



# Investments in Nutrition in Nepal

## Workshop on Public Finance for Nutrition

25-27 April 2016  
Bangkok, Thailand



An analysis of budget expenditure and allocation in Nepal



# NEPAL: A BEAUTIFUL AND DIVERSE COUNTRY



Area: 147,181 square km

Altitude Variation: Altitude ranging from 70 m to 8848 m amidst a width of 193 km

## 3 ecological regions

Mountain (16 districts)

Hill (39 districts)

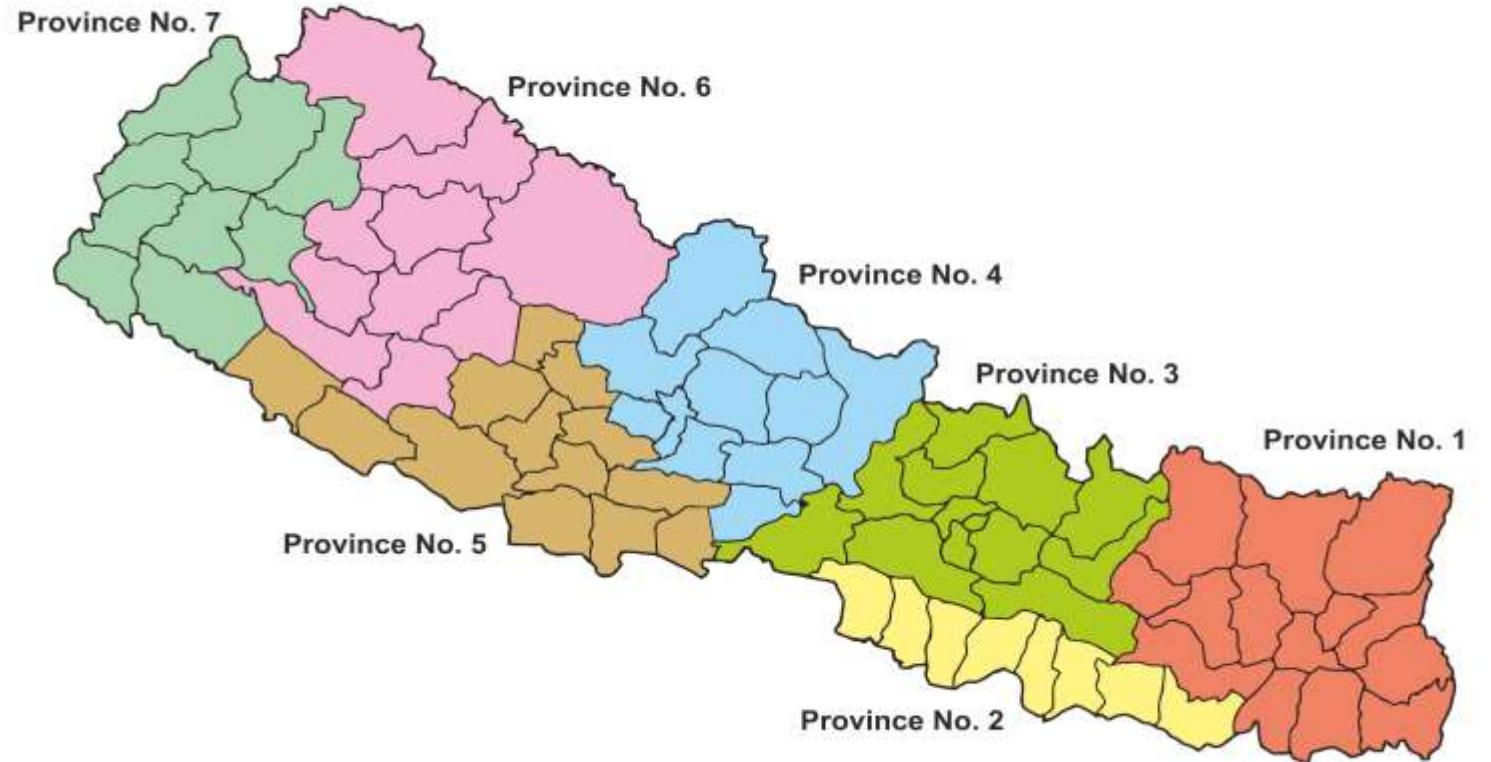
Terai (20 districts)

