of GDP on average per year from 2016 to 2030 (NPC, 2018).

With the crisis expected to have substantial impact on domestic resource mobilization, financing gaps are expected to widen further. This will, in turn, have consequences for Nepal's development plans and progress. Consultation in this regard is in progress after reviewing and revisiting the 15th Five-Year Plan.

In this context, mobilization of new sources of finance and more effective development is increasingly important as the unprecedented challenges posed by COVID-19 require a prompt and coordinated response that draws on the comparative advantages of all stakeholders. Nepal's International Development Cooperation Policy (IDCP) 2019 already acknowledges these aims. It guides the use of development cooperation as a catalyst to mobilize new sources of finance while building capacity to use these resources for maximum development impact. It sets out Government priorities for how development cooperation is provided as well as outlining priority areas for development cooperation support and localizing the SDGs.

Box 1. Nepal's focus on Effectiveness

Effective development cooperation is a prerequisite for the achievement of national and global development objectives, including the SDGs. Understanding this, the Addis Ababa Action Agenda (AAAA) called for continued efforts to improve the quality, effectiveness and impact of development cooperation (UN, 2015). In this vein, the Report not only looks at the volume of development cooperation provided to Nepal but also examines whether cooperation is provided effectively.

Nepal is a long-standing proponent of development effectiveness, streamlining the four internationally recognized effectiveness principles i.e., **Country ownership, Focus on Results, Inclusive Partnerships and Transparency & Accountability** in its development efforts.

Since 2016, Nepal has been a member of Steering Committee of the Global Partnership for Effective Development Co-operation (GPEDC), an initiative that aims to enhance the effectiveness of development efforts by all actors. Nepal has also participated in all three GPEDC monitoring rounds, in 2014, 2016 and 2018, as well as the preceding Paris Declaration Surveys, in 2008 and 2011. These monitoring exercises track country-level progress towards effectiveness commitments.

More recently, Nepal has joined the Governing Board of the International Aid Transparency Initiative (IATI), a platform that provides the space for the publication of information on development and humanitarian aid to all stakeholder groups.

1.2 The Development Cooperation Report

The Development Cooperation Report is prepared annually by International Economic Cooperation Coordination Division (IECCD) of the Ministry of Finance. The purpose of the Report is to provide a detailed account of how development cooperation¹ is mobilized in Nepal. It is a tool to promote transparency and accountability between the Government of Nepal and its development partners as well as providing an entry point for dialogue on how to strengthen cooperation among stakeholders ensuring that all development resources in the country are used effectively to achieve maximum benefits.

The Report highlights the volume of development cooperation provided² in the FY 2019/20, covering the period from 16 July 2019 to 15 July 2020, and examines how these resources were delivered and used in support of national development priorities. The Report draws primarily on data from Nepal's Aid Management Information System (AMIS) (see Box 2 for additional information).

Given the prominent role of Official Development Assistance versus INGO contributions, this Report will largely focus on ODA analysis. Specific analysis on INGO contributions can be found in section 6.2.

Box 2. Nepal's Aid Management Information System

The Aid Management Information System (AMIS) was launched on 4 September 2019. Like its predecessor, the Aid Management Platform (AMP), the homegrown AMIS is a web-based system. It collects key metrics on development projects and stores them in a publicly accessible database. In addition to providing online dashboards that highlight major trends and showcase frequently-used information, the AMIS allows users to generate their own customized reports. Unlike the AMP, the AMIS has been tailored to respond to the specific Nepali context. All development partners – including bilateral and multilateral partners, as well as International Non-Governmental Organizations (INGOs) – have a responsibility to report to the web-based AMIS, as noted in section 5.6 of the IDCP, 2019.

Following the closing of fiscal year on 15 July 2020, a deadline of 30 October 2020 was set for development partners to correct and finalize their information. Data for the Report was then extracted on 6 November 2020.

¹ For the purpose of the Report, the term 'development cooperation' refers only to ODA provided by bilateral and multilateral partners and cooperation provided by INGOs.

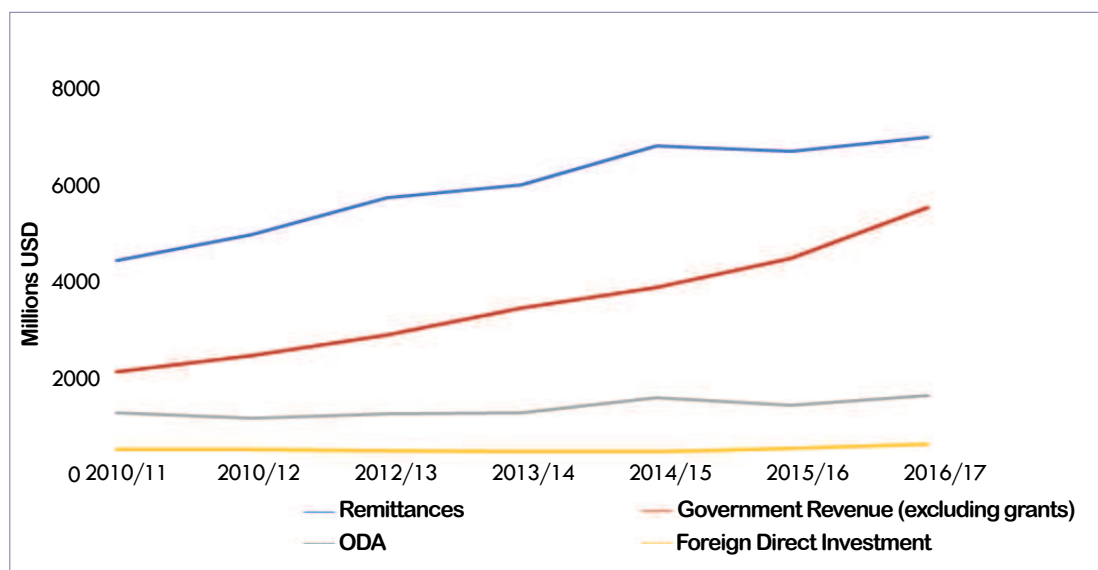
² Unless otherwise specified, all development cooperation amounts refer to disbursements.

CHAPTER
2

ROLE OF DEVELOPMENT COOPERATION

Despite positive trends in domestic resource mobilization over the past decade, development cooperation continues to play a significant role in the development efforts of Nepal. As can be seen in the figure 1 below, the role of development cooperation has been crucial in Nepal's development process. Though the level of Official Development Assistance remains steady in recent years, the role of development cooperation has declined as a proportion of overall finance thereby indicating a positive signal towards reducing aid dependency.

Figure 1: Sources of finance in Nepal

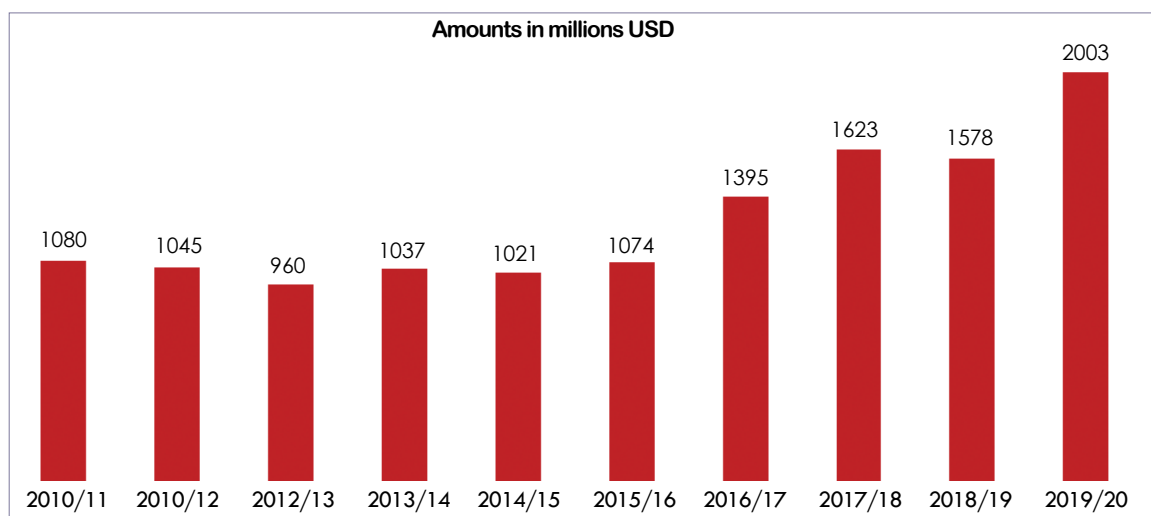


2.1 Volume of Disbursement

Though the Government of Nepal has set the goal of enhancing national capacity through transparent and results-oriented mobilization of international development cooperation so as to gradually reduce aid dependency, it still recognizes the significant role of ODA for the country in the short and medium terms.

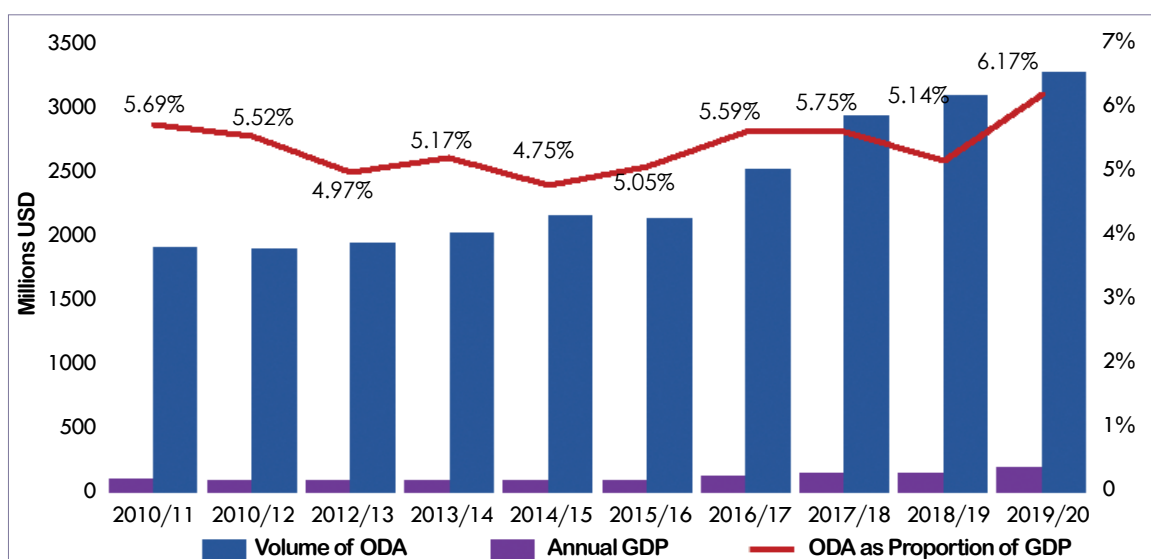
In Nepal, ODA disbursements increased by 25.5% in FY 2019/20 from the previous year with a leap from \$1,578.5 million USD to 2,002.8 million USD. This big jump is as a result of loan provision allocated significantly to assist the COVID-19 response and recovery programs (see chapter 8 for more information on COVID-19 impacts on development cooperation). A similar increase in the ODA disbursement was observed during FY 2015/16 and FY 2016/2017 due to massive earthquake that struck the country in 2015, where disbursement had increased by 29.9%. Aside from these notably critical situations, the ODA disbursement volume has remained relatively constant.

Figure 2. Total ODA disbursements, 2010/11 to 2019/20



Looking at the trends in recent years, it is a positive indication that the growing GDP has not led to a reduction in ODA. As it can be seen in figure 3, both the ODA and GDP have increased although GDP has continued to grow at a faster pace. Though Nepal is looking forward to LDC graduation and ODA is acknowledged to be allocated more frequently to LDCs, the receipt of ODA in Nepal is expected not to be affected by its development and economic growth.

Figure 3. ODA disbursements relative to GDP, 2010/11 to 2019/20



Box 3. Nepal's ODA Mobilization in Context

ODA is a globally finite resource. Development partners consider many factors in making their ODA allocation decisions, including their own national policies and commitments, the political and socio-economic situation in recipient countries, historical connections and geopolitical interests, among others.

In this context, it is interesting to consider how Nepal compares in ODA mobilization to its immediate neighbors – other South Asian Association for Regional Cooperation (SAARC) countries as well as to other LDCs in Asia. Figures 4 and 5 show that Nepal falls among the middle in terms of ODA mobilization among these comparative groups.

Figure 4. ODA received per capita, SAARC countries, 2018

Amounts in USD

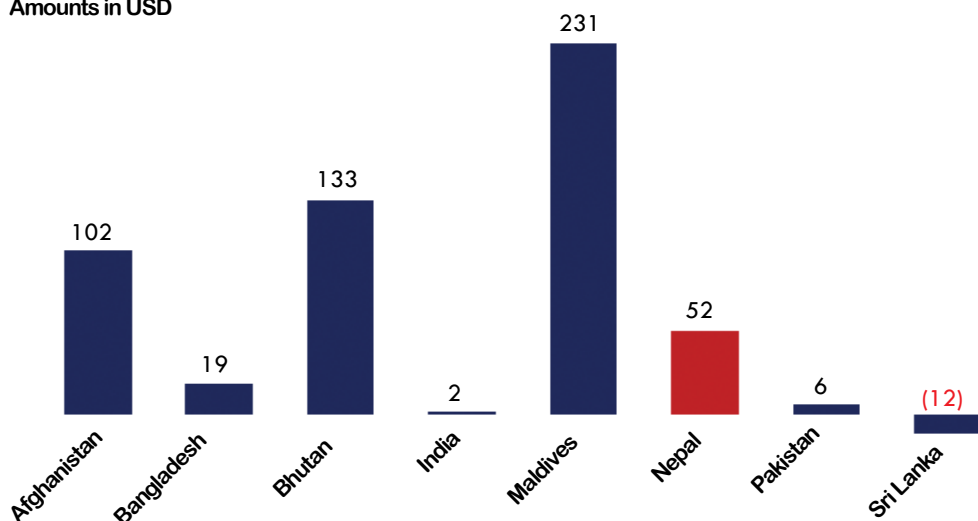
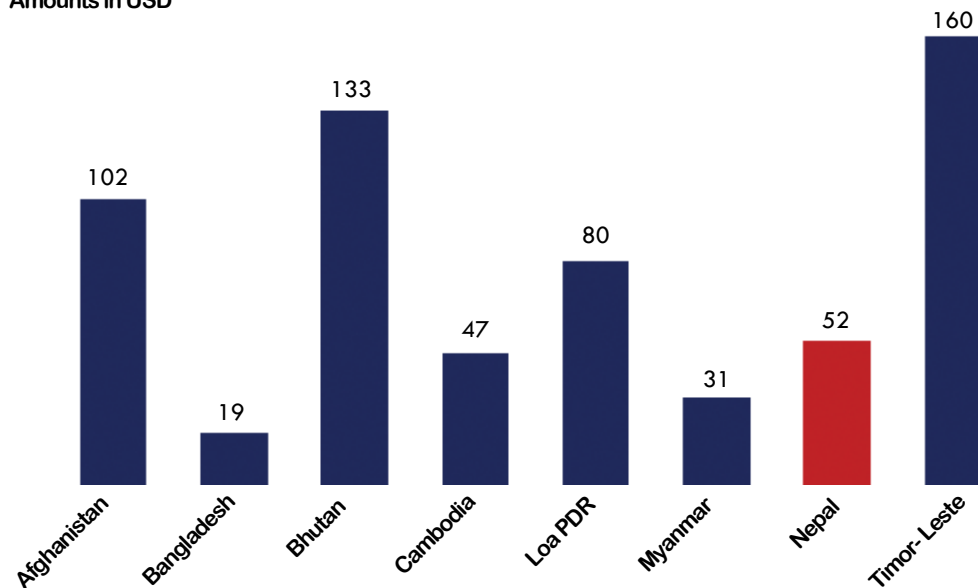


Figure 5. ODA received per capita, LDCs in Asia, 2018

Amounts in USD



2.2 Types and Modalities of Disbursement

In FY 2019/20, 69.9% of ODA (1,400.21 million USD) was disbursed as loans. Though the past trends have shown a consistent increase in the use of loans, the jump from FY 2018/19 to FY 2019/20 is significant. The longer-term trend towards loans is driven, in part, through the support of Multilateral Development Banks (MDBs) that disburse high volume of ODA to Nepal that are increasingly being used as loans than grants. This has been used for COVID-19 response as well. As it can be seen in figure 6 below, the Asian Development Bank, the World Bank and the International Monetary Fund (IMF) have provided 571.71 million USD, 430.06 million USD and 214.00 million USD in loans in FY 2019/20 respectively. Apart from loans, 374.49 million USD of ODA was provided as grants, 226.64 million USD as technical assistance and 1.46 million USD through direct implementation in FY 2019/20.

Figure 6. ODA disbursements by type of assistance, 2010/11 to 2019/20

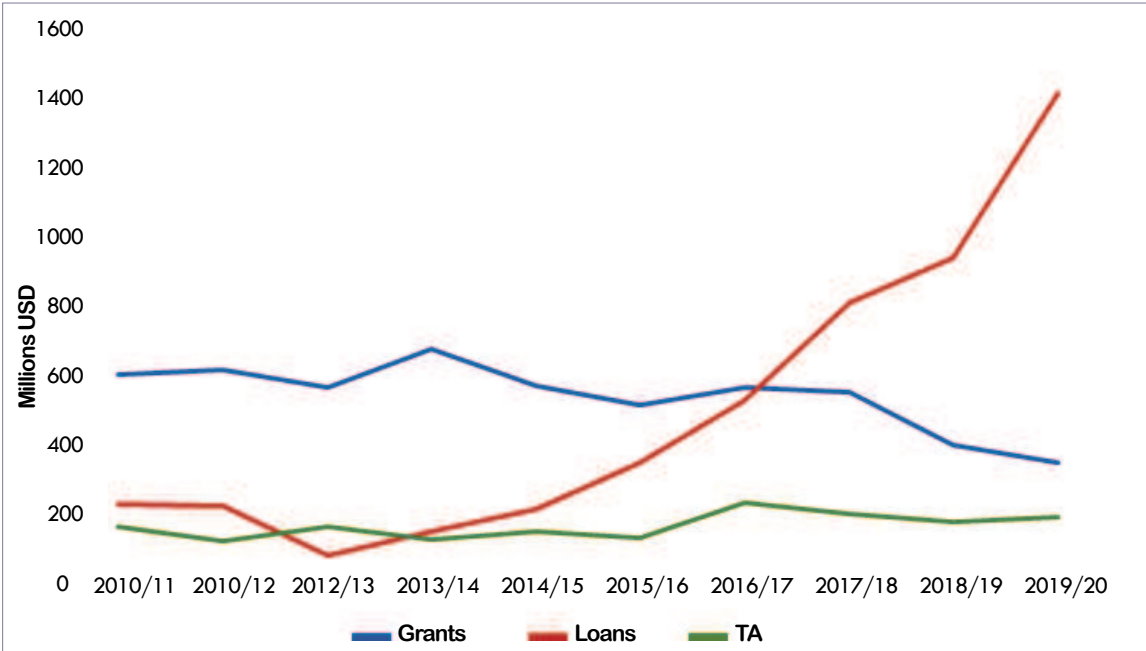


Figure 7. ODA disbursements by type of assistance, 2018/19 to 2019/20

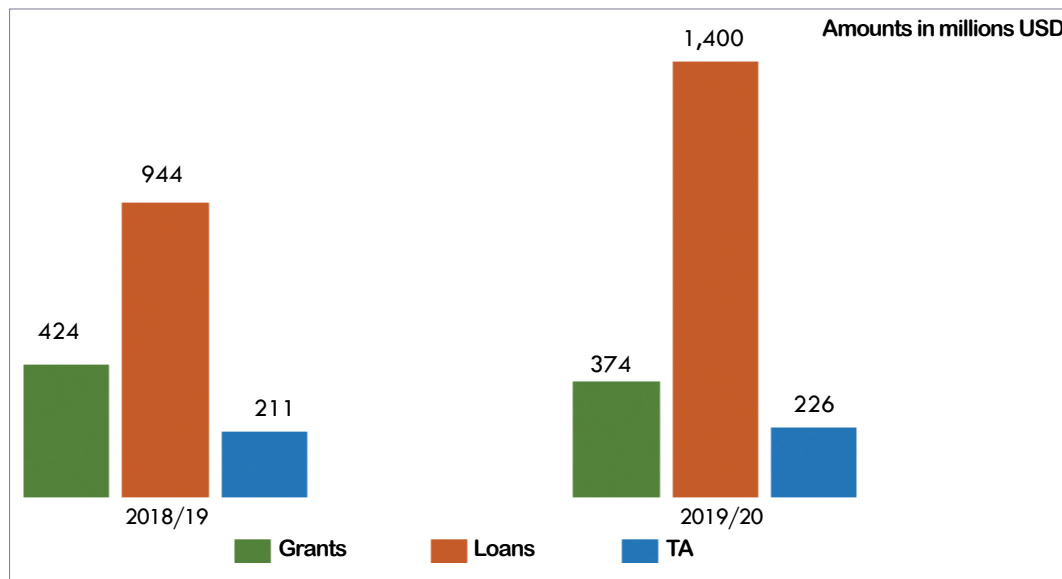
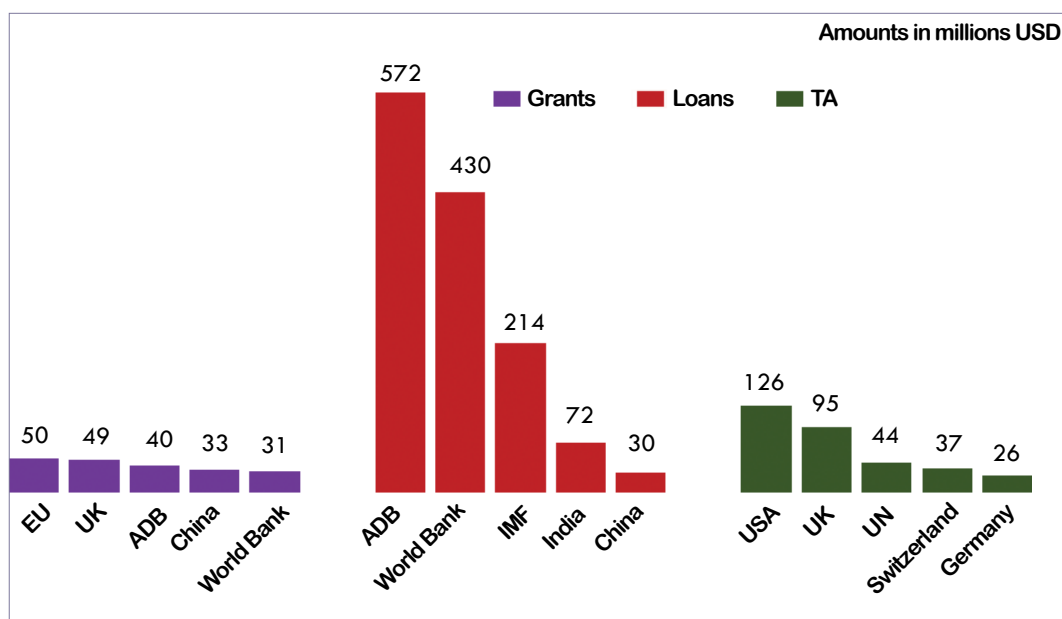


