



# Climate Change Budget Code

Application Review



National Planning Commission  
Singh Durbar, Kathmandu  
November, 2013



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National Planning Commission

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# ABOUT PEI NEPAL

The Poverty-Environment Initiative (PEI) is a UNEP/UNDP programme. PEI in Nepal supports poverty reduction and inclusive development by integrating pro-poor climate and environmental concerns into development planning and economic decision making. The PEI is not designed as a stand-alone project as such but rather it aims to provide a programmatic framework for targeted support to national and local level planning, budgetary and economic decision making processes through ongoing UNDP supported programmes, in particular, Strengthening National Planning and Monitoring Capacity of NPC (SNPMC-NPC) and the Local Government Community Development Programme (LGCDP). At the national level, the PEI helps strengthen the NPC's capacity to integrate environmental

concerns of poor women and men into planning, budgeting, and economic decision at national and local level. Similarly, at the local government level, it strengthens capacity of local governance actors and civil society to integrate environmental concerns of poor women and men into planning, budgeting, monitoring, and evaluation at local level by providing technical support to the Ministry of Federal Affairs and Local Development (MoFALD), and District Development Committees (DDCs) and Village Development Committees (VDCs). The PEI Programme Framework complements the existing project documents of the above two projects, which include the stipulated PEI activities in their respective Project Annual Work Plans (AWPs). The PEI in Nepal began from February 2010 and ends in December 2017.



## Recipient of the South-South Triangular Cooperation Leadership Award 2013 at the GSSD Expo 2013.

The South-South Triangular Cooperation Leadership Award 2013 for South-South Cooperation was awarded to the Government of Nepal's National Planning Commission and Ministry of Federal Affairs and Local Development, for its exemplary leadership and innovative work on the "Climate Public Expenditure and Institutional Review which subsequently led to development and institutionalization of Climate Change Budget Code application" supported jointly by UNDP and UNEP through the Poverty-Environment Initiative (PEI). The award is in recognition of the strong leadership of National Planning Commission and the concerned ministries and the positive impact of climate finance works in Nepal as well as in other countries.

The Global South-South Development Expo (GSSD Expo), a UN system-wide global high-profile event, took place in Nairobi, Kenya, from October 28-November 01. The overarching theme of the Expo was 'Building inclusive green economies-South-South Cooperation for sustainable development and poverty eradication'. During the event many strong and innovative solution nominations from around the world were assessed on eight key attributes, and the Expo conferred particular recognition on solutions that stood out as global in scope, reach, and impact, and exemplary of the most important elements of South-South cooperation – Innovation, Partnership, and Leadership.



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# ABBREVIATIONS

CDDE	Capacity Development for Development Effectiveness
CPEIR	Climate Public Expenditure and Institutional Review
DDC	District Development Committee
FY	Fiscal Year
GDP	Gross Domestic Product
INGO	International Non-Government Organization
MDG	Millennium Developments Goal
MoAD	Ministry of Agriculture Development
MoE	Ministry of Energy
MoEd	Ministry of Education
MoF	Ministry of Finance
MoFALD	Ministry of Federal Affairs and Local Development
MoFSC	Ministry of Forestry and Soil Conservation
MoI	Ministry of Industry
MoIr	Ministry of Irrigation
MoPIT	Ministry of Physical Infrastructure and Transport
MoSTE	Ministry of Science Technology and Environment
MoUD	Ministry of Urban Development
MTEF	Medium Term Expenditure Frame
NPC	National Planning Commission
PEI	Poverty Environment Initiative
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
VDC	Village Development Committee





Government of Nepal  
**National Planning Commission**  
Singha Durbar, Kathmandu, Nepal

**Rabindra Kumar Shakya Ph. D.**  
Vice-Chairman

Ref.:-

November 25, 2013  
Date:.....

## MESSAGE

The National Planning Commission (NPC) has always tried to focus on critical developmental issues in its national plans. The Twelfth Plan (FY 2010/12-2012/13) focused on integrating environmental issues, particularly climate change, into development plans and programmes. The Approach Paper to the Thirteenth Plan (FY 2013/14-2015/16) goes a step further: it explicitly indicates Nepal's commitment to adopting the concept of a green economy in order to minimize the climate change impacts on natural resources and to sustain the economy.

Because Nepal is highly vulnerable to climate change impacts, it needs to focus on the goal of adaptation by increasing investment in climate change activities including its mitigation. To respond to this need and to uphold its commitments to several national and international treaties and conventions regarding climate change issues, Nepal has adopted suitable national policies and established the required legislative and institutional infrastructure. It has framed strategic programmes to promote national and local adaption, initiate carbon trading, and address climate-sensitive issues by building local capacity to review adaptation options and by encouraging local bodies to include the best of those options in their development plans and budgets.

The lack of institutional capacity, the absence of inter-agency relationships to deal with cross-cutting issues like climate change, and the shortage of adequate means and resources are some problems the NPC faces in implementing those programmes effectively. That said, the NPC regards as a great achievement the fact that, after conducting the Climate Public Expenditure and Institutional Review in 2011, it developed a climate budget code as a tool to facilitate the periodic tracking of public expenditure on climate.

The NPC and the Ministry of Federal Affairs and Local Development have been awarded the South-South Triangular Cooperation Leadership Award 2013 at the GSSD Expo 2013 held in Kenya for developing the climate budget code and institutionalizing it. The award is a reflection of Nepal's willingness and capability to get itself involved in such works.

The first evaluation of the application of this climate budget code is encouraging: eleven ministries have already allocated more budget toward climate change activities. Overall, about 10 per cent of the total budget is dedicated to climate activities. I hope that the insights garnered during this process will help ministries and other agencies to reflect upon the context of climate change while preparing their development plans and programmes.

**Dr. Rabindra Kumar Shakya**  
Vice Chairman  
National Planning Commission





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## FOREWORD

The climate change policy of the Government of Nepal envisages that 80 per cent of the climate investment will reach those communities where it is needed the most. At the local level, however, climate and environmental problems are so intertwined that differentiating between the two, and therefore investing separately in the two, is problematic. It is made even more so by the fact that the budgetary system does not indicate actual climate expenditure either. In order to track budget allocation for climate, the NPC conducted the Climate Public Expenditure and Institution Review in 2011 and subsequently developed a tracking system founded on the use of climate budget codes for all climate activities under all public sectors.

The results of the application of this code, though incipient, are promising as measured in terms of the numbers of sectors, ministries, and departments that have climate activities and the increase in the amount of money allocated toward them. The code has helped the NPC to plan climate investment in key sectors and in areas where climate impacts will grow increasingly visible. To ensure its relevance as the nation progresses, the code will continue to be reviewed and polished.

The publication of the results of the first review of the application of the budget code is a great achievement. The information this report contains will help planners to reflect on the priorities they have set for climate activities in various areas, to review their decisions, and, if needed, to set new priorities. The results will help to reflect on how well policies and programmes were matched with funding and to identify gaps in climate investment that may have slipped in unwittingly. In addition, the information will also help readers understand the emphasis placed by the state on climate change impacts.

I thank all those who were involved in the review.

**Mr. Yuba Raj Bhusal**  
Member Secretary  
National Planning Commission





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## ACKNOWLEDGMENTS

It is a matter of great satisfaction that what began in 2011 as an attempt to devise a suitable method to trace climate public expenditure in the public sector has, with the continuous effort of dedicated individuals, resulted not only in the development of a climate budget code but also in the implementation of that code in the national budget. Now planners and decision-makers have the information they need to prioritise climate finance. A review of the information generated by the climate budget code was carried out to examine how effective and useful it has been. This valuable task of introducing climate budget code would not have been possible without the kind support of many individuals and organisations. I would like to extend my sincere thanks to all of them.

Special thanks are due to Vice-Chairman of the NPC Dr. Rabindra Kumar Shakya and Member Secretary Mr. Yuba Raj Bhusal for their continued guidance and support. I would also like to express my gratitude towards my colleagues, joint secretaries Pushpa Lal Shakya, Teertha Raj Dhakal, Bhaba Krishna Bhattarai, Purushottam Ghimire, and Bishnu Prashad Nepal, as well as to the programme directors and planning officers of the Secretariat for making climate code implementation a reality. Programme Director Manahari Khadka, and Planning Officer Nita Aryal deserve special mentions for their involvement in the process. We are equally indebted to the planning officials of all ministries and departments for coding each of the proposed development programmes through a climate-change lens.

Thanks and appreciations also go to my colleagues in the Budget Division of the Ministry of Finance for introducing a new format for climate budget coding. In addition, a special thank you goes to the then vice-chairpersons Dinesh C. Devkota and Deependra Bahadur Kshetry, Finance Secretary Krishna Hari Baskota, and Environment Secretary Krishna Gyawali, for their timely decision, which made the implementation of a climate budget code possible.

Vijaya Singh, ACD and Chief of EECDRM unit at UNDP Country Office, and Gyanendra Shrestha, SNPMC's National Project Manager deserve deep appreciation for their support. Madhukar Upadhyaya, the PEI advisor deserves special mention for his role in facilitating and guiding the entire process. Thanks are also due to the consultant Ram Chandra Bhattarai for the review. Finally, I would like to express my deep appreciation to the UNEP/UNDP PEI programme for providing technical and financial support, without which this report would not have reached its present shape.

We are grateful to Ms. Perry Thapa for copy-editing the text; her skills have made this report much more readable than it would have been otherwise.