## 7 federal states

10 Religions Birth Place of Buddha

125 Caste/ethnic groups

123 Languages spoken as mother tongue



**Total population: 26.5 million**

**U-5 population: 3.5 million**

***Life expectancy ranges from 42 years in Mugu district to 75 years in Kathmandu district***

# NATIONAL MULTI-SECTOR NUTRITION FRAMEWORK



**Ministry of Health**  
Maternal and Young  
Child micronutrient  
and feeding, SAM,  
Diarrhoea Treatment

## National Planning Commission

Multi-sector resources, Nutritional information management,  
Nutrition capacity Enhancing

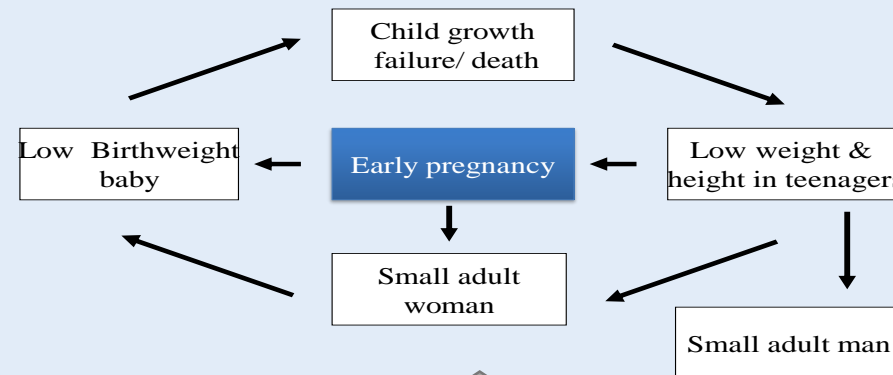
## Ministry of Education

Nutrition in formal/informal  
curriculums, Improved  
awareness, Life-skills and  
improved meals to  
Adolescent, increased  
school completion rates for  
girls, parenting education

## Ministry of Water and Sanitation

Sanitation facilities, hand  
wash, treated drinking  
water

**The intergenerational transmission of growth  
failure: When to intervene in the life cycle**



## Ministry of Federal Affairs and Local Development

Prioritizing nutrition in  
annual and periodic plans,  
Linking social protection and  
nutrition, Improved  
coordination and resource  
mobilization for nutrition

