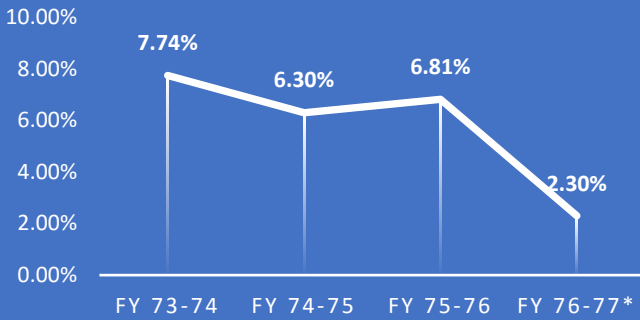
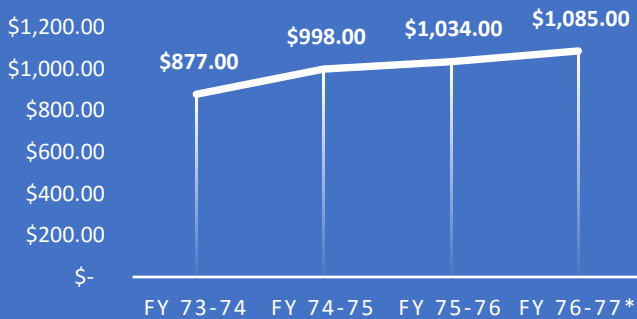


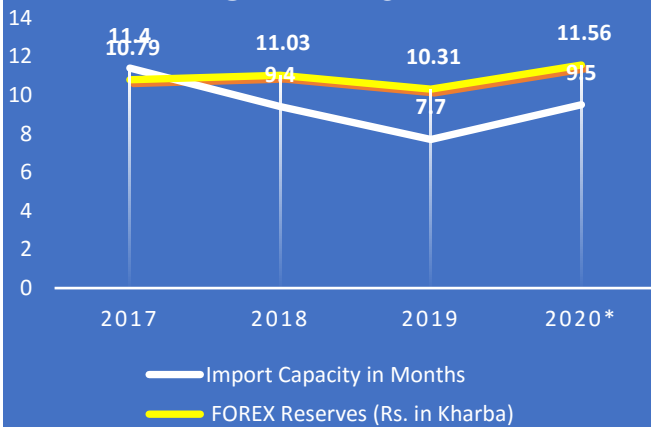
## GDP GROWTH RATE (%)



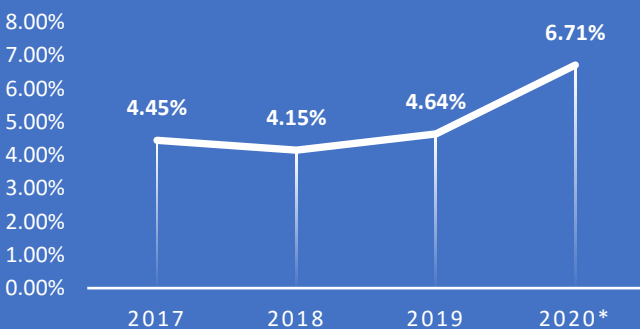
## PER CAPITA GDP (\$)



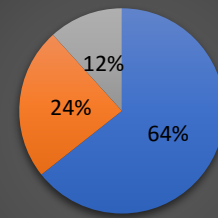
## FOREX RESERVE



## INFLATION RATE (%)

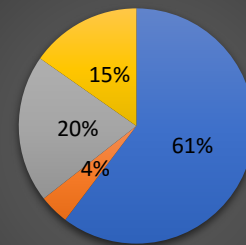


## Application of Fund



■ Recurrent Expenditure ■ Capital Expenditure  
■ Financial Cost

## Source of Fund



■ Revenue & Grants ■ Foreign Grants  
■ Foreign Loan ■ Domestic Loan

# Nepal Budget Overview

## F.Y. 2077-78



**By Ubhek Kumar Shrestha**  
Chartered Accountant

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# Overview

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Finance minister Dr.Yuba Raj Khatiwada presented the budget for F.Y.2077-78(2020/21) on 28<sup>th</sup> May 2020 at the Federal Parliament at 4 pm.

The total size of the budget is Rs.14.7 Kharba (1.47 Trillion) which is 34% of the total GDP of the country. The government aims to achieve 7% growth rate and 7% inflation in the coming year.

The proponents of the budget have termed this budget as realistic and pragmatic. The total size of the budget has decreased from 15.3 Kharba to 14.7 Kharba i.e. by 4%. They are of the view that the finance minister has become realistic by reducing the size of the budget which has presumably happened for the first time in the history of budgets in Nepal. Further, they view 7% growth is achievable given the decreased denomination in current year as a result of the pandemic.