Figure 8. Highest disbursing development partners by type of assistance, 2019/20

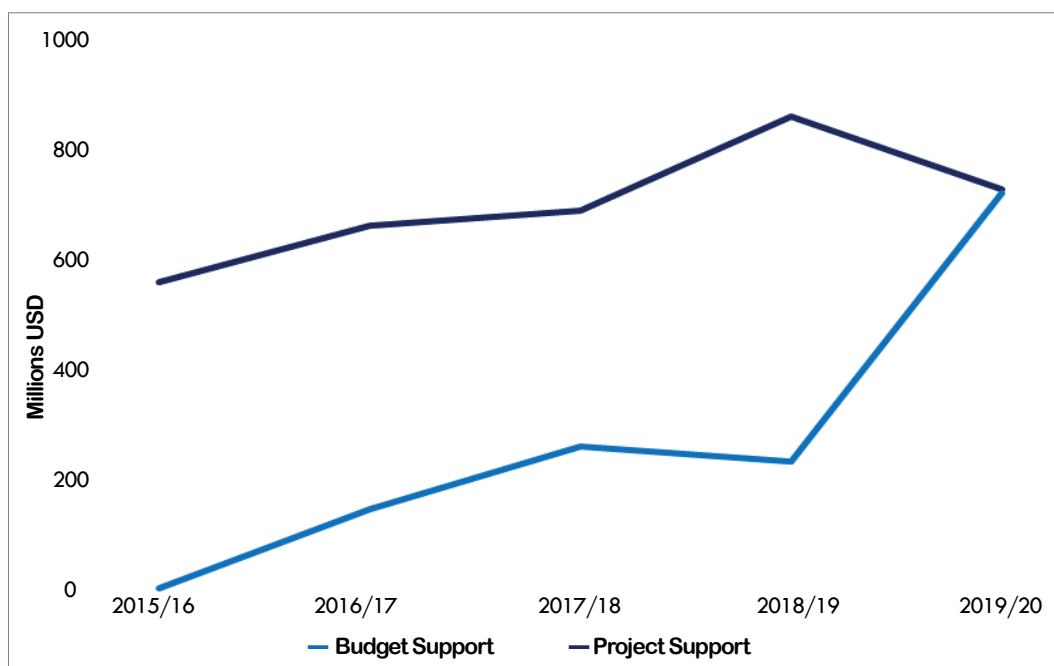


The IDCP 2019 highlights budgetary support as the preferred ODA modality. This is because budgetary support inherently ensures coherence with the effectiveness principle of Country Ownership. The Budgetary Support is predictable, allows for better development planning, reduces fragmentation and leads to more effective use of pooled resources, it is flexible allowing responsiveness to development needs, it reduces transaction costs associated with the management of various implementation channels and helps to build Government capacity thus contributing to more sustainable results.

Though budgetary support in Nepal increased steadily from FY 2015/16 to FY 2017/19, it remained dwarfed by level of project support (see figure 9 for more detail). However, in FY 2019/20, for the first time, more ODA was disbursed as budgetary support than through other means of disbursement. In FY 2019/20, 731.5 million USD (36.5%) of ODA was towards budgetary support while 736.9 million USD accounted for project support. This is an important shift. Despite the Government of Nepal’s preference towards budgetary support, project support has also been gaining wider ground in recent years. For reference, in FY 2018/19, 55.1% of ODA was disbursed as project support and only 15.2% was disbursed as budgetary support. Though this trend is positive, it may be due to COVID-19 pandemic and the development partners’ prompt support to the Government’s response and recovery efforts.

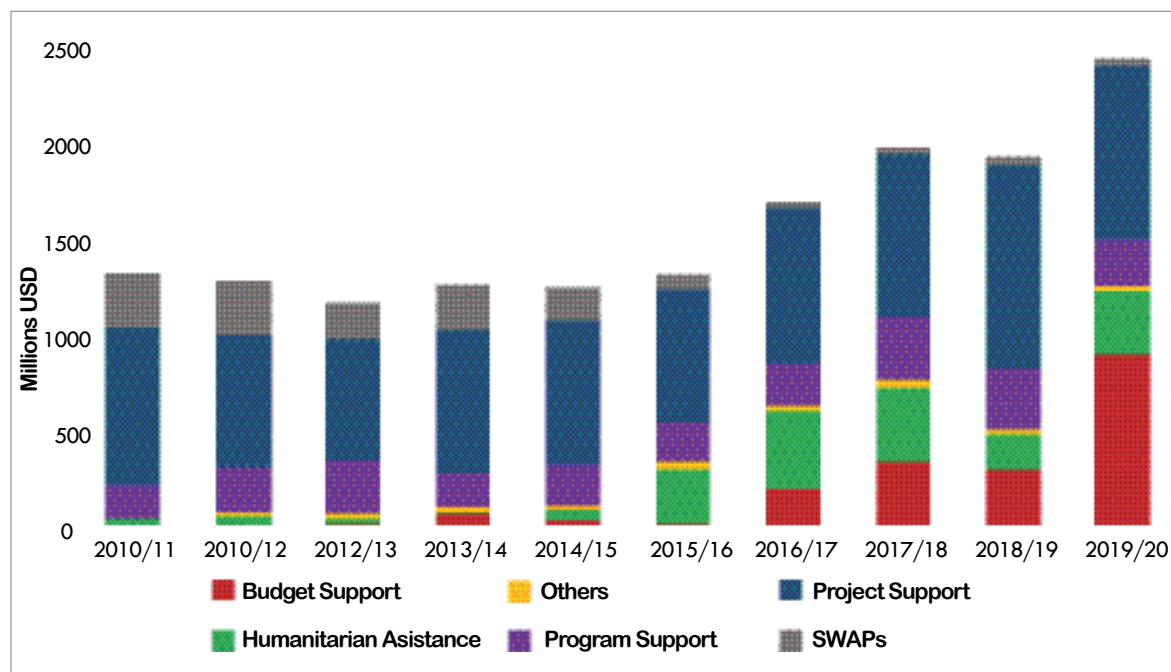
Overall, of the total ODA disbursed in FY 2019/20, budgetary support accounted for 36.9% (731.5 million USD), 36.3% (736.9 million USD) was towards project support, 13.7% (274.9 million USD) for humanitarian assistance,³ 10.2% (204.7 million USD) for program support, 1.8% (35.1 million USD) for sector-wide approach (SWAp) and the rest 1.0% (\$19.7 million US) for others.

Figure 9. Budget support versus project support, 2015/16 to 2019/20



3 In Nepal, humanitarian assistance is considered a modality of ODA, rather than being considered separate from development finance.

Figure 10. ODA disbursements by modality, 2010/11 to 2019/20



In line with the increased use of budgetary support in FY 2019/20, more ODA has been disbursed on budget,^{4 5} reaching 1,672.9 million USD (83.5%). Of this, on-budget ODA, 882.7 million USD (52.8%) was on treasury.⁶

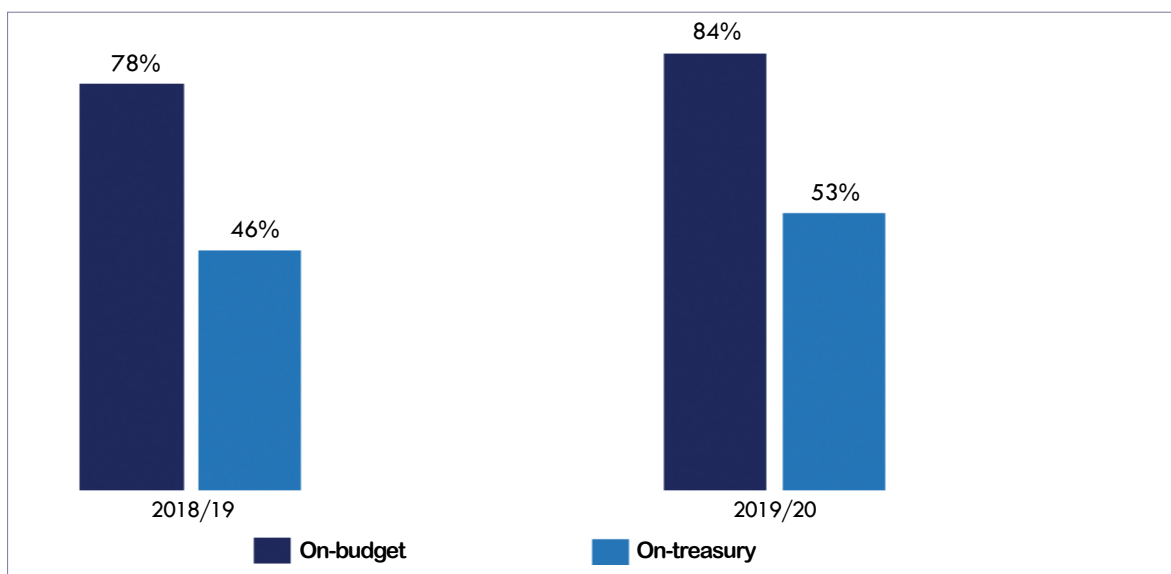
Including ODA on budget helps to align these resources with country priorities, strengthens domestic oversight of development resources and helps to build the capacity of relevant domestic institutions. Using countries’ own Public Financial Management (PFM) Systems to deliver development cooperation or disbursing cooperation on treasury provides numerous benefits, including strengthening of these systems, ensuring sustainability of development results, lowering transaction costs by eliminating the creation and maintenance of parallel structures and providing an entry point for partners to harmonize their work (CABRI, 2014).

4 The Government of Nepal’s national budget is also referred to as the ‘Red Book’.

5 TA is often off budget. Details of off budget TA are included in TA Book that is submitted to Parliament during the annual budget announcement.

6 The national budget classifies disbursements as either cash, commodity, reimbursable or direct payment. Direct payments are amounts settled directly by providers during the implementation of projects and make up the most of on budget but off treasury disbursements.

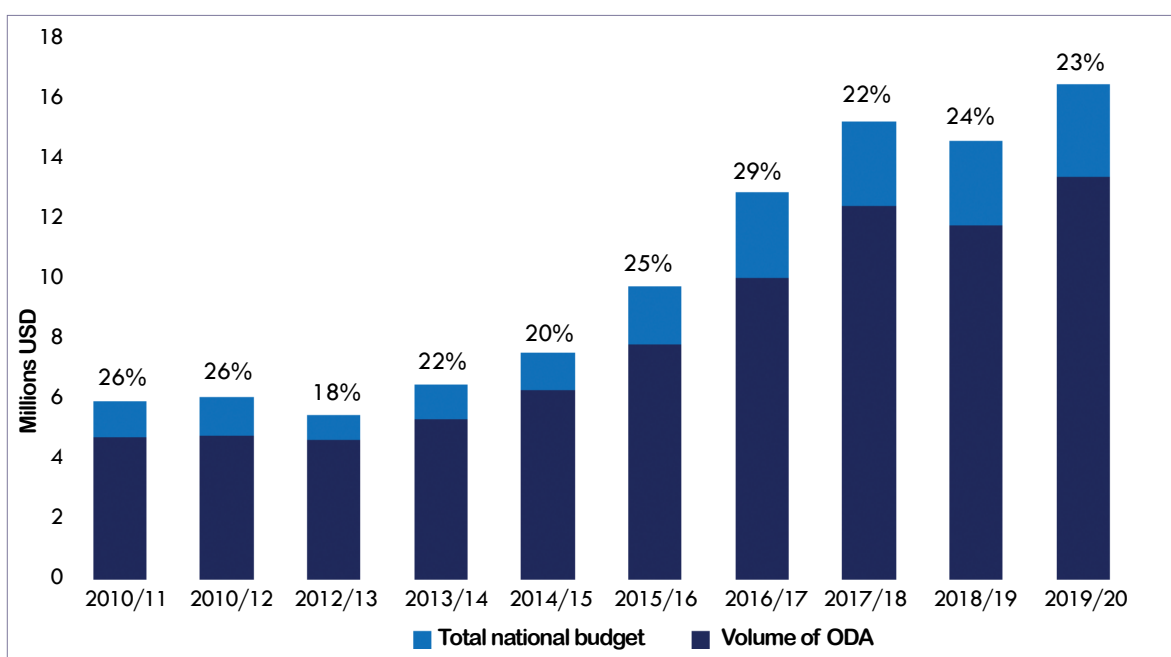
Figure 11. On-budget and on-treasury ODA disbursements, 2018/19 to 2019/20



2.3 Contribution to the National Budget

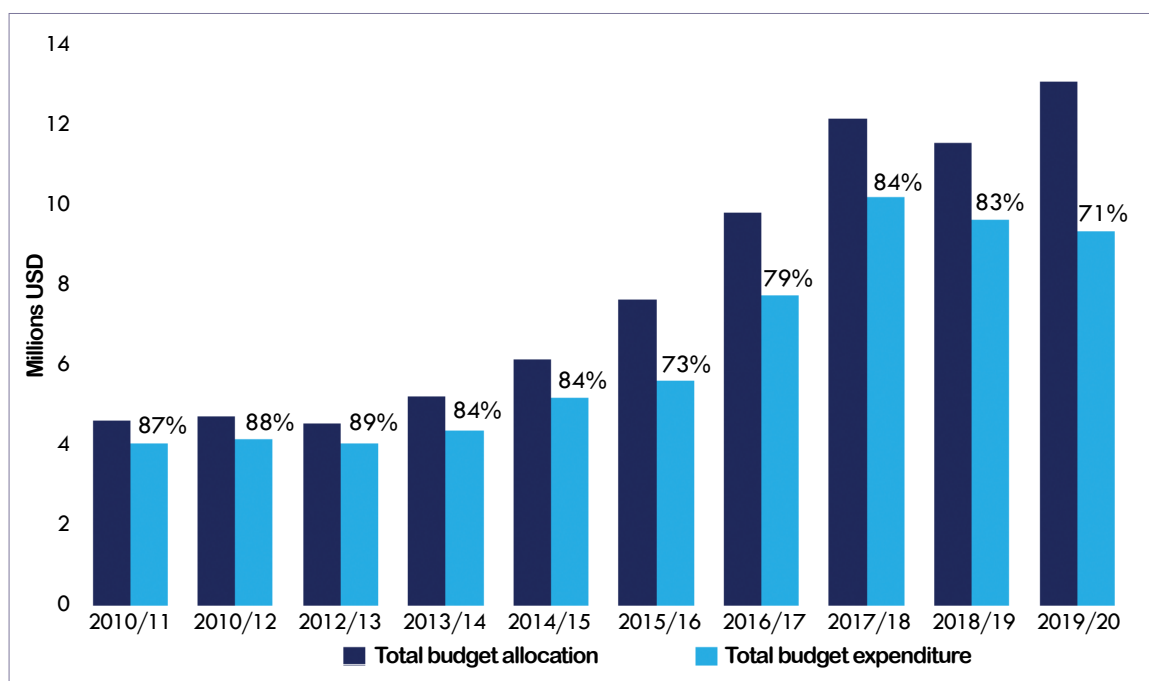
In FY 2019/20, ODA comprised 23.3% of the national budget with a slight reduction from the previous fiscal year (see figure 12 for more detail). The share of development cooperation in the national budget which had increased in FY 2015/16 following the 2015 earthquake has not increased even at COVID-19 pandemic situation. This is an indication of the Government’s augmented spending on COVID-19 response and recovery initiatives. Overall, it is important to note that the share of ODA in the total national budget has always remained below 30% due to Government emphasis on mobilization of domestic resources to the extent possible.

Figure 12. ODA as a share of the national budget, 2010/11 to 2019/20



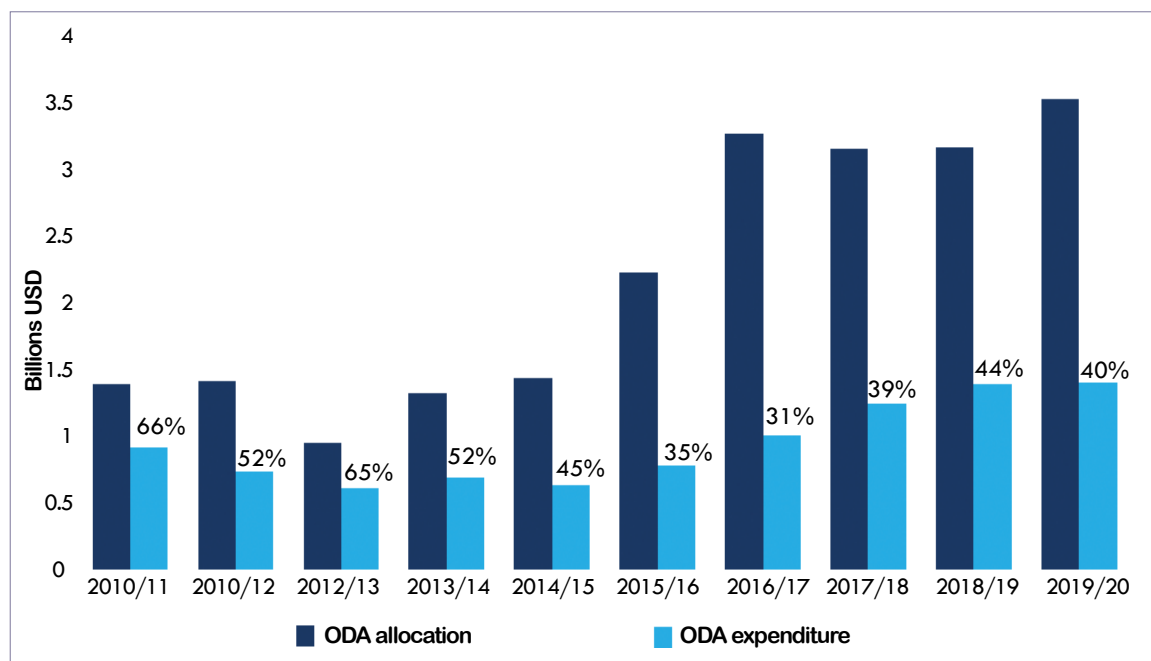
Over the past ten years, national expenditure outturn has remained relatively high, often exceeding 80% and reached 88.6% in FY 2012/13. Expenditure was at its lowest point during the review period of FY 2015/16 with only 73.3% of the budget due to the 2015 earthquake and other challenges associated with it. There were increments in government expenditures until FY 2018/19 due to concerted effort of MoF by carrying out regular follow ups and supporting the Government’s other entities to meet annual goals. In FY 2019/20, expenditure outturn recorded a downslide of 12.2%, falling from 83.5% to 71.3% in the COVID-19 pandemic context.

Figure 13. National budget allocation and expenditure, 2010/11 to 2019/20



The positive national expenditure outturn is not reflected in ODA expenditure. In the past ten years, ODA expenditure reached a high of 66.2% in FY 2010/11. Since then, ODA expenditure has generally decreased, reaching an all-time low of 30.9% in FY 2016/17 following the 2015 earthquake. A similar trend likely to occur due to COVID-19 pandemic. ODA commitments have increased in FY 2019/20. However, ODA expenditure had shrunk to 39.6% from 44.0% in FY 2018/19.

Figure 14. ODA allocation and expenditure, 2010/11 to 2019/20



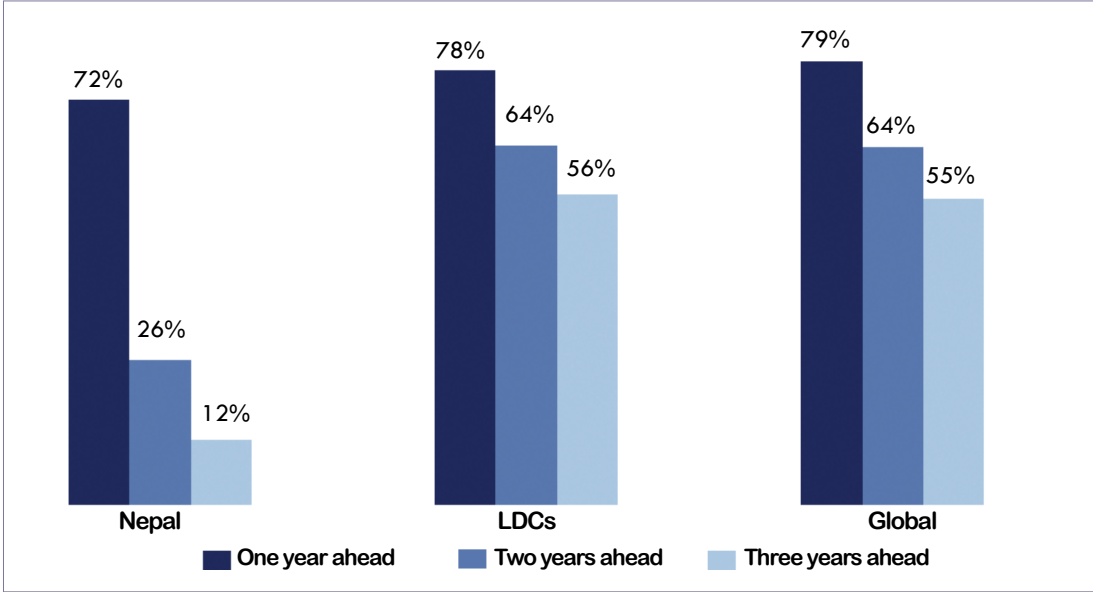
2.4 Predictability

Access to forward-looking information on ODA resources can support the Government and development actors in planning and managing resources for desired results and guiding these actors towards coordination effort, avoiding fragmentation and duplication of development projects and programs. For example, the forward-looking commitment information provided in cooperation agreements and project documents is vital in preparing Medium-Term Expenditure Frameworks (MTEFs) which are required at both the national and provincial levels and preparing the national budget.