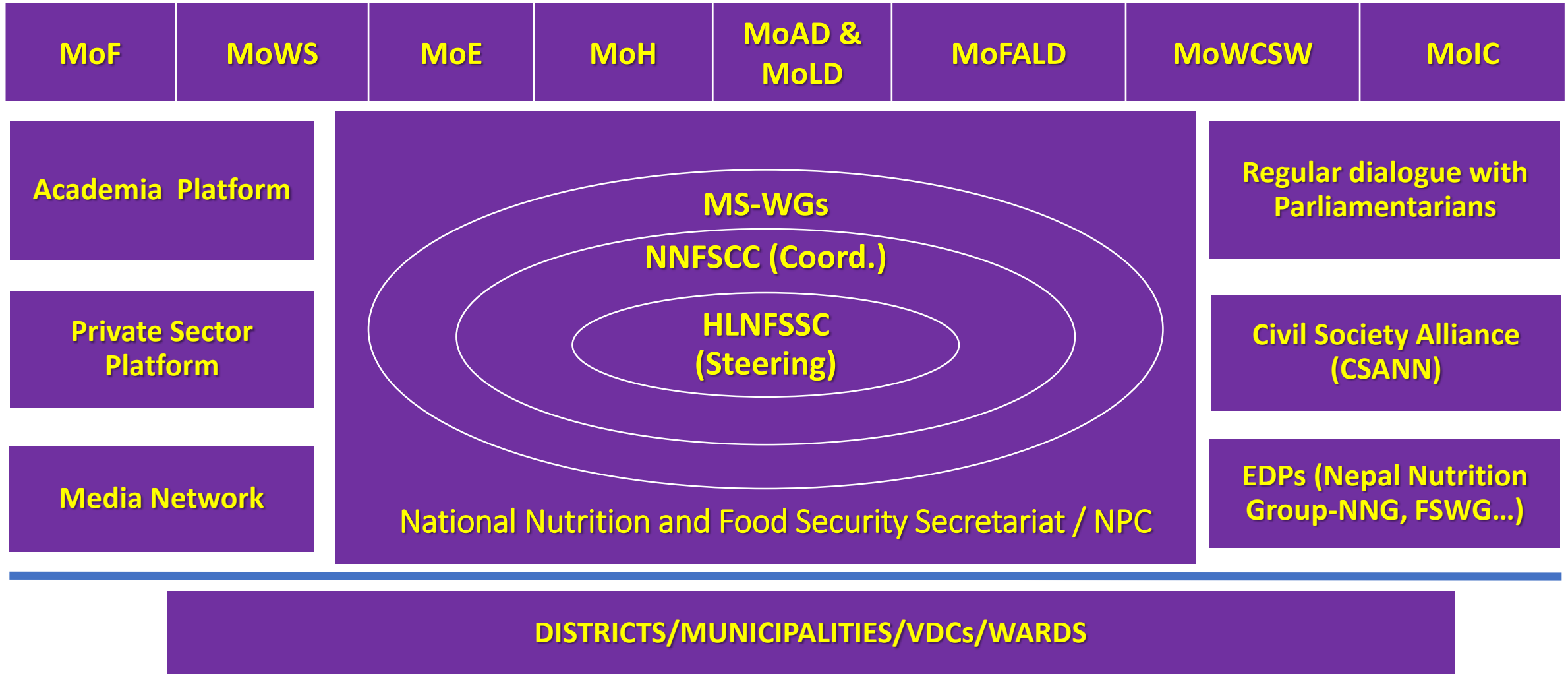
## Ministry of Agriculture & Ministry of Livestock

Availability of animal foods, income generation,  
consumption of animal source foods and Reduced  
workload of women

**Ministry of Women & Children**  
Nutrition Awareness, Women  
empowerment, Mobilization of  
Women Group, Saving Credit Groups  
for Nutrition, Participation in Local  
Level Planning



# Implementation of MSNP supported by Multi-sector- Multi-stakeholder Coordination Structures





# Budget Categorisation



Total number of programmes identified as potentially having allocations towards nutrition outcomes is 55

Categorised 2 (two) broad programme interventions under MoH (within the Child Health Division, MoH) as being nutrition-specific

Categorized 53 interventions as nutrition-sensitive, and many of other programmes are contributing to nutrition by addressing basic causes of the nutrition.



# Weighting for Interventions

- For the nutrition-specific programmes, 100% weightage allocated
- For the nutrition-sensitive programmes, minimum of 5% to maximum of 75% weightage has been allocated.
- Nutrition sensitive budget covers the activities/programs/projects that contributes to the elevation of the Nutrition status through “preventive measures/indirectly contributing to Nutrition”.
- Prioritization of activities and allocation of scale was done through consultative meetings between the NPC Officials, Sector Ministries focal Point, SUN Focal Point and SUN Coordinator as well as relevant stakeholders and the NNFSS.