**Mr. Gopi Nath Mainali**

Co-ordinator, Climate Finance Working Group

Joint Secretary

National Planning Commission Secretariat



## 1

## INTRODUCTION

A study on the Future for Climate Finance in Nepal was conducted by ODI in 2014 for Government of Nepal, National Planning Commission (NPC) with support from UNDP/UNEP/CDDE. The study examined the development effectiveness dimensions of climate finance and concluded that the climate finance in Nepal is at an formative stage and that coordination challenges associated with the different channels of climate finance are already emerging and these can only become more acute in the absence of an overall national coordination mechanism, such as that provided by the national budget. The study offered a forward looking perspective on how climate finance may be administered in the years ahead, and suggested that the national budget should incorporate all external (ODA and climate finance) and domestic revenues, and allocate public finance under strong policy direction, and be accountable to the Parliament. In essence the climate finance would be channeled through the public finance system rather than relying upon a dispersed set of delivery mechanisms, which would require that the public financial management system is able to budget, track and report on climate

finance through all sectors and strengthen the link between policy objectives and resource allocation by making spending decisions more explicit and therefore open to scrutiny.

In light of the above, NPC with the support from Poverty Environment Initiative (PEI) programme of UNEP /UNDP examined the existing climate finance situation and institutional arrangement through a study on Climate Public Expenditure and Institutional Review (CPEIR). In addition to identifying institutions that had climate related programmes and assessing the volume of budget allocated to climate activities, the CPEIR also noted several gaps in tracking climate finance. The study suggested, among others, to begin using climate budget code in order to facilitate tracking of climate budget and expenditure. To that effect, the NPC developed coding criteria and procedure through series of consultations with the stakeholders, and introduced climate budget code in the national budget of the Fiscal Year 2013/14. The national budget announced by the Ministry of Finance and published in the *Redbook*<sup>1</sup> incorporates climate codes,

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<sup>1</sup> A book published annually by the Ministry of Finance with details of all public institutions and their programs and proposed budget allocation.

making official an analytical framework to calculate government funds channeled for programmes related to climate change.

Since it is the first time that climate code has generated information on actual climate public finances, the information was

reviewed to evaluate gaps so that corrective measures could be taken to improve the criteria for coding and make it more robust in the years to come. The review was also intended to facilitate devising methods for tracking climate finance at the local level. This report presents the results of the review.



# 2 RATIONALE

Public finances are channeled through multiple ministries and departments that are different in their mandate, scope, and areas of expertise, whereas the criteria and method currently used for climate coding is common for all. Even though the criteria have large enough scope to cover climate activities, there are areas where specific organization requires further elaboration of the criteria. Such differences need to be addressed while addressing concern of particular organization, which can only be assessed by revisiting the information generated by climate code for respective organization and validate the information.

The climate budget code was introduced in the annual budget of Fiscal Year 2012/13, but since the parliament had been dissolved in May 2012, the budget announcement for that year was done in three separate installments through presidential ordinances, and hence the climate budget code was not officially endorsed in the budget speech. Now that the code has been officially endorsed and has become integral of the national budget of Fiscal Year 2013/14, it would be necessary to revisit the coding criteria and procedure in order to identify the areas for improvement in its application. With this understanding, a rapid evaluation of the code application has been done. The evaluation is based on the analyses of the information generated by climate budget code as presented in annex 16 of the *Redbook*.

# 3 OBJECTIVES

The main objectives of the study are to

- Analyze the climate budget allocation of the Fiscal Year 2013/14 including the amount under recurrent and capital headings.
- Compare climate budget of the Fiscal Year 2013/14 with the estimates of CPEIR (2011) and the climate budget of the of the Fiscal Year 2012/13 in terms of amount and sector(s), and identify reasons for any change.
- Identify sectoral specificity that the current budget code method or criteria has not been able to capture.
- Provide a preliminary frame for how climate coding can be implemented within ministry of federal affairs and local development.
- Provide recommendations to inform the decision makers about the effectiveness of the coding as a tool for planning and coordinating climate projects.

# 4

## METHODOLOGY

The evaluation is based on the analyses of the information generated by climate budget code in the budget data base of the National Planning Commission and the data published in Annex 16 of the budget for the Fiscal Year 2013/14. In order to compare with the climate budget as estimated by the CPEIR, and with the previous year's climate budget, the report of CPEIR and the data from the NPC have been used. An in-house consultation meeting of concerned officials of relevant ministries, departments

and NPC officers was conducted to assess the difficulties and gaps in coding. Attempt was made to find out the strength and weaknesses of the current coding process and possible way of climate coding at the local level.

Similarly, a consultation meeting at the relevant ministries and four departments was conducted to find out the gaps and difficulties in current climate coding and the ways to improve it.

### Budget categories

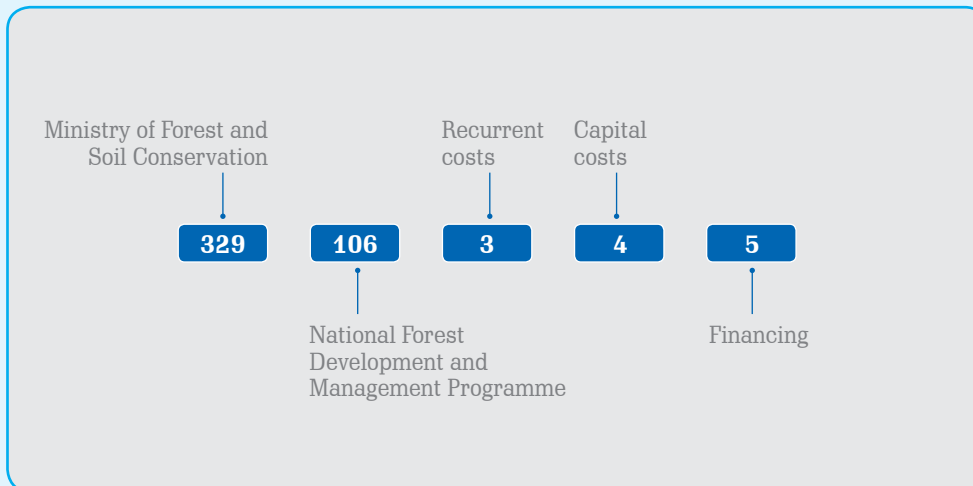
**Recurrent costs:** Recurrent cost is the expenditure other than capital and financing and which are annually spent by the government organization. Such expenditure includes consumption expenditure, expenditure necessary for daily activities, the expenditure for the services for public welfare and the grants provided to the institutions responsible for such public welfare services. The interest expenses of the loan and refund expenditure also include under this heading.

**Capital costs:** The expenditure made for fixed assets like furniture and fixtures, vehicles, machinery parts and instruments etc. are known as capital costs. The capital expenditure adds fixed assets, which can be used for further production activities. Stock of assets for strategic importance and emergency use, land, buildings, roads, canals, electricity generation plant, forest plantation, mining, up gradation of projects, research study, consultation services for such capital nature of activities are also included under capital expenditure. Custom duty & tax and the compensation for the loss of capital are also included under capital expenditure.

**Financing costs:** The repayment of principle is categorized under this heading. It includes internal loan and share investment and repayments of principle and foreign loan.

## Budget number

Budget for each programme is represented by 7 digits in the *Redbook*. The first 3 digits of the budget indicate Ministries or Constitutional bodies. The fourth, fifth and sixth digit indicate department, office and project. The 7th digit indicates the type of budget, which are categorized under three sub-groups i.e. recurrent, capital, and financing. If the 7th digit is 3, it indicates that the budget is allocated for recurrent costs, whereas number 4 indicates capital costs. If the 7th digit is 5 under the budget head it indicates financing costs. If the budget has financing component the budget head would appear as 329 1065, while for recurrent it will be represented by 329 1063. The budget number for annual budget of National Forest Development and Management Programme of the Ministry of Forest and Soil Conservation is always represented as follows:



### Budget sheet for the above programme indicating various codes including climate code

Budget Sheet									
Budget number			Programme/ Project	Projected budget	Priority series	Strategic pillar	Pro-poor code	Gender code	Climate budget code
Budget Subhead									
329	106	3/4	National Forest Development and Management Programme	(Proposed Amount)	1	6	2	3	1

# 5 MAJOR FINDINGS

This section presents the findings of the review for the Fiscal Year 2013/14. In the following sections however, a comparison of the findings of the study with climate budget estimates made by the CPEIR for the Fiscal Year 2011/12, as well as with climate budget as calculated from NPC's internal data base for the Fiscal Year 2012/13 will be presented.

## 5.1 Climate Change Budget of the Ministries

Government of Nepal has 27 ministries, of which 11 (table 1) have climate change related programmes. Among these 11 ministries ten are line ministries, the remaining one is the Ministry of Finance,

which has budget set aside for financing the internal loan and share investment for hydroelectricity project and water sector development programs. Part of the fund under financing has also been set aside for the Kathmandu Valley Sewerage Management Project. The details of the expenditure by heading is presented in the annex I.