Variations from commitments, both shortfalls and over-disbursements, can have negative implications on the Government’s ability to implement development efforts as planned (Celasun and Walliser, 2008). In the absence of accurate forward-looking information on development, the ability of the Government of Nepal to have full ownership over its development results will be comparatively low.

Data from the Global Partnership’s 2018 monitoring round show that annual predictability; the amount of cooperation provided as per scheduled year is high, reaching 97%. However, medium-term predictability, cooperation information available in forward-looking expenditure plans, is relatively low (see figure 15 for details).

Figure 15. Medium-term predictability of development cooperation



ALIGNMENT OF DEVELOPMENT COOPERATION

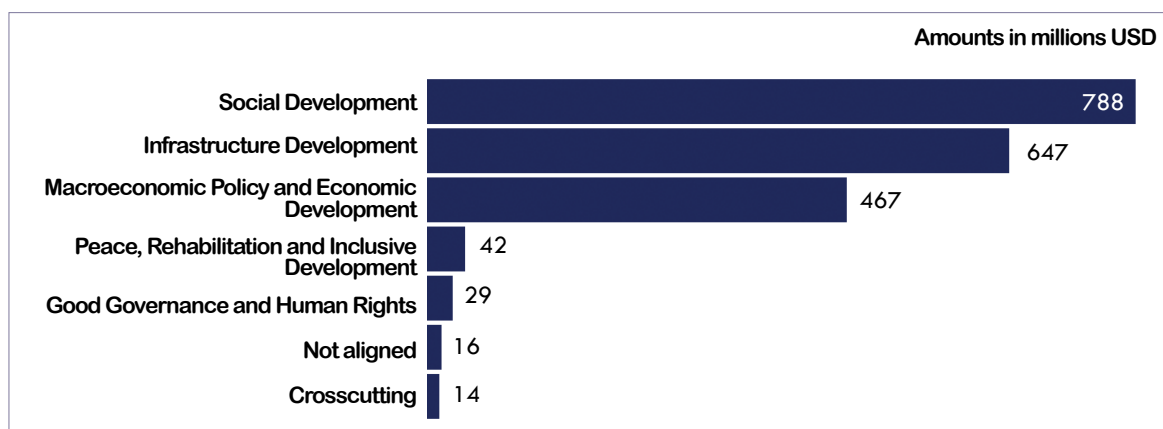
CHAPTER

3

3.1 Alignment

Country ownership is critical to achieving long-lasting development results. From the Paris Declaration on Aid Effectiveness (2005) through to the Nairobi Outcome Document (2016), there has been steady recognition that development efforts must be led by the recipient countries. Development partner's alignment to country-led development priorities is central to country ownership and must be built on strong national development plans and result frameworks.

Figure 16. ODA disbursement by 15th Periodic Plan Pillar



While development partner alignment is high at the strategy level, alignment at the project level could be strengthened if all ODA disbursements fall within a Government-defined pillar or priorities. The 2018 Global Partnership monitoring results show that development partners draw 63% of the time on Government defined indicators and use 46% of the time on Government data and statistics for monitoring. Both of these figures show a decrease from 2016 results.

3.2 Fragmentation

Alignment to partner country development priorities must be coupled with strong country-level coordination. Coordination among partners reduces the fragmentation of cooperation, diminishes the duplication of efforts, facilitates collective action on priority areas and accelerates the achievement of desired results. Further, good coordination reduces transaction costs for partner country governments and development partners by eliminating parallel systems and processes (Bigsten and Tengstam, 2015).

In this vein, The Paris Declaration (2005) calls upon governments to provide leadership to development partners on where to focus development efforts to achieve complementarity and the Nairobi Outcome Document (2016) invites all stakeholders to work together in a complementary and transparent way. The objective of these commitments is to reduce overcrowding and duplication of development partner efforts in specific sectors or geographic regions and avoid leaving gaps in others (GPEDC, 2019).

Despite modest improvements, ODA remains severely fragmented in Nepal, as demonstrated by analysis undertaken using the Herfindahl Index.⁷ The index provides scores from zero to one, with a score of one representing a perfectly un-fragmented portfolio. This analysis draws on both on and off budget projects reported in the AMIS.

In FY 2019/20, there were over 400 ongoing development projects with development partners undertaking, on an average, of 18.8 projects with 7 counterpart ministries.⁸ While reviewing results, it is important to consider the relative size of a development partner's portfolio with increased diversity expected as the amount of ODA increases.

7 A Herfindahl Index score the sum of squares of the disbursement of an individual project of a donor/sector by the total disbursement of same donor/sector). The Index is sometimes known as the Herfindahl-Hirschman Index and has also been applied as an economic concept to measure market concentration for the purposes of anti-trust enforcement.

8 These figures exclude the UN Country Team, which is made up of many individual organisations with specific mandates and therefore the index cannot be applied to them as a whole.

Figure 17. Fragmentation by development partner

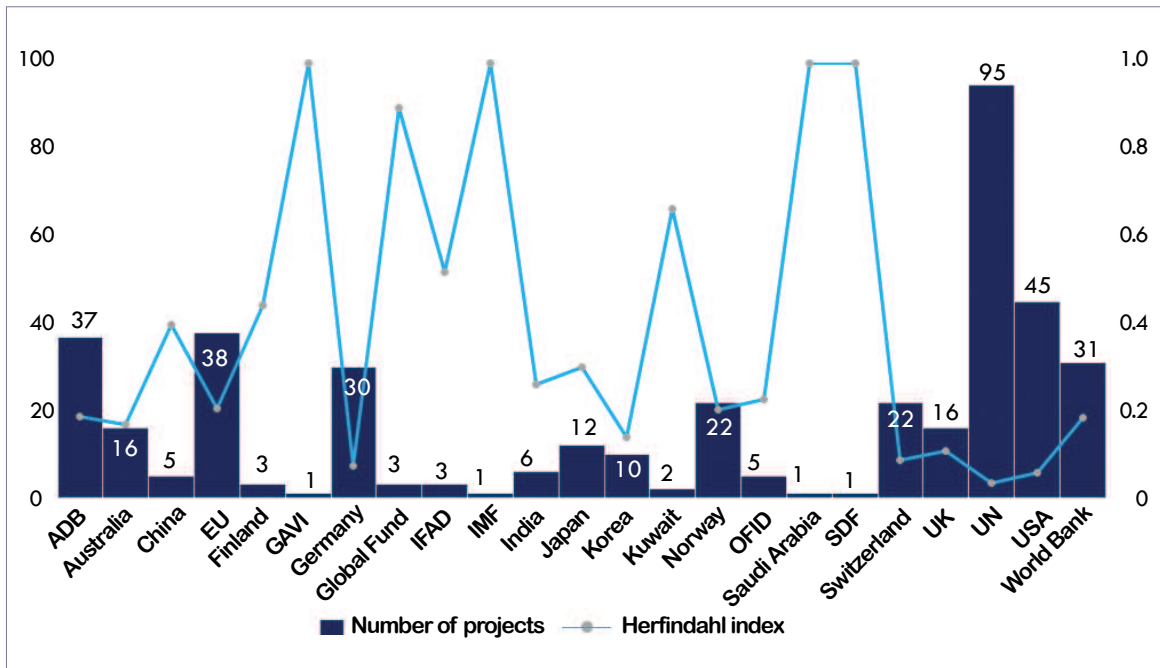
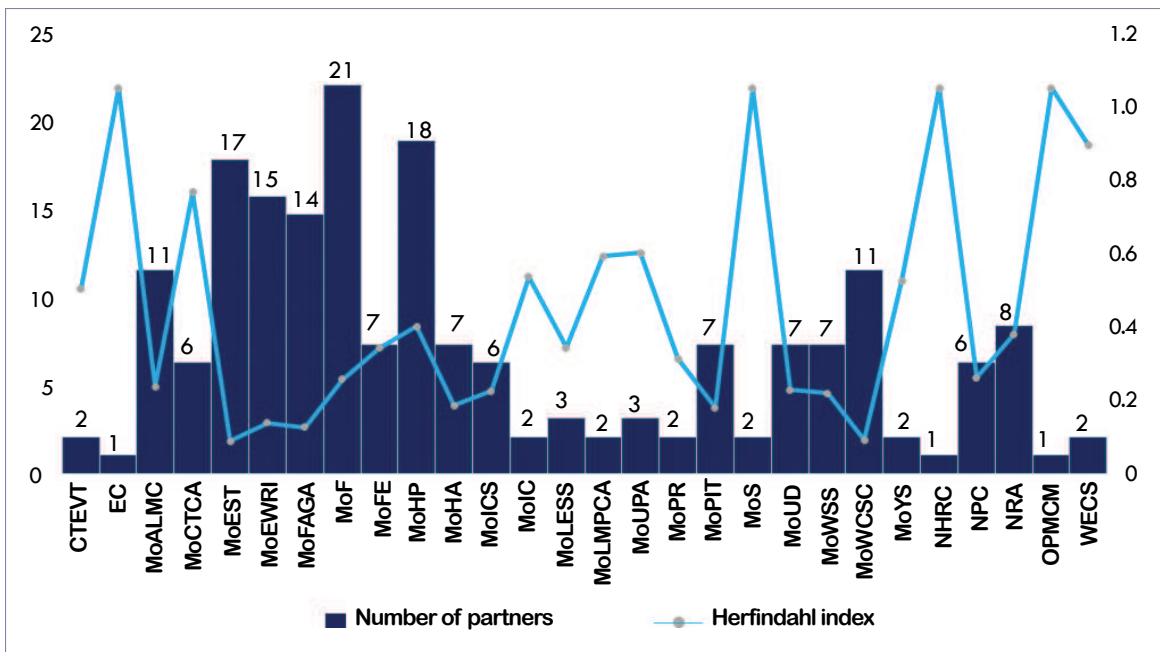


Figure 18. Fragmentation by ministry



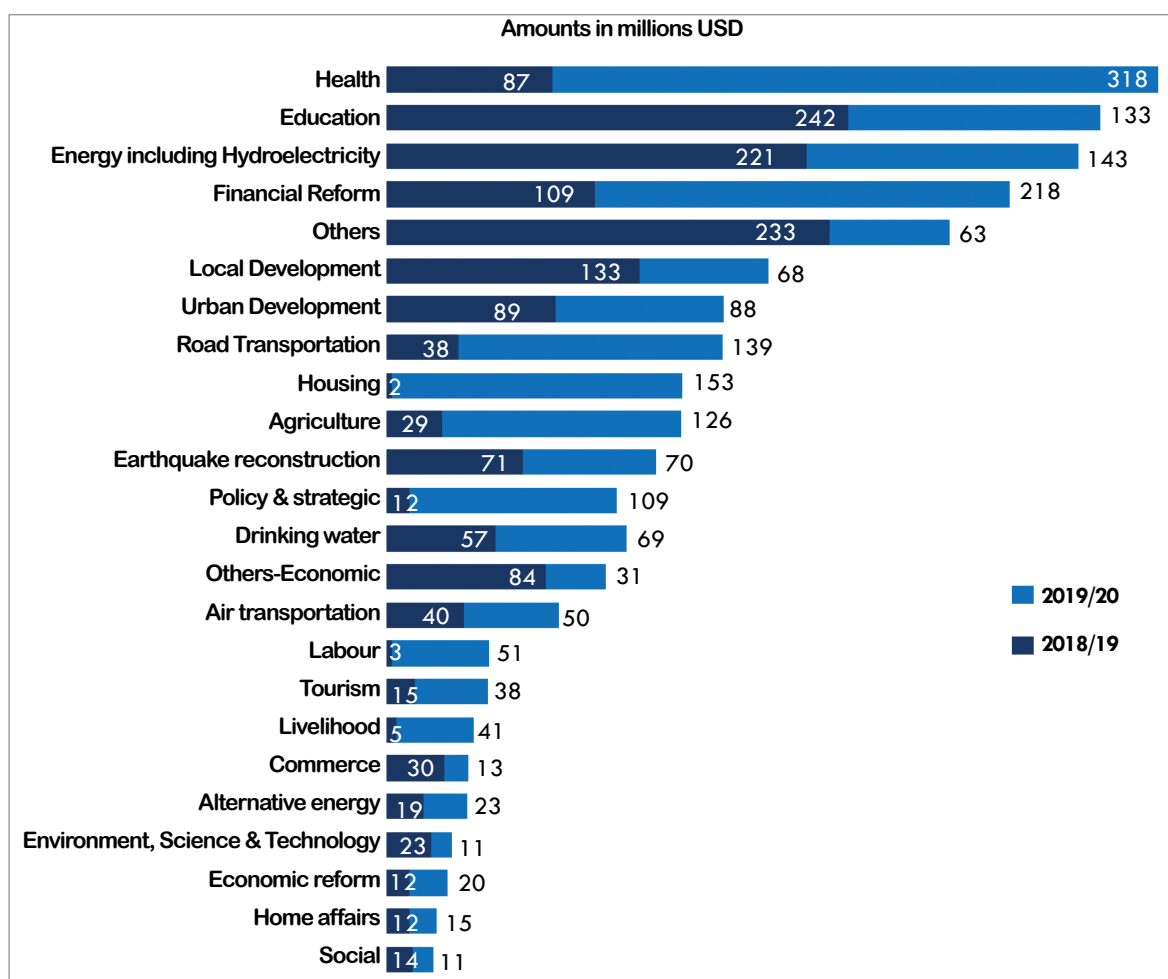
CHAPTER
4

SECTOR ANALYSIS

4.1 Sector Trends

Figure 19 provides an overview of the volume of ODA provided to each sector. This follows the above analysis of development partner alignment and fragmentation and aims to encourage better coordination among these stakeholders working in the same sector.

Figure 19. ODA disbursement by sector, 2018/19 to 2019/20

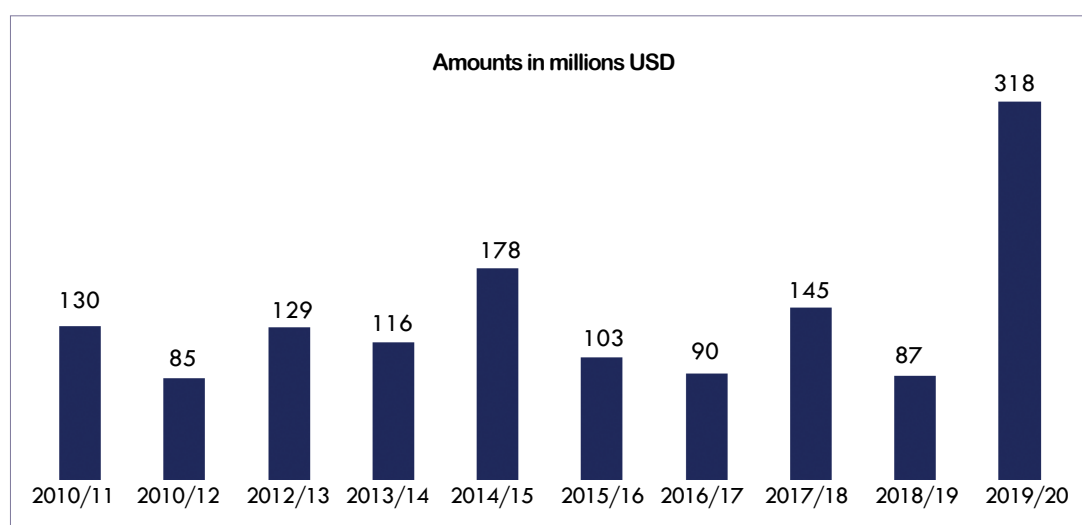


The distribution of ODA across sectors has changed significantly in the past year. In FY 2018/19, the education sector had received the largest volume of support, reaching 242.4 million USD while this figure was 133.3 million USD in its preceding year. In the COVID-19 context, the health sector received the highest allocation of ODA in FY 2019/20, reaching 318.4 million USD or 15.9% of all ODA. This was followed by the financial reform sector (10.9%), housing sector (7.6%), energy sector (7.1%) and road transportation (6.9%). This chapter focuses on highlighting trends in the volume of ODA disbursement and development partner’s engagement in the sectors receiving the highest ODA disbursements in FY 2019/20.

Health

In FY 2019/20, the health sector received the highest amount of ODA, with disbursements reaching 318.4 million USD, up from 87.0 million USD in FY 2018/19. This is a very significant increase of 265.8%. The largest proportion of this support came from the United States of America, followed by the World Bank and the Asian Development Bank. Support to this sector comprised of 66.1% loans, 12.4% grants, 21.1% TA and 0.3% direct implementation. Of this, 78.4% was reflected in the annual budget.

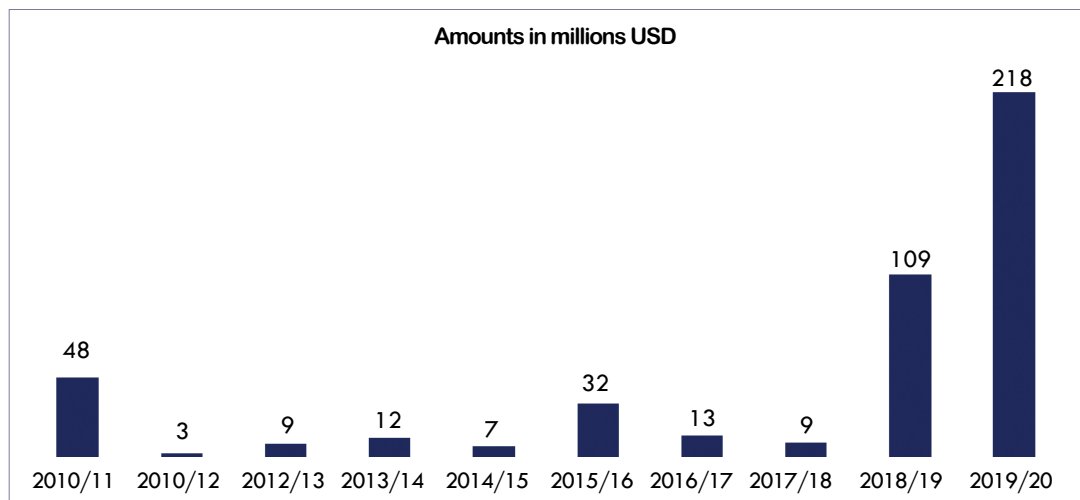
Figure 20. ODA disbursements to the health sector, 2010/11 to 2019/20



Financial Reform

In FY 2019/20, the financial reform sector received the second highest amount of ODA, with disbursements reaching 218.2 million USD, up from 109.1 million USD in FY 2018/19, an increase of 100.0%. The largest proportion of this support came from the IMF, followed by the Asian Development Bank and the European Union. Support to this sector comprised of 98.1% loans, 1.8% grants and 0.1% TA. Of this, 98.8% was reflected in the annual budget.

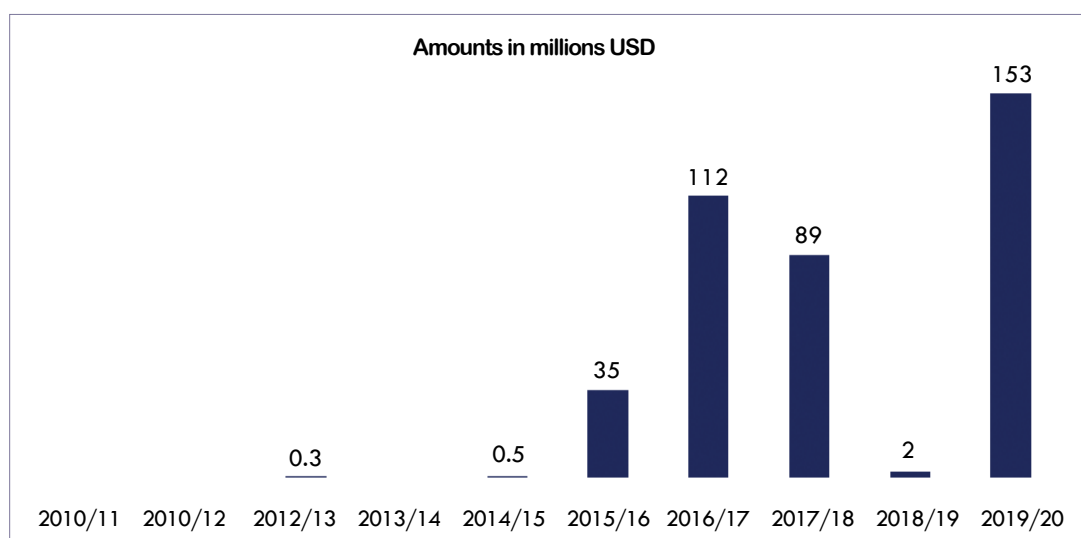
Figure 21. ODA disbursements to the financial reform sector, 2010/11 to 2019/20



Housing

In FY 2019/20, the housing sector received the third highest amount of ODA, with disbursements reaching 153.2 million USD, up from 2.4 million USD in FY 2018/19. The largest proportion of this support came from the World Bank, followed by the United States of America and China. Support to this sector comprised 99.9% loans and 0.01% TA. Of this, on budget cooperation accounted for 99.9%.

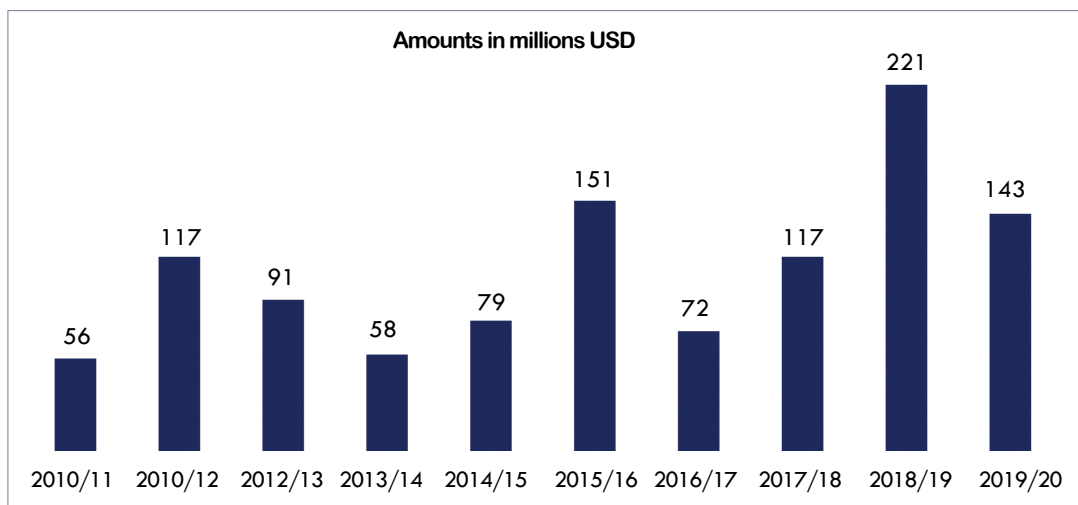
Figure 22. ODA disbursements to the housing sector, 2010/11 to 2019/20



Energy

In FY 2019/20, the energy sector received the fourth highest amount of ODA, with disbursements reaching 142.9 million USD, down from 220.6 million USD in FY 2018/19, a decrease of 35.2%. The largest proportion of this support came from Norway, followed by the United States of America (through the Millennium Challenge Corporation) and the Asian Development Bank. Support to this sector comprised 52.2% loans, 45.5% grants and 2.3% TA. Of this, on budget cooperation accounted for 89.4%.