On the flip side, the opponents of the budget view that the budget unrealistic as the revenue & loans (source of fund) assumed in the budget are far from achievable given the impact of COVID-19 in the economy.

Both the parties (proponents & opponents) have their perspective and reasonable backing. However, in this document, we will put the facts of the budget as it is for the purpose of your review and judgement

Following the overview, you will be presented with some basic data analytics of the budget, past trends and sector wise schemes brought by the budget. Tax amendments included in the Finance Act are not included in this document as we look forward to producing a separate document covering the amendments.

## Index of denomination

S.No.	Particulars	Equivalent to
1	Lakh (1,00,000)	0.1 Million
2	Crore (1,00,00,000)	10 Million
3	Arba (1,00,00,00,000)	1 Billion
4	Kharba (1,00,00,00,00,000)	100 Billion

## Budget Vs Actual in previous years

### Total Budget

Figure in Lakh

S.No.	Particulars	FY 2075-76	FY 2076-77	FY 2077-78
1	Proposed Budget	13,151,617	15,329,671	14,746,454
2	Actual Achieved/Expected to Achieve	11,104,571	10,733,504	NA
	<b>% Achieved or Expected to Achieve</b>	<b>84.44%</b>	<b>70.02%</b>	<b>NA</b>

### Growth Rate

S.No.	Particulars	FY 2075-76	FY 2076-77	FY 2077-78
1	Target	8.00%	8.50%	7.00%
2	Achieved/Expected to Achieve	6.81%	2.30%	NA

### Inflation Rate

S.No.	Particulars	FY 2075-76	FY 2076-77	FY 2077-78
1	Target	6.50%	6.00%	7.00%
2	Achieved/Expected to Achieve	6.00%	6.50%	NA

### Source of Fund, F.Y.2075-76

S.No.	Particulars	Budget	Actual	% Achieved
1	Revenue & Grants	8,901,335	7,655,316	86%
2	Foreign Loan	2,530,282	1,243,725	49%
3	Domestic Loan	1,720,000	963,800	56%
	<b>Total Source of Fund</b>	<b>13,151,617</b>	<b>9,862,841</b>	<b>75%</b>

### Application of Fund, F.Y.2075-76

S.No.	Particulars	Budget	Actual	% Achieved
1	Recurrent Expenditure	8,454,475	7,164,176	85%
2	Capital Expenditure	3,139,982	2,416,525	77%
3	Financial Cost	1,557,160	1,524,770	98%
	<b>Total Application of Fund</b>	<b>13,151,617</b>	<b>11,105,471</b>	<b>84%</b>

- ✚ From the above comparison, we can see that the actual performance is always short of budgeted targets.
- ✚ Further, we can observe that, when the total application of fund decreases, it effects capital expenditure the most.
- ✚ In F.Y.2075-76, actual budget was Rs.1.24 Kharba short (Application-Source)
- ✚ Our track record of obtaining foreign loan is very less in comparison to expectation.

# Budget Comparatives

## Sector Wise Trend

Figure in Lakh

S.N o.	Particulars	FY 2075-76	FY 2076-77	FY 2077-78	% Change
1	General Service (सामान्य सार्वजनिक सेवा)	3,967,459	4,590,532	4,943,392	8%
2	Security	449,285	501,061	492,205	-2%
3	Peace Security (सार्वजनिक सान्ति सुरक्षा)	475,012	561,188	562,853	0%
4	Economic Affairs	4,831,417	5,413,670	3,890,007	-28%
5	Environmental Security	227,180	267,897	116,646	-56%
6	Residence & Social Service	665,761	787,545	818,607	4%
7	Health	653,432	784,044	1,150,620	47%
8	Entertainment, Culture & Religion	71,064	72,316	72,345	0%
9	Education	1,341,875	1,637,559	1,721,922	5%
10	Social Security	469,132	713,859	977,857	37%
	<b>Total</b>	<b>13,151,617</b>	<b>15,329,671</b>	<b>14,746,454</b>	<b>-4%</b>

- From the above comparatives, it is quite clear that the government has prioritized health, education and social security. These sectors have significant increment in their budget despite the decrease in the overall size of the budget.