**Table 1 Name of the Ministries**

SN	Budget head	Ministries	Acronym
1	307	Ministry of Industry	MoI
2	308	Ministry of Energy	MoE
3	312	Ministry of Agriculture Development	MoAD
4	329	Ministry of Forestry and Soil Conservation	MoFSC
5	331	Ministry of Science Technology and Environment	MoSTE
6	337	Ministry of Physical Infrastructure and Transport	MoPIT
7	347	Ministry of Urban Development	MoUD
8	350	Ministry of Education	MoEd
9	357	Ministry of Irrigation	MoIr
10	365	Ministry of Federal Affairs and Local Development	MoFALD
11	501	Ministry of Finance (Financing)	MoF

Source: Ministry of Finance (2013)

## 5.2 Climate Budget against Total Budget and GDP

Total climate change budget allocated for the Fiscal Year 2013/14 is Nrs. 53,482,516,000, which is 10.3 per cent of the total budget and 3.1 per cent of the total GDP. The share

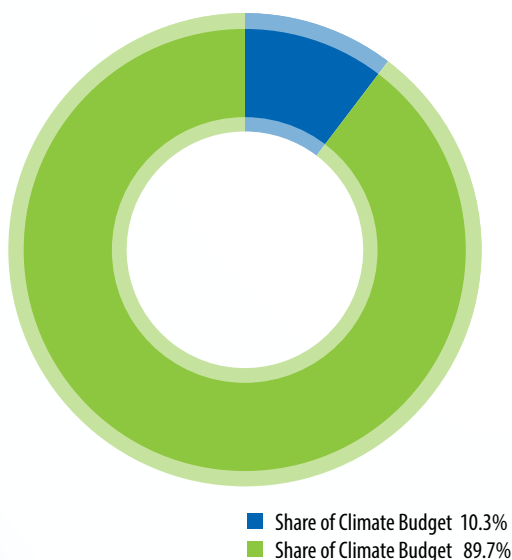
of the climate budget in this Fiscal Year is substantially higher than that of the last year. However, by deducting the budget set aside for financing component in the Ministry of Finance, which does not fall under directly allocated budget, the share of climate budget totals about 8.88 per cent of the total budget and 2.7 per cent of the GDP.

**Table 2 Climate Public Expenditure Details in FY 2013/14 (NRs in '000)**

SN	Headings	2013/14	Remarks
1	Annual budget	517,240,000	
2	GDP <sup>i</sup>	1702,200,000	
3	Climate budget	53,482,516	
4	Climate budget as per cent of total Budget	10.3	
5	Climate budget as per cent of GDP	3.1	
6	Number of Ministries with climate budget allocation	11	
7	Number of budget heads	124	74 highly relevant + 50 relevant

Source: Ministry of Finance (2013)

### Share of Climate Budget to Total Budget (FY 2013/14)



## 5.3. Share of Ministries in Total Climate Budget

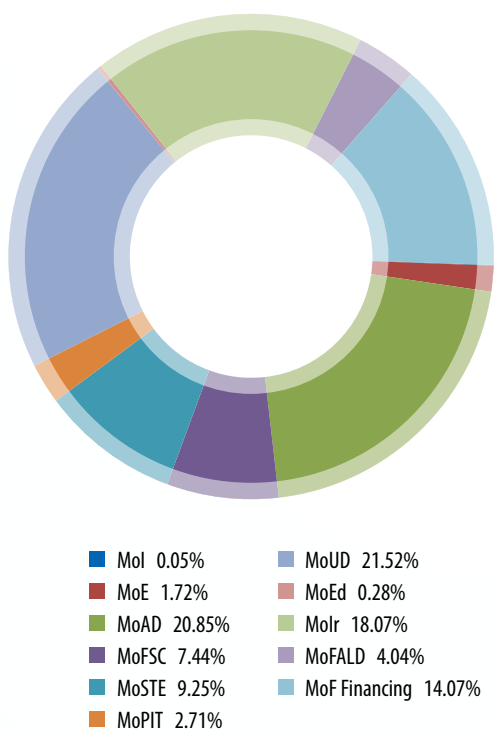
The table 3 shows the share of each relevant ministry in the total climate change budget for the Fiscal Year 2013/14. Among the 11 relevant ministries the ministry of Urban Development occupies the highest share of 21.52 per cent of the total climate budget followed by the Ministry of Agriculture with 20.85 per cent. The other ministries with higher share are Ministry of Irrigation and Ministry of Finance with 18.07 and 14.07 per cent respectively. The Ministry of Science, Technology and Environment is fifth in order with a share of only about 9 per cent. These five Ministries together take about nearly 85 per cent of the total climate change budget.

i The data on DGP is taken from the Economic Survey, 2012/13. The GDP data are for the previous years.

**Table 3 Climate Budget of the Ministries for FY 2013/14**

SN	Ministry	Climate budget (NRs in '000)	Per cent of total climate budget	Remarks
1	MoI	24089	0.05	
2	MoE	920051	1.72	
3	MoAD	11150503	20.85	
4	MoFSC	3980902	7.44	
5	MoSTE	4949574	9.25	
6	MoPIT	1448368	2.71	
7	MoUD	11508238	21.52	
8	MoEd	150345	0.28	
9	MoIr	9665118	18.07	
10	MoFALD	2162870	4.04	
11	MoF	7522458	14.07	Financing
<b>Total</b>		<b>53482516</b>	<b>100.00</b>	

Source: Ministry of Finance (2013)

**Share of Ministries' Climate Budget to Total Budget (FY 2013/14)**

## 5.4. Climate Budget and Level of Relevancy

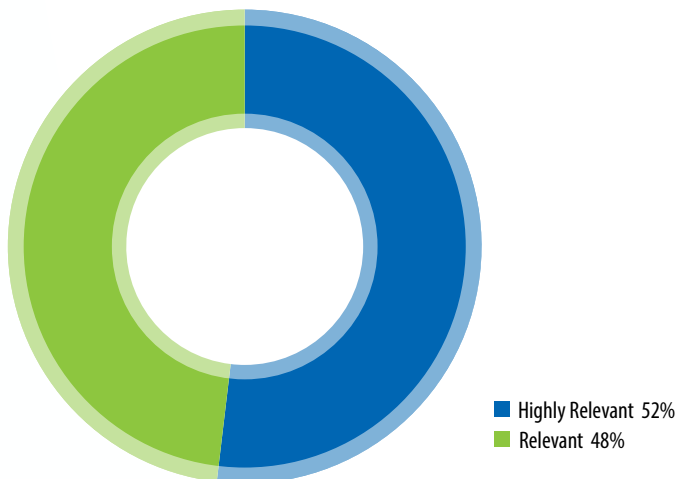
According to the budget code criteria, the relevance level of climate budget has been categorized as highly relevant, relevant and neutral. Programmes that have more than 60 per cent of its budget allocated for climate related activities have been categorized as highly relevant programme to climate change, while the programmes with 20-60 per cent of its budget allocated for climate change related activities have been categorized as relevant to climate change. Programs with no or less than 20 per cent of the budget allocated to climate change related activities have been considered as climate neutral programmes. Based on these criteria nearly 60 per cent of the climate change related programmes in the Fiscal Year 2013/14 have been found to be highly relevant and only about 40 per cent are relevant programmes. In terms of the total budget nearly 52 per cent climate budget has been allocated for highly relevant programmes, while the remaining 48 per cent of the climate budget has been allocated for relevant programmes.

**Table 4 Climate Budget and Level of Relevance**

SN	Ministries	Climate Change Related Budget (NRs in '000) FY 2013/14			
		Highly relevant		Relevant	
		Total Amount	Number of budget head	Total Amount	Number of budget head
1	MoI	24089	1	0	
2	MoE	920051	9	0	
3	MoAD	994903	6	10155600	13
4	MoFSC	2127634	16	1853268	6
5	MoSTE	4949574	10	0	
6	MoPIT	298368	1	1150000	5
7	MoUD	11241080	14	267158	3
8	MoEd	150345	1	0	
9	MoIr	4760509	10	4904609	14
10	MoFALD	2162870	5	0	
11	MoF	120000	1	7402458	9
	<b>Total</b>	<b>27749423</b>	<b>74</b>	<b>25733093</b>	<b>50</b>

Source: Calculated from the budget of FY 2013/14, Ministry of Finance (2013)

#### Level of Relevance of Climate Activities and its share in Total Budget



### 5.5. Recurrent and Capital Breakdown of Climate Budget

Under highly relevant climate budget about 53 per cent has been allocated for recurrent activities, while 47 per cent has been allocated for activities under capital

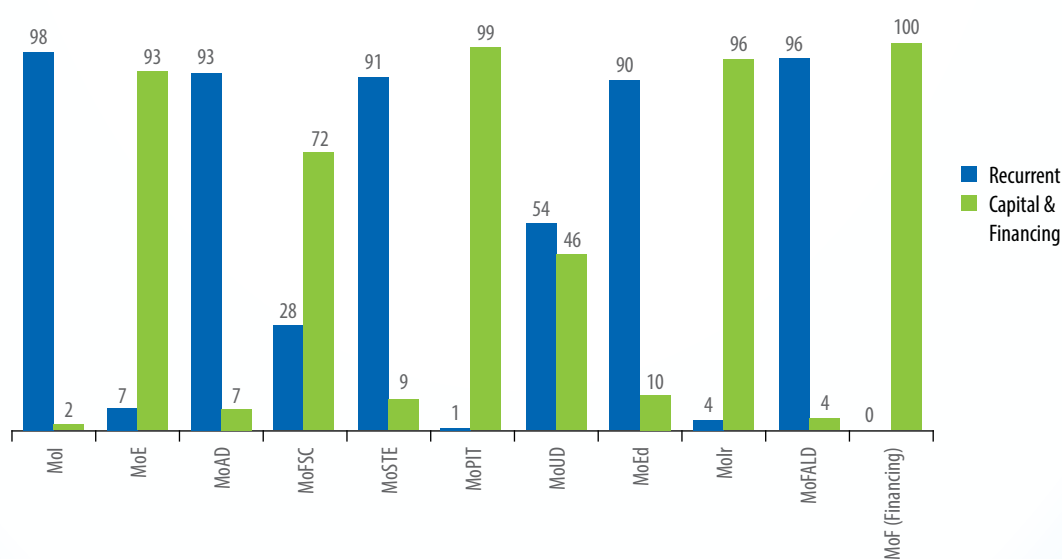
heading together with financing head. However in case of relevant climate budget about 40 per cent of the budget has been allocated for recurrent activities and 60 per cent has been set aside for capital and financing head. Of the total climate budget 47 per cent is under recurrent, 39 per cent is under capital head and 14 per cent is under financing head.