# Budget Allocation and Expenditures

	Weight	No. of Prog	Actual total expenditure of 2013-14	For nutrition after weightage	Actual total expenditure 2014-15	For nutrition after weightage	Budget allocation for FY 2015-16	For nutrition after weightage
<b>Potential budget allocations to nutrition</b>	N/A	55	361.23	57.38	469.74	84.88	632.48	140.16
<b>Nutrition-specific</b>	100%	2	7.64	7.64	14.05	14.05	24.21	24.21
<b>Nutrition-sensitive</b>	5%-75%	53	353.59	49.74	455.69	70.83	608.27	115.95

Source: Ministry of Finance, Nepal

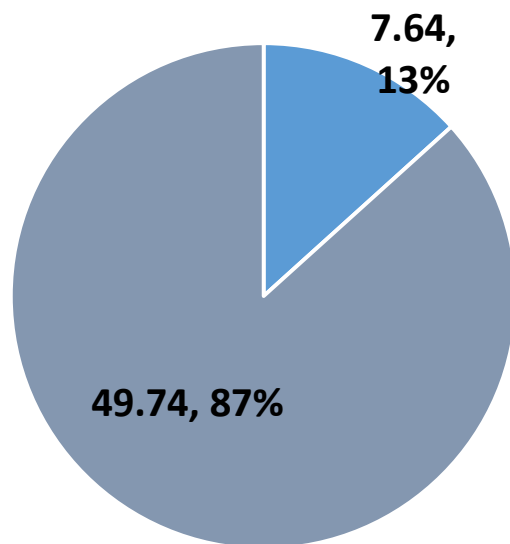




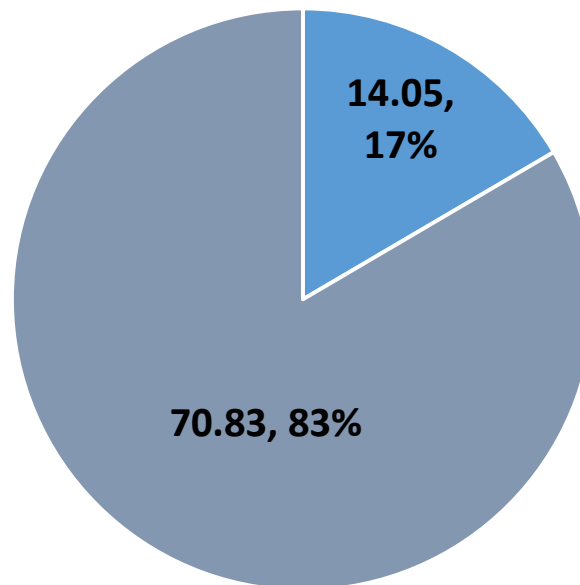
# Three Fiscal Years Comparison:

*Weighted budget allocation contributing to nutrition*  
(Expressed in US\$ Million)