## Ministry Wise Trend

Figure in Lakh

S.No.	Ministry	FY 2075-76	FY 2076-77	FY 2077-78	% Change
1	Federal Parliament	12,398	13,088	12,557	-4%
2	Courts	45,032	62,076	67,812	9%
3	Commission for the Investigation of Abuse of Authority	7,833	13,388	13,304	-1%
4	Prime Minister and Council of Minister's Office	1,562,862	46,568	42,885	-8%
5	Ministry of Finance	192,828	226,621	430,870	90%
6	Ministry of Industry, Commerce & Supplies	104,492	117,359	129,330	10%
7	Ministry of Energy, Water Resource & Irrigation	562,754	547,327	1,058,124	93%
8	Ministry of Agriculture and Livestock Development	401,405	348,005	414,020	19%
9	Ministry of Drinking & Sanitation	240,575	292,575	431,037	47%
10	Ministry of Home Affairs	543,144	1,355,934	1,386,267	2%
11	Ministry of Culture, Tourism & Civil Aviation	52,034	59,955	266,262	344%
12	Ministry of Foreign Affairs	52,364	60,584	62,898	4%
13	Ministry of Forests and Environment	165,875	<b>154,879</b>	145,654	-6%
14	Ministry of Land Management, Cooperatives & Poverty Alleviation	-	76,877	91,881	20%
15	Ministry of Physical Infrastructure and Transport	1,093,837	<b>1,635,222</b>	1,388,017	-15%
16	Ministry of Youth & Sports	41,895	39,908	23,660	-41%
17	Ministry of Defence	451,082	<b>502,711</b>	502,586	0%
18	Ministry of Social Development	333,789	<b>407,235</b>	378,080	-7%
19	Ministry of Education, Science & Technology	1,345,087	<b>1,637,559</b>	1,717,122	5%
20	Ministry of Communication & Information Technology	56,458	63,593	72,842	15%
21	Ministry of Federal Affairs & General Administration	743,688	<b>409,212</b>	389,123	-5%

## Budget Overview

F.Y.2077-78

22	Ministry of Health & Population	564,197	687,791	906,901	32%
23	Ministry of Labour, Employment & Social Security	42,939	71,414	142,074	99%
24	National Planning Commission	6,526	10,156	32,570	221%
25	National Reconstruction Authority	-	1,411,546	550,000	-61%
26	MOF- Policy Financing	953,781	1,012,212	-	-100%
27	MOF- Domestic Debt Service	571,901	624,351	723,592	16%
28	MOF- External Debt Service (Multilateral)	238,582	247,388	247,417	0%
29	MOF- External Debt Service (Bilateral)	40,771	63,684	30,574	-52%
30	MOF- Staff Benefit & Retirement Benefit	610,000	861,000	827,000	-4%
31	MOF- Miscellaneous	700,730	770,505	561,953	-27%
32	Province (Fiscal Equalization Grant)	502,986	552,986	635,162	15%
33	Local Level (Fiscal Equalization Grant)	852,087	899,470	1,016,755	13%
34	Others	57,685	46,492	48,125	4%
	<b>Total</b>	<b>13,151,617</b>	<b>15,329,671</b>	<b>14,746,454</b>	<b>-4%</b>

- Ministries highlighted above have significant increment in their budget despite the decrease in the overall size of the budget and are prioritized by the government.



## Budgeted Source of Fund

Amount in Lakh

S.N o.	Particulars	FY 2075-76	FY 2075-76	FY 2076-77	FY 2076-77	FY 2077-78	FY 2077-78
		Amount	%	Amount	%	Amount	%
1	Revenue & Grants	8,901,335	68%	10,391,338	68%	8,896,184	60%
2	Foreign Grants	-	0%		0%	605,277	4%
3	Foreign Loan	2,530,282	19%	2,988,333	19%	2,994,993	20%
4	Domestic Loan	1,720,000	13%	1,950,000	13%	2,250,000	15%
	<b>Total Source of Fund</b>	<b>13,151,617</b>	<b>100%</b>	<b>15,329,671</b>	<b>100%</b>	<b>14,746,454</b>	<b>100%</b>

✚ Expected lower collection of revenue and grant from internal source may be realistic

✚ Expected increase in foreign and domestic loan may be questionable

## Budgeted Application of Fund

Amount in Lakh

S.N o.	Particulars	FY 2075-76	FY 2075-76	FY 2076-77	FY 2076-77	FY 2077-78	FY 2077-78
		Amount	%	Amount	%	Amount	%
1	Recurrent Expenditure	8,454,475	64%	9,571,014	62%	9,489,406	64%
2	Capital Expenditure	3,139,982	24%	4,080,059	27%	3,529,175	24%
3	Financial Cost	1,557,160	12%	1,678,598	11%	1,727,873	12%
	<b>Total Application of Fund</b>	<b>13,151,617</b>	<b>100%</b>	<b>15,329,671</b>	<b>100%</b>	<b>14,746,454</b>	<b>100%</b>

✚ Proportion of Capital Expenditure has decreased in comparison to previous year budget

✚ Within Recurrent Expenditure there is a small portion of capital expenditure like for subsidy of capital goods. Apart from that, there is quite a substantial sum allocated for grants to other tiers of government which might then be allocated by those tiers in capital goods.

✚ A significant portion of capital expenditure is allocated for buildings and vehicles, which will not be adding much value as such for development.