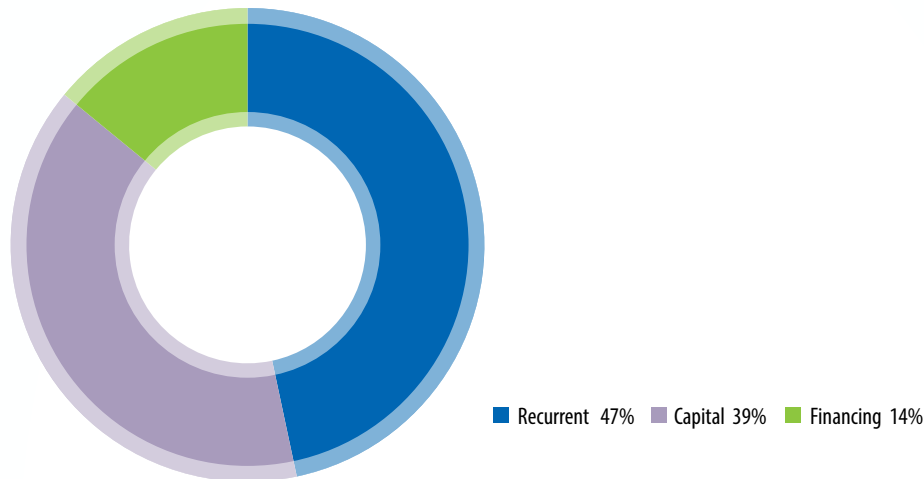
Table 5 Climate Budget under Different Budget Category					
SN	Ministries	Climate Related Budget ( NRs in '000) FY 2013/14			
		Highly Relevant		Relevant	
		Recurrent	Capital & Financing	Recurrent	Capital & Financing
1	MoI	23539	550	0	0
2	MoE	63922	856129	0	0
3	MoAD	720403	274500	9663714	491886
4	MoFSC	739019	1388615	394299	1458969
5	MoSTE	4504732	444842	0	0
6	MoPIT	3868	294500	10000	1140000
7	MoUD	6241217	4999863	10268	256890
8	MoEd	135911	14434	0	0
9	MoIr	198474	4562035	170081	4734528
10	MoFALD	2074555	88315	0	0
11	MoF	0	120000	0	7402458
<b>Total</b>		<b>14705640</b>	<b>13043783</b>	<b>10248362</b>	<b>15484731</b>

Source: Ministry of Finance, (2013)

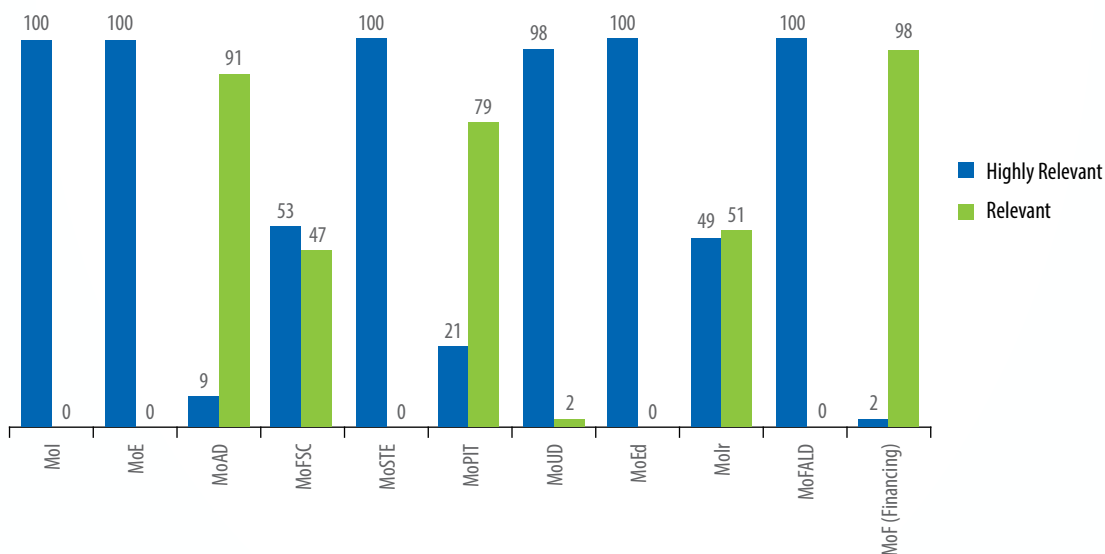
Share of Climate Budget under Recurrent & Capital Head within Ministries (in %) FY 2013/14



### Share of Climate Budget as per Budget Classification (FY 2013/14)



### Level of Relevance of Climate Budget within Ministries (in %)



## 5.6. Share of Climate Budget in Total Budget of Ministries

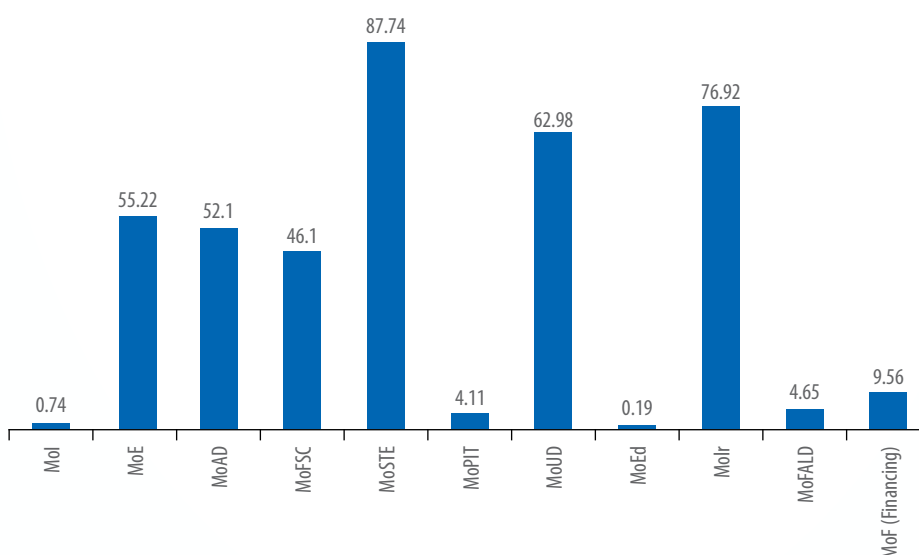
The share of climate change budget to total budget of the ministry is highest (88 per cent) in the Ministry of Science, Technology and Environment. The Ministry of Irrigation has about 77 per cent of its total budget

dedicated to climate change. Similarly, Ministry of Urban Development has 63 per cent, while the Ministry of Energy has 55 per cent and Ministry of Agriculture and Development has 52 per cent. Ministry of Forest and Soil Conservation has 46 per cent of its total budget allocated to climate change. The Ministry of Education and the Ministry of Industry have 0.2 per cent and 0.74 per cent respectively.

Table 6 Share of Climate Budget to Total Budget of Ministry				
SN	Ministry	FY 2013/14		
		Total Budget	Climate budget	Per cent
1	MoI	3248677	24089	0.74
2	MoE	1666217	920051	55.22
3	MoAD	21403127	11150503	52.10
4	MoFSC	8634955	3980902	46.10
5	MoSTE	5640958	4949574	87.74
6	MoPIT	35276796	1448368	4.11
7	MoUD	18273110	11508238	62.98
8	MoEd	80958080	150345	0.19
9	MoIr	12565546	9665118	76.92
10	MoFALD	46542811	2162870	4.65
11	MoF	78722793	7522458	9.56

Source: Ministry of Finance (2013)

#### Share of Climate Budget to Total Budget of Ministries (in %)



### 5.7. Capital Budget by the Category of Services and Functions

Table 7 shows the climate change budget by the category of service and functions of the government of Nepal. There are

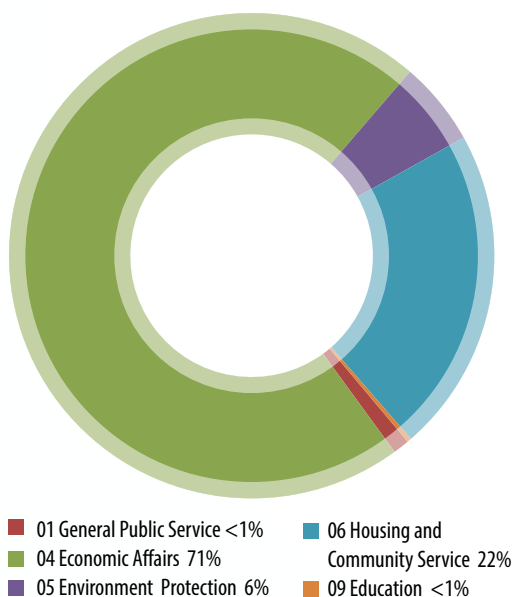
altogether 10 group of service and function areas, among which only five have climate related budget. Most of the climate budget is on the area of economic affairs (71 per cent) followed by housing and community services (26 per cent). Only about 6 per cent is under environment protection, 1 per cent is under general public service.