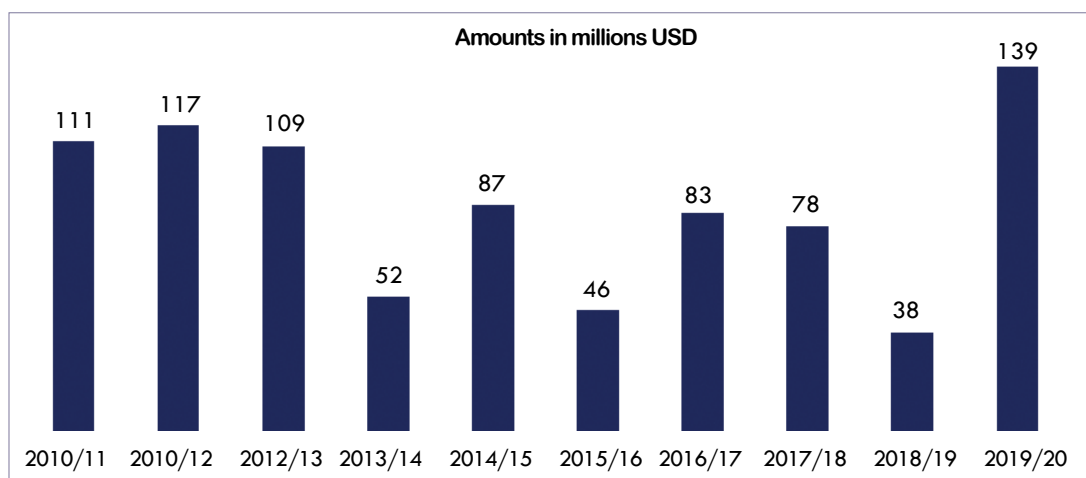
Figure 23. ODA disbursements to the energy sector, 2010/11 to 2019/20



Road Transportation

In FY 2019/20, the road transportation sector received the fifth highest amount of ODA. The disbursements reached 139.1 million USD, up from 37.5 million USD in FY 2018/19, an increase of 270.7%. The largest proportion of this support came from the Asian Development Bank followed by India and Japan. Support to this sector comprised of 93.4% loans and 6.6% grants. The total cooperation was reflected in the annual budget.

Figure 24. ODA disbursements to the road transportation sector, 2010/11 to 2019/20



Box 4. Tracking ODA Alignment to the SDGs

Nepal has made a strong commitment to achieve the SDGs. Having a detailed SDG costing and financing strategy which outlines how each type of finance, including development cooperation, should be directed to particular SDG areas is the key. So too is having data on how ODA is currently being allocated and disbursed across the respective goals.

At present, given the cross-cutting nature of many of the goals, the sector classification of ODA in the AMIS allows for limited linking between a few sectors and corresponding SDGs. For example, it is arguably accurate to assume that ODA-funded interventions with ‘Education’ as the primary sector in AMIS are contributing only to the Goal 4 (Quality Education). But many of the Goals do not lend themselves to straightforward alignment with sector classifications.

Recognizing the critical need for better data on how ODA is currently allocated across the SDGs, MoF is introducing an ‘SDG coding’ feature in the AMIS, which will align foreign-aid funded projects to SDG goals and targets. This will allow for future analysis of Nepal’s foreign aid portfolio vis-à-vis the SDGs and will support efforts of the Government to monitor ODA allocations and disbursements by specific individual Goals. It will facilitate implementation and monitoring of the overall SDG financing strategy availing more robust and comprehensive data on how one critical source of SDG finance – ODA – is being distributed.

While the potential uses for data on ODA alignment to the SDGs are many, MoF’s provision of a technical feature (the ‘SDG coding’ in AMIS) to capture this data will need to be matched by a commitment by those entering project data in the AMIS – DPs in the case of off-budget projects. However, MoF itself would need to complete the SDG codes accurately for off-budget projects. For this to happen, both new and on-going projects will need to give a clear indication of which SDG

areas they are contributing to so that those entering the data in AMIS, with or without a detailed familiarity with the project's substantive focus, are guided on how the project is contributing across the SDG areas.

4.2 Post-Earthquake Reconstruction

At the International Conference on Nepal's Reconstruction (INCR), held in June 2015 in Kathmandu, the international community pledged 4,109.5 million USD equivalent for post-earthquake reconstruction. As of the writing of this Report, 3,885.9 million USD (94.6%) of the total pledged amount has been committed through signing of formal Agreements with the Government of Nepal. Of this, a total of 1,406.9 million USD has been disbursed, representing 36.2% of commitments. A total of 252.1 million USD was disbursed for post-earthquake reconstruction in 2019/20.

Table 1. Post-earthquake reconstruction pledges, commitments and disbursements

Development Partner	Pledge	Commitment	Disbursements
ADB	\$ 600,000,000.00	\$ 322,564,797.00	\$ 210,461,532.00
Australia	\$ 4,635,300.00	-	\$ 4,770,133.00
Austria	\$ 1,200,000.00	-	-
Bangladesh	\$ 502,815.00	-	-
Canada	\$ 10,500,000.00	-	-
China	\$ 766,927,000.00	\$ 766,927,000.00	\$ 20,318,620.54
EU	\$ 117,484,500.00	\$ 194,290,233.00	\$ 112,423,631.05
Finland	\$ 2,237,800.00	\$ 1,118,900.00	\$ 428,410.00
Germany	\$ 33,567,000.00	\$ 34,000,000.00	\$ 9,462,915.79
IMF	\$ 50,000,000.00	\$ 50,000,000.00	-
India	\$ 1,400,000,000.00	\$ 1,078,820,849.00	\$ 6,823,838.74
Japan	\$ 260,000,000.00	\$ 360,377,747.33	\$ 232,077,080.37

Development Cooperation Report

Development Partner	Pledge	Commitment	Disbursements
Netherlands	\$ 26,000,000.00	-	-
Norway	\$ 15,965,500.00	\$ 5,561,671.80	\$ 12,034,204.54
Pakistan	\$ 1,000,000.00	-	-
Korea	\$ 10,000,000.00	\$ 8,400,000.00	\$ 12,673,667.00
Saudi Arabia	\$ 30,000,000.00	\$ 29,163,542.00	\$ 3,110,778.00
Sri Lanka	\$ 2,500,000.00	-	-
Sweden	\$ 10,000,000.00	-	-
Switzerland	\$ 25,000,000.00	-	\$ 19,372,969.42
Turkey	\$ 2,000,000.00	-	-
UK	\$ 110,000,000.00	\$ 165,500,000.00	\$ 87,069,277.42
USA	\$ 130,000,000.00	\$ 170,196,536.00	\$ 54,569,097.00
World Bank	\$ 500,000,000.00	\$ 698,970,853.00	\$ 623,314,097.00

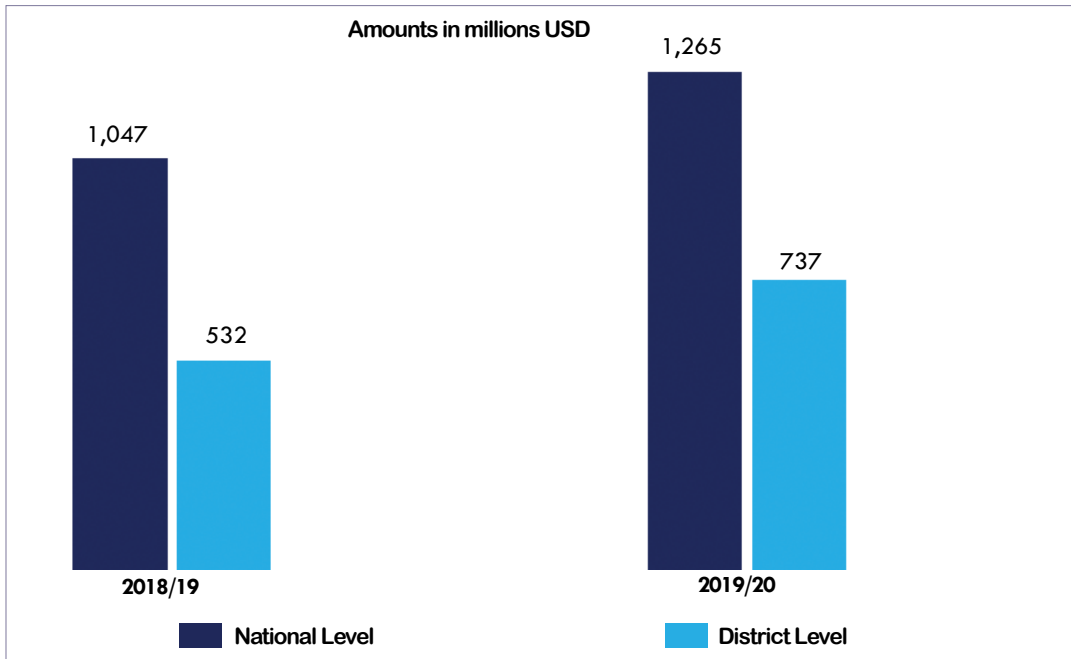
GEOGRAPHIC ANALYSIS

5.1 National and District Level Trends

In addition to understanding as how ODA is allocated across sectors, it is equally important to understand how it is distributed geographically across the country. This helps in highlighting areas that are over or underserved and allows for the re-distribution of resources to ensure that no one is excluded. This issue is of particular importance to Nepal as it is in transition to federalism. As provincial governments take a stronger role, high-quality, comprehensive and timely information on ODA commitments and disbursements will be necessary for their own planning and budgeting processes.

It should be noted that projects in the AMIS are classified as either 'national level' or 'district level'. The 'national level' classification also includes projects that benefit multiple districts, which can include larger projects that are implemented in more than one district such as hydroelectricity projects that benefit nationwide. As such, it may appear as if national level projects receive relatively more support but this is not necessarily a true reflection of geographic benefit and should not be equated with support to the national Government. With this caveat in mind, data show that in 2019/20, 63.5% of all ODA was disbursed at the national level and 36.5% at the district level. This proportion is relatively consistent with 2018/19 data, which showed 66.3% and 33.7% of ODA disbursed at the national and district levels respectively.

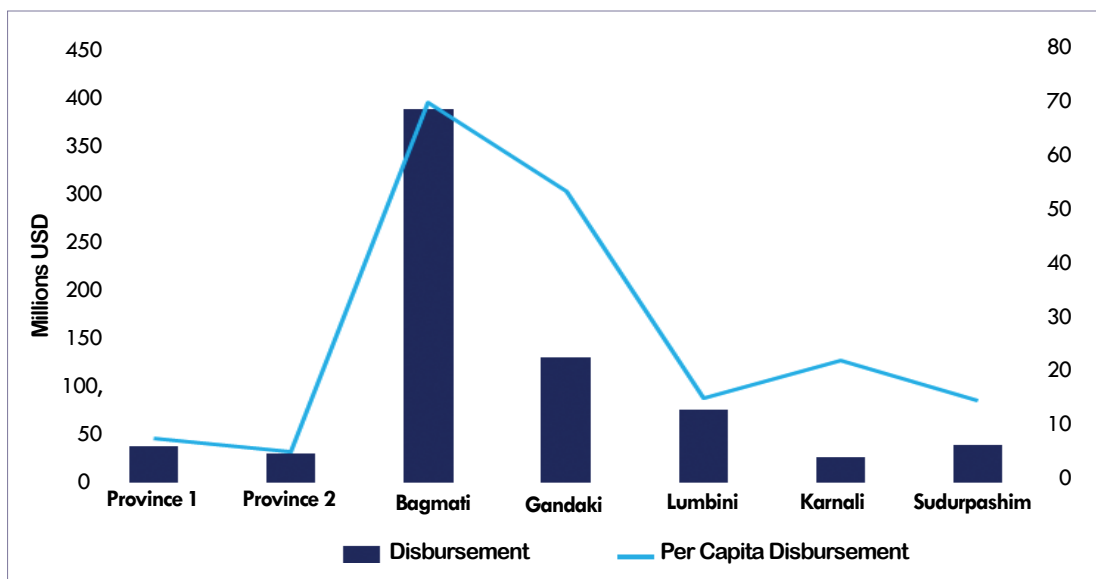
Figure 25. National versus district-level disbursements, 2018/19 to 2019/20



5.2 Provincial-Level Analysis

While the AMIS does not allow for tagging to specific provinces, district level support has been aggregated to provide insight on how ODA is disbursed at the provincial level. It should be noted that high disbursement in Bagmati Province, in part, is due, to the inclusion of the country’s capital city and several large post-earthquake reconstruction projects are centered there. However, it remains that more equal distribution of ODA across provinces can be achieved.

Figure 26. Total and per capita provincial-level disbursements, 2019/20



DEVELOPMENT PARTNER ANALYSIS

6.1 Bilateral and Multilateral Development Partners

Figure 27 below shows the proportion of ODA provided to the country by all bilateral and multilateral development partners. Figure 27 below shows the top ten highest-disbursing partners in FY 2019/20 and how their support has fluctuated over the past nine-year period.

Figure 27. ODA disbursement by development partner, 2019/20

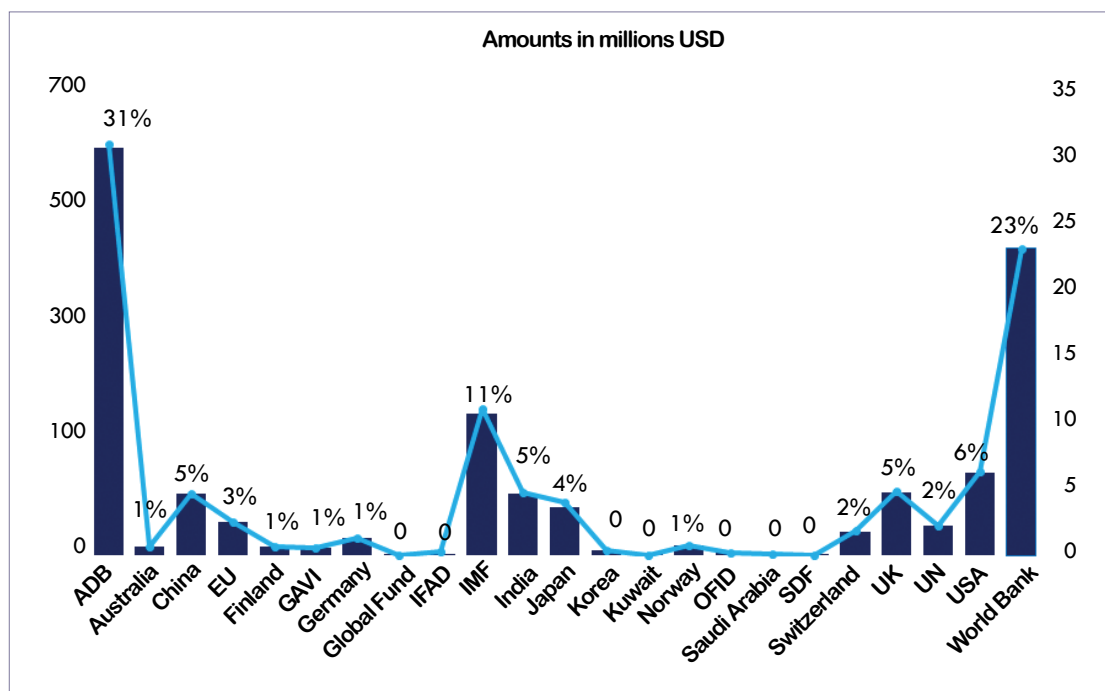
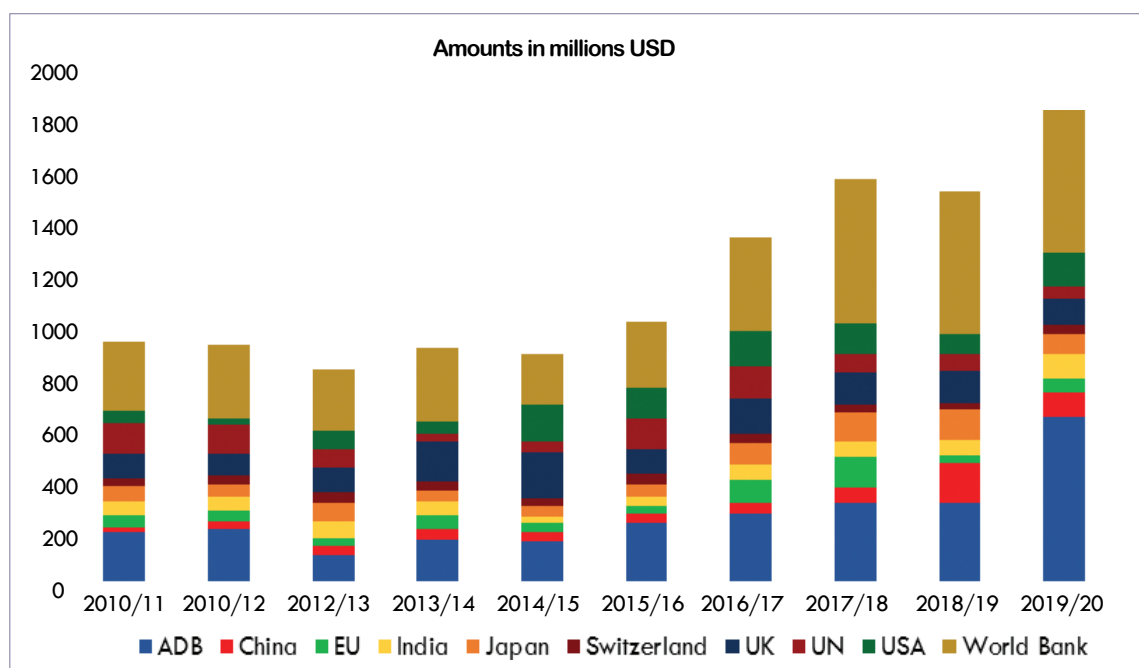


Figure 28. ODA disbursement by development partner, 2010/11 to 2019/20



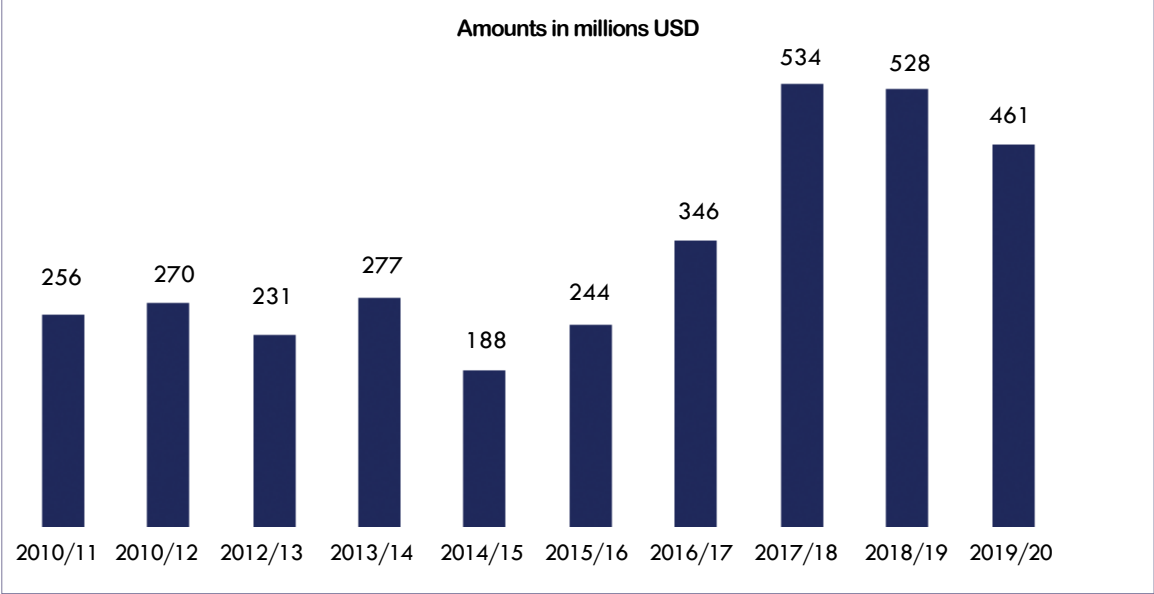
The top ten disbursing development partners contributed approximately 94.7% of ODA in 2019/20. Some of the multilateral partners including the Asian Development Bank, the European Union and the World Bank have increased their support substantially in 2019/20. In contrary, support from the UN has continued to decline reaching a ten-year low to 44.3 million USD. Following a sharp increase from 2017/18 to 2018/19, Chinese support dropped again in 2019/20. Support from India jumped by 58.7% from 2018/19 to 2019/20 reaching 94.5 million USD.

Multilateral development partners contributed 71.0% of all ODA. The top disbursing multilateral partners in 2019/20 were the Asian Development Bank followed by the World Bank, the IMF, the European Union and the UN. Bilateral development partners contributed 29.0% of all ODA. Likewise, the top disbursing bilateral development partners were the United States of America followed by the United Kingdom, India, China and Japan. The rest of this chapter focuses on highlighting trends in the volume of ODA by the top disbursing bilateral and multilateral development partners in 2019/20.

World Bank

The World Bank was the second highest disbursing development partner with around 23% of its share in all ODA disbursements to Nepal. Annual disbursements declined to 461 million USD from 528 million USD in 2018/19, representing a 12.7% decrease. World Bank support comprised of 95.4% loans and 4.6% grants. Of this, 96.8% was on budget. Top sectors for World Bank support, in descending order, were financial reform, housing, policy & strategic, health and road transportation.