## Sector Wise Schemes

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### Health

- ✦ Budget of Ministry of Health & Population has increased by 32 % in comparison to previous year's budget to 90.69 Arba.
- ✦ 6 Arba allocated for controlling corona, acquiring PPEs and other medical equipment.
- ✦ Insurance cover of Rs. 5 lakh for all Health workers.
- ✦ Construction of hospital specialized in communicable disease in Kathmandu (Capacity 300) & capital of all province (Capacity 50).
- ✦ Additional 250 ICU beds in governmental hospitals of Kathmandu and capital of all province.
- ✦ Rs.12.46 Arba allocated for improvement of infrastructures in health sector.
- ✦ Improvement in medical laboratories.
- ✦ Setting up health desks in primary entry points of the country.
- ✦ Presence of primary health facilities having capacity from 5-15 in each local bodies.
- ✦ Allocation of 14.27 Arba for additional 272 hospitals in the coming year.
- ✦ One doctor One Health Center/Entity policy
- ✦ Rs. 5.1 Arba allocated for installing medical equipment's in health center/entity in each local body for diagnosis of common non-communicable diseases
- ✦ 40% of the population to be brought into the coverage of medical insurance
- ✦ Coverage of medical insurance to be increased gradually
- ✦ Rs.7.50 Arba allocated for medical insurance
- ✦ Health center/entity in each local body to comprise of maternity ward. Diagnosis and treatment cervical and breast cancer to be made free.
- ✦ Local health centers to start nutrition programs.
- ✦ 4.22 Arba allocated for free checkup of senior citizens and kids for heart disease, STDs, tuberculosis & leprosy.
- ✦ Improvement in medical research capacity in the country.
- ✦ Specialized governmental hospitals and specialist doctors to provide satellite and telemedicinal consultancy to health center/entities in local bodies
- ✦ Doubling of transportation allowance to 52 thousand female volunteers in health sector.
- ✦ Establishing trauma center in hospitals in national highways and introducing same helpline number for ambulance service throughout the country.

## Rebates & Subsidies

### Rebates on Interest Rate

- ✚ NRB to arrange fund of Rs.1 Kharba to refinance SMEs, agro, tourism and manufacturing industries affected by covid 19 and provide 5% rebate on interest rate.
- ✚ A separate fund of Rs.50 Arba to be created to provide loan @ 5% for SMEs and tourism industry affected by covid 19 to facilitate payment of salaries to employees and their operation.

### Rebates on electricity bill

- ✚ Manufacturing Industries affected by Covid 19 will be exempted demand fees for their electricity bill, further 50% concession will be given for electricity consumed during the low demand period.

Unit Consumption (For House Hold Consumption)	Rebate
Upto 10 units	100%
Upto 150 Units	25%
Upto 250 Units	15%

### Insurance

- ✚ 13.96 Arba allotted for concessional interest and subsidized premium on insurance
- ✚ 50% of premium to be subsidized by government on Group CORONA insurance.

### Subsidy to Airlines

- ✚ Parking Charges, permit fees, renewal charges & flight ability certification charges of Nepal Airlines Company to be borne by government. Concession of infrastructure tax on fuel to airlines.

### Innovation

- ✚ Rs.50 Crore allotted for providing loan @ 2% to businesses who are converting the impact of corona into an opportunity via innovation.

### Others

- ✚ Subsidy in permit charges and renewal charges of equipment in construction, telecommunication, tours & movie industry. Further, facilitation of short-term loans and increase in term of contract and bank guarantee in these industries.

**Labor**

- ✚ Rs. 11.6 Arba allotted to create additional 2 Lakh employment opportunity under Prime Minister Employment Scheme.
- ✚ Rs. 1 Arba allotted to create additional 50 thousand employment opportunity via conducting technical skill development programs.
- ✚ Rs. 1 Arba allotted to provide subsidy up to 50% of minimum basic salary for a period of 3 months provided employer commits to hire the employee for at least 2 years. This process to be facilitated by the existing Employment Service centers which will be used as employment banks. Government expects to create additional 50 thousand employment opportunities via this scheme.
- ✚ Rs. 4.34 Arba allotted to provide professional and technical skill upgradation program to create additional 75 thousand employment opportunities.
- ✚ Subsidized loan to be provided by each branch of commercial (at least 10 per branch) & development banks (at least 5 per branch) to create additional employment opportunities.
- ✚ Additional 40 thousand employment to be generated by small farmers loan program.
- ✚ Additional 12 thousand employment to be generated by youth self-employment loan program.
- ✚ Programs from micro industries to generate 1.27 lakhs additional employment opportunities.
- ✚ Programs under agro, forest and herbs production and processing activities to generate additional 30 thousand employment opportunities.
- ✚ Usage of Rs.19 Arba of Poverty Allevation Revolving Fund to create additional 1.50 Lakh employment opportunities.
- ✚ Increase in Labor audit and inspection from Department of Labor to ensure safety of employment and inspect no foreign employees are enrolled without required permit.
- ✚ Database in regards to skills, expertise and interest of citizens returning from foreign employment shall be maintained to help them connect with their interest and expertise in national perspective.