**Table 7 Climate Budget allocation according to Group of Industry (Services) in FY 2013/14 (NRs in '000)**

SN	Group of Industry with code	Directly relevant			Relevant			Total
		Recurrent	Capital	Total	Recurrent	Capital	Total	
1	01 General Public Service	580798	150	580948	0	0	0	580948
2	04 Economic Affairs	6378696	7511358	13890054	10231727	14031309	24263036	38153090
3	05 Environment Protection	845384	1077528	1922912	16635	1056390	1073025	2995937
4	06 Housing and Community Service	6764851	4440313	11205164	0	397032	397032	11602196
5	09 Education	135911	14434	150345	0	0	0	150345
Total		14705640	13043783	27749423	10248362	15484731	25733093	53482516

Source: Ministry of Finance, (2013)

#### Climate Budget Share in percent of Total Climate Budget for group of Industries (services)



## 5.8. Local Component of Climate Budget

Out of 124 climate related programs identified by climate code a total of 12 programs have been found to be local programme. All of them are categorized as highly relevant programme to climate change. About 11.4 per cent of the total climate change budget is allocated to these local programmes. However, it did not include the fund allocated to climate change from the block grant<sup>2</sup> received by the local governments. There is a need to devise methods to track climate funding at local level. Nonetheless, some projection on the amount required can be made based on the actual money spent on climate activities in the previous year.

<sup>2</sup> Local bodies (District Development Committees, Village Development Committees and Municipalities) annually receive certain amount of financial grant to carryout development activities as per the need of the local area as well as on the basis of minimum condition and performance measure result. The grant received is called the block grant, which the local government allocates to various development activities based on the decision of the local bodies. Unlike line agencies, which have to present development programmes beforehand to receive funding, local governments have the privilege of receiving the fund in advance, which makes it difficult to see what part of the grant is spent on climate activities until the budget is used. Developing a climate change coding mechanism at local level in line with the recently approved EFLG (environment friendly local governance framework) for local government would be very much helpful in assessing environment and climate expenditure at local level which is lacking in the existing planning system.

Table 8 Local Component of Climate Budget						
SN	Budget number	Programs	Climate Budget (NRs in '000)			Remarks
			Total	Recurrent	Capital	
1	365804	Rural Drinking Water & Sanitation Program	580948	580798	150	Share of local component in total climate budget is 11.4 per cent.
2	365805	Rural Water Resource Management Project	330177	330177		
3	365821	Rural Water Supply & Sanitation Project in Western Nepal	250143	250143		
4	365833	Community Irrigation Project	600202	512037	88165	
5	365837	Small Irrigation, River Training and Other Infrastructure Program	401400	401400		
6	329801	Community Forest Development Program(Including Green Employment)	157490	68433	89057	
7	329804	District Soil Erosion Program	540245	187645	352600	
8	329805	Community Development and Forest-Watershed Protection Project	63760	18440	45320	
9	329806	Botanical Conservation & Park Development Project	52181	11151	41030	
10	329807	Botanical Utilization & Marketing Program	11980	10800	1180	
11	347801	Rural Drinking Water Project	20000	0	20000	
12	347802	Drinking Water and Sanitation Program	3113056	561911	2551145	
<b>Total</b>			<b>6121582</b>	<b>2932935</b>	<b>3188647</b>	

Source: Ministry of Finance, (2013)

## 6

HOW DOES FINDINGS OF  
THE CPEIR COMPARE WITH  
CLIMATE CODE RESULTS?6.1 Share of climate Budget  
to Total Budget and GDP

Climate budget as indicated by three different sources for three successive Fiscal Years from 2011/12 to 2013/14 have been compared. It was CPEIR's estimate of climate budget for the Fiscal Year 2011/12, whereas for the Fiscal Year 2012/13 the climate budget was estimated from the compiled documents at NPC, and the information for the Fiscal Year 2013/14 has been taken from the budget speech. Table 9 shows the comparative figures. The climate budget for the Fiscal Year 2011/12 was Rs. 27,628,848,000, which was

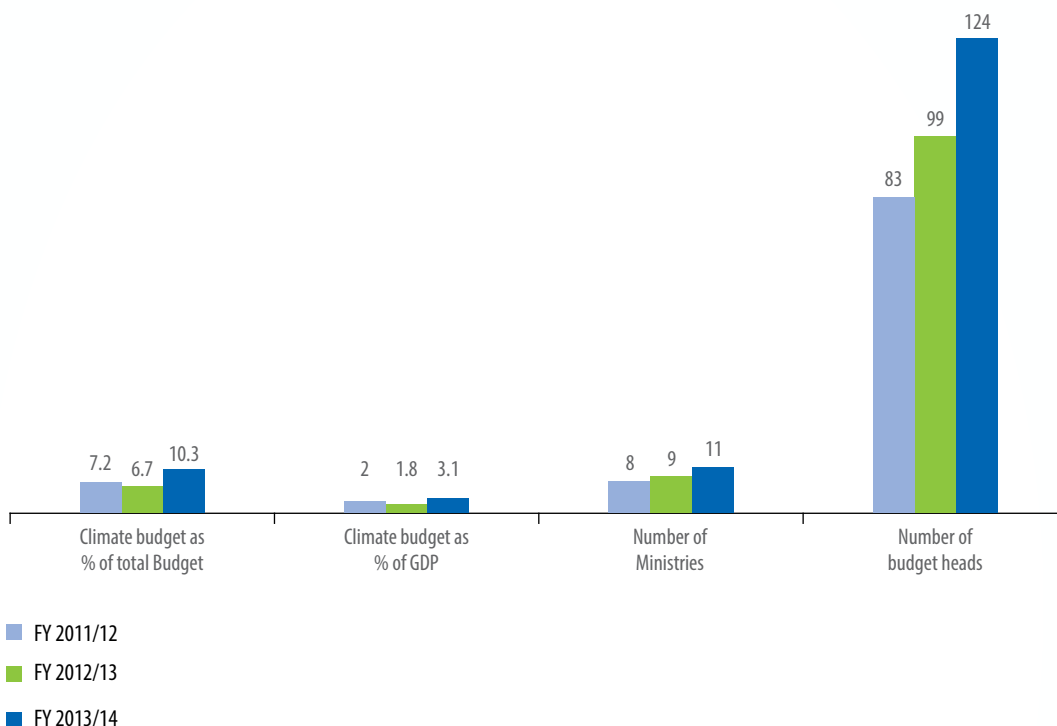
equivalent to 7.2 per cent of the total budget and nearly 2 per cent of the total GDP. For the Fiscal Year 2012/13, it was Rs. 27,282,629,000, which was about 6.7 per cent of the total budget and 1.78 per cent of the total GDP. Similarly, for the Fiscal Year 2013/14, it has been found to be Rs. 53,482,516,000, which is about 10.3 per cent of the total budget and 3.1 per cent of the total GDP. The climate budget for the Fiscal Year 2013/14 is higher than for the two previous years. It may be because of the budget set aside under financing, which if deducted, the climate budget comes to be about 2.7 per cent of the GDP and nearly 8.88 per cent of the total budget.

**Table 9 General Trend of Climate Budget Allocation over three years  
(NRs in '000)**

SN	Headings	Fiscal Year		
		2011/12 (CPEIR)	2012/13	2013/14
1	Annual budget	384,900,000	404,824,700	517,240,000
2	GDP <sup>ii</sup>	1375,000,000	1536,000,000	1702,200,000
3	Climate budget	27,628,848	27,282,629	53,482,516
4	Climate budget as per cent of total Budget	7.2	6.74	10.3
5	Climate budget as per cent of GDP	2.0	1.78	3.1
6	Number of Ministries with climate budget allocation	8	9	11
7	Number of budget heads	83	99	124
8	Relevance	Highly relevant -33, Moderate -44, Low - 6	Highly relevant-70, Moderately relevant -29	Highly relevant-74, Relevant- 50

Source: CPEIR, 2014, unpublished record of NPC, and Budget document, Ministry of Finance, (2013), Economic Survey, FY 2012/13

### Trend of Climate Budget over three years



## 6.2 Share of Ministries' Climate Budget

The table 10 shows the share of each ministry in the total climate change budget for three Fiscal Years. Among the 11 ministries that have climate budget in the Fiscal Year 2013/14 the ministry of Urban Development has the highest share (21.52 per cent) followed by the Ministry of Agriculture with 20.85 per cent. The other ministries with the higher shares are Ministry of Irrigation and Ministry of Finance with 18.07 and 14.07 per cent respectively. The Ministry of Science, Technology and Environment is the fifth with a share of only about 9 per cent. These

five Ministries occupy nearly 85 per cent of the total climate budget allocation.

Whereas, the Ministry of Physical Planning and Works had the highest share of climate budget in the Fiscal Year 2011/12. The ministry was split in to two ministries and almost all the climate budget identified by the CPEIR under this ministry was shifted to the Ministry of Urban Development in the Fiscal Years 2012/13 and 2013/14. Similarly, the CPEIR showed that the Ministry of Federal Affairs and Local Development had about 21.2 per cent of the total climate budget. However, during the Fiscal Years 2012/13 and 2013/14 it was found to be only about 4 per cent of the total climate budget.