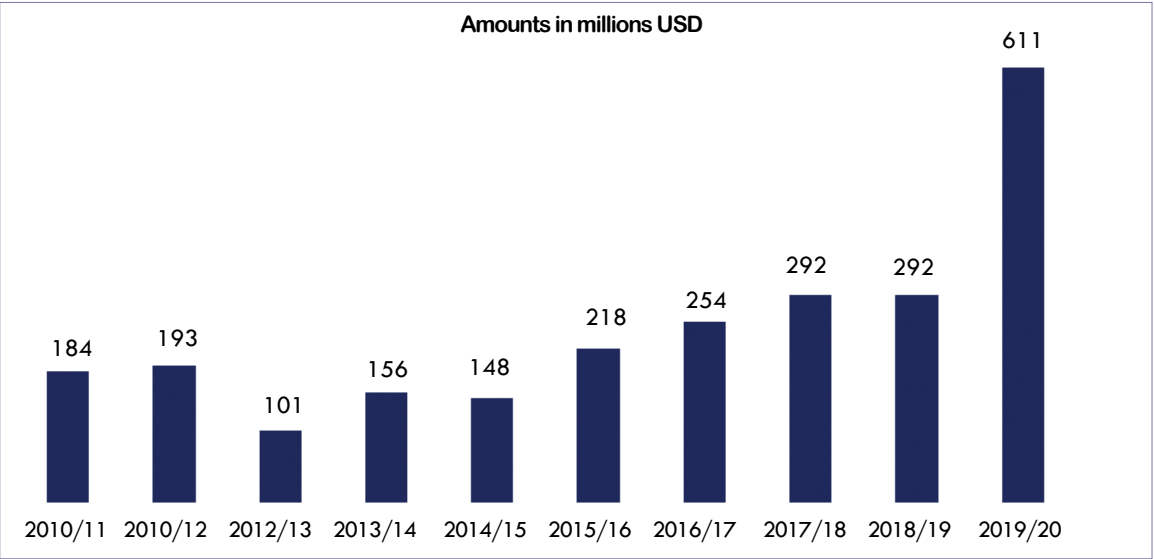
Figure 29. World Bank disbursements, 2010/11 to 2019/20



Asian Development Bank

The Asian Development Bank was the highest disbursing development partner contributing to 30.5% of all ODA disbursements in 2019/20. Annual disbursements reached 611.5 million USD from 292 million USD in 2018/19, representing a 109.5% increase. The Bank support comprised of 93.5% loans and 6.5% grants. Of this, 99.0% was on budget. Top sectors for such support, in descending order, were agriculture, health, urban development, energy and labour.

Figure 30. Asian Development Bank disbursements, 2010/11 to 2019/20



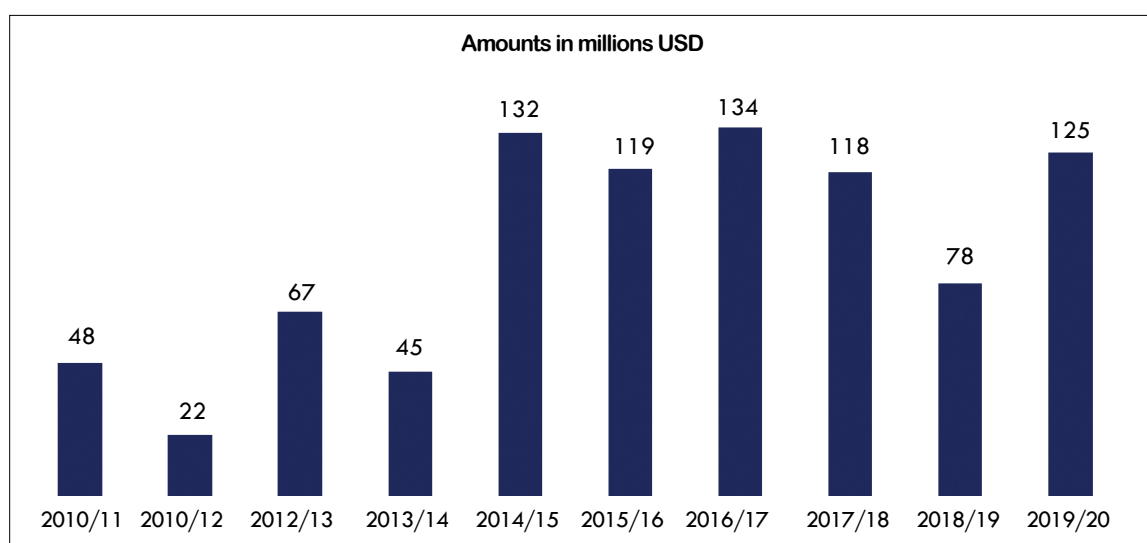
International Monetary Fund

For the first time in 2019/20, IMF disbursements are being reported separately from the World Bank disbursements. In the reporting year, IMF was the third highest disbursing development partner, with disbursements totaling to 214 million USD. This amount was provided as a loan and was fully on-budget. This support was provided to the financial reform sector.

United States of America

The United States of America was the fourth highest disbursing development partner in 2019/20, providing 4.8% of all ODA disbursements. Annual disbursements reached \$95.2 million USD, representing an 18.8% decrease in support from 2018/19. United States support comprised of 18.4% grants and 81.6% TA. Of this, 4.6% was on-budget. Top sectors for United States support, in descending order, were health, local development, agriculture, earthquake reconstruction and education.

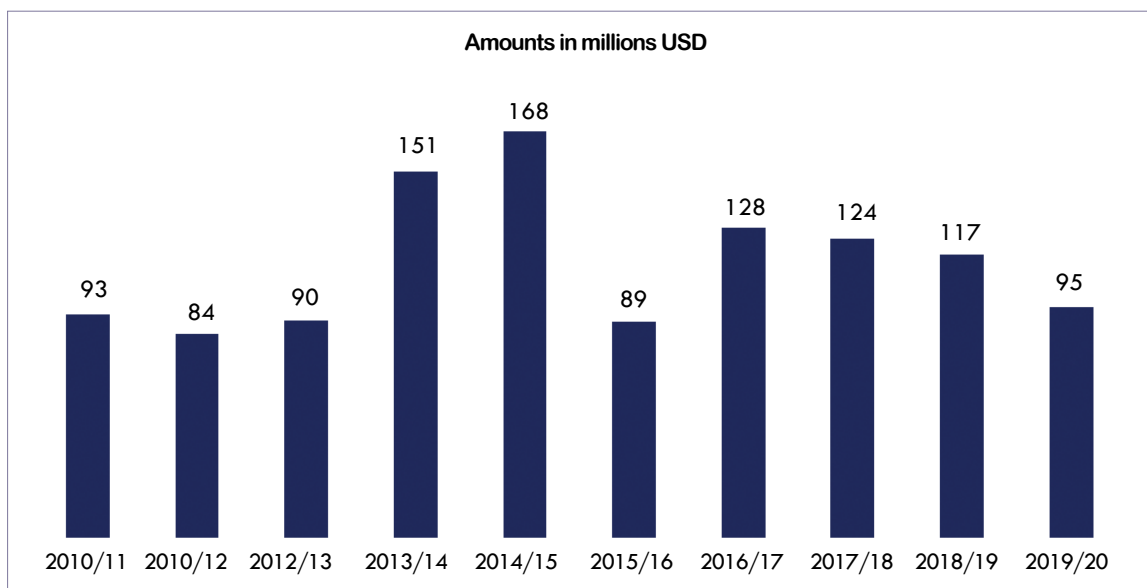
Figure 31. United States of America disbursements, 2010/11 to 2019/20



United Kingdom

The United Kingdom was the fifth highest disbursing development partner in 2019/20, providing 4.8% of all ODA disbursements. Annual disbursements reached 95.2 million USD, with 18.8% decrease in support as compared to 2018/19. UK support comprised 51.3% grants and 48.7% TA. Of this, 39.4% was on budget. Top sectors for UK support, in descending order, were health, earthquake reconstruction, home affairs, education and economic reform.

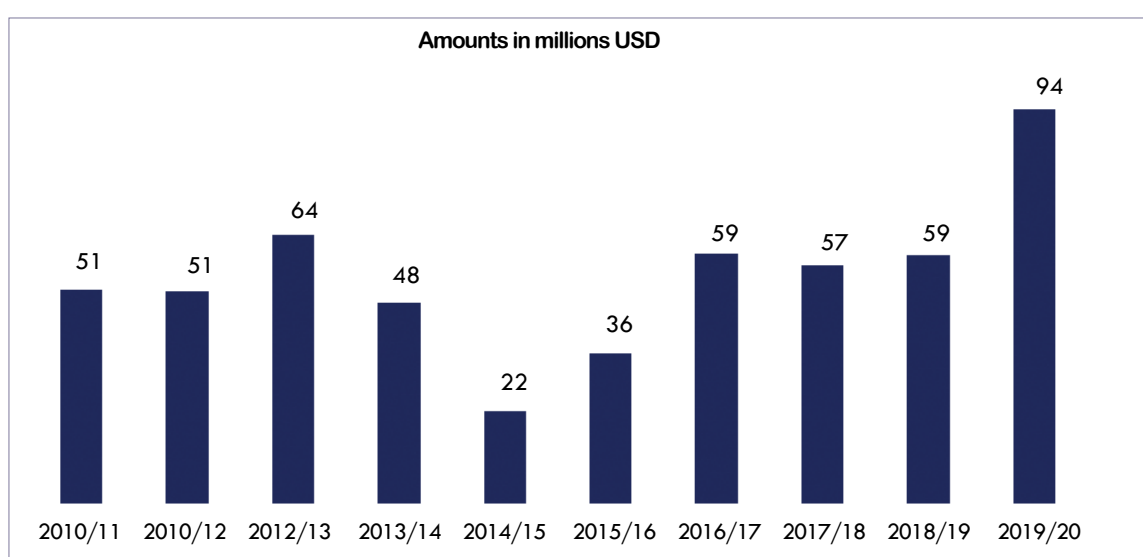
Figure 32. United Kingdom disbursements, 2010/11 to 2019/20



India

India was the sixth highest disbursing development partner in 2019/20, providing 4.7% of all ODA disbursements. Annual disbursements reached 93.6 million USD, with 58.7% increase in support from 2018/19. Support from India comprised of 77.1% loans and 22.9% grants. Of this, 100% was on-budget. Top sectors for such support, in descending order, were energy, road transportation and earthquake reconstruction.

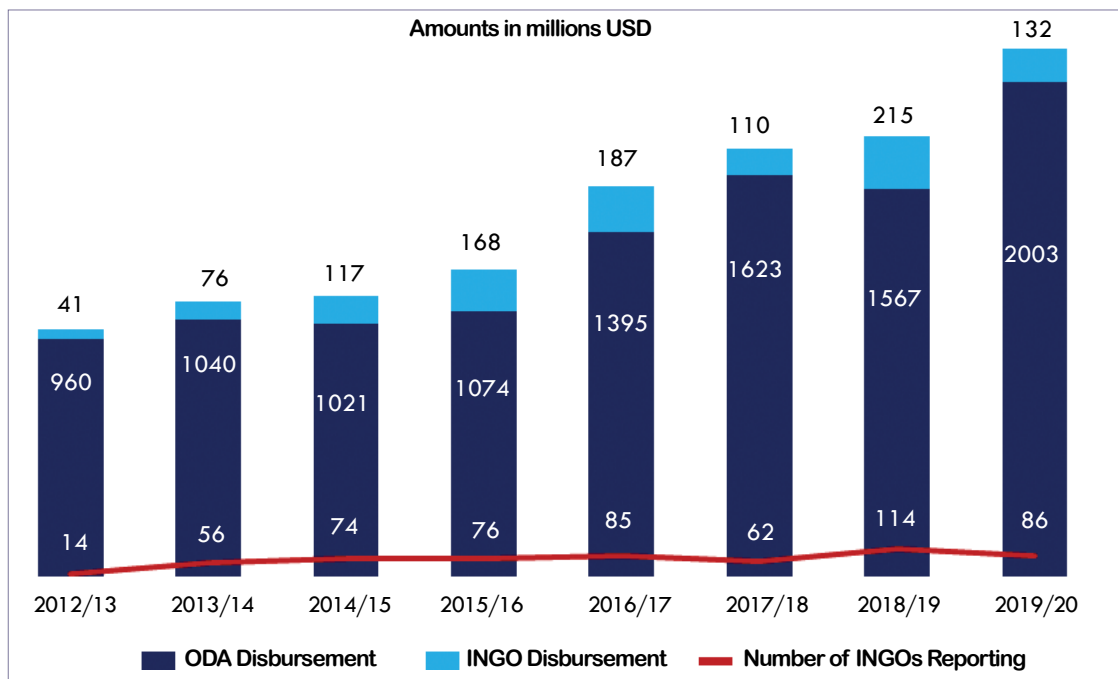
Figure 33. India disbursements, 2010/11 to 2019/20



6.2 International Non-Governmental Organizations

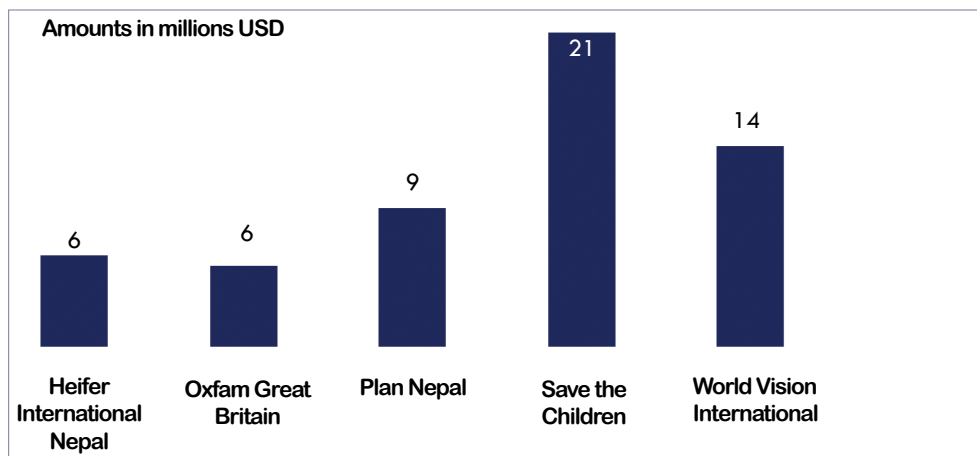
INGOs play an important role in development contributing across the sectors and geographic regions and providing support to service delivery, advocacy, awareness raising and strengthening accountability. The volume of disbursement from INGOs' core funding decreased by 38.8% over the past year, falling from 215.3 million UDS in 2018/19 to 132.8 million USD in 2019/20. This decline may be as a result of fewer INGOs reporting to the AMIS, which is a matter of great concern.

Figure 34. INGO versus ODA disbursements, 2012/13 to 2019/20



Save the Children remained the highest disbursing INGO in 2019/20, with annual disbursements reaching 21.4 million USD and comprising 16.3% of all INGO support. This was followed by World Vision International (13.7 million USD), Plan Nepal (9.5 million USD), Heifer International Nepal (6.2 million USD) and Oxfam Great Britain (5.5 million USD).

Figure 35. Top disbursing INGOs, 2019/20



Gender Analysis

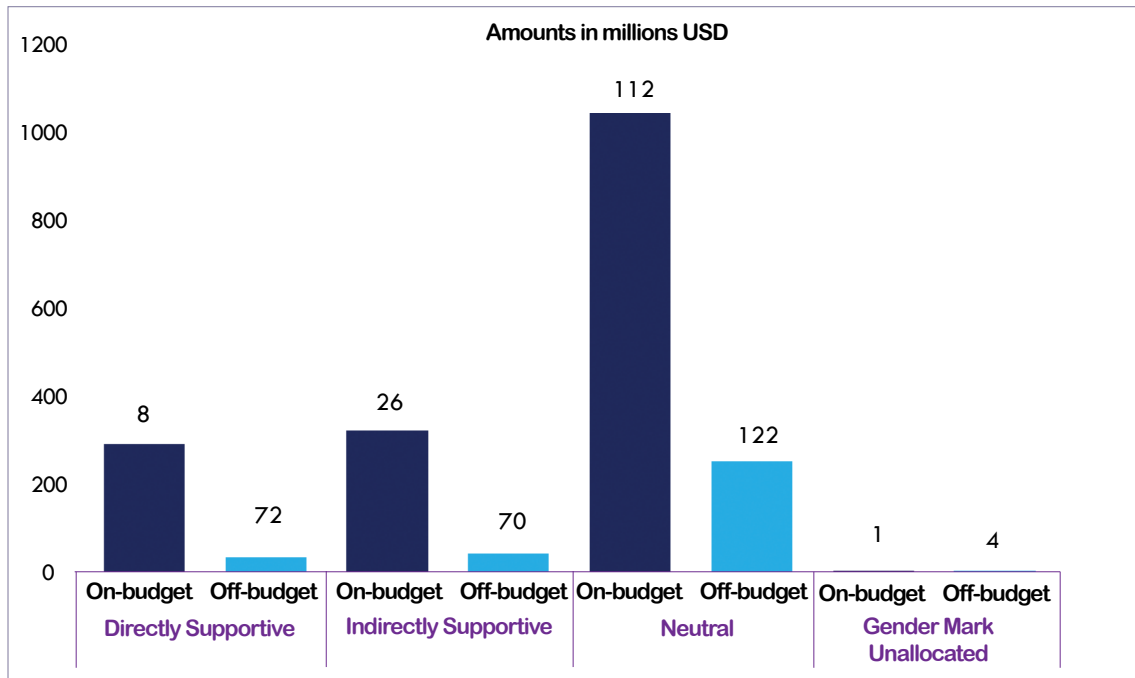
Although Nepal has seen significant progress in gender-related development indicators, like achieving gender parity in primary and secondary school enrollment in line with the MDG target, significant challenges are yet to be addressed. The Government's SDG baseline report, released in mid-2017, highlights that in Nepal poverty is a gender issue, disproportionately affecting women and girls (NPC, 2017). In this vein, the Government of Nepal has acknowledged the importance of improving the situation of women and girls as a critical accelerator to many other development goals, including achieving economic growth and overall poverty alleviation. As such, gender is considered a cross-cutting issue that must be mainstreamed into all development initiatives.

Nepal's development partners and their funding make a significant contribution to the country's efforts in this area. Because of gender being a cross-cutting issue, obtaining an overall picture of the scale and nature of resources supporting the gender-related works cannot be captured only by collecting data on projects with a focus on gender-related objectives or which are being implemented by, or with, the Ministry of Women, Children and Social Welfare. As such, to better understand the degree to which development cooperation projects are mainstreaming gender, the AMIS includes a 'gender-marker' which indicates the ratio of women benefiting from the particular project.

Projects can be classified as 'directly gender supportive' (if the commitment of the project to gender is more than 50% of the project budget), 'indirectly supportive' (20% to 50% of the project budget), or 'neutral' (less than 20% of the project budget). While the gender marker in the AMIS is not completed for all projects, it still provides some insight into development cooperation and gender mainstreaming in Nepal.

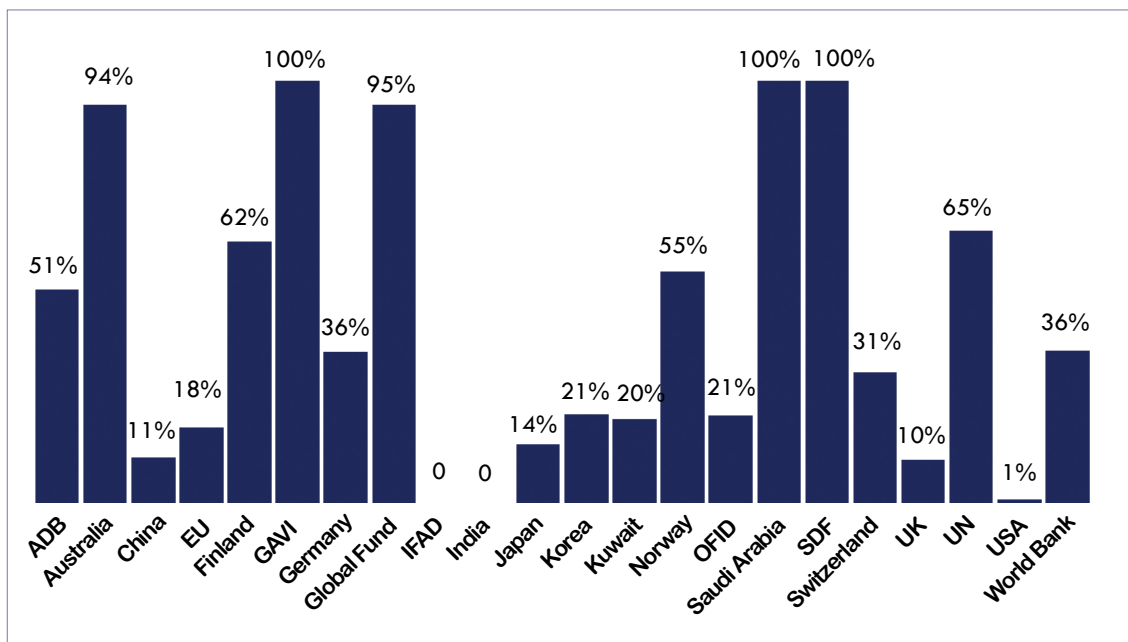
Data show that 176 out of 404 (43.6%) development cooperation projects, for which the gender marker was completed, were either directly supportive or indirectly supportive of gender equality goals in 2019/20. These projects represented 693.9 million USD in ODA support. This is an increase from 2018/19, in which only 39% of total ODA disbursements (612 million USD) made either a direct or indirect contribution to gender equality.

Figure 36. ODA and gender marker classification, 2018/19



As it can be seen in figure 37 below, 9 development partners have mainstreamed gender into more than 50% of their portfolios in terms of disbursement volume in 2019/20, compared to 13 development partners in 2018/19.

Figure 37. Gender mainstreaming by development partner, 2019/20



THE COVID-19 IMPACT ON DEVELOPMENT COOPERATION

CHAPTER

8

8.1 Global Perspective on COVID-19 & Development Cooperation

In addition to the health and human impact of the COVID-19 pandemic, the crisis has had severe economic consequences. Vital mitigation measures imposed to limit the spread of infection and ease the strain on healthcare systems have resulted in a cessation of many economic activities. Consumption and investment have decreased and labour supply and production have been restricted. Global GDP is expected to contract by 5.2 percent in 2020, with steep recessions already seen in many countries (World Bank, 2020a).