**Social Security**

- ✚ Rs. 67.50 Arba allocated for social security allowance.
- ✚ Continuity of Medical insurance (Rs.1 Lakh Cover) of existing 3 Lakh senior citizens (above 70 years) & additional 3 Lakh senior citizens to be covered under this scheme.
- ✚ Continuity of Medical insurance of existing 3 lakh back warded (bipanna) families & additional 4 Lakh families to be covered under this scheme.
- ✚ Rs. 3.76 Arba allocated for Child Safety Subsidy program.
- ✚ Infrastructures to be made disabled people friendly
- ✚ White stick and Braille books for blind people to be provided free of cost.
- ✚ Employers and employees to be encouraged to register into the social security scheme offered by the government
- ✚ Distribution of National Benefit Identity Cards via cooperation with local bodies for convenience of social security programs.

**Agriculture, Forest, Tourism & Industries**

- ✦ Farmers to encouraged to produce more by ensuring irrigation, seeds, capital, fertilizer, technology and market for sales.
- ✦ Introduction of programs to make the country self-reliant for milk, vegetables and meat products in the coming year.
- ✦ 3.22 Arba allocated under the Prime Minister Agriculture Modernization Program to make one local area a pocket area for at least one product.
- ✦ Food quality testing laboratories to be brought into operation in Karnali & Gandaki Province in the coming year.
- ✦ Rs.11 Arba allocated for making adequate fertilizers available for farmers.
- ✦ 78 wholesale market of agricultural products to be established and infrastructure of retail markets to be set up in local level
- ✦ Contract farming & community cooperative farming to be encouraged.
- ✦ Warehousing subsidy to be provided to farming done under local bodies, cooperative organizations, land banks & community farming.
- ✦ Rs.1 Arba allocated for local government to set up 200 warehouses. These warehouses to fix prices of agricultural products and act as food banks.
- ✦ Students graduating from agro schools to be enrolled in internship programs to ensure earning along with studies.
- ✦ Information in regards to weather, seeds, technologies, market price to be provided to farmers via mobile application to reduce risk of farming.
- ✦ Insurance premium of farmers will now be deferred to post production of crops.
- ✦ 50 lakh tree saplings and 55 lakh fruit saplings to be distributed. Nursery to be established in each local level and provided with technical support to produce at least 10 thousand fruit saplings.
- ✦ Production of cotton, wool and threads by cooperative organizations to be subsidized. Further, Rs.95 crores is allocated for providing production-based subsidy to sugarcane farmers.
- ✦ Border areas to have animal quarantine areas. Farmers to be encouraged to do commercial animal husbandry.
- ✦ Introduction of farmers credit card for easy access to subsidized funds.

**Irrigation & River Control**

- ✦ Rs.2.32 Arba allocated for 5 thousand shallow wells and 247 deep tube wells in Terai under Prosperous Special Terai Madesh Irrigation Program.
- ✦ Rs.10.25 Arba allocated for operation of national level irrigation programs.
- ✦ Rs.2.46 Arba allocated for operation of Sunkoshi-Marine multipurpose diversion tunnel.
- ✦ Rs.1.31 Arba allocated for lift and solar power-based irrigation
- ✦ River control and landslide management through bio engineering to be encouraged
- ✦ Rs.6.2 Arba allocated for river control programs
- ✦ 2 weather radars to be brought into operation to improve weather forecast
- ✦ Rs.41.2 Arba allocated in Ministry of Agriculture and Rs.27.96 Arba allocated for Irrigation

## Land Management

- ✦ Rs.50 crores allocated to invest in land banks. 300 units of land banks to be established in local levels.
- ✦ 60 land revenue and survey office (मालपोत र नापी) along with their records to be offered to local bodies. Land revenue procedure to be made online gradually.

## Cooperative

- ✦ Rs.3.6 Arba allocated for providing agro based micro finance loans to 1 thousand cooperatives
- ✦ Saving and credit cooperatives to be encouraged to merge for efficiency and gradually shift to cash less transactions. Credit Information Bureau for cooperatives to be established and savings and credit in the cooperatives to be secured.