**Table 10 Climate Change Budget of Ministries**

Ministry	Climate Budget in different Fiscal Years (NRs in '000)					
	FY 2011/12 (CPEIR)		FY 2012/13		FY 2013/14	
	Amount	Share in total climate budget(%)	Amount	Share in total climate budget(%)	Amount	Share in total climate budget(%)
MoI	954673	3.5	264100	1	24089	0.05
MoE	731988	2.6	158910	0.6	920051	1.72
MoAD	2478070	9	7642389	28	11150503	20.85
MFSC	2195372	7.9	2262945	8.3	3980902	7.44
MoSTE	2780502	10.1	2628556	9.6	4949574	9.25
MoPIT	7821893	28.3	398181	1.5	1448368	2.71
MoUD	0	0	7066642	25.9	11508238	21.52
MoEd	0	0	0	0	150345	0.28
MoIr	4802444	17.4	5552932	20.4	9665118	18.07
MoFALD	5860176	21.2	1307974	4.8	2162870	4.04
MoF	0	0	0	0	7522458	14.07
<b>Total</b>	<b>27625118</b>	<b>100</b>	<b>27282629</b>	<b>100</b>	<b>53482516</b>	<b>100.00</b>

Source: Ministry of Finance (2013), CPEIR, 2011 and NPC data source

### 6.3 Share of Climate Budget in Ministry's Total Budget

Climate budget of each ministry was also compared with its total budget to find what per cent of the total budget is occupied by the climate budget. It was found that the Ministry of Science, Technology and Environment had about 88 per cent of its total budget dedicated to climate change in the Fiscal Year 2013/14. It was in the same range last year as well. CPEIR estimated it to be about 97 per cent for the Fiscal Year 2011/12. The Ministry of Irrigation has about 77 per cent of the total budget set aside for climate activities. Similarly Ministry of Urban Development has 63 per cent, Ministry of Energy has 55 per cent, Ministry of Agriculture and Development has 52 per cent and the Ministry of Forest and Soil Conservation has 46 per cent of total budget dedicated to climate change.

The lowest share (i.e. 0.2 per cent) is found in the Ministry of Education and Ministry of Industry (0.74 per cent).

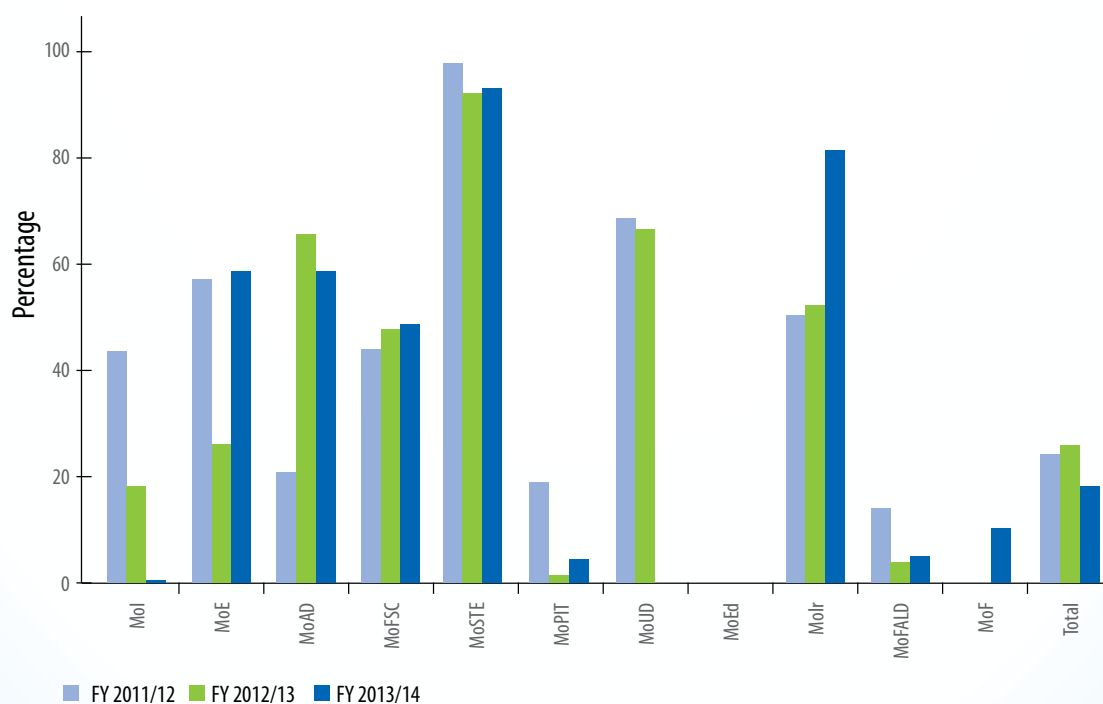
In the Ministry of Industry, the share of climate budget decreased from 41.2 per cent to 0.74 per cent between Fiscal Years 2011/12 and 2013/14. This is primarily because the CPEIR estimate had taken some programme as climate programme whereas the climate code did not consider them as climate activities. Such changes were also seen in the Ministry of Federal Affairs and Local Development and under the Ministry of Agriculture Development. Under the Ministry of Federal Affairs and Local Development the share of climate budget decreased from 13.2 per cent to 4.65 per cent between Fiscal Years 2011/12 and 2013/14. However, the climate budget increased from 19.9 per cent to 52.1 per cent in the same period in the Ministry of Agriculture.



**Table 11 Share of Climate Budget in the Total Budget of the Ministry**

Ministry	Budget share								
	FY 2011/12 (CPEIR)			FY 2012/13			FY 2013/14		
	Total Budget	CC Budget	Share (%)	Total Budget	CC Budget	Share (%)	Total Budget	CC budget	Share (%)
MoI	2315714	954673	41.2	1531867	264100	17.2	3248677	24089	0.74
MoE	1363312	731988	53.7	645704	158910	24.6	1666217	920051	55.22
MoAD	12431084	2478070	19.9	12297141	7642389	62.1	21403127	11150503	52.10
MoFSC	5286327	2195372	41.5	5007210	2262945	45.2	8634955	3980902	46.10
MoSTE	2878329	2780502	96.6	3015975	2628556	87.2	5640958	4949574	87.74
MoPIT	43794678	7821893	17.9	30599609	398181	1.3	35276796	1448368	4.11
MoUD	0	0	0.0	10893538	7066642	64.9	18273110	11508238	62.98
MoEd	0	0	0.0	0	0	0.0	80958080	150345	0.19
MoIr	10028384	4802444	47.9	11248142	5552932	49.4	12565546	9665118	76.92
MoFALD	44500591	5860176	13.2	36743948	1307974	3.6	46542811	2162870	4.65
MoF (Financing)	0	0	0.0	0	0	0.0	78722793	7522458	9.56

Source: Ministry of Finance, (2013)

**Share of Climate Budget to Total Budget of Ministry (in %)**

## 6.4 Number of Climate Change Programs

The number of programs has increased substantially in Fiscal Year 2013/14 compared to the previous years. The number of climate related programmes as identified by CPEIR in Fiscal Year 2011/12 was only 83, whereas the climate code showed that the number increased to 99 in the Fiscal Year 2012/13, and then to

124 in Fiscal Year 2013/14. The details are presented in table 12. About 60 per cent of the climate programs are highly relevant, whereas 40 per cent are relevant.

CPEIR findings shows that in Fiscal Year 2011/12 only about 40 per cent of the climate change related programs were highly relevant whereas in Fiscal Year 2012/13 about 70 per cent was highly relevant.

**Table 12 Number of Budget Heads related to Climate Change**

SN	Ministry	Budget share									
		FY 2011/12 (CPEIR)				FY 2012/13			FY 2013/14		
		Highly	Moder-rate	Low	Total	Directly	Indirectly	Total	Highly relevant	Relevant	Total
1	MoI	0	2	0	2	2		2	1	0	1
2	MoE	0	6	1	7	7		7	9	0	9
3	MoAD	3	4	1	8	6	14	20	6	13	19
4	MoF	13	7		20	16	7	23	16	6	22
5	MoEST	11	1		12	12	0	12	10	0	10
6	MoIT					1	0	1	1	5	6
7	MoIR	3	6		9	10	5	15	14	3	17
8	MoUD	2	10	2	14	11	3	14	10	14	24
9	MoEd								1	0	1
10	MOFALD	1	8	2	11	5	0	5	5	0	5
11	MoF								1	9	10
	Total	33	44	6	83	70	29	99	74	50	124

Source: Ministry of Finance, (2013)

Compared to the CPEIR findings, there are also changes in the number of climate programme in the ministries, which suggests that the understanding about defining climate programme has improved in the last three years. Table 13 shows 14 programs which were registered at climate

programme in Fiscal Year 2011/12 were taken out of the list in Fiscal Year 2012/13. However, 30 programs were added in Fiscal Year 2012/13. Similarly, 10 programs were taken out and 35 were added in Fiscal Year 2013/14 compared to the Fiscal Year 2012/13.

