

RESULTS ORIENTATION TO POVERTY REDUCTION IN THE TENTH PLAN/PRSP (2002-2007) OF NEPAL

Actions and Achievements

Overview

Nepal's planned development efforts suffered from:

- Weak logical linkages between national objectives and sectoral priorities
- Weak linkages between planning and budgeting
- Large number of projects without prioritization (thinly spread resources)
- M&E was mainly process-oriented, and not results-based

	2001/02	2003/04
Population Below National Poverty Line	38	30.8
Population Below Poverty Line (\$1 per day)	64	51

Thus, starting from fiscal year 2001/02 Nepal made efforts to institutionalize MiDR under the PRSP process.

Highlights

	2001/02	2005/06
Child Mortality Rate (per 1,000 live births)	91	65
Infant Mortality Rate (per 1,000 live births)	64	51

Results-based Tenth Plan (PRSP)

Goal: Poverty reduction

- National strategies: (i) broad-based growth, (ii) social sector development, (iii) targeted programs and (iv) good governance
- Embracing MDGs in social sectors and emphasis on rural infrastructure
- Design of log-frame in all sectors to identify results
- Continued reform process towards liberal economic approach
- New laws promulgated to enhance policy reform measures
- Devolution of agriculture extension, basic health, primary education, rural water supply and sanitation and rural infrastructure to local bodies
- Involvement of local bodies, private sector and civil societies in implementation



Khjung: Transformed through tourism

Planning-budgeting linkages

- Design of Medium Term Expenditure Framework (MTEF) and Business Plan (BP) to align and ensure budget in priority areas of PRSP
- Prioritization of development programs/projects
- Performance driven and poverty-formula based district grant system prepared and applied to streamline resources to results

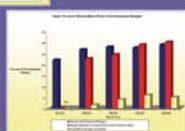
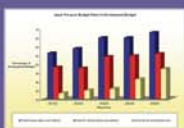
Results Monitoring

- Poverty monitoring and analysis system (PMAS) for results monitoring
- District poverty monitoring and analysis system (DPMAS) finalized Expenditure tracking and unit costing started in key sectors
- Priority policy implementation/monitoring through IAP
- Computerized management information system (MIS) and project performance information system (PPIS) initiated in key ministries

Results Achieved

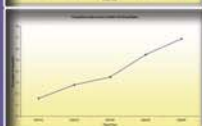
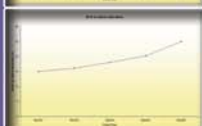
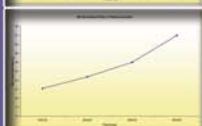
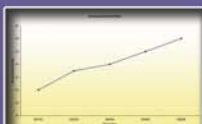
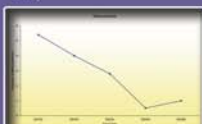
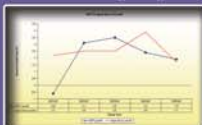
Outputs

- Programs/projects prioritized in terms of P1, P2 & P3 in the budget and high priority programs ring fenced
- Allocation increased substantially in pro-poor areas
- Periodic flash reports published in key areas like education
- PMAS institutionalized and yearly PRSP progress report available to public through NPC website
- High achievements in key pro-poor components and rural infrastructure



Outcomes

- Demand for strengthening institutional supply capacity for results created at the higher level
- Enhanced transparency and accountability through periodic dissemination of results
- MDG progress likely or potentially achievable in most of the goals (G 1, 3, 4, 5, 7 and part of 6)
- Poverty reduced at the rate of 1.4 percentage point per year over 1996-2004
- Higher level socio-economic indicators of pro-poor sections of society



Lessons Learnt

Despite Conflict Nepal's MiDR practice demonstrates:

- Poverty can be reduced & social indicators improved
- Community mobilization critical for results
- Urbanization contributed to poverty alleviation
- MiDR needs interventions starting from results-based planning to achieving outcomes
- MiDR must be cascaded down to lower levels with continued commitment
- Results culture contributes to improve outcomes
- Donor harmonization aligned to national goals vital for results

Future Priority Steps

- Cascade the results framework to lower levels
- Strengthen e-governance systems
- Continue efforts for capacity building in every level
- Improve use of results information in decision-making
- Institutionalize performance management systems at each level



Private initiative in transportation development



How the challenge is keeping them in school

Government of Nepal, National Planning Commission

Source: Poverty Profile Report (2005/06)



Third International Roundtable
Managing for Development Results
1-3 February 2007, Hanoi, Vietnam



Statistics Award