## Forest & Environment

- ✦ Forestry program for Prosperity to be run.
- ✦ Tree plantation to be promoted
- ✦ Capacity of Jadibuti Company shall be extended and herbs shall be processed to add value.
- ✦ Rs.1.55 Arba allocated for Chure area preservation

## Tourism

- ✦ Rs.1.26 Arba allocated for tourism infrastructures
- ✦ Interest and tax rebates to be provided to tourism industry
- ✦ One province, one tourism spot program to run
- ✦ Agro, rural, water, cultural, entertainment, historical, religious, sports & health tourism to be introduced and promoted
- ✦ Feasibility study of Tourism University to be conducted. Tourism to be introduced in curriculum of students above secondary level.
- ✦ Rara area to be developed for tourism and new hill stations to be started after feasibility studies.
- ✦ Government employees and related institutions will be encouraged in internal tourism

## Industrial Sector

- ✦ Uniform, shoes and other consumables which are purchased from national treasury for securities and civil servants of the nation will be produced in the nation.
- ✦ Rs.2.64 Arba allocated for ensuring one industrial area in each province, developing industrial corridors and establishing 130 Industrial villages in the local level
- ✦ Closed industries to be rejuvenated with collaboration with private sector. Investment will be made in infrastructures of Special Economic Zones & Inland Economic Zones with collaboration with private sector.
- ✦ Iron mine in Nawalparasi to be completed and joined by road. Precious stones processing center to be established in Surkhet. Feasibility studies for mining and extraction to be conducted in various places such as Dailekh, Bajhang, Baitadi, Udayapur, etc.
- ✦ Domestic production to be focused for general item. Office of quality and measurement to be established in each province.

### **Commerce & Supplies**

- ✚ Establishment of warehouses with storage capacity of 3.1 Lakh metric tons and professional sales room.
- ✚ Import to be discouraged via applicability of anti-dumping and countervailing duties.
- ✚ Extension of pipelines and storage capacity of Nepal Oil Corporation and establishing gas bottling plants.
- ✚ Handicraft to be promoted for which SAARC hub to be established
- ✚ Sufficient storage to be kept for most essential FMCGs

### **Finance & Private Sector**

- ✚ Banking and finance institutes will be encouraged to be merged and acquisition
- ✚ Cashless and online transactions to be made more secure and encouraged by reducing their cost
- ✚ Branchless, mobile and internet banking to be encouraged in rural areas.
- ✚ Revolving insurance to be introduced for agriculture and micro entities.
- ✚ Access of general public to insurance cover to be gradually increased
- ✚ Insurance coverage period to be extended by lockdown period for industries and vehicles which were not in operation due to lockdown.
- ✚ Scope of capital market to be enhanced by introducing debentures in the secondary market.
- ✚ Nepal Stock Exchange to handle transactions of secondary market online.
- ✚ Stock dealers functioning to be encouraged.
- ✚ Commodity market to be brought into function.
- ✚ Structural improvements to be made in NEPSE, Securities Board & CDS & Clearing Ltd.
- ✚ Registration, alteration and closure of companies registered in Company Registrar can be done online
- ✚ National payment gateway to be implemented
- ✚ Hedging facility for foreign currency to be made available

**Education**

- ✦ Free education up to secondary level.
- ✦ 24 remaining districts to be made literate to declare literate Nepal.
- ✦ Business and technical education will be provided from secondary level onwards.
- ✦ Rs.6 Arba allocated for Prime Minister Education Improvement Program
- ✦ Introduction of virtual classes, online classes and education through television and radio.
- ✦ Reconstruction of 1.8 thousand school buildings, 38 disabled campuses, 2,520 class rooms, 1 thousand science labs, libraries and computer laboratories.
- ✦ Rs.2.7 Arba allocated for providing scholarship to nearly 26 Lakh students.
- ✦ Rs.7.52 Arba allocated for tiffin program in government schools which is estimated to benefit nearly 28 lakh students.
- ✦ Rs.1.82 Arba allocated as conditional grant to provide sanitary pads to 13.4 lakh students of community schools
- ✦ Improvement of child development centers
- ✦ Rs.1.17 Arba allocated infrastructure development of medical college in Bardibas, Butwal & Surkhet, operation of Gota medical college and its expansion to Anemia Research Center.
- ✦ Rs.2.23 Arba allocated to supply 6 thousand teachers in government school
- ✦ Rs.2.76 Arba allocated to supply free of cost books to approximately 46 lakh students.
- ✦ Rs.17.43 Arba allocated for providing grants to deserving students from University Grant Commission
- ✦ Community campus in Karnali and far western region of Nepal to run as part of Tribhuwan University
- ✦ Establishment of Ayurvedic University.
- ✦ Establishment of Technical Skill Testing Centers in each province.