<b>Table 13 Number of Codes Missing and Added(Comparison)</b>						
<b>Ministry</b>	<b>Number of programs missing</b>		<b>Number of programs added</b>			
	<b>FY 2012/13</b>	<b>FY 2013/14</b>	<b>FY 2012/13</b>		<b>FY 2013/14</b>	
			<b>Directly</b>	<b>Moderately</b>	<b>Highly</b>	<b>Relevant</b>
MOI	0	1				
MOE	0	1			3	
MOAD	0	1	0	12		
MOF	2	2	0	5	1	
MOEST	2	3	2		1	
MoIT	0	0	0	0		5
MoIrr	3	0	6	3		9
MoUD	1	1	0	2	4	
MoEd					1	
MOFALD		1			1	
MoF	6		0	0	1	9
<b>Total</b>	<b>14</b>	<b>10</b>	<b>8</b>	<b>22</b>	<b>12</b>	<b>23</b>

Source: CPEIR, 2011; NPC, 2012 & Budget Document, FY 2013/14

## 7 POSSIBLE REASONS FOR THE INCREASE IN CLIMATE BUDGET IN FY 2013/14

CPEIR estimated climate budget as 7.2 per cent of the total GDP. However, this year with the new budget of Fiscal Year 2013/14 the climate change budget is found to be about 10 per cent of the total budget. The possible reasons for this increase are:

1. The climate budget this year also includes the budget for financing. The share of financing budget is about 14 per cent of the total climate change budget. Such amount was not estimated in the CPEIR as this is not the budget for expenditure rather it is share investment and loan to the corporations. Deducting the financing amount the share of climate budget comes to be only about 8.8 per cent of the total budget.
2. The other reason is that the government has given utmost priority to energy development, and hence the budget under the Ministry of Energy increased by nearly two fold to that of the previous year's budget. Again the share of climate budget under the ministry is higher than that of the previous year.
3. The amount of budget under the ministry of urban development is also increased by nearly 80 per cent to that of the previous year.
4. Under the Ministry of Irrigation nine programs have been added to that of the previous year, and hence the total share of climate budget has also increased from 49 to 77 percent.

# 8

## CLIMATE CODING OF LOCAL GOVERNMENT BUDGET

The Ministry of Federal Affairs and Local Development has categorized the actual expenditure from the local government under some specified heads. Some of the heads are road construction, education, health, drinking water, irrigation, economic promotion, rural energy, social and promotional activities. It is difficult to understand the actual amount for climate change activities from these heads.

## 9

ISSUES THAT NEEDS TO  
ADDRESSED

Since it was the first time that budget code for climate activities were being used for tracking purposes, it was certain to have gaps and shortcomings in the process. It was also certain to invite confusion at various levels of implementation. One common problem was to define climate activities and differentiate from environmental activities. Each ministry has unique mandate with specific responsibility to deliver services, however, the broad guidelines and procedure developed for climate code is same for all ministries, which seems to have caused some difficulty in interpretation of criteria for defining climate activities as suggested by the reference guide.

There was some confusion about how much of the public budget should be allocated to climate activities. This question is probably raised because in many other area of development such as education or health there is a set target to be met by 2015 under the MDGs. However, climate change does not have any MDG target and therefore there is no target as such to be met under climate activities. The purpose of coding is to be able to track climate budget allocation for review and policy analysis and not reaching climate budget target set in advance.

Another area of concern and probably most critical one is with the calculation of climate

budget allocation. The three categories of climate program identified as (i) directly relevant, (ii) indirectly relevant, and (iii) climate neutral carry three different level of climate budget. Directly relevant programs carry more than 60 % of their budget for the climate related activities, while indirectly relevant programs carry 20-59 % for climate related activities. The climate neutral programs have either less than 20 % budget their budget related to climate activities or they have no relation with climate change at all. In reality, some activities may have the climate related budget just around 60 % or 65 % and some may have 90 %, both of which are considered as 100 % for analytical purposes of directly relevant. It may give higher figure for climate budget. In other case, a large amount of climate budget could get excluded from calculation when ignored as being less than 20% in case of neutral activities. Of course, we assume that in aggregate the difference would balance out.

Some people also were confused because when we look at which activities are invested upon to help mitigate or adapt to climate change, there may be some activities which have negative impact on the climate change. For example cutting of trees for transmission lines may have negative impact on climate change, even though electricity does help reduce carbon emissions. The question that arises is how do we consider such activities ?

In addition to the criteria and method that have been used for coding, it was strongly felt that there is a need for an extended guideline to address specific needs of the ministries. Such guidelines would take up cases from each key ministry and try to provide solutions so that actual need and difficulty in identifying climate activity and budget allocation would be added.

There are other sectors that the planning officers need to provide information about. For example, while presenting annual budget plan the planners have to provide code for gender, poverty and so on. These other codes also use numbers 1, 2 and so on to denote various levels of relevance. The suggestion was to harmonize the coding by using a single document for all types of coding. NPC can take the lead in this issue.

NPC organizes extended training on Medium Term Expenditure Frame (MTEF) annually before finalizing the budget. One session in the training is usually dedicated for coding. The suggestions received from the planning officers was that a separate session should be set for climate coding during the MTEF training

Currently there is no focal person in several of the ministries to take up climate issues. Therefore, it was suggested that a focal

person for climate is identified in each ministry.

Since staff turnover is a regular phenomenon, there is also a need to organize regular internal discussion among all the program officers of NPC to avoid duplication and clarify confusion, should there be any before the MTEF training.

The planning process begins at the districts and coordinated through planning meetings organized by each ministry every year prior to compiling the requests from the field offices. Such meetings are participated by department and regional officials who are usually disconnected from the process once the proposed plans are sent to the ministries. Therefore it was suggested that training on climate coding is needed at the department and regional level for which, program officers of NPC should participate in the regional review meeting and provide guidance as well as clarify the confusions related to climate coding.

Functions of local governments are guided by local government act with greater autonomy in their decision making. Part of the block grant they receive from the central government is allocated to climate activities. There is a need to develop separate manual and coding criteria for local government.

# 10

## CONCLUSIONS AND RECOMMENDATIONS

From the rapid review carried out and a brief analysis of the findings it can be concluded that the budget code is helpful to analyze climate budget allocation at the program level. It appears that the criteria and methods used are simple and user friendly. The information climate budget for each ministry and for each program is available with its level of relevance to climate change and budget category in the *Redbook* which is available to the public as well.

According to the budget of Fiscal Year 2013/14 the Ministry of Agriculture Development seems to have allocated much higher amount of budget to climate activities, followed by ministry of Urban Development and Ministry of Irrigation. There is a need to increase the climate budget under the Ministry of Physical Infrastructure and Transport and Ministry of Energy. Concerned ministries have made efforts to use climate code and seem to have gained adequate experience in one year.

In the present context, the share of climate budget with local component is relatively low i.e only about 11 %. It is a challenge to attain the commitment of diverting climate change budget up to 80% as spelled out in the climate policy. Even though most of the climate change related activities

are concentrated at the local government level, it is still not clear how much budget is allocated at the local government level. Meeting the needs of the most vulnerable to climate change will require a strong local finance delivery mechanism. This is one of the important issues to address in the future.

What is required is to develop detailed guidelines to suit each ministry defining details of the activities and areas for additional work for specific ministry. For example, MoFALD may require a section on the roles of DDC and VDC in planning climate activities and allocating funds from various sources including INGOs to be tracked while other ministry may simply need definition of climate activities in more detail than explained by the quick reference guide.

There is much diversity of structure and processes for the delivery of development finance. As the climate budget coding is a new concept and there are not any universal guidelines it is necessary to have a detail guideline with dedicated sections for each ministry. As ministries have different activities the guidelines must be different depending upon the activities of ministries.



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Ministry of Finance (2013) : Public Statement of Income and Expenditure for the Fiscal Year 2013/14, Government of Nepal.

NPC (2012) : Review of Climate Budget Code Application, Government of Nepal, National Planning Commission, Poverty Environment Initiative-SPMC (unpublished).

## Appendix I

Climate Related Programs and Budget Code within Different Ministries					
RELE	PROJECT CODE	PROJECT_EDESC/ Ministry	TOTAL	Recurrent	Capital
		<b>Ministry of Industry</b>			
1	307101	Environmental Sector Support Program including Energy program	24089	23539	550
		<b>Ministry of Energy</b>			
1	308103	Private Sector Participation in Electricity Development	506	356	150
1	308104	Saptakoshi Multi-Purpose Project	340657	1702	338955
1	308105	Pancheshwar Multipurpose Project	54464	14764	39700
1	308106	Hydroelectricity Project Study	43853	1053	42800
1	308107	Standard for Hydroelectricity Project	15010	460	14550
1	308108	Power Development Fund	11525	3525	8000
1	308112	Budiganga Hydro Power Project	137125	6125	131000
1	308113	Budhi Gandaki Hydropower Project Development Committee	260998	19153	241845
1	308114	Nalsingh Gad Hydropower Project Development Committee	55913	16784	39129
		<b>Total</b>	<b>920051</b>	<b>63922</b>	<b>856129</b>
		<b>Ministry of Agriculture Development</b>			
1	312101	Agriculture Research and Development Fund	65710	64710	1000
1	312124	Integrated Water Resource Management Project	92085	92085	0
1	312129	Hill Leasehold Forestry Project (Livestock Development)	34011	34011	0
1	312141	Food Crisis Response Program	190950	30950	160000
1	312142	Sustainable Soil Management Project	110583	110583	
1	312154	High Mountain Agri-business & Livelihood Improvement Project	501564	388064	113500
		<b>Total</b>	<b>994903</b>	<b>720403</b>	<b>274500</b>
		<b>Ministry of Forestry and Soil Conservation</b>			
1	329101	Forest Research & Survey Project	86714	84619	2095
1	329102	Herbs Development Program (Including Karnali Processing Center)	53409	29815	23594
1	329103	Bio-Diversity Program	23890	23890	
1	329106	National Forest Development & Management Program	373241	75141	298100
1	329108	Leasehold Forest & Livestock Development Program	69474	23469	46005
1	329109	Forestry Conservation and Trees Improvement Centre	14211	8811	5400
1	329112	Botanical Study & Research Program	16299	12951	3348