It is too early to predict how ODA will be affected by the current crisis. Despite the aim of the Organization for Economic Co-operation and Development (OECD) - Development Assistance Committee (DAC) countries to provide 0.7 percent of GNI as ODA – a target that was first endorsed in the 1970s (OECD, 2020b) and was more recently included in the 2015 AAAA (UN, 2015) – ODA is often not correlated to the gross national income (GNI) of a bilateral provider. In the period from 2010 to 2018, ODA has remained around 0.2 percent of GNI, reaching its lowest point in 2012 and its highest point in 2016. This may give reason for optimism – if the provision of ODA is not tied to the economic situation of donors, the current recession may not have an adverse impact on ODA.

In fact, this is what is seen when we look at historical trends. An OECD review of ODA since the end of World War II shows that political will to respond to development challenges and meet internationally agreed goals is a stronger driver of ODA, with ODA levels remaining resilient through global economic crises (OECD, 2020c).

It is important to note that effect on ODA budgets may be delayed as many 2020 ODA budgets were finalized before the onset of the pandemic. However, it is satisfactory to note that efforts are now being made to honor these existing commitments despite the crisis. This may have been the situation when ODA levels declined only three years following the 2008 recession (OECD, 2020c). Further, it will be important to examine not only changes in the level but also the changes in

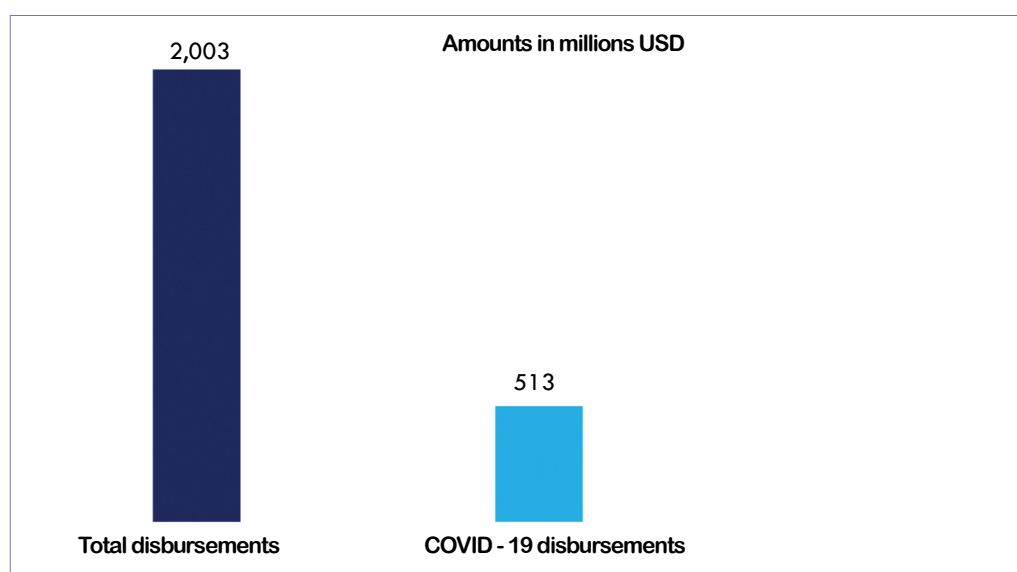
the allocation of ODA to the specific sectors or areas. The pandemic will draw resources for health protection and to jumpstart economies. It may be the case that resources for COVID-19 response and recovery were reallocated from existing programmes and projects in other areas and it is yet uncertain whether additional funds will be made available to meet pre-pandemic Agreements.

While it is clear that there has been a significant global response to COVID-19, including 9 billion USD in global fiscal stimulus packages (IMF, 2020), the amount of ODA available for response and recovery is less certain. The Overseas Development Institute (ODI) estimated 22 billion USD available from DAC donors as of 30 April 2020 (ODI, 2020). This, however, includes measures beyond ODA. While multiple international organizations and initiatives undertake efforts to collect data on the scale of support available for COVID-19, there is no single figure available at the time of publication of this report. It will take time to collect and analyze these information, including delineating humanitarian versus development funding and to understand how the pre-existing priorities will be affected.

8.2 COVID-19 Allocations in Nepal

Of the total 2,002.8 million USD disbursed in Nepal in 2019/20, 512.9 million USD was disbursed for COVID-19 response and recovery. Much of this support came from new projects designed specifically in the pandemic context, with only 48.6 million USD reallocated from existing projects. INGOs contributed a further 5.5 million USD to COVID-19 related efforts.

Figure 38. Total ODA Disbursements versus COVID-19 ODA Disbursements



Box 5. The COVID-19 AMIS Portal

For any government, data is a powerful tool that allows for evidence-based decisions on development planning and resource allocation. This is increasingly important as the world is responding to the COVID-19 pandemic.

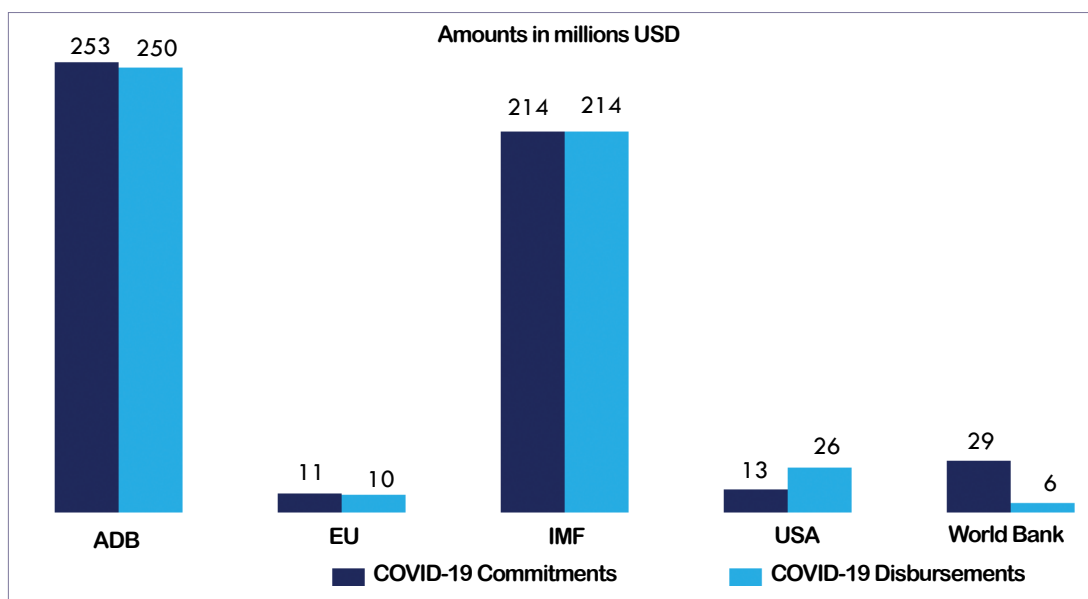
At country level, governments and their partners have been taking prompt actions. However, as the crisis continues to evolve, country needs are changing from day to day. More than ever, it is necessary to rally around government-led response and recovery plans and to coordinate efforts among development actors. Real-time data on partner interventions is key to this.

In this vein, the Ministry of Finance of Nepal has established a COVID-19 portal within the AMIS. This new portal aims at collecting information on partner interventions related to pandemic response and recovery. When this data is available, the government is able to identify gaps and direct resources in a way that ensures an inclusive and sustainable recovery leaving no one behind.

The top disbursing development partners for COVID-19 response and recovery in descending order were, the Asian Development Bank, the International Monetary Fund, the United States, the European Union and the World Bank. Overall, 94.4% of COVID-19 disbursements came from multilateral development partners.

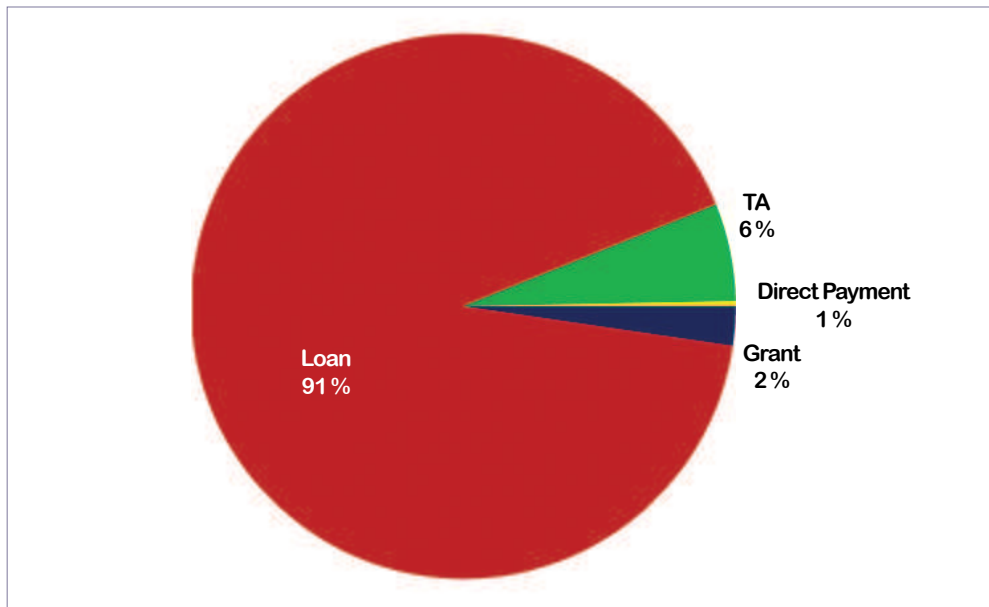
The top disbursing development partners for COVID-19 response and recovery in descending order were, the Asian Development Bank, the International Monetary Fund, the United States, the European Union and the World Bank. Overall, 94.4% of COVID-19 disbursements came from multilateral development partners.

Figure 39. Top Disbursing Development Partners for COVID-19



The largest proportion of COVID-19 support was provided as loans (\$469.8 million USD), followed by technical assistance (\$29.7 million USD), grants (\$11.9 million USD) and direct implementation (\$1.5 million USD). Nearly all COVID-19 support was provided on budget (93.6%).

Figure 40. COVID-19 Disbursements by type



LOOKING FORWARD AND RECOMMENDATIONS

This year marks an important milestone – the 2020 DCR is the 10th publication of its kind in Nepal. Over the past decade, the analysis presented in the annual flagship report has played an important role in informing national planning and budgeting processes, increasing transparency and accountability and guiding more effective cooperation between Nepal and its development partners. This important work, however, is never fully complete. The Government of Nepal realizes that much work can still be done in this direction to further strengthen effectiveness thereby accelerating progress towards national and global development goals, including the SDGs. Following the analysis presented in this and past reports, the following areas have been identified for further action:

- 1. Strengthening information sharing and coordination through increased Government-led dialogue.** Chapter Four of the Report discusses alignment and fragmentation. While development partner support is broadly aligned to national development priorities at a high level, fragmentation still remains a challenge. As noted, coordination among partners reduces the fragmentation of cooperation which provides numerous benefits.

In the evolving development co-operation landscape, alignment and coordination remain vital. Nepal faces a unique set of challenges, requiring context-specific support from patterns, guided by the Government. As an increasingly diverse set of stakeholders are engaged in development processes, putting in place strong, flexible and inclusive coordination systems become more important as ever.

In this vein, it suggested that a mechanism to facilitate regular Government-led dialogue with development partners and other actors including representatives of sub-national governments and civil society be instituted. This mechanism can provide a space for regular updates on priority issues, including sharing key planning and budgeting documents in a timely matter and ensuring adequate and coordinated support while not leaving any sector or area underfunded.

2. Broadening the effectiveness lens and taking stock of the full national development ecosystem. The development landscape is evolving, with the increased number of new actors and newer sources of financing. For example, the Government of Nepal is actively seeking to scale up the use of blended finance in the country which will necessitate its increased engagement with private sector stakeholders. In line with this new reality, the AAAA, which sets out a vision for how to finance the SDGs calls for the establishment of integrated national financing frameworks (INFFs).

An INFF seeks to operationalize the AAAA at country level. It comprises various elements, across the development cycle – from planning through to costing, resource mobilization, implementation, coordination and monitoring. Establishment of an INFF builds on existing national systems bringing together different stakeholders and processes to better manage the increasingly complex financing landscape and ensure full implementation of national development plans. It is suggested that an INFF be explored in Nepal starting with a mapping of each of the INFF elements.

To conclude, IECCD/ MoF looks forward to work continuously with development partners, INGOs and other development actors to mobilize financing for development and ensure that these resources are managed for maximum impact. This includes looking internally to strengthen its own capacity to lead cooperation efforts and to build partnerships across the Government – with sector ministries and sub-national governments – in order to accelerate national development effort.

ANNEXES

**Development Partner
Disbursements,
FY 2011/12 to FY 2019/20**

DPs	Actual Disbursements (USD)								
	FY 2011/12	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20
ADB	193,400,498	101,204,607	155,553,208	147,894,405	217,685,705	253,898,091	291,693,735	292,484,030	611,453,523
Australia	22,729,014	16,064,901	30,237,087	28,112,555	21,233,745	18,559,851	20,884,676	15,000,392	13,975,955
Canada	546,535	-	-	-	-	-	-	-	-
China	28,344,923	34,120,033	41,381,522	37,948,751	35,364,713	41,244,254	58,727,078	150,370,540	93,026,787
Denmark	29,099,959	30,549,044	31,368,778	21,953,820	2,700,959	4,560,499	-	100,000	-
EU	43,974,932	28,066,696	51,618,780	31,378,363	29,488,509	83,885,219	116,178,534	26,177,011	49,845,027
Finland	13,242,353	6,470,909	19,419,234	16,282,477	6,604,662	9,698,132	12,779,120	10,615,868	13,910,781
GAVI	-	798,529	1,928,093	9,242,811	2,187,991	244,614	1,173,541	22,783	11,693,153
Germany	38,830,532	23,743,866	26,458,910	9,697,882	6,646,850	25,058,320	28,902,395	36,115,866	26,091,090
Global Fund	15,094,614	28,241,077	11,287,214	22,059,056	9,106,038	1,720,536	11,867,980	1,724,464	940,327
IFAD	-	-	4,042,736	1,913,022	9,226,879	11,559,988	15,818,547	15,204,107	7,047,401
IMF	-	-	-	-	-	-	-	-	214,000,000
India	50,620,749	63,813,269	47,796,349	22,227,306	35,767,655	59,259,429	56,762,100	58,944,224	93,571,298
Japan	44,090,184	65,759,647	40,592,722	39,867,923	45,913,262	77,652,833	106,207,039	110,502,190	72,612,032
Korea	-	-	103,037	95,246	541,771	649,148	3,274,490	2,652,546	267,163
Kuwait	4,715,410	14,247,876	8,754,915	16,683,337	11,451,879	7,638,528	6,874,412	7,652,068	7,425,546

A

ANNEX

DPs	Actual Disbursements (USD)								
	FY 2011/12	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20
NDF	-	-	-	1,202,500	-	739,865	-	498,907	-
Netherlands	858,916	1,015,515	-	1,138,305	683,109	-	-	1,478,866	-
Norway	41,686,343	32,823,348	24,467,086	30,797,758	35,535,102	20,318,915	23,984,012	23,584,627	15,876,280
OFID	-	13,214,303	6,730,793	15,124,926	-	11,377,029	-	11,583,420	4,993,013
Others	142,555	-	-	-	-	-	-	-	-
Saudi Arabia	-	798,696	1,012,251	900,429	1,035,317	2,382,612	331,559	568,013	3,110,778
SDF	-	-	92,412	963,503	223,685	143,500	68,843	150,249	138,792
Switzerland	33,417,302	41,767,109	33,853,529	32,467,406	36,981,936	34,941,429	26,412,734	25,880,596	36,734,500
UK	84,240,019	89,989,120	151,135,383	168,073,845	89,478,104	128,313,164	123,870,280	117,238,011	95,227,536
UN	108,169,072	68,661,608	26,684,005	44,236,346	113,576,926	120,729,957	65,622,702	64,077,836	44,385,419
USA	22,487,717	67,196,696	45,360,254	132,370,217	118,933,332	134,056,598	117,831,730	77,545,174	125,163,031
World Bank	269,605,647	231,404,440	276,770,043	188,122,967	243,692,504	345,968,357	533,515,228	528,313,473	461,311,832

Development Partner Disbursements by Type of Assistance, FY 2019/20

DPs	Total Disbursements (USD)				
	Grant	TA	Loan	Direct Implementation	Total
ADB	39,740,504	571,713,019	-	-	611,453,523
Australia	9,381,363	-	4,594,592	-	13,975,955
China	32,974,919	60,051,868	-	-	93,026,787
EU	49,845,027	-	-	-	49,845,027
Finland	12,813,981	-	1,096,800	-	13,910,781
GAVI	11,693,153	-	-	-	11,693,153
Germany	12,831,787	-	13,259,303	-	26,091,090
Global Fund	940,327	-	-	-	940,327
IFAD	5,629,675	897,721	520,005	-	7,047,401
IMF	-	214,000,000	-	-	214,000,000
India	21,412,062	72,159,236	-	-	93,571,298
Japan	19,918,500	46,122,574	6,570,958	-	72,612,032
Korea	1,086,223	-	6,261,501	77,822	7,425,546
Kuwait	56,619	210,544	-	-	267,163
Norway	15,700,419	-	175,861	-	15,876,280
OFID	-	4,993,013	-	-	4,993,013
Saudi Arabia	3,110,778	-	-	-	3,110,778
SDF	138,792	-	-	-	138,792
Switzerland	18,860,436	-	16,496,396	1,377,668	36,734,500
UK	48,844,733	-	46,382,803	-	95,227,536
UN	15,177,278	-	29,208,141	-	44,385,419
USA	23,087,934	-	102,075,097	-	125,163,031
World Bank	31,247,015	571,713,019	-	-	461,311,832

ANNEX

C

Development Partner On-budget Disbursements, FY 2019/20

Amounts in USD

DPs	On budget amount	On budget percentage	Total disbursements
ADB	605,543,122	99%	611,453,523
Australia	-	0%	13,975,955
China	89,975,877	97%	93,026,787
EU	23,896,991	48%	49,845,027
Finland	12,813,981	92%	13,910,781
GAVI	11,693,153	100%	11,693,153
Germany	12,831,787	49%	26,091,090
Global Fund	940,327	100%	940,327
IFAD	7,047,401	100%	7,047,401
IMF	214,000,000	100%	214,000,000
India	93,571,298	100%	93,571,298
Japan	65,522,474	90%	72,612,032
Korea	-	0%	7,425,546
Kuwait	267,163	100%	267,163
Norway	7,023,998	44%	15,876,280
OFID	4,993,013	100%	4,993,013
Saudi Arabia	3,110,778	100%	3,110,778
SDF	138,792	100%	138,792
Switzerland	34,153,422	93%	36,734,500
UK	37,522,495	39%	95,227,536
UN	2,276,939	5%	44,385,419
USA	5,811,734	5%	125,163,031
World Bank	439,789,552	95%	461,311,832

**ODA Disbursements
by Sector, FY 2011/12 to
FY 2019/20**

Sector	Total Disbursements (USD)								
	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Agriculture	45,859,135	38,277,225	44,235,028	50,709,497	48,099,910	59,232,855	76,969,692	28,955,483	126,217,623
Air transportation	1,511,465	7,713,829	14,429,509	4,771,328	5,354,989	1,852,350	21,272,193	40,230,741	50,410,289
Alternate energy	13,638,741	11,944,048	13,913,784	20,193,512	14,285,529	6,267,246	4,917,261	19,199,956	23,090,855
Commerce	7,987,443	14,496,067	9,158,246	7,719,959	11,020,407	8,297,265	20,311,662	30,031,281	12,968,920
Communications	1,500,692	2,926,131	8,135,179	4,293,202	767,854	5,540,476	7,871,814	3,230,153	1,901,910
Constitutional bodies	2,174,009	13,278,522	8,659,210	2,492,938	2,294,370	5,989,373	3,955,309	2,171,999	251,196
Defense	-	16,980	612,377	-	-	-	-	-	-
Drinking water	26,801,648	42,278,463	38,842,495	71,004,210	42,285,601	110,093,323	68,449,074	57,035,670	69,371,213
Earthquake reconstruction	-	-	-	-	21,360,533	45,393,627	49,011,441	71,355,896	69,827,006
Economic reform	35,077,120	34,636,875	46,737,614	39,407,675	41,441,510	35,107,965	210,720,531	11,528,315	20,328,491
Education	229,049,894	140,721,598	175,053,028	113,684,124	111,552,236	127,237,083	202,167,436	242,386,029	133,284,078
Energy, including hydroelectricity	116,796,452	90,732,113	58,224,336	78,571,182	150,581,898	72,201,427	116,734,498	220,573,760	142,916,460
Environment, science & technology	-	14,150,601	31,429,270	15,957,694	54,183,728	28,733,283	20,481,028	23,068,501	10,905,181