**Science & Technology**

- ✦ Rs.1.25 Arba allocated for infrastructural development in Madan Bhandari Science & Technology University
- ✦ Establishing 2 Methodical Science Laboratory in 2 provinces.
- ✦ Rs.1.71 Kharba allocated for Ministry of Education, Science & Technology

**Culture**

- ✦ Lumbini area master plan and Ramgram master plan to be brought into operation
- ✦ Completion of meditation center with capacity of 5 thousand people in Lumbini
- ✦ Janaki Temple and Mithila Cultural Preservation & Development master plan to be brought into operation



**Youth & Sports**

- ✦ Youth based entrepreneurship to be promoted
- ✦ Skill based training to be provided to youth
- ✦ Youth will be mobilized in coordination with local government, National Youth Council, Nepal Scout, National Service Team & educational institutes to tackle Covid 19, disaster management & other human welfare programs
- ✦ Continuity of developing sports village in local level
- ✦ Establishment of National Level Sports Infrastructure, training centers & covered hall in Karnali Province
- ✦ Rs.2.36 Arba allocated to Ministry of Youth & Sports

**Women, Children & Senior Citizens**

- ✦ Presidential Women Upliftment programs to develop skills and employability of women
- ✦ End of child labor and making streets free of working children
- ✦ Free treatment to senior citizens having no heir to take care of.
- ✦ Grant for education, health, entertainment, employment and manufacturing of auxiliary materials for disabled people.
- ✦ Rs. 1.14 Crores allocated for Ministry of Women, Children & Senior Citizens

**Drinking Water**

- ✦ Access of clean drinking water to reach 94% of the population in the coming year.
- ✦ Melamchi Drinking water to flow in Kathmandu from the beginning of the FY 2077-78
- ✦ Rs.5.46 Arba allocated for 2<sup>nd</sup> phase construction of Melamchi Drinking water project
- ✦ Rs.5.89 Arba allocated for management of drinking water and drainage in Kathmandu valley.
- ✦ Drinking water management to improve via establishment and improvement of water supply planning in capital of each province
- ✦ Rs.1.99 Arba allocated for financial and technical support of Water Supply planning commission in Kathmandu.
- ✦ Rs.43.1 Arba allocated to the Ministry of Water Supply

**Energy**

- ✦ Additional supply of 1,300 MW in national grid from operation of some of the major hydro power projects
- ✦ Dudhkoshi Hydro Power project to begin
- ✦ Construction of Anarmani-Mahendranagar, Lapsifedi-Ratamate-Hetauda, Lapsifedi-Ratamate-Damauli-Hetauda, Dhalkewar-Mujjaffarpur 400 KV transmission line to start
- ✦ Rs.36.2 Arba allocated for transmission line and substations.
- ✦ Province No.2, Bagmati Province, Gandaki Province & Province No.5 to be enlightened by Ujyalo Nepal Campaign within a year. Other province within the next two year.
- ✦ Rs.4 Arba allotted for transmitting electricity in rural areas

- ✚ 200 mini solar grids in Hilly and Himali region and 50 thousand bio gas plant in Terai region to start via Clean Energy Program
- ✚ Rs.4.13 Arba allocated for Alternate Energy Program
- ✚ NEA to go under institutional restructuring to separate its production, transmission and distribution work
- ✚ Electricity wires to be grounded in Kathmandu, Bhaktapur, Lalitpur & Chitwan.
- ✚ Permit of Hydropower having permit for a long time but not brought into operation shall be cancelled.
- ✚ Subsidy on electrical kitchen utensils, stoves & vehicle (Contradicting with increase in tax in electrical vehicles)

### Residence, Building & Urban Infrastructure

- ✚ Rs.2 Arba allocated for settling new towns in 10 places in the Madhya Pahadi (Mid Hilly Region) Highway.
- ✚ Completion of feasibility study of urban corridors and initiation of construction of Mega City.
- ✚ Development of 4 sub cities inside Kathmandu valley in coordination with private sector.
- ✚ Rs.3.5 Arba allocated for additional 1 lakh safe and strong houses for people living in cottage and risk prone areas
- ✚ Rs.9.6 Arba allocated for improvement of urban infrastructure
- ✚ Completion of auditorium having capacity of 3000 people in Lalitpur.
- ✚ Construction of auditorium having capacity up to 5000 people to start in Bhaktapur
- ✚ Rs. 37.8 Arba allocated in Ministry of Social Development

### Road Infrastructure

- ✚ Rs.12.21 Arba allocated for East-West highway
- ✚ Rs.8.27 Arba allocated for Pushpa Lal highway
- ✚ Rs.7.1 Arba allocated for Hulaki highway
- ✚ Rs.3.7 Arba allocated for Madan Bhandari highway
- ✚ Rs.7.16 Arba allocated for various strategic corridors and highways
- ✚ Rs.5.57 Arba allocated to improve the quality of highways connecting capital of every province and to connect capital of district via road
- ✚ Rs.3.3 Arba allocated to connect election centers by strategic road
- ✚ Rs.2.26 Arba allocated for improving road network in Terai Madesh area.
- ✚ Rs.8.93 Arba allocated for Kathmandu-Nijgadh fast track highway
- ✚ Rs.1.96 Arba allocated to connect the southern border entries with East-West highway
- ✚ Rs.1.2 Arba allocated for Surya Binayak-Dhulikhel & Kanti Rajpath
- ✚ Rs.6.42 Arba allocated for Tunnel Highway Programs.
- ✚ Feasibility study to be carried out for fly overs in Kathmandu and 2<sup>nd</sup> phase of ring road of Kathmandu to start
- ✚ Rs.16.3 Arba allocated for repair and improvement of existing roads