RELE	PROJECT CODE	PROJECT_EDESC/ Ministry	TOTAL	Recurrent	Capital
1	329123	REDD-Forestry and Climate Change Cell	117379	117379	
1	329124	President Chure Protection Program	500000	22614	477386
1	329128	Strengthening Institutional Capacity of Mountain Protected Areas	31443	27943	3500
1	329154	Building Climate Resilience of Watersheds in Mountain Eco-Regions	15918	15918	
1	329801	Community Forest Development Program(Including Green Employment)	157490	68433	89057
1	329804	District Soil Erosion Program	540245	187645	352600
1	329805	Community Development and Forest-Watershed Protection Project	63760	18440	45320
1	329806	Botanical Conservation & Park Development Project	52181	11151	41030
1	329807	Botanical Utilization & Markeying Program	11980	10800	1180
		<b>Total</b>	<b>2127634</b>	<b>739019</b>	<b>1388615</b>
		<b>Ministry of Science Technology and Environment</b>			
1	331102	Hydrology Program	40602	20502	20100
1	331103	Meteorology Program	57161	41861	15300
1	331104	Weather Forecast Program	13543	5743	7800
1	331105	Flood Forecasting	14878	9878	5000
1	331108	Alternate Energy Promotion Center	652767	641067	11700
1	331110	National Rural Renewable Energy Programme	3063869	3063869	
1	331116	National Center for Information & Technology	65699	32899	32800
1	331122	Improved Rural Energy service programme Kabeli Transmission	27924	22060	5864
1	331123	Building Resilience to Climate Related Hazards	468831	126053	342778
1	331127	Nepal Climate Change Support Program	544300	540800	3500
		<b>Total</b>	<b>4949574</b>	<b>4504732</b>	<b>444842</b>
		<b>Ministry of Physical Infrastructure and Transport</b>			
1	337196	Flood Damage Rehabilitation Project	298368	3868	294500
		<b>Ministry of Urban Development</b>			
1	347166	Environmental Sanitation Project	324882	22882	302000
1	347167	National Information Management & Monitoring Project	12058	11808	250
1	347168	Drinking Water Service Regulation and Rehabilitation Program	160008	508	159500
1	347169	Deep Tube-well Project (Repair and Maintenance)	30000	582	29418
1	347171	Drinking Water and Quality Improvement Program	195000	2550	192450

RELE	PROJECT CODE	PROJECT_EDESC/ Ministry	TOTAL	Recurrent	Capital
1	347173	Rural Drinking Water & Sanitation Fund	300000	300000	
1	347175	Minimization in Climate Change Effects and Appropriate Technology Promotion Program	33595	595	33000
1	347176	Melamchi Drinking Water Project	5241300	5241300	
1	347179	Second Small Town Drinking Water and Sanitation Project	976885	67085	909800
1	347318	Drinking Water and Sanitation Partnership Programme	305000	5000	300000
1	347319	Dry Area Drinking Water Project(Ramechap brinat, Pakarbas,Timal and Yasok	250000	5000	245000
1	347357	Bagmati River Basin Improvement Project	279296	21996	257300
1	347801	Rural Drinking Water Project	20000	0	20000
1	347802	Drinking Water and Sanitation Program	3113056	561911	2551145
		<b>Total</b>	<b>11241080</b>	<b>6241217</b>	<b>4999863</b>
		<b>Ministry of Education</b>			
1	350136	Skills Development Project	150345	135911	14434
		<b>Ministry of Irrigation</b>			
1	357102	Institutional Irrigation Development Program	22794	13289	9505
1	357103	Irrigation & Water Resource Management Project (Irrigation)	1360046	104091	1255955
1	357105	Irrigation Feasibility Study & Quality Construction Program	57400	1556	55844
1	357108	Community Managed Irrigated Agriculture Sector & Water Resource Plan Preparatory Project	422873	10353	412520
1	357109	River Training Program	1584464	30294	1554170
1	357110	Water Induced Disaster Control Technology Project	187418	7718	179700
1	357114	Underground Shallow & Deep Tubewell Irrigation Project	501328	20080	481248
1	357116	Deep & Sallow Tubewell Irrigation Project	171380	700	170680
1	357117	Surkhet Valley Irrigation Project	1806	306	1500
1	357121	Babai Irrigation Project	451000	10087	440913
		<b>Total</b>	<b>4760509</b>	<b>198474</b>	<b>4562035</b>
		<b>Ministry of Federal Affairs and Local Development</b>			
1	365804	Rural Drinking Water & Sanitation Program	580948	580798	150
1	365805	Rural Water Resource Management Project	330177	330177	0
1	365821	Rural Water Supply & Sanitation Project in Western Nepal	250143	250143	0
1	365833	Community Irrigation Project	600202	512037	88165
1	365837	Small Irrigation, River Training and Other Infrastructure Program	401400	401400	0
		<b>Total</b>	<b>2162870</b>	<b>2074555</b>	<b>88315</b>

RELE	PROJECT CODE	PROJECT_EDESC/ Ministry	TOTAL	Recurrent	Capital
		<b>Ministry of Finance</b>			
1	501167	Kathmandu Valley Sewerage Management Project	120000	Financing	
		<b>Ministry of Agriculture Development</b>			
2	312103	Special Program for Agricultural Production	5988794	5983794	5000
2	312104	Raising Income of Small & Medium Farmers Project	560754	520654	40100
2	312105	Agriculture Development Project (Janakpur)	109296	30896	78400
2	312106	Sericulture Development Program	93533	83883	9650
2	312107	Horticulture Development Program	349187	258261	90926
2	312108	Potato, Vegetable & Spices Development Program	350761	277341	73420
2	312109	Seeds Promotion and Quality Control Program	29752	28252	1500
2	312110	Fishery Development Program	290403	207153	83250
2	312111	Food Nutrition and Technology	144484	108784	35700
2	312112	Crop Protection and Pesticide Development	274964	233924	41040
2	312114	Crop Development Program	208764	175864	32900
2	312117	Community Managed Irrigated Agri. Sec. Project (Agriculture)	4908	4908	0
2	312136	Agriculture Research Program	1750000	1750000	0
		<b>Total</b>	<b>10155600</b>	<b>9663714</b>	<b>491886</b>
		<b>Ministry of Forestry and Soil Conservation</b>			
2	329104	Forest Training Center	23900	23600	300
2	329110	Publicity Extension Program	5068	4998	70
2	329114	Wildlife Conservation Program	103499	85294	18205
2	329115	Wildlife Conservation Project	222585	191785	30800
2	329127	Srengthening Regional Co-Operation for Wildlife Protection Project	177934	71710	106224
2	329152	Multi Stakeholders Forestry Program	1320282	16912	1303370
		<b>Total</b>	<b>1853268</b>	<b>394299</b>	<b>1458969</b>
		<b>Ministry of Physical Infrastructure and Transport</b>			
2	337331	Road and Traffic Safety	40000	10000	30000
2	337332	Patan Pancheshwar	30000		30000
2	337333	Tulsipur Purandhara	50000		50000
2	337334	Khutiya Dipayal	30000		30000
2	337335	Prospective Strategic Roads	1000000		1000000
		<b>Total</b>	<b>1150000</b>	<b>10000</b>	<b>1140000</b>
		<b>Ministry of Urban Development</b>			
2	347177	Sewerage Construction and WasteTreatment Program	45069	1539	43530

RELE	PROJECT CODE	PROJECT_EDESC/ Ministry	TOTAL	Recurrent	Capital
2	347308	Dhobikhaola Corridor Improvement Project	204213	3213	201000
2	347355	Bagmati Bishnumati Corridor Conservation Program-UN Park Development Committee	17876	5516	12360
		<b>Total</b>	<b>267158</b>	<b>10268</b>	<b>256890</b>
		<b>Ministry of Irrigation</b>			
2	357101	System Management & Training Program	8715	7945	770
2	357112	Embankment Projects Under Indian Grant Assistance-including Bagmati, Kamala, Khando & LalBakaiya	500284	4384	495900
2	357113	Underground Water Resource Development Board	74409	52949	21460
2	357119	Rehabilitation and Management Transfer of Large Scale Irrigation Project and	69725	14341	55384
2	357120	Bagmati Irrigation Project	443719	22071	421648
2	357123	Sunsari-Morang Irrigation Project (Third)	446444	25044	421400
2	357124	Praganna & BadkaPath Irrigation Project, Dang	51061	5061	46000
2	357125	Sikta Irrigation Project	1142069	19145	1122924
2	357126	New conventional Irrigation Program	141059	3041	138018
2	357127	Medium Scale Irrigation Project	880144	5087	875057
2	357128	Daraudi-Palungtar Irrigation (River Training) Project	26000	803	25197
2	357129	Karnali Zone Irrigation Development Program	55900	300	55600
2	357130	Seti Mahakali Irrigation Development Program	55000	330	54670
2	357135	Bheri - Babai Diversion Multipurpose Project	1010080	9580	1000500
		<b>Total</b>	<b>4904609</b>	<b>170081</b>	<b>4734528</b>
		<b>Ministry of Finance</b>			
2	501110	Hydro Power Strengthening Project	1092100	Financing	
2	501111	Community and Other Rural Electrification	500000	Financing	
2	501114	Kulekhani Third Hydropower Project (14 MW)	220000	Financing	
2	501118	Chameliyagaad Hydro Power Project (30 MW)	1120000	Financing	
2	501122	Upper Trishuli 3A Hydro Power Project (60 MW)	2118326	Financing	
2	501123	Rahughat Hydro Power Project (32 MW)	1200000	Financing	
2	501133	Tanahu Hydro Power Project (140 m.w.)	750000	Financing	
2	501146	Kathmandu Valley Water Sector Development Program	397032	Financing	
2	501148	Upper Modi Hydro Power Project	5000	Financing	
		<b>Total</b>	<b>7402458</b>		



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