Sector	Total Disbursements (USD)								
	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
External loan payment	-	14,443,836	-	-	-	-	-	-	-
Financial reform	2,537,260	8,607,936	12,303,464	7,143,974	32,377,399	13,120,121	8,943,277	109,143,151	218,248,645
Financial services	802,923	602,616	2,217,289	5,417,462	6,256,884	7,841,259	10,306,108	18,088,782	8,365,682
Forest	15,847,225	12,484,916	42,831,359	22,991,175	17,274,691	4,657,837	11,726,269	9,276,804	7,322,420
General administration	237,321	3,498,765	6,109,213	2,211,232	-	3,382,417	8,003,404	6,458,484	4,500,160
Health	85,078,740	128,514,285	115,723,521	177,747,406	103,443,766	89,576,472	145,251,322	87,032,416	318,352,773
Home affairs	-	-	-	43,714,515	15,655,219	13,505,053	28,353,247	11,938,934	14,508,150
Housing	-	275,039	-	466,424	34,743,681	112,169,525	88,966,639	2,380,497	153,162,445
Industry	7,501,286	3,856,458	13,006,347	9,832,114	8,745,924	8,224,792	1,784,434	332,257	4,743,190
Irrigation	12,304,928	8,931,393	14,542,344	11,808,354	14,410,942	22,180,911	10,839,005	5,137,768	6,969,354
Labour	1,073,703	4,566,082	5,595,501	4,552,270	6,262,278	6,616,647	5,977,562	2,594,058	51,172,278
Land reform & survey	243,822	2,608	-	-	-	-	-	83,101	-
Livelihood	19,969,218	15,174,926	7,447,062	26,711,041	20,446,290	26,500,074	16,818,244	5,211,800	40,605,369
Local development	153,514,312	118,294,994	152,337,703	124,903,019	119,153,479	123,000,975	135,853,877	132,872,021	67,583,690
Meteorology	347,506	-	-	-	-	-	-	-	-
Miscellaneous	637,463	124,042	503,975	4,487,098	12,466,880	26,112,195	22,489,406	-	3,250,483
Office of the Prime Minister	8,593,562	4,403,910	5,929,117	-	-	-	-	10,930,034	-
Others - economic	19,436,872	9,614,999	11,871,683	3,230,444	1,792,327	37,431,681	21,514,446	83,742,581	31,206,784
Others - social	34,348,601	28,634,910	9,504,861	18,297,501	23,809,007	30,713,532	4,339,723	13,545,038	10,694,671
Peace & reconstruction	42,572,665	36,523,990	46,865,193	9,937,490	48,392,026	72,193,555	50,433,885	152,884,374	668,344
Planning & statistics	852,978	2,745,271	1,016,406	2,786,331	2,340,408	7,503,803	3,270,308	6,835,250	6,555,536

Sector	Total Disbursements (USD)								
	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Police	-	4,241,228	-	-	709,019	-	-	-	-
Policy & strategic	993,828	949,023	32,908,238	1,374,215	1,999,244	101,752,928	4,347,629	11,922,733	108,919,806
Population & environment	6,458,768	73,637	463,627	105,180	239,848	125,977	66,909	1,382,930	570,964
Renewable energy	-	-	129,219	-	-	178,673	806,985	1,796,969	7,086,667
Revenue & financial administration	435,880	794,339	799,362	332,436	-	541,037	714,502	726,691	735,558
Road transportation	116,730,820	108,733,850	51,574,246	86,571,257	46,170,127	83,302,461	78,288,846	37,534,428	139,179,854
Supplies	2,339,488	14,538,048	-	-	-	-	-	75,142	601,615
Tourism	2,609,619	3,794,677	30,761,010	7,249,769	2,662,667	3,456,527	1,543,136	14,885,823	38,244,104
Urban Development	15,324,471	6,146,075	13,326,885	32,801,275	40,350,454	80,804,141	148,743,239	88,650,899	88,498,202
Women, children & social welfare	13,397,080	7,772,850	8,224,185	6,321,447	10,565,209	13,339,483	10,172,248	12,966,539	9,366,617
Youth, sports & culture	710,333	434,136	1,226,453	956,408	564,301	422,521	364,147	287,974	214,686

ODA Disbursements and Projects by Geographic Region, FY 2019/20

ANNEX

E

Amounts in USD

District	Number of Projects	Total Disbursements	District	Number of Projects	Total Disbursements
Achham	29	3,931,137	Doti	23	2,858,932
Arghakhanchi	10	2,874,606	Eastern Rukum	15	3,475,387
Baglung	8	1,910,945	Gorkha	18	8,877,233
Baitadi	24	1,871,647	Gulmi	11	2,416,061
Bajhang	19	1,689,130	Humla	18	2,050,961
Bajura	26	7,614,263	Illam	15	1,553,875
Banke	27	4,396,327	Jajarkot	17	2,610,320
Bara	24	3,023,678	Jhapa	18	1,277,187
Bardiya	20	1,117,802	Jumla	18	1,476,786
Bhaktapur	26	25,111,748	Kailali	28	6,805,602
Bhojpur	14	1,838,610	Kalikot	27	3,722,994
Chitwan	25	9,104,812	Kanchanpur	16	10,385,820
Dadeldhura	16	2,526,019	Kapilvastu	16	2,235,999
Dailekh	21	5,144,105	Kaski	14	62,934,822
Dang	19	1,681,616	Kathmandu	35	69,340,377
Darchula	12	1,591,036	Kavrepalanchok	30	13,789,351

District	Number of Projects	Total Disbursements	District	Number of Projects	Total Disbursements
Dhading	30	62,353,069	Khotang	20	3,206,222
Dhankuta	13	1,030,516	Lalitpur	24	15,317,617
Dhanusa	34	9,117,872	Lamjung	10	2,107,731
Dolakha	22	57,300,517	Mahottari	31	3,985,561
Dolpa	12	633,052	Makwanpur	28	12,776,653
Manang	4	1,725,071	Rupandehi	22	49,603,062
Morang	22	3,497,242	Salyan	12	2,841,833
Mugu	22	2,461,060	Sankhuwasabha	14	1,217,342
Mustang	5	1,778,991	Saptari	28	1,939,063
Myagdi	9	32,628,391	Sarlahi	30	3,272,169
Nawalpur	14	2,046,353	Sindhuli	32	24,537,658
Nuwakot	32	73,650,581	Sindhupalchok	26	13,078,354
Okhaldhunga	25	6,456,840	Siraha	24	62,934,822
Palpa	10	2,943,665	Solukhumbu	20	1,806,025
Panchthar	14	1,006,125	Sunsari	22	7,560,831
Parasi	16	2,167,275	Surkhet	19	2,828,102
Parbat	5	1,728,652	Syangja	7	2,338,654
Parsa	27	3,805,777	Tanahu	13	1,985,173
Pyuthan	16	2,174,439	Taplejung	13	14,297,619
Ramechhap	24	5,428,207	Terhathum	15	1,185,484
Rasuwa	22	11,830,698	Udayapur	24	2,085,255
Rautahat	27	3,853,822	Western Rukum	14	3,104,383
Rolpa	16	1,999,668			

ODA Disbursements and Gender Marker Classification, FY 2019/20

Amounts in USD

DPs	Directly Supportive	Indirectly Supportive	Neutral	Gender Marker Unassigned	Proportion of Total Disbursements that are Directly or Indirectly Supportive
ADB	275,000,000	35,670,257	300,783,266	-	51%
Australia	4,121,825	9,065,913	134,264	653,953	94%
China	-	10,245,376	82,781,411	-	11%
EU	377,576	8,596,496	40,870,955	-	18%
Finland	8,646,141	-	5,264,640	-	62%
GAVI	-	11,693,153	-	-	100%
Germany	4,078,421	5,264,023	16,748,646	-	36%
Global Fund	-	889,144	51,183	-	95%
IFAD	-	-	7,047,401	-	0%
IMF	-	214,000,000	-	-	100%
India	-	-	93,571,298	-	0%
Japan	-	9,872,786	58,905,961	3,833,285	14%
Korea	1,486,990	-	5,938,556	-	20%
Kuwait	-	56,619	210,544	-	21%
Norway	682,352	8,043,369	7,150,559	-	55%
OFID	-	1,037,905	3,955,108	-	21%
Saudi Arabia	-	3,110,778	-	-	100%
SDF	-	138,792	-	-	100%
Switzerland	4,955,002	6,489,228	25,290,270	-	31%
UK	5,986,634	3,729,458	85,511,444	-	10%
UN	21,227,889	7,434,330	15,487,857	235,343	65%
USA	-	1,291,125	123,871,906	-	1%
World Bank	865,718	29,913,050	430,533,064	-	7%

INGO Disbursements, FY 2019/20

Amounts in USD

INGOs	Total Disbursements
Action Contre La Faim	325,388
Adara Development	317,385
Adventist Development and Relief	437,807
AIDS Healthcare Foundation	667,746
Ama Foundation	300,636
AMDA Minds Nepal	66,262
American Himalayan Foundation	1,094,629
AWO International	215,512
Blinknow Foundation Nepal	1,093,205
CARE Nepal	1,428,093
Catholic Relief Services	2,115,164
CBM Nepal Country Office	1,173,713
Child Rescue Nepal	378,795
Child Fund Japan	116,483
Community Action Nepal, UK	386,279
Dan Church Aid	1,443,836
Deutsche Welthungerhilfe e.V	3,765,033

INGOs	Total Disbursements
dZi Foundation	786,875
ECPAT Luxembourg Nepal	206,880
Equal Access International	38,095
FAIRMED	590,720
Finn Church Aid Foundation	924,782
Finnish Evangelical Lutheran Mission	1,191,342
Forget Me Not Australia	109,246
Foundation for International Relief	142,509
Good Neighbors International Nepal	5,158,367
Good Shepherd International Foundation	51,663
Handicap International	776,043
Heifer International Nepal	6,232,406
Helen Keller International	1,768,496
Human Development & Community Services	376,633
ICCO COOPERATION	149,652
IM-Swedish Development Partner	349,676
International Alert	1,143,357
International Nepal Fellowship	3,520,604
IPAS Nepal	3,042,411
Islamic Relief Worldwide	280,680
Kidasha	336,806
KTK -BELT Inc	1,875,625
Latter-day Saint Charities	416,548
Lutheran World Relief	832,619
Marie stopes Nepal	1,110,560

INGOs	Total Disbursements
Medecine du Monde	172,194
Mennonite Central Committee Nepal	720,550
MercyCorps	1,206,372
Mission East	490,931
Mountain Child	450,383
MyRight Nepal	583,343
Nepal Youth Foundation	1,946,587
Netherlands Leprosy Relief	128,816
Nick Simons Foundation	4,789,003
Norwegian Association of the Blind	328,344
One Heart World-Wide Nepal	1,871,512
Oxfam GB	5,516,477
Plan Nepal	9,471,298
Population Services International	2,027,859
Practical Action	166,858
Practical Action Nepal	500,688
Raleigh International Nepal	587,507
Room to Read	1,878,701
Samaritan's Purse International	1,112,203
Save the Children	21,434,773
Seva Nepal Eye Care Program	826,520
Shangrila Home VZW	355,583
Shanti Volunteer Association	640,623
Shapla Neer	390,231
SIL International Nepal	122,226

INGOs	Total Disbursements
Stromme Foundation	1,980,765
Sunrise Children's Association Inc.	161,809
Swiss Contact Nepal	431,536
Tear Fund	1,024,805
Terre das hommes, Germany	387,348
Terre des hommes, Lausanne	610,191
Terre des Hommes, Netherlands	120,685
The Fred Hollows Foundation	1,034,163
Umbrella Foundation	156,698
United Mission to Nepal	3,254,408
United Vision Nepal	237,310
United World Schools	1,237,553
Water Aid Nepal	2,502,749
We World Onlus	50,903
World Education, Inc.	154,147
World Neighbors	172,615
World Renew Nepal	69,861
World Vision International	13,698,756
Young Living Foundation	238,992

INGO Disbursements by Sector, FY 2019/20

Amounts in USD

Primary Sector	No. of projects	Actual Disbursements
Agriculture	27	7,344,306
Alternate energy	2	364,503
Communications	2	53,669
Drinking water	17	5,599,676
Earthquake reconstruction	7	2,033,668
Economic reform	4	104,855
Education	52	27,454,902
Energy	1	23,731
Environment, science & technology	8	2,265,337
Financial services	1	135,409
Forest	6	677,669
General administration	2	1,564,730
Health	71	41,855,238
Home affairs	1	206,829
Housing	5	1,648,422
Irrigation	4	94,956
Labour	4	551,908
Livelihood	44	14,320,318
Local development	8	247,619
Meteorology	1	166,858
Miscellaneous	4	4,045,575
Others - economic	2	415,975
Others - social	15	6,339,124
Peace & reconstruction	2	1,315,920
Policy & strategic	3	502,853
Urban development	1	24,368
Women, children & social welfare	36	12,296,298
Youth, sports & culture	4	328,722

ANNEX

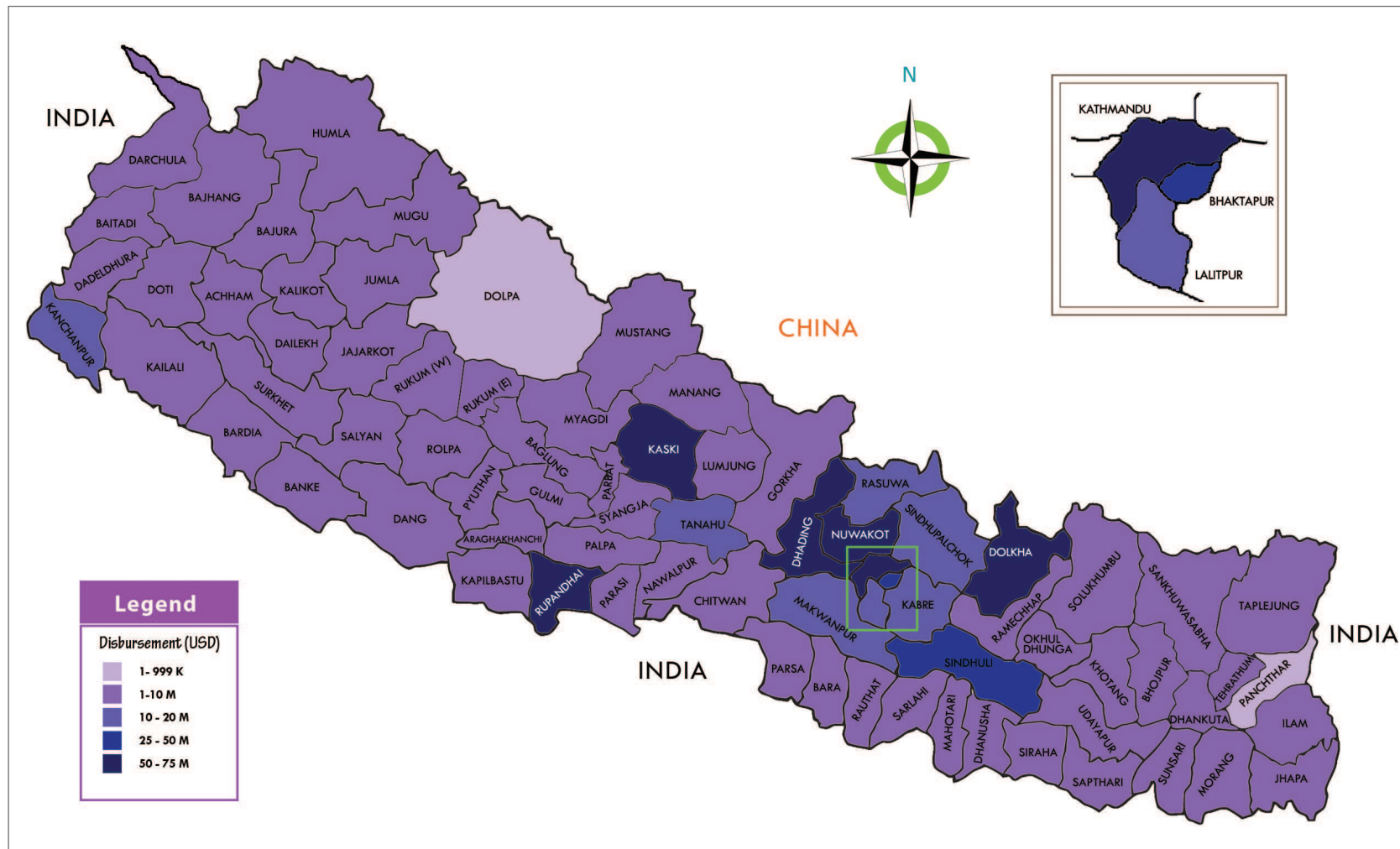
INGO Disbursements & Projects by Geographic Region, FY 2018/19

Amounts in USD

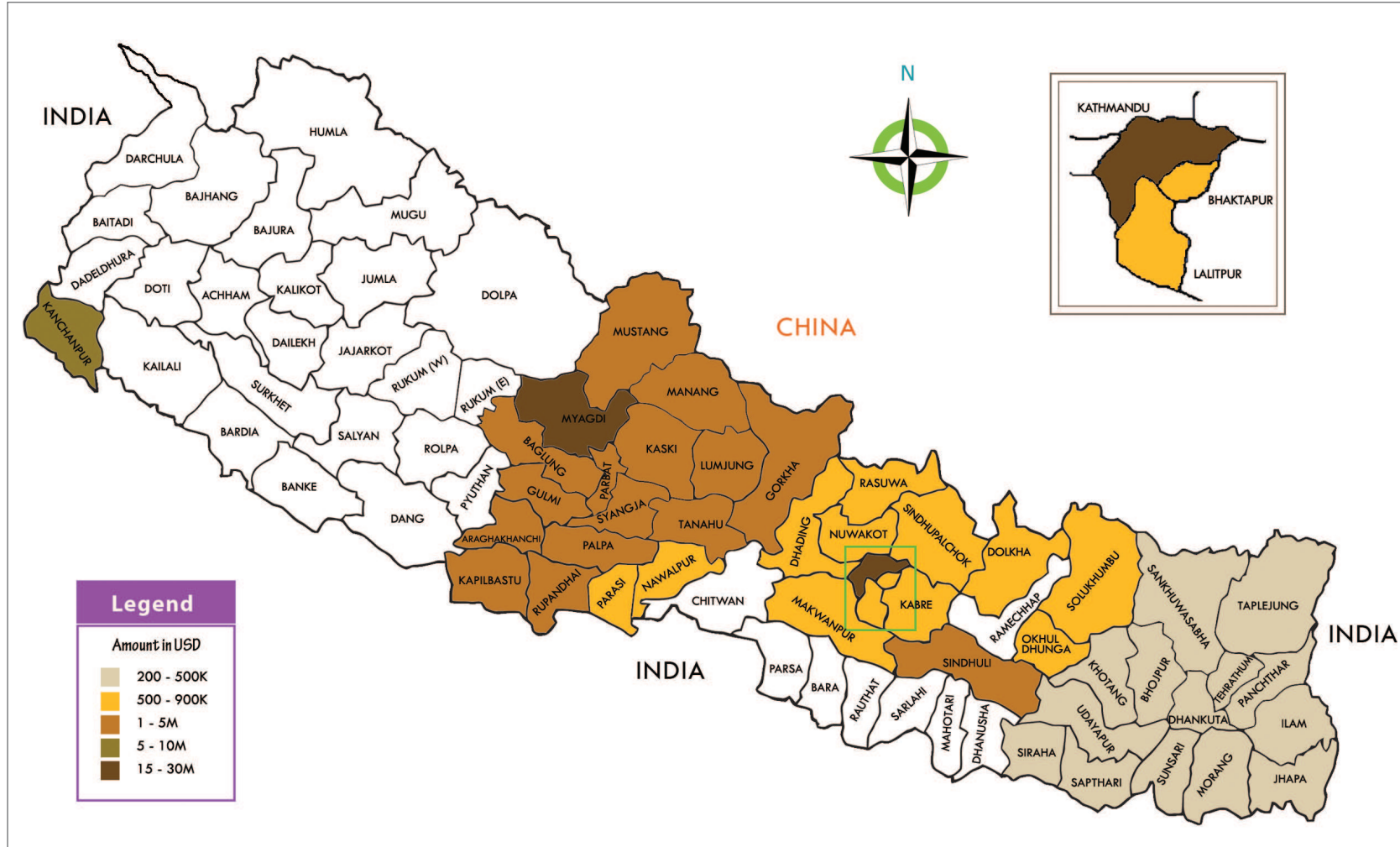
District	No. of Projects	Actual Disbursement	District	No. of Projects	Actual Disbursement
Achham	8	1,347,730	Dolakha	20	593,139
Arghakhanchi	12	495,247	Dolpa	11	1,084,880
Baglung	15	747,409	Doti	23	2,858,932
Baitadi	8	567,361	Eastern Rukum	15	3,475,387
Bajhang	7	1,341,681	Gorkha	18	8,877,233
Bajura	8	797,519	Gulmi	11	2,416,061
Banke	25	3,459,071	Humla	18	2,050,961
Bara	16	478,843	Illam	15	1,553,875
Bardiya	26	2,760,153	Jajarkot	17	2,610,320
Bhaktapur	17	138,879	Jhapa	18	1,277,187
Bhojpur	13	1,405,277	Jumla	18	1,476,786
Chitwan	27	1,552,118	Kailali	28	6,805,602
Dadeldhura	12	820,074	Kalikot	27	3,722,994
Dailekh	14	716,210	Kanchanpur	16	10,385,820
Dang	21	1,484,865	Kapilvastu	16	2,235,999
Darchula	7	559,176	Kaski	14	62,934,822

District	No. of Projects	Actual Disbursement	District	No. of Projects	Actual Disbursement
Dhading	30	2,353,228	Kathmandu	35	69,340,377
Dhankuta	15	1,137,573	Kavrepalanchok	30	13,789,351
Dhanusa	21	863,504	Khotang	20	3,206,222
Lalitpur	24	15,317,617	Rautahat	27	3,853,822
Lamjung	10	2,107,731	Rolpa	16	1,999,668
Mahottari	31	3,985,561	Rupandehi	22	49,603,062
Makwanpur	28	12,776,653	Salyan	12	2,841,833
Manang	4	1,725,071	Sankhuwasabha	14	1,217,342
Morang	22	3,497,242	Saptari	28	1,939,063
Mugu	22	2,461,060	Sarlahi	30	3,272,169
Mustang	5	1,778,991	Sindhuli	32	24,537,658
Myagdi	9	32,628,391	Sindhupalchok	26	13,078,354
Nawalpur	14	2,046,353	Siraha	24	62,934,822
Nuwakot	32	73,650,581	Solukhumbu	20	1,806,025
Okhaldhunga	25	6,456,840	Sunsari	22	7,560,831
Palpa	10	2,943,665	Surkhet	19	2,828,102
Panchthar	14	1,006,125	Syangja	7	2,338,654
Parasi	16	2,167,275	Tanahu	13	1,985,173
Parbat	5	1,728,652	Taplejung	13	14,297,619
Parsa	27	3,805,777	Terhathum	15	1,185,484
Pyuthan	16	2,174,439	Udayapur	24	2,085,255
Ramechhap	24	5,428,207	Western Rukum	14	3,104,383
Rasuwa	22	11,830,698			