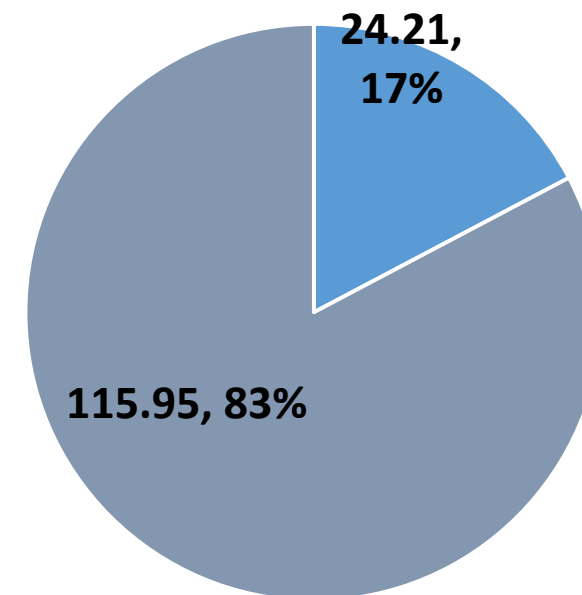
FY 2013-14



FY 2014-15



FY 2015-16



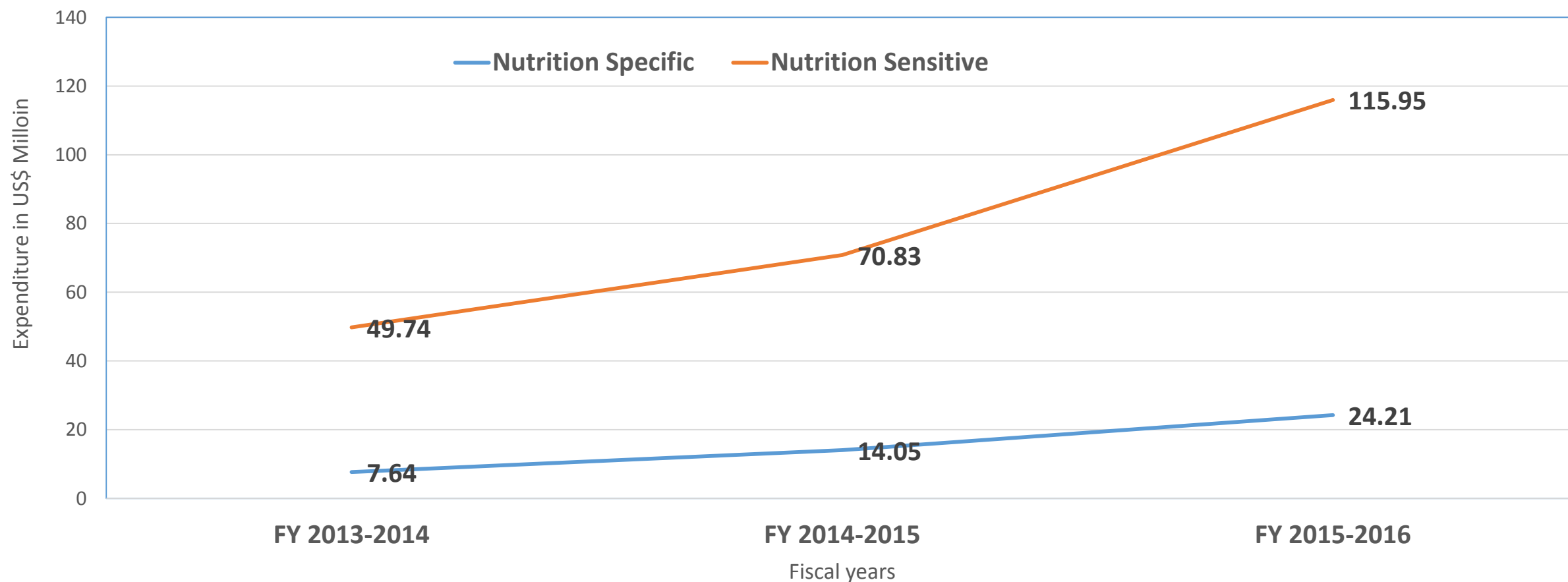
- Nutrition Specific Expenditure
- Nutrition Sensitive Expenditure





# Trends of Expenditure in Nutrition

Trends of Nutrition Expenditures in US\$ (Million) for the last three fiscal years