- ✦ Rs.88 Crore allocated for 4 lane bridge in Mahakali river
- ✦ Rs.10.91 Arba allocated for completion of on-going bridges and addition of 260 bridges

### Train, Road & Water Transport

- ✦ Rs.8.66 Arba allocated for completion of various feasibility study of railway track and construction of railways
- ✦ Establishment of Public Transport Authority for better management of urban public transportation
- ✦ Completion of feasibility study of Water ways transport and legal reforms to be brought to enable them
- ✦ Rs.1.38 Kharba allocated for Ministry of Physical Infrastructure & Transportation

### Airways Infrastructure

- ✦ Rs.19.42 Arba allocated for International Airports

### Local Infrastructure

- ✦ Rs.5 Arba allocated to connect every local level with capital of province
- ✦ Rs.6.6 Arba allocated to improve local infrastructure
- ✦ Rs.1.5 Arba allocated under Prosperous Terai Madesh Program for socio-economic development of districts having poor Human Development Indicators
- ✦ Rs.2 Arba allocated for infrastructure development of northern part of districts in himali and hilly region
- ✦ Rs.5.2 Arba allocated for 2200 suspension bridges
- ✦ Rs.3.2 Arba allocated for leadership development in local level, capacity building of institutions and improvement of system

### Post-Earthquake Reconstruction

- ✦ Rs.55 Arba allocated for reconstruction of Dharahara, Ranipokhari, Singhadurbar and other affected infrastructures

### Communication & Information Technology

- ✦ Making broadband service available through out the country with in next two years, and 4G network within this year
- ✦ Capacity extension of Nepal television to uplift its standard up to international level
- ✦ Online media to be encouraged
- ✦ Journalist insurance to be encouraged
- ✦ Capacity of Cyber Forensics Lab to be enhanced
- ✦ Feasibility study of separate Cyber Security Center to take place

- ✦ Separate Satellite for Nepal to be established based on financial feasibility study
- ✦ Budget allocated for Movie Development board for building and secure storage of movies
- ✦ Postal system of the country to be restructured and made modern and technology driven

### Legal

- ✦ Free legal service to be provided to women suffering from violence, single women, disabled people, Dalits, children and senior citizens

### National Security

- ✦ Effective implementation of National Security Reforms
- ✦ 39 new border outposts to be established for border security and reducing crime rates in border areas
- ✦ Capacity of National Research Department will be enhanced via use of technology to use them for business intelligence and research
- ✦ Budget allocated of National Security University (राष्ट्रीय प्रतिरक्षा विश्वविद्यालय)
- ✦ Collection of biometric information, online storage of their data and distribution of identity cards to 1 crore citizens
- ✦ Online complaint system to be implemented within next three years
- ✦ Infrastructural development of jails and supply chain management of goods produced within the jail
- ✦ Conducting awareness programs in coordination of social clubs/organizations

### International Relations

- ✦ International Relations will be established maintaining sovereignty
- ✦ Migrant workers security will be ensured. Their knowledge, skills, capital & technique will be used in nation development
- ✦ Introducing ePassports. Entry permit for foreigners to be provided online

### National Servants

- ✦ Valuing the service of doctors, medical officers and all the national servants serving the current pandemic, a separate fund is maintained for motivating them.

### Public Expenditure

- ✦ No public servants other than those tackling the pandemic from the front line will be provided any allowance from 1<sup>st</sup> Shrawan 2077
- ✦ A separate directive will be issued to reduce public expenditure of public entities
- ✦ Unnecessary and redundant public entities will be dissolved Public Expenditure Review Committee

**Other**

- ✦ Asset register of public entities not in operation to be prepared and used for productive purpose
- ✦ Public entities not functioning efficiently or operating in loss to be merged based on feasibility study
- ✦ Private entities to be inspected and fined if not found to be in operation as per their objectives
- ✦ Rs.3 Arba allocated for Nepal Census 2078



## Source of Content

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Budget Speech 2018/19, 2019/20 & 2020/21

<https://mof.gov.np/en/archive-documents/budget-speech-17.html?lang=>

Budget Detail, Red Book – 2018/19, 2019/20 & 2020/21

<https://mof.gov.np/en/archive-documents/budget-details--red-book-28.html?lang=>

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