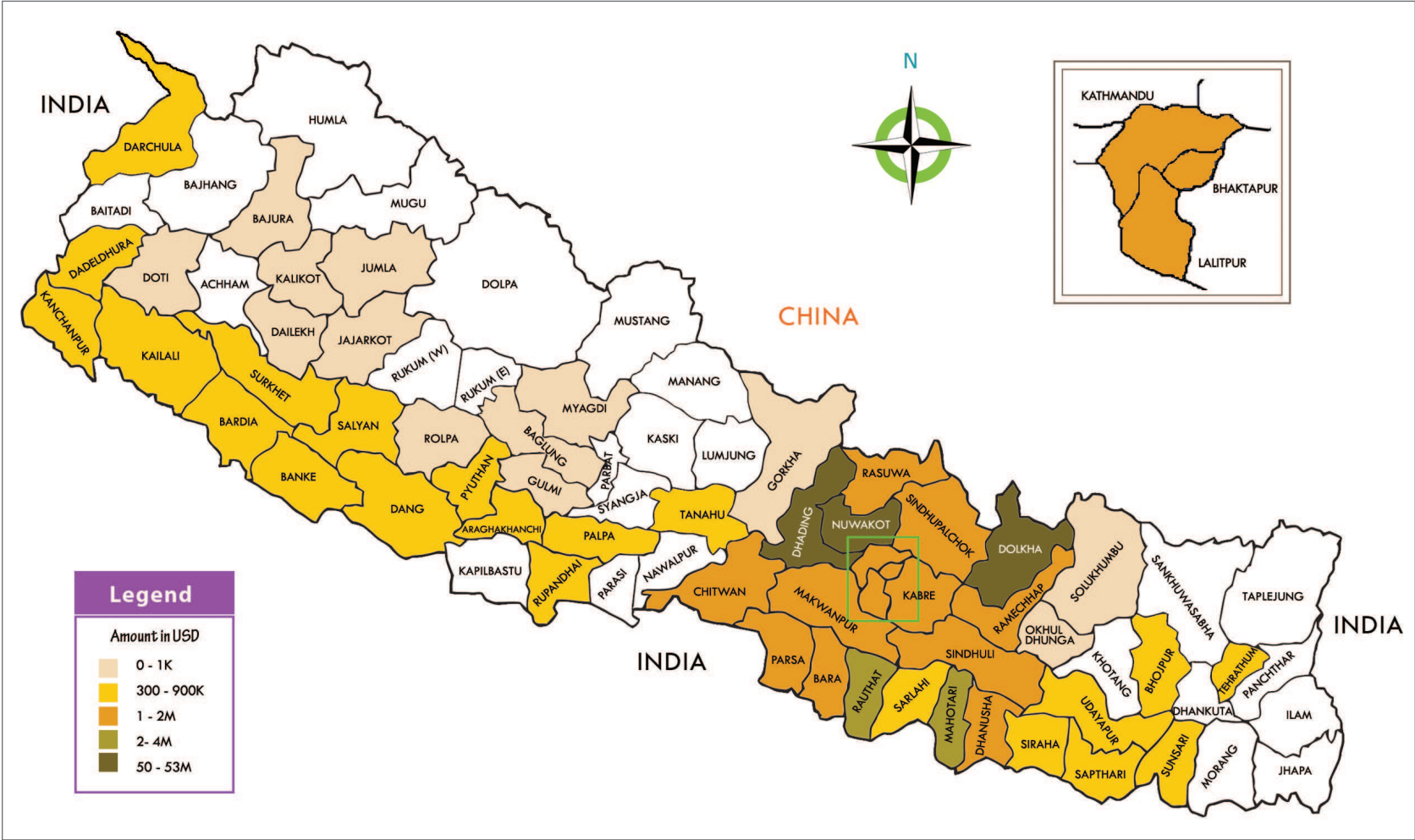
Total Disbursement by Districts



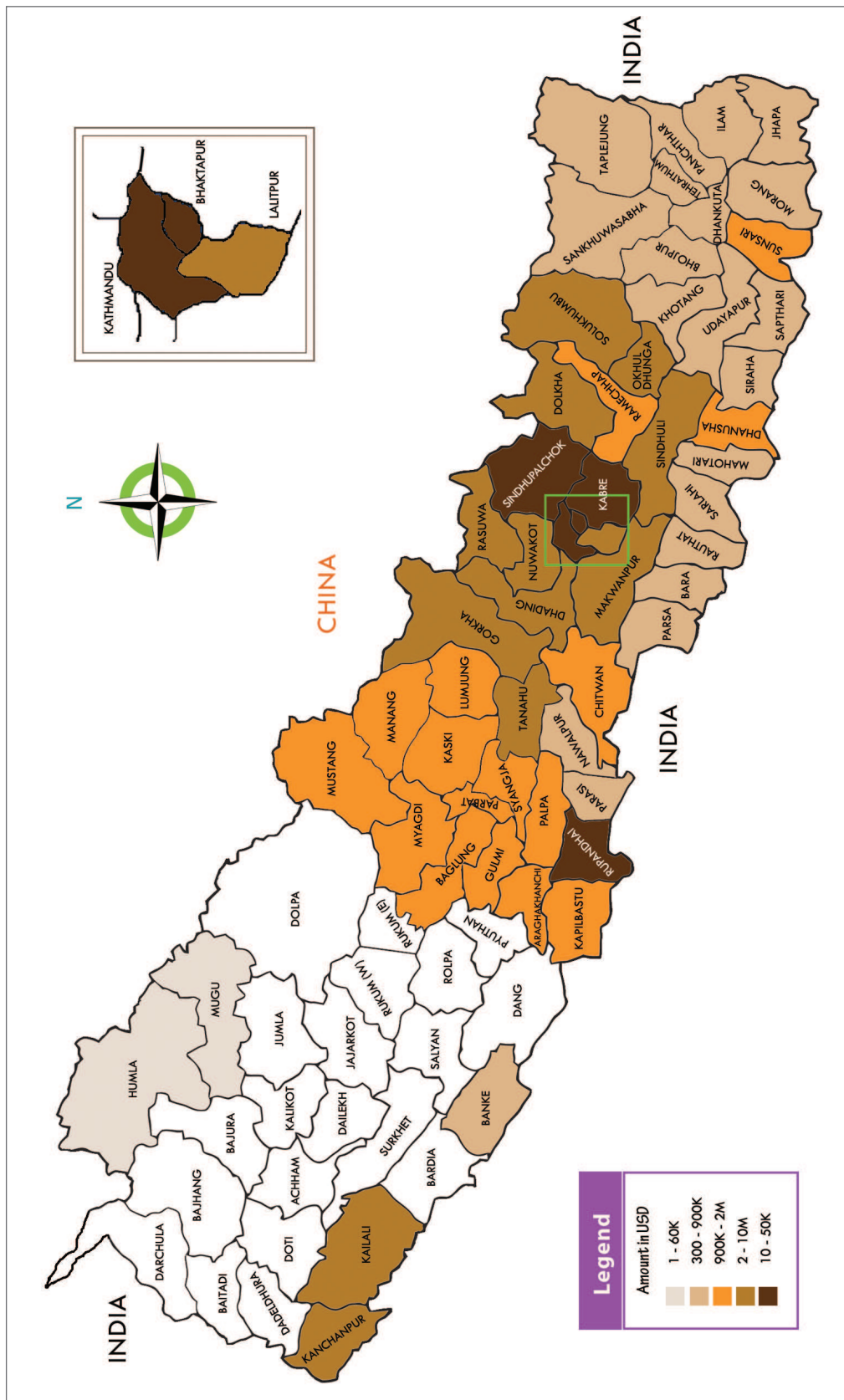
Road Sector Disbursement by Districts



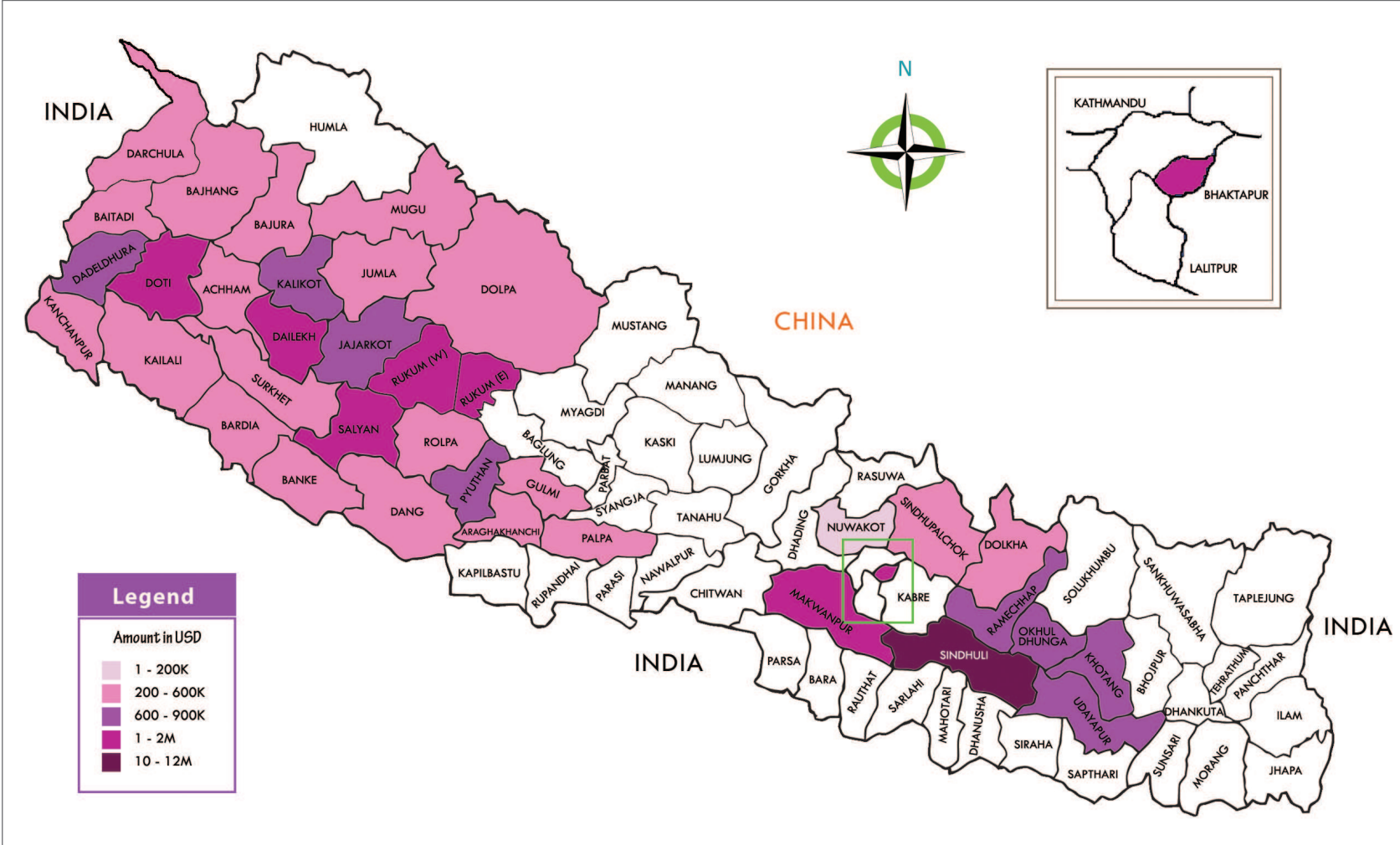
World Bank Disbursement by Districts



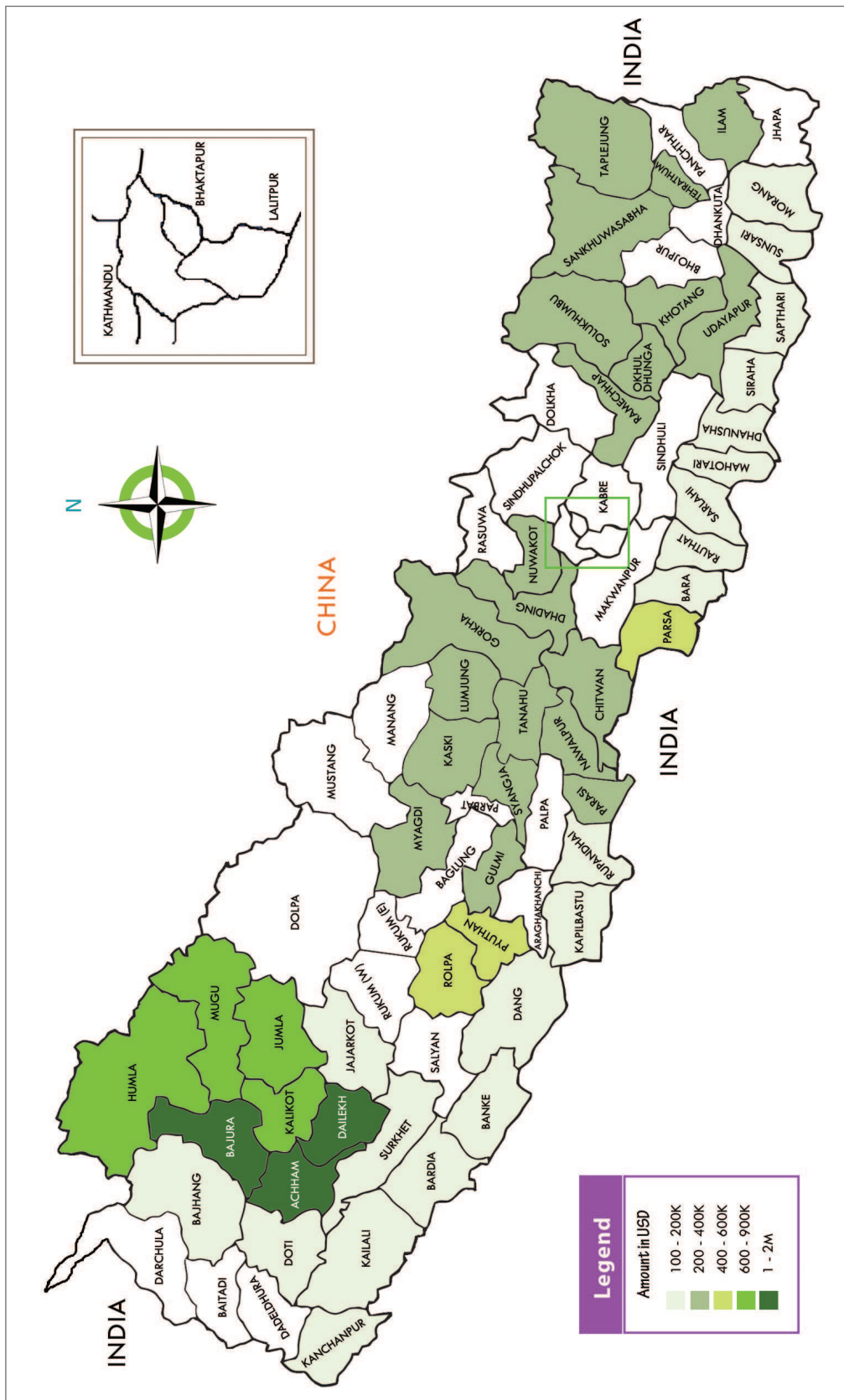
ADB Disbursement by Districts



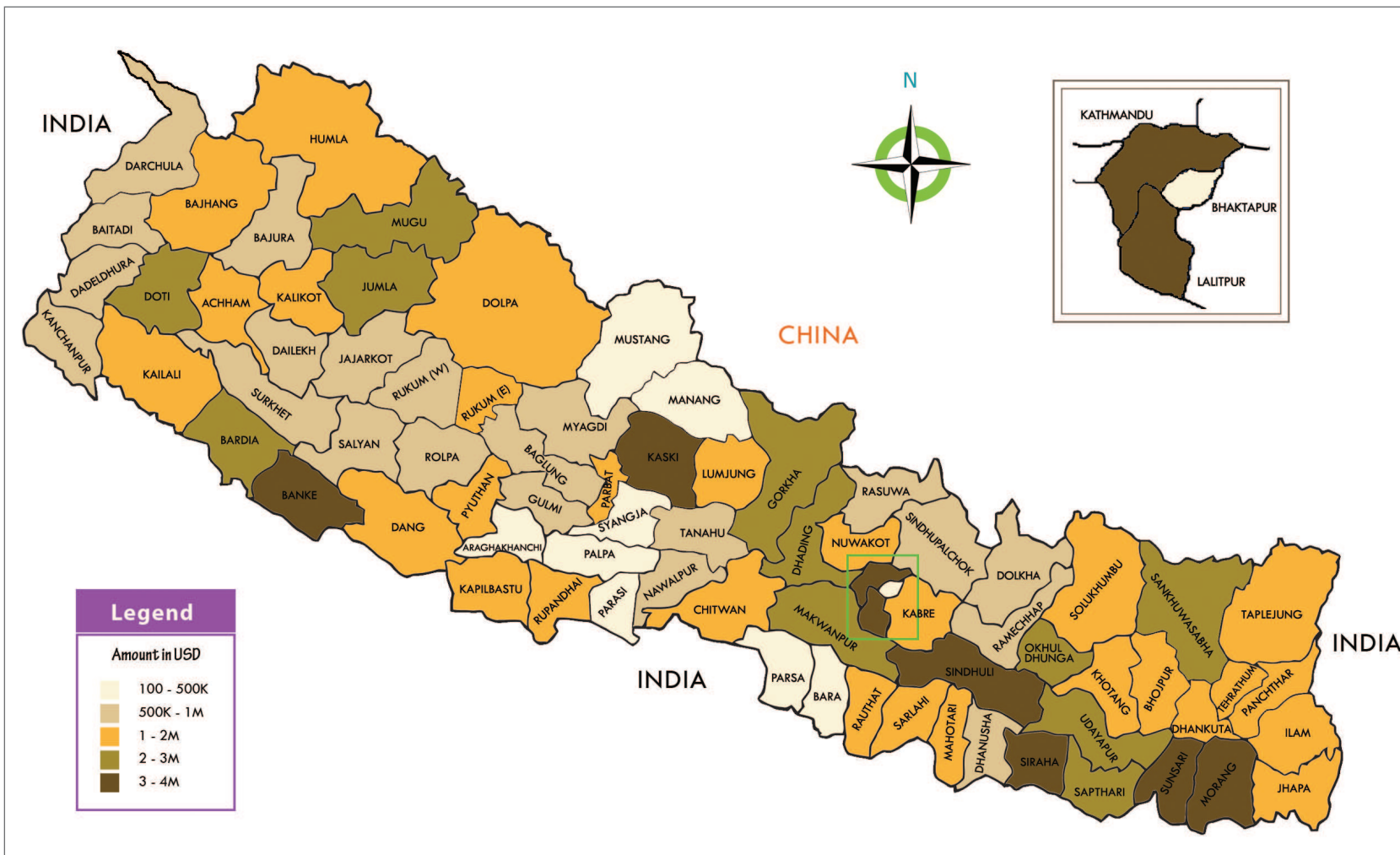
USAID Disbursement by Districts



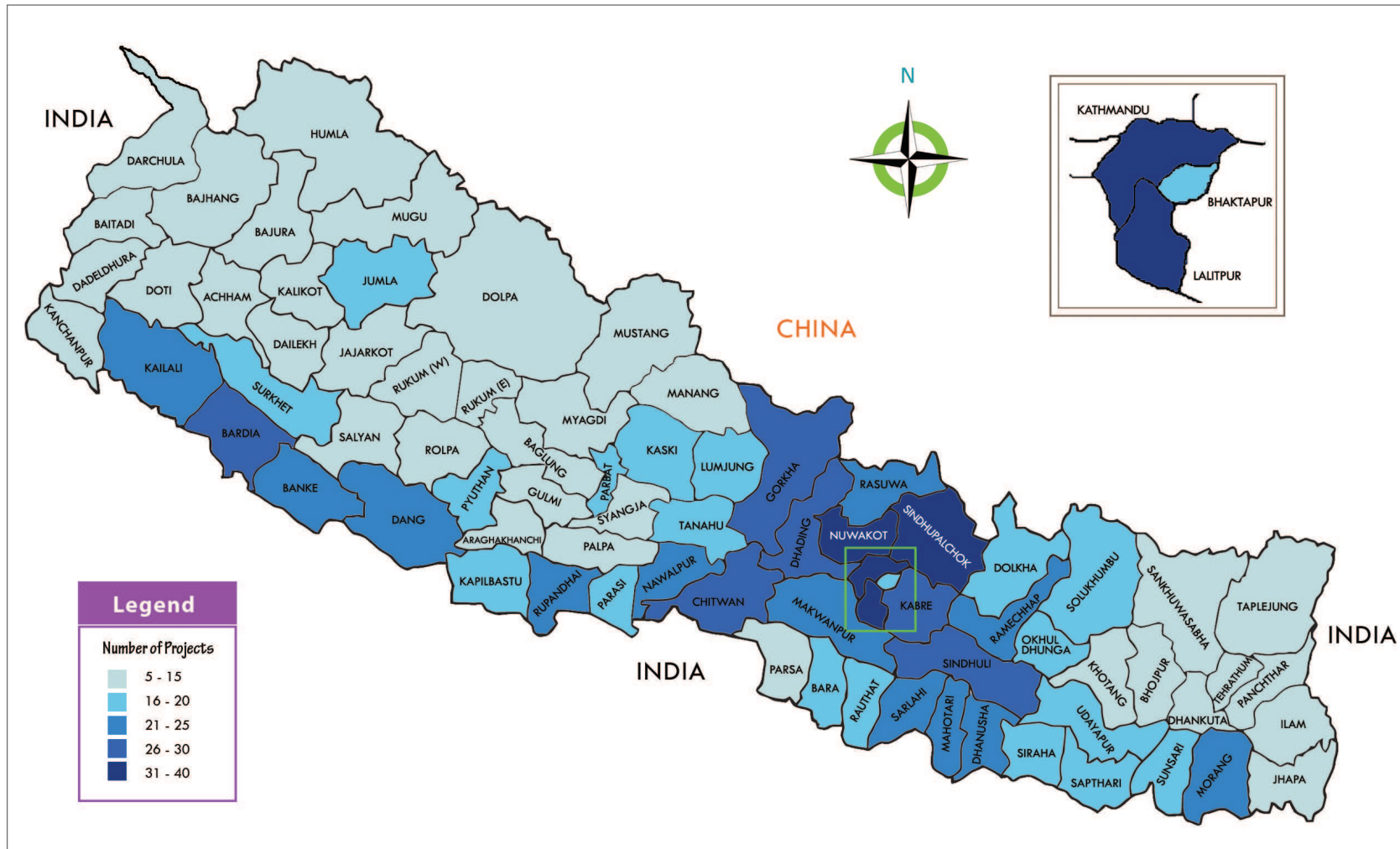
UK Disbursement by Districts



INGOs Disbursement by Districts



Number of INGOs Disbursement by Districts



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