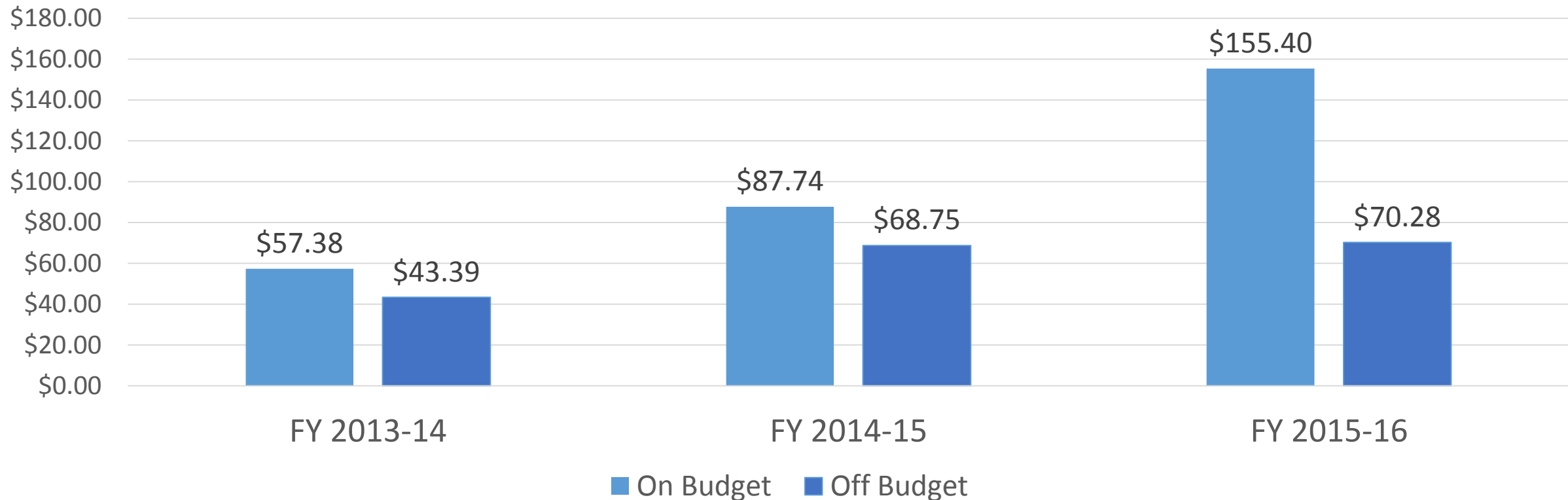
The increased allocation for 2015-2016 is due to Emergency Nutrition Response after Earthquake



# ON and OFF Budget Trend on NUTRITION

On Budget- Reflected in Government Budget

Off Budget: Not Reflected in Government Budget



**Note: FY 2013-14 and 2014-15 is Expenditure and FY 2015-16 is Allocated Budget (in US\$)**

Source: MoF for On Budget and MoF/Aid Management Portal (collected by SPRING) for Off Budget



# Findings from Case Study

- Reporting of annual commitments needs to improve; Data includes not just Donors and UN Groups, but also CSOs and private sector funds to be tracked.
- **Expenditure of on-budget allocated nutrition funds could be improved**, particularly for External Donor funds.
- GoN funds make up around **40% of all nutrition allocations**, and closer to **50% of expenditures**
- **Not all MSNP activities received equal attention/funding**
- Financial reporting **data for on-budget funding is very good. Significant data quality issues with off-budget financial data provided in the AMP.** Data quality audits should be done on this portal.
- **Efforts should be made to move donor funds on-budget** (global aid effectiveness target  $\geq 85\%$  of donor funds on-budget)



# Issues/Challenges

- Basket funding visioned for Nutrition in MSNP, could not be materialized
- Budget ceiling hindering to scale up Nutrition
- MSNP full Package yet to be rolled out in all districts
- Mainstreaming off-budget into on-budget
- Nutrition Sensitive Budget Code
- Budget Absorptive Capacity of the Line Ministries



# Way Forward

- Budget has increased for both Nutrition Specific and Sensitive
- Systematic mapping of interventions from sector ministries which are nutrition specific and nutrition sensitive
- Developing scientific tools for allocating appropriate weights for activities
- Nutrition Budget Code is under discussion
- Efforts ongoing for reducing the Off-Budget Expenditure
- Further strengthen the multisector architectures at all levels (national, regional, district, municipality and VDCs)
- Empowering and Strengthening Governance
- Ongoing Discussion on Multi-Sector wide approach for Nutrition (M-SWAP)

# Thank you

